

# Annual Report

For the year ended 30 June 2010



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**Wanganui District Council**  
Annual Report  
For the year ended 30 June 2010

101 Guyton Street  
Wanganui  
New Zealand

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## Organisational structure as at 30 June 2010

### Mayor & Councillors



**Mayor**  
Michael Laws



**Deputy Mayor**  
Cr Dot McKinnon



Cr Allan Anderson



Cr Philippa Baker-Hogan



Cr Barbara Bullock



Cr Randhir Dahya



Cr Nicki Higgle



Cr Rangi Wills



Cr Danny Jonas



Cr Ray Stevens



Cr Rob Vinsen



Cr Rana Waitai



Cr Sue Westwood

### Wanganui Rural Community Board Members



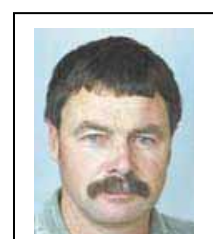
**Chairman**  
Mr Andrew Collins



**Deputy Chair**  
Mr Shaun Forlong



Mr Mark Lourie



Mr David Matthews



Mr Brian Maude



Mr Peter Molan



Mr Alan Taylor

Councillors Anderson and Higgle are appointed by the Council to the Wanganui Rural Community Board

## **Governance structure As at 30 June 2010**

### **Council**

**Presiding – Mayor Michael Laws  
Deputy Mayor – Cr Dot McKinnon**

### **Committees**

Community Development  
Finance and Infrastructure  
Hearings

### **Chair**

Cr Ray Stevens  
Cr Dot McKinnon  
Cr Nicki Higgin

### **Deputy chair**

Cr Dot McKinnon  
Cr Ray Stevens  
Cr Rana Waitai

### **Subcommittees, working parties etc**

Discover Wanganui  
International Relations subcommittee  
Youth

Mayor Michael Laws  
Cr Danny Jonas  
Cr Danny Jonas

(Co-deputy chairs)  
Yth Cr Jack Bullock  
Yth Cr Whitney Tangaroa

Tupoho working party  
TamaUpoko Link  
Bylaws working party  
Council Chambers working party  
Community Taskforce on Youth  
Wellbeing

Decided at each meeting  
Mr Barney Haami  
Mayor Michael Laws  
Mayor Michael Laws  
(Co-chairs)  
Cr Barbara Bullock  
Nancy Tuaine

Impact Fund Criteria Review  
(assessment committee)  
Kowhai Park working party  
Referendum '10 working party  
Rugby World Cup 2011 working party  
Sports and Reserves working party  
Unitary Authority Investigations  
working party  
Virginia Lake working party  
Waste Minimisation working party

Cr Dot McKinnon  
Mayor Laws  
Mayor Michael Laws  
Cr Ray Stevens  
Cr Danny Jonas

Mayor Laws  
Cr Ray Stevens  
Cr Rob Vinsen

### **Joint Committee**

Wanganui District Councils' Forestry  
Joint Committee

Mayor Michael Laws

Cr Dot McKinnon

### **Rural Community Board**

Wanganui Rural Community Board

Mr Andrew Collins

Mr Shaun Forlong

## Message from the Chief Executive

This year has seen us once again focusing on developing some major projects and continuing with community initiatives.

A huge amount of time and effort has been spent by both elected members and staff in negotiations relating to the Wanganui Port. The port lease, which was created in 1989 and has been held by River City Port Ltd since 2004, is ambiguous, causing disagreement between council and the port company about responsibilities and funding. Elected representatives and staff have been working on this issue for a number of years and we finally reached agreement with River City Port Ltd in September 2010. From 1 October 2010, the council will take over the port operation.

During the year, we continued our work on the soft water project. Water from the new Abelard bore at Westmere came on-stream in late 2009 and work continued on the Heloise bore. We began planning for the installation of a water softening plant near the Westmere reservoirs. This is due for completion in 2010/11.

The Somme Parade shared pathway, between Dublin Street Bridge and Bates Street, was opened in December. The 1.1km pathway is a further enhancement to making the Whanganui riverbank areas accessible to the community and visitors. The pathway is a popular route for walkers, runners and cyclists.

Work began on beautifying the southern entranceway to Wanganui. This is a joint project between the council and New Zealand Transport Agency. It involves enhancements to the roading design, including installation of a roundabout at the SH4/Wikitoria Road intersection, as well as beautification planting and installation of a sculpture in the centre of the roundabout. The aim is to encourage traffic from SH4 into the city centre via Putiki, rather than across the Cobham Bridge.

The council decided to locate the new Visitor Information Centre on the riverfront in the former Tearaway building. The project has involved gutting the interior of the building and creating a new façade. The Visitor Centre will include the i-SITE, a 'Wanganui shop', glass gallery, audiovisual production of the 'Wanganui Story', plus a café and apartment/office suite rental space. The Visitor Centre is due to open in late 2010.

A major project in the coming years will be the redevelopment of the riverfront. During the year, we began a public communication process about the future development of the area. A concept plan has been developed and we are continuing to work with interested parties and the public on this project. The future for this area is exciting – watch this space!

The council's emphasis on family-friendly and community initiatives continued.

The Computer Clubhouse, a wonderful new facility for Wanganui's young people, opened in May. The Computer Clubhouse gives youth, aged 11 to 18 years, the opportunity to work on creative and technology based projects with the support of mentors. They have access to a huge variety of state-of-the-art technology and the initiative has proved hugely popular.

We opened the new Gonville Café Library in August. Creating the Café Library in the Gonville Centre, which also includes a health practice and a community meeting room, places the library service in the centre of the local community and offers an informal relaxed atmosphere in which to access the full range of library services.

In September 2009, Samoa suffered a devastating tsunami. Following an outstanding local fundraising appeal, supplemented by council and mayoral relief funding, council organised a reconstruction team which travelled to Samoa in December to assist the village of Satitooa. Wanganui has a large Samoan community which has been involved in the planning for this

project, and subsequent efforts in Satitōa. This initiative generated great community spirit in Wanganui and forged some important links between Wanganui and Samoa.

Internally, we have been continuing to make council operations more effective and developing our staff through leadership and other training programmes.

Last but not least, I would like to thank our staff and elected representatives for their contributions throughout the year. We have a common goal of making our community the best it can be and that requires us to work together as a team. Despite some challenges and bumps along the way, we have been successful in that aim.

A handwritten signature in black ink, appearing to read 'Kevin Ross', with a stylized flourish above the name.

Kevin Ross  
Chief Executive

## **Statement of compliance and responsibility**

**For the year ended 30 June 2010**

### **Compliance**

The Council and management of Wanganui District Council confirm that all the statutory requirements in relation to the Annual Report, as outlined in the Local Government Act 2002, have been complied with.

### **Responsibility**

The Council and management accept responsibility for the preparation of the annual financial statements and the judgements used in them. They also accept responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the opinion of the Council and management, the annual financial statements for the year ended 30 June 2010 fairly reflect the financial position, results of operations and service performance achievements of Wanganui District Council.

### **Signatures**



Mayor  
Annette Main



Chief Executive  
Kevin Ross



## Statement of comprehensive income

For the year ended 30 June 2010

		<b>Budget</b>	<b>Council</b>	<b>2009</b>	<b>Group</b>	<b>2009</b>
	<b>Note</b>	<b>2010</b>	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
		<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
<b>Income</b>						
Rates revenue	<b>1</b>	36,865	37,160	35,759	37,160	35,759
Finance income	<b>2</b>	622	285	554	380	658
Other revenue	<b>3</b>	21,482	21,629	24,451	76,649	76,030
Gains	<b>4</b>	172	905	(114)	905	(105)
<i>Total income</i>		<b>59,141</b>	<b>59,979</b>	<b>60,650</b>	<b>115,094</b>	<b>112,342</b>
<b>Expenditure</b>						
Personnel costs	<b>5</b>	11,818	12,532	11,344	15,338	14,878
Depreciation and amortisation expense		13,307	14,245	13,239	15,490	14,553
Finance costs	<b>2</b>	5,613	5,491	4,824	7,038	6,173
Other expenses	<b>6</b>	27,307	29,600	32,521	81,559	81,528
<i>Total operating expenditure</i>		<b>58,045</b>	<b>61,868</b>	<b>61,928</b>	<b>119,425</b>	<b>117,132</b>
Share of associate surplus/(deficit)		-	27	1	27	1
<b>Surplus/(deficit) before tax</b>		<b>1,096</b>	<b>(1,862)</b>	<b>(1,277)</b>	<b>(4,304)</b>	<b>(4,789)</b>
Income tax expense	<b>7</b>	-	(38)	(341)	(1,203)	(1,665)
<b>Surplus/(deficit) after tax</b>		<b>1,096</b>	<b>(1,824)</b>	<b>(936)</b>	<b>(3,101)</b>	<b>(3,124)</b>
<b>Surplus/deficit attributable to:</b>						
Wanganui District Council		1,096	(1,824)	(936)	(3,101)	(3,124)
<b>Other comprehensive income</b>						
Gain on property revaluations		30,005	(4,049)	46,181	(4,049)	46,181
Tax on property revaluations			(16)	-	(16)	-
Financial assets at fair value through other comprehensive income		-	18	29	27	18
<i>Total other comprehensive income</i>		<b>30,005</b>	<b>(4,047)</b>	<b>46,210</b>	<b>(4,038)</b>	<b>46,199</b>
<b>Total comprehensive income</b>		<b>31,101</b>	<b>(5,871)</b>	<b>45,274</b>	<b>(7,139)</b>	<b>43,075</b>
<b>Total comprehensive income attributable to:</b>						
Wanganui District Council		31,101	(5,871)	45,274	(7,139)	43,075
		<b>31,101</b>	<b>(5,871)</b>	<b>45,274</b>	<b>(7,139)</b>	<b>43,075</b>

Explanations of major variances against budget are detailed in note 36.

*The accompanying notes form part of these financial statements.*

## Statement of changes in equity

For the year ended 30 June 2010

	<b>Budget 2010 \$000</b>	<b>Council 2010 \$000</b>	<b>2009 \$000</b>	<b>Group 2010 \$000</b>	<b>2009 \$000</b>
<b>Note</b>					
<b>Balance at 1 July</b>	767,554	790,885	745,611	792,904	749,829
<b>Amounts recognised directly in equity</b>					
Total comprehensive income for the year	31,101	(5,871)	45,274	(7,139)	43,075
<i>Total recognised income and expense</i>	31,101	(5,871)	45,274	(7,139)	43,075
<b>Attributable to:</b>					
Wanganui District Council	31,101	(5,871)	45,274	(7,139)	43,075
Adjustment to equity from CCO's	-	-	-	(223)	-
<b>Balance at 30 June</b>	<b>23 798,655</b>	<b>785,014</b>	<b>790,885</b>	<b>785,542</b>	<b>792,904</b>

*The accompanying notes form part of these financial statements.*

## Statement of financial position

As at 30 June 2010

		Budget	Council		Group	
	Note	2010	2010	2009	2010	2009
		\$000	\$000	\$000	\$000	\$000
<b>Assets</b>						
<b>Current assets</b>						
Cash and cash equivalents	8	6,331	6,347	7,361	7,319	8,618
Debtors and other receivables	9	6,990	4,522	5,681	10,208	12,597
Derivative financial instruments	13	-	-	-	-	(973)
Other financial assets	10	-	981	61	81	61
Inventories	11	200	102	80	415	426
Non-current assets held for sale	12	-	1,094	1,442	1,094	1,442
Taxation		-	-	-	144	141
<i>Total current assets</i>		<b>13,521</b>	<b>13,046</b>	<b>14,625</b>	<b>19,261</b>	<b>22,312</b>
<b>Non-current assets</b>						
Derivative financial instruments	13	784	13	75	13	75
Investments in associates	14	-	101	73	101	73
Other financial assets	10	14,117	12,107	12,084	2,462	1,863
Property, plant and equipment	15	844,450	844,831	842,204	870,510	869,867
Intangible assets	16	46	272	325	9,190	9,569
Forestry assets	17	5,656	4,112	3,413	4,112	3,413
Investment property	18	6,552	4,282	5,960	2,946	2,940
<i>Total non-current assets</i>		<b>871,605</b>	<b>865,718</b>	<b>864,134</b>	<b>889,334</b>	<b>887,800</b>
<b>Total assets</b>		<b>885,126</b>	<b>878,764</b>	<b>878,759</b>	<b>908,595</b>	<b>910,112</b>
<b>Liabilities</b>						
<b>Current liabilities</b>						
Derivative financial instruments	13	-	150	41	175	41
Creditors and other payables	20	5,500	7,979	8,724	14,939	16,961
Borrowings	21	-	21,762	8,056	25,762	13,056
Employee entitlements	22	1,505	1,585	1,431	1,773	1,689
<i>Total current liabilities</i>		<b>7,005</b>	<b>31,476</b>	<b>18,252</b>	<b>42,649</b>	<b>31,747</b>
<b>Non-current liabilities</b>						
Derivative financial instruments	13	-	4,116	3,693	5,094	3,693
Borrowings	21	79,316	57,050	64,812	73,068	78,330
Employee entitlements	22	150	461	448	460	469
Deferred tax liability	7	-	647	669	1,782	2,969
<i>Total non-current liabilities</i>		<b>79,466</b>	<b>62,274</b>	<b>69,622</b>	<b>80,404</b>	<b>85,461</b>
<b>Total liabilities</b>		<b>86,471</b>	<b>93,750</b>	<b>87,874</b>	<b>123,053</b>	<b>117,208</b>
<b>Net assets</b>		<b>798,655</b>	<b>785,014</b>	<b>790,885</b>	<b>785,542</b>	<b>792,904</b>
<b>Equity</b>						
Retained earnings	23	541,045	523,855	523,917	524,188	525,751
Restricted reserves		64,697	64,019	64,891	64,019	64,891
Revaluation reserves		192,913	196,815	201,770	197,040	201,995
Investment revaluation reserve		-	325	307	295	267
<i>Total equity attributable to WDC</i>		<b>798,655</b>	<b>785,014</b>	<b>790,885</b>	<b>785,542</b>	<b>792,904</b>
<b>Total equity</b>		<b>798,655</b>	<b>785,014</b>	<b>790,885</b>	<b>785,542</b>	<b>792,904</b>

The accompanying notes form part of these financial statements.

## Statement of cash flows

For the year ended 30 June 2010

		<b>Budget</b>	<b>Council</b>		<b>Group</b>	
	<b>Note</b>	<b>2010</b>	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
		<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
<b>Cash flows from operating activities</b>						
Receipts from rates revenue		36,865	36,738	35,247	36,738	35,247
Interest received		622	322	627	416	731
Dividends received		-	-	-	11	20
Receipts from other revenue		21,482	22,672	24,495	78,815	73,293
Payments to suppliers and employees		(39,125)	(39,787)	(40,210)	(97,757)	(88,311)
Goods and services tax (net)		-	35	(156)	337	(384)
Interest paid		(5,613)	(5,412)	(4,958)	(6,216)	(6,306)
Income tax paid		-	16	-	14	-
<i>Net cash from operating activities</i>	<b>24</b>	<b>14,231</b>	<b>14,584</b>	<b>15,045</b>	<b>12,358</b>	<b>14,290</b>
<b>Cash flows from investing activities</b>						
Receipts from sale of property, plant and equipment		-	1,090	-	1,090	(35)
Receipts from sale/maturity of investments		-	-	1,709	-	1,670
Purchase of property, plant and equipment		(19,529)	(21,606)	(27,246)	(22,191)	(28,832)
Acquisition of investments		-	(1,025)	-	-	-
Purchase of intangible assets		-	-	-	-	-
<i>Net cash from investing activities</i>		<b>(19,529)</b>	<b>(21,541)</b>	<b>(25,537)</b>	<b>(21,101)</b>	<b>(27,197)</b>
<b>Cash flows from financing activities</b>						
Proceeds from borrowings		6,790	16,000	15,000	18,400	22,500
Contributions from owners		-	-	-	-	-
Repayment of borrowings		(1,090)	(10,057)	(9,114)	(10,956)	(14,128)
<i>Net cash from financing activities</i>		<b>5,700</b>	<b>5,943</b>	<b>5,886</b>	<b>7,444</b>	<b>8,372</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>						
		402	(1,014)	(4,606)	(1,299)	(4,535)
<i>Cash and cash equivalents at the beginning</i>		5,929	7,361	11,967	8,618	13,153
<b>Cash and cash equivalents at the end of the year</b>	<b>8</b>	<b>6,331</b>	<b>6,347</b>	<b>7,361</b>	<b>7,319</b>	<b>8,618</b>

The GST (net) component of operating activities reflects the net GST paid and received with the Inland Revenue Department. This component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes.

*The accompanying notes form part of these financial statements.*

# Statement of accounting policies

For the year ended 30 June 2010

## REPORTING ENTITY

Wanganui District Council is a territorial local authority governed by the Local Government Act 2002 and is domiciled in New Zealand.

The Wanganui District Council group (WDC) consists of the ultimate parent Wanganui District Council and its subsidiaries, Wanganui District Council Holdings Limited (100% owned) which in turn owns 100% of Wanganui Gas Limited (WGL) and its subsidiaries, Wanganui District Councils' Forestry Joint Committee (95.09%), Wanganui Airport Joint Venture (50%), Cooks Gardens Trust Board and Wanganui Incorporated. Its 49% equity share of New Zealand Masters Games Limited, its 33% interest in the Ruapehu, Wanganui, Rangitikei Economic Development Trust, its 15% interest in the Manawatu Wanganui LASS Limited and its 33% interest in the Whanganui River Enhancement Trust are equity accounted. All WDC subsidiaries and associates are domiciled in New Zealand.

The primary objective of WDC is to provide goods or services for the community or social benefit rather than making a financial return.

Accordingly, WDC has designated itself and the group as public benefit entities for the purposes of New Zealand equivalents to International Financial Reporting Standards (NZ IFRS).

The financial statements of WDC are for the year ended 30 June 2010. The financial statements were authorised for issue by Council on 28 October 2010.

## BASIS OF PREPARATION

### Statement of compliance

The financial statements of WDC have been prepared in accordance with the requirements of the Local Government Act 2002, which includes the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP).

These financial statements have been prepared in accordance with NZ GAAP. They comply with NZ IFRS, and other applicable Financial Reporting Standards, as appropriate for public benefit entities.

### Measurement base

The financial statements have been prepared on a historical cost basis, modified by the revaluation of land and buildings, certain infrastructural assets, investment property, forestry assets and certain financial instruments (including derivative instruments).

### Functional and presentation currency

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000). The functional currency of WDC is New Zealand dollars.

### Changes in accounting policies

There have been no changes in accounting policies.

WDC has adopted the following revisions to accounting standards during the financial year which have only had a presentational or disclosure effect:

- NZ IAS 1 *Presentation of Financial Statements (Revised 2007)* replaces NZ IAS 1 *Presentation of Financial Statements (Issued 2004)*. The revised standard requires information in financial statements to be aggregated on the basis of shared characteristics and introduces a statement of comprehensive income. The statement of comprehensive income will enable readers to analyse changes in equity resulting from non-owner changes separately from transactions with owners. WDC has decided to prepare a single statement of comprehensive income for the year ended 30 June 2010 under the revised standard. Financial statement information for the year ended 30 June 2009 has been restated accordingly. Items of other comprehensive income presented in the statement of comprehensive income were previously recognised directly in the statement of changes in equity.
- Amendments to NZ IFRS 7 *Financial Instruments: Disclosures*. The amendments introduce a three-level fair value disclosure hierarchy that distinguishes fair value measurements by the significance of valuation inputs used. A maturity analysis of financial assets is also required to be prepared if this information is necessary to enable users of the financial statements to evaluate the nature and extent of liquidity risk. The transitional provisions of the amendment do not require disclosure of comparative information in the first year of application. WDC has elected to disclose comparative information.
- NZ IAS 24 *Related Party Disclosures (Revised 2009)* replaces NZ IAS 24 *Related Party Disclosures (Issued 2004)*. The revised standard simplifies the definition of a related party, clarifying its intended meaning and eliminating inconsistencies from the definition. WDC has elected to early adopt the revised standard and its effect has been to disclose further information about commitments between related parties.

## **Standards, amendments and interpretations issued that are not yet effective and have not been early adopted**

Standards, amendments and interpretations issued but not yet effective that have not been early adopted, and which are relevant to WDC are:

- NZ IFRS 9 *Financial Instruments* will eventually replace NZ IAS 39 *Financial Instruments: Recognition and Measurement*. NZ IAS 39 is being replaced through the following 3 main phases: Phase 1 Classification and Measurement, Phase 2 Impairment Methodology, and Phase 3 Hedge Accounting. Phase 1 on the classification and measurement of financial assets has been completed and has been published in the new financial instrument standard NZ IFRS 9. NZ IFRS 9 uses a single approach to determine whether a financial asset is measured at amortised cost or fair value, replacing the many different rules in NZ IAS 39. The approach in NZ IFRS 9 is based on how an entity manages its financial instruments (its business model) and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the many different impairment methods in NZ IAS 39. The new standard is required to be adopted for the year ended 30 June 2014. WDC has not yet assessed the effect of the new standard and expects it will not be early adopted.

## **SIGNIFICANT ACCOUNTING POLICIES**

### **Basis of consolidation**

The purchase method is used to prepare the consolidated financial statements, which involves adding together like items of assets, liabilities, equity, income and expenses on a line-by-line basis. All significant intragroup balances, transactions, income and expenses are eliminated on consolidation.

### *Subsidiaries*

WDC consolidates as subsidiaries in the group financial statements all entities where WDC has the capacity to control their financing and operating policies so as to obtain benefits from the activities of the entity. This power exists where WDC controls the majority voting power on the governing body or where such policies have been irreversibly predetermined by WDC or where the determination of such policies is unable to materially impact the level of potential ownership benefits that arise from the activities of the subsidiary.

WDC measures the cost of a business combination as the aggregate of the fair values, at the date of exchange of assets given, liabilities incurred or assumed, in exchange for control of the subsidiary plus any costs directly attributable to the business combination.

Any excess of the cost of the business combination over WDC's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities is recognised as goodwill. If WDC's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised exceeds the cost of the business combination, the difference will be recognised immediately in the statement of financial performance.

Investments in subsidiaries are carried at cost in WDC's own "parent entity" financial statements.

### *Associates*

WDC accounts for investments in associates in the group financial statements using the equity method. An associate is an entity over which the WDC has significant influence and that is neither a subsidiary nor an interest in a joint venture of WDC. The investment in an associate is initially recognised at cost and the carrying amount is increased or decreased to recognise WDC's share of the surplus or deficit of the associate after the date of acquisition. WDC's share of the surplus or deficit of the associate is recognised in WDC's statement of comprehensive income. Distributions received from an associate reduce the carrying amount of the investment.

If WDC's share of deficits of an associate equals or exceeds its interest in the associate, WDC discontinues recognising its share of further deficits. After WDC's interest is reduced to zero, additional deficits are provided for, and a liability is recognised, only to the extent that WDC has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports surpluses, WDC will resume recognising its share of those surpluses only after its share of the surpluses equals the share of deficits not recognised.

Where WDC transacts with an associate, surplus or deficits are eliminated to the extent of WDC's interest in the relevant associate.

Dilution gains or losses arising from investments in associates are recognised in the surplus or deficit.

Investments in associates are carried at cost in WDC's own "parent entity" financial statements.

### *Joint ventures*

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. For jointly controlled assets, WDC recognises in its financial statements its share of jointly controlled assets, the liabilities and expenses it incurs, its share of liabilities and expenses incurred jointly, and income from the sale or use of its share of the output of the joint venture.

## **Revenue**

Revenue is measured at the fair value of consideration received or receivable.

### *Rates revenue*

Rates are set annually by a resolution from Council and relate to a financial year. All ratepayers are invoiced within the financial year to which the rates have been set. Rates revenue is recognised when payable.

Revenue from water rates by meter is recognised on an accrual basis. Unbilled usage, as a result of unread meters at year-end, is accrued on an average usage basis.

### *Gas*

Revenue is derived from gas network distribution services and the sale of energy and appliances. Such revenue is recognised when earned and is reported in the financial period to which it relates. Energy sales include an accrual for energy supplied but not billed at the end of the financial period.

### *Government grants*

WDC receives government grants from Land Transport New Zealand, which subsidises part of WDC's costs in maintaining the local roading infrastructure. The subsidies are recognised as revenue upon entitlement, as conditions pertaining to eligible expenditure have been fulfilled.

### *Provision of services*

Revenue from the rendering of services is recognised by reference to the stage of completion of the transaction at balance date, based on the actual service provided as a percentage of the total services to be provided.

### *Vested assets*

Where a physical asset is acquired for nil or nominal consideration, the fair value of the asset received is recognised as income. Assets vested in WDC are recognised as income when control over the asset is obtained.

### *Sale of goods*

Revenue from sales of goods is recognised when a product is sold to the customer.

### *Traffic and parking infringements*

Traffic and parking infringements are recognised when tickets are issued.

### *Interest and dividends*

Interest income is recognised using the effective interest method.

Dividends are recognised when the right to receive payment has been established.

### *Development contributions*

Development and financial contributions are recognised as revenue when the council provides, or is able to provide, the service for which the contribution was charged. Otherwise development and financial contributions are recognised as liabilities until such time the Council provides or is able to provide, the service. Development contributions are classified as part of "Other revenue".

## **Borrowing costs**

WDC has elected to defer the adoption of NZ IAS 23 *Borrowing Costs (Revised 2007)* in accordance with its transitional provisions that are applicable to public benefit entities. Consequently, all borrowing costs are recognised as an expense in the period in which they are incurred.

## **Grant expenditure**

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received.

Discretionary grants are those grants where WDC has no obligation to award on receipt of the grant application and are recognised as expenditure when a successful applicant has been notified of the WDC's decision.

## **Income Tax**

Income tax expense is the aggregate of current period movements in relation to both current and deferred tax.

Current tax is the amount of income tax payable based on the taxable surplus for the current year, plus any adjustments to income tax payable in respect to prior years. Current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted at balance date.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable surplus.

Deferred tax is measured at the tax rates that are expected to apply when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at balance date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the entity expects to recover or settle the carrying amount of its assets and liabilities.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable surpluses will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset and liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting surplus nor taxable surplus.

Deferred tax is recognised on taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the company can control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Current and deferred tax is recognised against the surplus or deficit for the period, except to the extent that it relates to a business combination, or to transactions recognised in other comprehensive income or directly in equity.

## **Leases**

### *Finance leases*

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred.

At the commencement of the lease term, WDC recognises finance leases as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item or the present value of the minimum lease payments.

The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability.

The amount recognised as an asset is depreciated over its useful life. If there is no certainty as to whether WDC will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

### *Operating leases*

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

## **Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

## **Debtors and other receivables**

Debtors and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

### *Hire purchase receivables*

Hire purchase and other long term debtors are recognised at amortised cost and exclude unearned interest. Interest is recognised on an accrual basis month by month.

## **Financial assets**

Financial assets are initially recognised at fair value plus transaction costs unless they are carried at fair value through surplus or deficit in which case the transaction costs are recognised in the surplus or deficit.

Purchases and sales of financial assets are recognised on trade-date, the date on which WDC commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the WDC has transferred substantially all the risks and rewards of ownership.

WDC classifies its financial assets into the following categories:

- fair value through surplus or deficit;
- loans and receivables;
- held-to-maturity investments; and
- fair value through other comprehensive income.

The classification of a financial asset depends on the purpose for which the instrument was acquired. Management determines the classification of its investments at initial recognition.

### *Financial assets at fair value through surplus or deficit*

Financial assets at fair value through surplus or deficit include financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. Derivatives are also



categorised as held for trading unless they are designated as hedges. WDC's financial assets at fair value through surplus or deficit include derivatives that are not designated as hedges.

Financial assets acquired principally for the purpose of selling in the short-term are classified as a current asset.

After initial recognition they are measured at their fair values with gains or losses on remeasurement are recognised in the surplus or deficit.

#### *Loans and receivables*

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance date, which are included in non-current assets. WDC's loans and receivables comprise cash and cash equivalents, debtors and other receivables, term deposits, community and related party loans, long term receivables and hire purchase long term debtors.

After initial recognition they are measured at amortised cost using the effective interest method less impairment. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit.

Loans to community organisations made by WDC at nil, or below-market interest rates are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar financial instrument. The loans are subsequently measured at amortised cost using the effective interest method. The difference between the face value and present value of expected future cash flows of the loan is recognised in the surplus or deficit as a grant.

#### *Held to maturity investments*

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that WDC has the positive intention and ability to hold to maturity. They are included in current assets, except for maturities greater than 12 months after the balance date, which are included in non-current assets. WDC's held to maturity investments include interest bearing bonds and deposits and sinking funds.

After initial recognition they are measured at amortised cost using the effective interest method less impairment. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit.

#### *Fair value through other comprehensive income*

Financial assets at fair value through other comprehensive income are those that are designated into the category at initial recognition or are not in any of the other categories above. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance date or it the debt instrument is not expected to be realised within 12 months of balance date. WDC's financial assets at fair value through equity comprise investments in quoted and unquoted shares. WDC includes in this category:

- investments that it intends to hold long-term but which may be realised before maturity; and
- shareholdings that it holds for strategic purposes.

WDC's investments in its subsidiary and associate companies are not included in this category as they are held at cost (as allowed by NZ IAS 27 Consolidated and Separate Financial Statements and NZ IAS 28 Investments in Associates) whereas this category is to be measured at fair value.

After initial recognition these investments are measured at their fair value, with gains and losses recognised in other comprehensive income, except for impairment losses, which are recognised in the surplus or deficit.

On derecognition the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the surplus or deficit.

#### *Fair value*

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance date. The quoted market price used is the current bid price.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. WDC uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as discounted expected cash flows, are used to determine fair value for the remaining financial instruments.

#### **Impairment of financial assets**

At each balance date WDC assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised in the surplus or deficit.

#### *Loans and receivables, and held-to-maturity investments*

Impairment of a loan or a receivable is established when there is objective evidence that WDC will not be able to collect amounts due according to the original terms. Significant financial difficulties of the debtor/issuer, probability that the debtor/issuer will enter into bankruptcy, and default in payments are considered indicators that the asset is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate. For debtors and other receivables, the carrying amount of the asset is reduced through the use of an allowance account, and the amount

of the loss is recognised in the surplus or deficit. When the receivable is uncollectible, it is written off against the allowance account. Overdue receivables that have been renegotiated are reclassified as current (i.e. not past due). For term deposits, local authority stock, government stock and community loans, impairment losses are recognised directly against the instruments carrying amount.

Impairment of term deposits, local authority, government stock, and related party and community loans is established when there is objective evidence that the WDC will not be able to collect amounts due to the original terms of the instrument. Significant financial difficulties of the issuer, probability the issuer will enter into bankruptcy, and default in payments are considered indicators that the instrument is impaired.

#### *Quoted and unquoted equity investments*

For equity investments classified as fair value through other comprehensive income, a significant or prolonged decline in the fair value of the investment below its cost is considered objective evidence of impairment. If such evidence exists for investments at fair value through other comprehensive income, the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the surplus or deficit) recognised in other comprehensive income is reclassified from equity to the surplus or deficit. Impairment losses recognised in the surplus or deficit are not reversed through the surplus or deficit.

If in a subsequent period the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised, the impairment loss is reversed in the surplus or deficit.

#### **Derivative financial instruments**

WDC uses derivative financial instruments to hedge exposure to interest rate risks arising from financing activities. In accordance with its treasury policy, WDC does not hold or issue derivative financial instruments for trading purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value at each balance date.

The associated gains or losses of derivatives that are not hedge accounted are recognised in the surplus or deficit.

#### **Inventories**

Inventories (such as spare parts and other items) held for distribution or consumption in the provision of services that are not supplied on a commercial basis are measured at the lower of cost, adjusted when applicable, for any loss of service potential. Where inventories are acquired at no cost or for nominal consideration, the cost is the current replacement cost at the date of acquisition.

WGL inventories (comprising network and retail) are valued at the lower of cost or net realisable value after making provision for damaged or obsolete items. Cost is determined by the weighted average method of valuation.

The amount of any write-down for the loss of service potential or from cost to net realisable value is recognised in the surplus or deficit in the period of the write-down.

#### **Non-current assets held for sale**

Non-current assets held for sale are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. Non-current assets held for sale are recorded at lower of their carrying amount and fair value less costs to sell.

Any impairment losses for write-downs of non-current assets held for sale are recognised in the surplus or deficit. Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses that have been previously recognised.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale.

#### **Property, plant and equipment**

Property, plant and equipment consists of:

*Operational assets* – these include land, buildings, motor vehicles, plant and equipment and library books.

*Restricted assets* – these include artworks, cultural assets and parks and reserves. These assets provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions.

*Infrastructure assets* – these include the fixed utility systems comprising the roading, airport runway, water reticulation and drainage systems, and infrastructure land (including land under roads). Each asset type includes all items that are required for the network to function.

The gas distribution network and gas measurement systems are valued at optimised depreciated replacement cost, adjusted by additions (at cost), disposals and depreciation. Revaluations are carried out every three years and are independently reviewed.

Property, plant and equipment is shown at cost or valuation, less accumulated depreciation and impairment losses.

#### *Revaluation*

Land, buildings (operational and restricted) and infrastructural assets (except land under roads) are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value and at least every three years. All other asset classes are carried at depreciated historical cost.

WDC assesses the carrying values of its revalued assets annually to ensure that they do not differ materially from the assets' fair values. If there is a material difference, then the off-cycle asset classes are revalued.

WDC accounts for revaluations of property, plant and equipment on a class of asset basis.

The net revaluation results are credited or debited to other comprehensive income and are accumulated to an asset revaluation reserve in equity for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive income but is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive income.

#### *Additions*

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to WDC and the cost of the item can be measured reliably.

Work in progress is recognised at cost less impairment and is not depreciated.

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

#### *Disposals*

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus or deficit. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated funds.

#### *Depreciation*

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land and art works, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

<b>Asset type</b>	<b>Useful life</b>	<b>Depreciation rate</b>
Buildings and leasehold improvements	6 to 50 years	2-15%
Plant and equipment	3 to 25 years	4-33%
Motor vehicles	3 to 8 years	13-33%
Library books	10 years	10%

#### *Infrastructural assets*

<i>Roading network</i>		
Pavement	12 years	8.3%
Basecourse	80 years	1.25%
Footpaths	50 years	2%
Bridges	100 years	1%
Kerb and channel	80 years	1.25%
Street lighting	50 years	2%
Culverts	60 years	1.6%
Wastewater system	20 to 120 years	1.2% - 5%
<i>Water system</i>		
Urban Water - Collection	9 to 100 years	1% - 11.1%
Urban Water - Distribution	13 to 100 years	1% - 7.69%
Rural Supply Schemes	50 to 100 years	1% - 2%
Gas distribution network mains and services	10 to 100 years	1% - 10%
Gas distribution network condition renewals	50 years	2%
Gas measurement systems and distribution network customer stations	10 to 100 years	1% - 10%
Airport runway	50 years	2%

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year-end.

#### **Intangible assets**

##### *Goodwill*

Goodwill represents the excess of the cost of an acquisition over the fair value of WDC's share of the identifiable assets, liabilities and contingent liabilities of the acquired subsidiary/associate at the date of acquisition. Goodwill on

acquisition of subsidiaries is included in "intangible assets". Goodwill on acquisition of associates is included in "investments in associates" and is tested for impairment as part of the overall balance.

Separately recognised goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. An impairment loss recognised for goodwill is not reversed.

Goodwill is allocated to cash generating units for the purposes of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination, in which the goodwill arose.

#### *Software acquisition and development*

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs that are directly associated with the development of software for internal use by WDC, are recognised as an intangible asset. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

Staff training costs are recognised in the surplus or deficit when incurred.

Costs associated with maintaining computer software are recognised as an expense when incurred.

#### *Customer list*

WGL has capitalised the cost of the acquisition of the gas and electricity customers gained during the financial year. These are valued at cost.

#### *Amortisation*

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in the surplus or deficit.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

<b>Asset type</b>	<b>Useful life</b>	<b>Amortisation rate</b>
Computer software	3-10 years	10%-33%
Customer list	5 years	20%

#### **Impairment of property, plant and equipment and intangible assets**

Intangible assets that have an indefinite useful life, or not yet available for use, are not subject to amortisation and are tested annually for impairment. Assets that have a finite useful life are reviewed for indicators of impairment at each balance date. When there is an indicator of impairment the asset's recoverable amount is estimated. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is depreciated, replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the asset's ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits or service potential.

The value in use for cash-generating assets and cash generating units is the present value of expected future cash flows.

If an asset's carrying amount exceeds its recoverable amount, the asset is impaired and the carrying amount is written down to the recoverable amount. For revalued assets the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus or deficit.

For assets not carried at a revalued amount, the total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss on a revalued asset is credited to the revaluation reserve. However, to the extent that an impairment loss for that class of asset was previously recognised in surplus or deficit, a reversal of the impairment loss is also recognised in the surplus or deficit.

For assets not carried at a revalued amount (other than goodwill) the reversal of an impairment loss is recognised in the surplus or deficit.

#### **Forestry assets**

Standing forestry assets are independently revalued annually at fair value less estimated costs to sell for one growth cycle. Fair value is determined based on the present value of expected net cash flows discounted at a current market determined pre-tax rate. This calculation is based on existing sustainable felling plans and assessments

regarding growth, timber prices, felling costs, and silvicultural costs and takes into consideration environmental, operational and market restrictions.

Gains or losses arising on initial recognition of biological assets at fair value less estimated costs to sell and from a change in fair value less estimated costs to sell are recognised in the surplus or deficit.

The costs to maintain forestry assets are included in the surplus or deficit when incurred.

### **Investment property**

Properties leased to third parties under operating leases are classified as investment property unless the property is held to meet service delivery objectives, rather than to earn rentals or for capital appreciation.

Investment property is measured initially at its cost, including transaction costs.

After initial recognition, WDC measures all investment property at fair value as determined annually by an independent valuer.

Gains or losses arising from a change in the fair value of investment property are recognised in the surplus or deficit.

### **Creditors and other payables**

Creditors and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

### **Borrowings**

Borrowings are initially recognised at their fair value net of transaction costs incurred. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless WDC has an unconditional right to defer settlement of the liability for at least 12 months after the balance date or if the borrowings are expected to be settled within 12 months of balance date.

### **Employee entitlements**

#### *Short-term employee entitlements*

Employee benefits that WDC expects to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at, balance date, retiring and long service leave entitlements expected to be settled within 12 months, and sick leave.

WDC recognises a liability for sick leave to the extent that compensated absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent that WDC anticipates it will be used by staff to cover those future absences.

WDC recognises a liability and an expense for bonuses where contractually obliged or where there is a past practice that has created a constructive obligation.

#### *Long-term employee entitlements*

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave and retirement gratuities; have been calculated on an actuarial basis. The calculations are based on likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement and contractual entitlements information; and the present value of the estimated future cash flows. The discount rate is based on the weighted average of interest rates for government stock with terms to maturity similar to those of the relevant liabilities. The inflation factor is based on the expected long-term increase in remuneration for employees.

### **Superannuation schemes**

#### *Defined contribution schemes*

Obligations for contributions to defined contribution superannuation schemes are recognised as an expense in the surplus or deficit as incurred.

### **Equity**

Equity is the community's interest in WDC and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of reserves.

The components of equity are:

- retained earnings
- restricted reserves
- asset revaluation reserves
- fair value through other comprehensive income reserves

### *Restricted reserves*

Restricted reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by WDC.

Restricted reserves are those subject to specific conditions accepted as binding by WDC and which may not be revised by WDC without reference to the Courts or a third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.

Also included in restricted reserves are reserves restricted by Council decision. The Council may alter them without references to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Council.

WDC's objectives, policies and processes for managing capital are described in note 34.

### **Goods and Service Tax (GST)**

All items in the financial statements are stated exclusive of GST, except for receivables and payables, which are stated on a GST inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

### **Budget figures**

The budget figures are those approved by the Council in its 2009-2019 Ten Year Plan. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by WDC for the preparation of the financial statements.

### **Landfill post-closure costs**

WDC, as past operator of the Balgownie landfill, has a legal obligation under the resource consent to provide on-going monitoring of the landfill after its closure. Post-closure monitoring costs are recognised as expenses when the obligation for post-closure arises.

### **Cost allocation**

WDC has derived the cost of service for each significant activity of WDC using the cost allocation system outlined below.

Direct costs are those costs directly attributable to a significant activity. Indirect costs are those costs which cannot be identified in an economically feasible manner with a specific significant activity.

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities using appropriate cost drivers such operating expenditure net of NZTA subsidies.

### **Critical accounting estimates and assumptions**

In preparing these financial statements WDC has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

#### *WDC infrastructural assets*

There are a number of assumptions and estimates used when performing DRC valuations over infrastructural assets. These include:

- the physical deterioration and condition of an asset, for example the Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for those assets which are not visible, for example stormwater, wastewater and water supply pipes that are underground. This risk is minimised by Council performing a combination of physical inspections and condition modelling assessments of underground assets;
- estimating any obsolescence or surplus capacity of an asset;
- estimates are made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be impacted by the local conditions, for example weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then WDC could be over or under estimating the annual depreciation charge recognised as an expense in the surplus or deficit. To minimise this risk, WDC's infrastructural asset useful lives have been determined with reference to the NZ Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group, and have been adjusted for local conditions based on past experience. Asset inspections, deterioration and condition modelling are also carried out regularly as part of the WDC's asset management planning activities, which gives WDC further assurance over its useful life estimates.

Experienced independent valuers perform or review the Council's infrastructural asset revaluations.

*WGL infrastructural assets*

At each balance date WGL reviews the useful lives and residual values of its property, plant and equipment. Assessing the appropriateness of useful life and residual value estimates of property, plant and equipment requires WGL to consider a number of factors such as the physical condition of the asset, expected period of use of the asset by WGL, and expected disposal proceeds from the sale of the asset.

An incorrect estimate of the useful life or residual value will impact on the depreciable amount of an asset, therefore impacting on the depreciation expense recognised in the surplus or deficit, and carrying amount of the asset in the statement of financial position. WGL minimises the risk of this estimation uncertainty to its infrastructure assets by:

- an annual review by an independent contractor of the value of the infrastructure assets to determine if any material changes exist.
- physical inspection of assets
- asset replacement programs
- review of second hand market prices for similar assets
- analysis of prior assets sales; and
- completing a revaluation of the infrastructure assets every third year

WGL has not made significant changes to past assumptions concerning useful lives and residual values.

WGL's customer acquisition programme has incurred unprecedented costs during the year relating to the marketing and switching activities. Accordingly WGL has chosen to value these customers as an intangible asset at the cost of acquisition less amortisation at the rate of 20% per annum.

An incorrect estimate of the residual value will impact on the amortisable amount of an intangible asset impacting on the amortisation expense recognised in the surplus or deficit and the carrying amount of the intangible asset in the statement of financial position. WGL minimises the risk of this estimation uncertainty to its intangible assets by:

- an annual review of the value of the intangible assets to determine if any material changes exist.
- a review of any prices for trades of similar intangible assets.
- an annual review of the appropriateness of the amortisation rate.
- analysis of prior intangible asset sales.

**Critical judgements in applying WDC's accounting policies**

Management has exercised the following critical judgements in applying the WDC's accounting policies for the period ended 30 June 2010:

*Classification of property*

WDC owns a number of properties, which are maintained primarily to provide housing to pensioners. The receipt of market-based rental from these properties is incidental to holding these properties. These properties are held for service delivery objectives as part of the Council's social housing policy. These properties are accounted for as property, plant and equipment.

**Critical judgements in impairment of shares in subsidiary**

Management reviews its share investment in its subsidiary and has made estimates and assumptions concerning the future. These estimates and assumptions include revenue growth, future cash flows and future economic and market conditions. These estimates are based upon assumptions believed to be reasonable, but which are inherently uncertain and unpredictable. WDC minimises the risk of this estimation uncertainty by annually reviewing the value of its share investment.



## Notes to the financial statements

### For the year ended 30 June 2010

#### 1. Rates revenue

	Council		Group	
	2010	2009	2010	2009
	\$000	\$000	\$000	\$000
CBD rate	452	418	452	418
General rate	8,908	8,472	8,908	8,472
Roading and footpath rates	4,758	4,936	4,758	4,936
Community facilities rate	10,966	9,396	10,966	9,396
Flood damage repair rate	655	649	655	649
Stormwater rate	3,498	3,660	3,498	3,660
Wastewater rate	3,065	3,222	3,065	3,222
Water charge	3,882	3,998	3,882	3,998
Fire capacity rate	976	1,008	976	1,008
<b>Total rates revenue</b>	<b>37,160</b>	<b>35,759</b>	<b>37,160</b>	<b>35,759</b>

#### Rates remissions

Rates revenue is shown net of rates remissions and includes penalties. WDC's rates remission and postponement policies allows WDC to remit rates on conditions of a ratepayer's extreme financial hardship, and only for those ratepayers of residential properties. The Council considers all applications on a case by case basis. There were no rates remissions in the 2010 financial year (2009 nil).

#### Non-rateable land

Under the Local Government (Rating) Act 2002 certain properties cannot be rated for general rates. These properties include schools, places of religious worship, public gardens and reserves. These non-rateable properties may be subject to targeted rates in respect of sewerage, water, refuse and sanitation. Non-rateable land does not constitute a remission under WDC's rates remission policy.

#### 2. Finance income and finance costs

	Council		Group	
	2010	2009	2010	2009
	\$000	\$000	\$000	\$000
<b>Finance income</b>				
Interest income:				
- money market and term deposits	263	395	319	507
- related party loans	-	61	-	-
- local authority and government stock	-	-	-	-
- community loans	5	9	5	9
- other	17	89	56	141
<i>Total finance income</i>	285	554	380	657
<b>Finance costs</b>				
Interest expense:				
- interest on bank borrowings	5,487	4,814	7,034	6,163
- interest on finance leases	4	10	4	10
<i>Total finance costs</i>	5,491	4,824	7,038	6,173
<b>Net finance costs</b>	<b>5,206</b>	<b>4,270</b>	<b>6,658</b>	<b>5,516</b>



## Notes to the financial statements

### For the year ended 30 June 2010

#### 3. Other revenue

	Council		Group	
	2010 \$000	2009 \$000	2010 \$000	2009 \$000
User charges	8,310	7,990	8,310	7,990
New Zealand Transport Agency subsidies	8,140	11,494	8,140	11,494
Regulatory revenue	1,546	1,501	1,546	1,501
Rental from investment properties	328	665	328	665
Infringements and fines	372	306	372	306
Rendering of services	230	259	230	259
Petrol tax	271	305	271	305
Vested assets	223	255	223	255
Dividend income	11	19	11	20
Development contributions	174	112	174	112
Subvention payment	-	-	-	-
Lotteries Grant - Virginia Lake Lions	11	-	11	-
Lotteries Grant - Arts Conservation project	30	-	30	-
Lotteries Grant - Krupps Gun project	-	13	-	13
Other government grants	990	428	990	484
Forestry revenue	183	249	184	249
Other (includes trading income from Wanganui Gas Limited)	810	855	55,829	52,377
<b>Total other revenue</b>	<b>21,629</b>	<b>24,451</b>	<b>76,649</b>	<b>76,030</b>

There are no unfulfilled conditions and other contingencies attached to New Zealand Transport Agency subsidies or any government grant recognised.

#### 4. Gains

	Council		Group	
	2010 \$000	2009 \$000	2010 \$000	2009 \$000
<b>Non-financial instruments</b>				
Investment property revaluation gains (note 18)	-	253	-	(114)
Gain/(loss) on the revaluation of forest assets (note 18)	905	(367)	905	-
Property, plant and equipment gain on disposal	-	-	-	-
Change in fair value of property, plant and equipment	-	-	-	9
<i>Total non-financial instruments gains</i>	<b>905</b>	<b>(114)</b>	<b>905</b>	<b>(105)</b>
<b>Financial instruments</b>				
Gains/(losses) from held-to-maturity investments	-	-	-	-
<i>Total financial instruments gains</i>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total gains</b>	<b>905</b>	<b>(114)</b>	<b>905</b>	<b>(105)</b>

#### 5. Personnel costs

	Council		Group	
	2010 \$000	2009 \$000	2010 \$000	2009 \$000
Salaries and wages	12,458	11,203	15,228	14,624
Employer contributions to superannuation	-	-	39	12
Increase/(decrease) in employee entitlements/liabilities	74	141	71	242
<b>Total personnel costs</b>	<b>12,532</b>	<b>11,344</b>	<b>15,338</b>	<b>14,878</b>

## Notes to the financial statements

### For the year ended 30 June 2010

#### 6. Other expenses

	Council		Group	
	2010	2009	2010	2009
	\$000	\$000	\$000	\$000
Fees to principal auditor:				
- audit fees for financial statement audit	137	137	237	239
- audit fees for LTCCP amendment	4	105	4	105
- audit related fees for assurance services	-	-	-	-
Donations	1	-	1	-
Inventories expensed	-	-	-	-
General grants	644	522	644	522
Contractors	10,287	13,256	10,286	13,312
Insurance premiums	333	337	333	337
Directors' fees	-	-	191	203
Consultants and legal fees	2,475	2,114	2,479	2,115
Rates Expense	1,157	1,149	1,157	1,150
Property, plant and equipment impairment (note 15)	-	-	-	-
Forestry asset revaluation losses (note 17)	-	349	-	349
Forestry land revaluation losses (note 18)	894	-	894	-
Change in fair value of property, plant and equipment	15	416	15	416
Property, plant and equipment losses on disposal	207	295	232	297
Fair value (gains)/losses on valuation	167	114	(6)	114
Losses from derivative financial instruments	592	3,575	651	4,655
Impairment of Shares in Subsidiary	738	-	-	-
Impairment of receivables (note 9)	109	500	313	300
Minimum lease payments under operating leases	52	66	256	217
Forestry expenditure	458	509	458	509
Other operating expenses	11,330	9,077	63,414	56,688
<b>Total other expenses</b>	<b>29,600</b>	<b>32,521</b>	<b>81,559</b>	<b>81,528</b>

#### 7. Tax

	Council		Group	
	2010	2009	2010	2009
	\$000	\$000	\$000	\$000
<b>Components of tax expense</b>				
Current tax expense	-	-	-	-
Deferred tax expense	(38)	(340)	(1,203)	(1,665)
<b>Income tax expense</b>	<b>(38)</b>	<b>(340)</b>	<b>(1,203)</b>	<b>(1,665)</b>
<b>Relationship between tax expense and accounting profit</b>				
Surplus/(deficit) before tax	(1,862)	(1,277)	(4,304)	(4,789)
Tax at 30% (2008 33%)	(559)	(384)	(1,291)	(1,437)
Non-deductible expenditure	383	118	108	(284)
Loss not recognised	144	218	143	218
Prior year adjustment	-	-	-	-
Deferred tax adjustment	(6)	(293)	(163)	(162)
<b>Tax expense</b>	<b>(38)</b>	<b>(341)</b>	<b>(1,203)</b>	<b>(1,665)</b>

#### Council

A deferred tax asset has not been recognised in relation to tax losses of \$4,633,000 (2009 \$4,170,000). Tax losses have been recognised at group level.

#### Deferred tax liability

	Property, plant and equipment	Financial instruments	Tax losses	Employee entitlements	Total
	\$000	\$000	\$000	\$000	\$000
<b>Council</b>					
Balance 1 July 2008	1,266	-	(252)	(4)	1,010
Charged to profit and loss	(33)	-	(307)	(1)	(341)
Charged to equity	-	-	-	-	-
Balance 30 June 2009	1,233	-	(559)	(5)	669
Charged to profit and loss	(23)	-	(13)	(2)	(38)
Charged to equity	16	-	-	-	16
Balance 30 June 2010	1,226	-	(572)	(7)	647
<b>Group</b>					
Balance 1 July 2008	6,446	(95)	(1,589)	(128)	4,634
Charge/(credit) to income	248	43	(1,955)	(1)	(1,665)
Charge/(credit) to equity	-	-	-	-	-
Balance 30 June 2009	6,694	(52)	(3,544)	(129)	2,969
Charged to profit and loss	(430)	(310)	(460)	(3)	(1,203)
Charged to equity	16	-	-	-	16
<b>Balance 30 June 2010</b>	<b>6,280</b>	<b>(362)</b>	<b>(4,004)</b>	<b>(132)</b>	<b>1,782</b>

## Notes to the financial statements

### For the year ended 30 June 2010

#### 8. Cash and cash equivalents

	Council		Group	
	2010	2009	2010	2009
	\$000	\$000	\$000	\$000
Cash at bank and on hand	6,347	4,361	7,319	5,618
Term deposits with maturities less than 3 months	-	3,000	-	3,000
<b>Total cash and cash equivalents</b>	<b>6,347</b>	<b>7,361</b>	<b>7,319</b>	<b>8,618</b>

The carrying value of cash at bank and term deposits with maturities less than three months approximate their fair value.

The total value of cash and cash equivalents that can only be used for a specific purpose as outlined in the relevant trust deeds is \$nil (2009 \$nil).

#### 9. Debtors and other receivables

	Council		Group	
	2010	2009	2010	2009
	\$000	\$000	\$000	\$000
Rates receivables	2,490	1,992	2,490	1,992
Other receivables:				
- related party receivables (note 27)	194	237	53	33
- New Zealand Transport Agency subsidies	230	880	230	880
- interest receivable	-	36	-	36
- other	2,980	3,819	8,931	11,069
Gross debtors and other receivables	5,894	6,964	11,704	14,010
Less provision for impairment	(1,372)	(1,283)	(1,496)	(1,413)
<b>Total debtors and other receivables</b>	<b>4,522</b>	<b>5,681</b>	<b>10,208</b>	<b>12,597</b>

##### Fair value

Debtors and other receivables are non-interest bearing and receipt is normally on 30-day terms, therefore the carrying value of debtors and other receivables approximate their fair value.

##### Impairment

WDC does not provide for any impairment on rates receivable (except Maori land) as it has various powers under the Local Government (Rating) Act 2002 to recover any outstanding debts. Ratepayers can apply for payment plan options in special circumstances. Where such repayment plans are in place, debts are discounted to their present value of future payments if the impact of discounting is material.

These powers allow WDC to commence legal proceedings to recover any rates that remain unpaid 4 months after the due date for payment. If payment has not been made within 3 months of the Court's judgement, then WDC can apply to the Registrar of the High Court to have the judgement enforced by sale or lease of the rating unit.

The carrying amount of receivables that would otherwise be past due or impaired, whose terms have been renegotiated is \$ nil (2009 \$nil).

The status of receivables as at 30 June 2010 and 2009 are detailed below:

	2010		
	Gross	Impairment	Net
	\$000	\$000	\$000
<b>Council</b>			
Not past due	2,604	(6)	2,598
Past due 1-60 days	202	(19)	183
Past due 61-120 days	174	(6)	168
Past due > 120 days	2,914	(1,341)	1,573
<b>Total</b>	<b>5,894</b>	<b>(1,372)</b>	<b>4,522</b>
	2009		
	Gross	Impairment	Net
	\$000	\$000	\$000
<b>Council</b>			
Not past due	2,830	-	2,830
Past due 1-60 days	917	(4)	913
Past due 61-120 days	448	-	448
Past due > 120 days	2,769	(1,279)	1,490
<b>Total</b>	<b>6,964</b>	<b>(1,283)</b>	<b>5,681</b>

## Notes to the financial statements

### For the year ended 30 June 2010

Group	2010		
	Gross \$000	Impairment \$000	Net \$000
Not past due	8,004	(6)	7,998
Past due 1-60 days	368	(19)	349
Past due 61-120 days	416	(128)	288
Past due > 120 days	2,916	(1,343)	1,573
<b>Total</b>	<b>11,704</b>	<b>(1,496)</b>	<b>10,208</b>

Group	2009		
	Gross \$000	Impairment \$000	Net \$000
Not past due	9,523	1	9,524
Past due 1-60 days	1,018	(4)	1,014
Past due 61-120 days	690	(120)	570
Past due > 120 days	2,779	(1,290)	1,489
<b>Total</b>	<b>14,010</b>	<b>(1,413)</b>	<b>12,597</b>

The impairment provision has been calculated based on expected losses for WDC's pool of debtors. Expected losses have been determined based on an analysis of WDC's losses in previous periods, and review of specific debtors as detailed below:

	Council		Group	
	2010 \$000	2009 \$000	2010 \$000	2009 \$000
Individual impairment	149	223	273	223
Collective impairment	1,223	1,060	1,223	1,190
<b>Total provision for impairment</b>	<b>1,372</b>	<b>1,283</b>	<b>1,496</b>	<b>1,413</b>

Individually impaired receivables have been determined to be impaired because of the significant financial difficulties being experienced by the debtor. An analysis of these individually impaired debtors are as follows:

	Council		Group	
	2010 \$000	2009 \$000	2010 \$000	2009 \$000
Not past due	6	-	6	-
Past due 1-60 days	19	-	19	-
Past due 61-120 days	6	4	128	4
Past due > 120 days	118	219	120	219
<b>Total individual impairment</b>	<b>149</b>	<b>223</b>	<b>273</b>	<b>223</b>

Movements in the provision for impairment of receivables are as follows:

	Council		Group	
	2010 \$000	2009 \$000	2010 \$000	2009 \$000
At 1 July	1,283	1,087	1,413	1,321
Additional provisions made during the year	110	500	292	300
Provisions reversed during the year	-	-	8	-
Receivables written-off during period	(21)	(304)	(217)	(208)
<b>At 30 June</b>	<b>1,372</b>	<b>1,283</b>	<b>1,496</b>	<b>1,413</b>

WDC holds no collateral as security or other credit enhancements over receivables that are either past due or impaired.

## Notes to the financial statements

### For the year ended 30 June 2010

#### 10. Other financial assets

	Council		Group	
	2010	2009	2010	2009
	\$000	\$000	\$000	\$000
<b>Current portion</b>				
Sinking funds	62	61	62	61
Loans to related parties (note 27)	919	-	19	-
National Bank Subordinated Bonds	-	-	-	-
<i>Total current portion</i>	981	61	81	61
<b>Non-current portion</b>				
Community loans	56	67	56	67
Long term receivables	775	20	775	20
Hire purchase long term debtors	-	-	100	266
Government Indexed Bonds	691	679	691	679
Toyota Bonds	-	-	-	-
Unlisted shares in NZ Local Government Insurance Corporation Limited	423	418	423	418
Sarjeant Gallery NJ Young Fund with ABN Amro	-	-	395	362
Listed shares in Vector Limited	-	-	12	11
Listed shares in NZ Windfarm Limited	-	-	10	40
Shares in subsidiary (at cost - WDCHL)	10,162	10,900	-	-
<i>Total non-current portion</i>	12,107	12,084	2,462	1,863
<b>Total other financial assets</b>	<b>13,088</b>	<b>12,145</b>	<b>2,543</b>	<b>1,924</b>

#### Fair value

##### *Term Deposits*

The carrying amounts of term deposits approximates their fair value \$nil (2009 \$nil).

##### *Government stock*

The fair value of government stock is its carrying value.

##### *Community loans*

The fair value of community loans is their carrying value of \$56,000 (2009 \$68,000). The terms of the loans may be discretionary as a result of a Council decision.

##### *Loans to related parties*

The fair value and carrying amount of loans to related parties is \$919,000 (2009 \$nil).

##### *Unlisted shares*

The unlisted shares in NZ Local Government Insurance Corporation Limited are valued using the net assets of the company. Council considers this to be fair value at 30 June 2010.

##### *Quoted shares*

The fair values of listed shares are determined by reference to published current bid price quotation in an active market.

##### *Sinking funds*

Sinking funds are put aside for the repayment of loans and are held by the Wanganui District Council Sinking Fund Commissioners. Sinking fund investments are restricted in use to the repayment of associated borrowings.

The Sarjeant Gallery NJ Young Fund with ABN Amro is valued at market value. Council considers this to be fair value at 30 June 2010.

#### Impairment

There were no impairment provisions for other financial assets. None of the financial assets are either past due or impaired.

## Notes to the financial statements

### For the year ended 30 June 2010

#### 11. Inventories

	<b>Council</b>		<b>Group</b>	
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
<i>Held for distribution/Commercial inventories</i>				
Inventory	102	80	104	84
Network	-	-	206	192
Appliances	-	-	105	150
<b>Total inventories</b>	<b>102</b>	<b>80</b>	<b>415</b>	<b>426</b>

Inventories are pledged as security for liabilities - \$311,000 (2009 \$343,000). There has been no write-down of commercial inventories to net realisable value (2009 \$nil).

#### 12. Non-current assets held for sale

Non-current assets held for sale at 30 June are: 9 Birch Place, 25 Tawa Street, 8 Gilmour Street and 57 Heads Road and 14 and 18 Windsor Terrace (City Freehold).

	<b>Council</b>		<b>Group</b>	
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Land	1,063	1,196	1,063	1,196
Buildings	31	246	31	246
<b>Total non-current assets held for sale</b>	<b>1,094</b>	<b>1,442</b>	<b>1,094</b>	<b>1,442</b>

#### 13. Derivative financial instruments

	<b>Council</b>		<b>Group</b>	
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
<b>Current asset portion</b>				
Interest rate swaps - fair value hedges	-	-	-	(973)
	-	-	-	(973)
<b>Non-current asset portion</b>				
Interest rate swaps - fair value hedges	13	75	13	75
	13	75	13	75
<b>Total derivative financial instrument assets</b>	<b>13</b>	<b>75</b>	<b>13</b>	<b>(898)</b>
<b>Current liability portion</b>				
Interest rate swaps - fair value hedges	150	41	175	41
	150	41	175	41
<b>Non-current liability portion</b>				
Interest rate swaps - fair value hedges	4,116	3,693	5,094	3,693
	4,116	3,693	5,094	3,693
<b>Total derivative financial instrument liabilities</b>	<b>4,266</b>	<b>3,734</b>	<b>5,269</b>	<b>3,734</b>

#### Fair value

The fair values of interest rate swaps have been determined using a discounted cash flows valuation technique based on quoted market prices.

#### Interest rate swaps

The notional principal amounts of the outstanding interest rate swap contracts for WDC were \$63,000,000 (2009 \$50,000,000) and for the WDC group were \$79,500,000 (2009 \$53,000,000). At 30 June 2010, the fixed interest rates of cash flow hedge interest rate swaps vary from 3.78% to 7.59% (2009 5.98% to 8.41%).

## Notes to the financial statements

### For the year ended 30 June 2010

#### 14. Investments in associates

	Council		Group	
	2010	2009	2010	2009
	\$000	\$000	\$000	\$000
Ruapehu, Wanganui, Rangitikei Economic Development Trust (RED Trust)	2	-	2	-
Whanganui River Enhancement Charitable Trust (WRET)	76	58	76	58
New Zealand Masters Games Limited (NZMGL)	22	15	22	15
Manawatu Wanganui Local Advisory Shared Services (MW LASS)	1	-	1	-
<b>Total investments in associates</b>	<b>101</b>	<b>73</b>	<b>101</b>	<b>73</b>

#### Group

	2010	2009
	\$000	\$000
Movements in the carrying amount of investments in associates		
Balance at 1 July	73	72
New investments during the year	1	-
Disposal of investments during the year	-	-
Share of total recognised revenues and expenses	27	1
Share of dividend	-	-
Balance at 30 June	<b>101</b>	<b>73</b>

#### Summarised financial information of associate entities

	RED Trust	
	2010	2009
	\$000	\$000
Assets	75	108
Liabilities	68	124
Revenues	441	717
Surplus/(deficit)	23	(33)
Group's interest	33%	33%

	WRET	
	2010	2009
	\$000	\$000
Assets	296	328
Liabilities	67	152
Revenues	130	134
Surplus/(deficit)	52	(8)
Group's interest	33%	33%

	NZMGL	
	2010	2009
	\$000	\$000
Assets	45	31
Liabilities	-	-
Revenues	205	189
Surplus/(deficit)	15	20
Group's interest	49%	49%

	MWLASS	
	2010	2009
	\$000	\$000
Assets	313	-
Liabilities	305	-
Revenues	175	-
Surplus/(deficit)	1	-
Group's interest	14%	14%

All associates are not listed companies and, accordingly, there are no published price quotations to determine the fair value of the investments.

Wanganui-Manawatu LASS Limited

This company has been set up in 2008 by seven Local Councils to investigate the possibilities of economies of scale by joint procurement.

## Notes to the financial statements For the year ended 30 June 2010

### 15. Property, plant and equipment

Movements for each class of property, plant and equipment are as follows:

Council 2010	Cost/ revaluation 1/7/2009 \$000	Accumulated depreciation and impairment charges 1/7/2009 \$000	Carrying amount 1/7/2009 \$000	Current year additions \$000	Current year disposals \$000	Accumulated depreciation eliminated on & disposals \$000	Current year depreciation & impairment charges \$000	Transfers \$000	Revaluation surplus \$000	Cost/ revaluation 30/6/2010 \$000	Accumulated depreciation and impairment charges 30/6/2010 \$000	Carrying amount 30/6/2010 \$000
<b>Operational assets</b>												
Land	65,602	-	65,602	101	(1,539)	-	-	406	(7,594)	56,976	-	56,976
Buildings	58,437	(1,288)	57,149	2,165	(139)	2,655	(1,460)	12,480	3,656	76,599	(93)	76,506
Plant, equipment and motor vehicles	8,779	(5,874)	2,905	732	(1)	1	(959)	-	-	9,510	(6,832)	2,678
Leased equipment	573	(505)	68	-	-	-	(68)	-	-	573	(573)	-
Furniture and fittings	2,673	(1,696)	977	62	-	-	(107)	-	-	2,735	(1,803)	932
Library books	3,181	(1,600)	1,581	320	(237)	237	(333)	-	-	3,264	(1,696)	1,568
Artworks	32,076	-	32,076	40	-	-	-	33	-	32,149	-	32,149
Capital work in progress	2,499	-	2,499	952	-	-	-	(2,091)	-	1,360	-	1,360
<b>Total operational assets</b>	<b>173,820</b>	<b>(10,963)</b>	<b>162,857</b>	<b>4,372</b>	<b>(1,916)</b>	<b>2,893</b>	<b>(2,927)</b>	<b>10,828</b>	<b>(3,938)</b>	<b>183,166</b>	<b>(10,997)</b>	<b>172,169</b>
<b>Infrastructural assets</b>												
Wastewater system	225,480	-	225,480	5,764	-	-	(4,521)	-	-	231,244	(4,521)	226,723
Water system	66,474	-	66,474	3,314	-	-	(1,731)	1,668	-	71,456	(1,731)	69,725
Roading network	331,125	(4,504)	326,621	8,083	-	-	(4,708)	-	-	339,208	(9,212)	329,996
Land under roads	7,975	-	7,975	81	-	-	-	-	-	8,056	-	8,056
Airport runway	1,776	-	1,776	-	-	-	(34)	-	-	1,776	(34)	1,742
<b>Total infrastructural assets</b>	<b>632,830</b>	<b>(4,504)</b>	<b>628,326</b>	<b>17,242</b>	<b>-</b>	<b>-</b>	<b>(10,994)</b>	<b>1,668</b>	<b>-</b>	<b>651,740</b>	<b>(15,498)</b>	<b>636,242</b>
<b>Restricted assets</b>												
Land	33,611	-	33,611	-	-	-	-	(38)	(2,771)	30,802	-	30,802
Buildings	17,748	(338)	17,410	15	-	432	(104)	(10,855)	(1,280)	5,628	(10)	5,618
<b>Total restricted assets</b>	<b>51,359</b>	<b>(338)</b>	<b>51,021</b>	<b>15</b>	<b>-</b>	<b>432</b>	<b>(104)</b>	<b>(10,893)</b>	<b>(4,051)</b>	<b>36,430</b>	<b>(10)</b>	<b>36,420</b>
<b>Total property, plant and equipment</b>	<b>859,009</b>	<b>(15,805)</b>	<b>842,204</b>	<b>21,629</b>	<b>(1,916)</b>	<b>3,325</b>	<b>(14,025)</b>	<b>1,603</b>	<b>(7,989)</b>	<b>871,336</b>	<b>(26,505)</b>	<b>844,831</b>



## Notes to the financial statements For the year ended 30 June 2010

Group 2010	Cost/ revaluation 1/7/2009 \$000	Accumulated depreciation and impairment charges 1/7/2009 \$000	Carrying amount 1/7/2009 \$000	Current year additions \$000	Current year disposals \$000	Accumulated depreciation eliminated on & Impairment disposals \$000	Current year depreciation & Impairment charges \$000	Transfers	Revaluation surplus \$000	Cost/ revaluation 30/6/2010 \$000	Accumulated depreciation and impairment charges 30/6/2010 \$000	Carrying amount 30/6/2010 \$000
<b>Operational assets</b>												
Land	65,602	-	65,602	101	(1,539)	-	-	406	(7,594)	56,976	-	56,976
Buildings	58,913	(1,382)	57,531	2,199	(342)	2,656	(1,485)	12,480	3,656	76,906	(211)	76,695
Plant, equipment and motor vehicles	9,920	(6,582)	3,338	843	(72)	9	(1,043)	-	-	10,691	(7,616)	3,075
Leased equipment	573	(505)	68	-	-	-	(68)	-	-	573	(573)	-
Furniture and fittings	2,716	(1,719)	997	70	-	-	(112)	-	-	2,786	(1,831)	955
Library books	3,181	(1,600)	1,581	320	(237)	237	(333)	-	-	3,264	(1,696)	1,568
Art work	32,076	-	32,076	40	-	-	-	33	-	32,149	-	32,149
Capital work in progress	2,499	-	2,499	952	-	-	-	(2,092)	-	1,359	-	1,359
<b>Total operational assets</b>	<b>175,480</b>	<b>(11,788)</b>	<b>163,692</b>	<b>4,525</b>	<b>(2,190)</b>	<b>2,902</b>	<b>(3,041)</b>	<b>10,827</b>	<b>(3,938)</b>	<b>184,704</b>	<b>(11,927)</b>	<b>172,777</b>
<b>Infrastructural assets</b>												
Wastewater system	225,480	-	225,480	5,764	-	-	(4,522)	-	-	231,244	(4,522)	226,722
Water system	66,474	-	66,474	3,314	-	-	(1,731)	1,668	-	71,456	(1,731)	69,725
Roading network	331,125	(4,504)	326,621	8,083	-	-	(4,708)	-	-	339,208	(9,212)	329,996
Land under roads	7,975	-	7,975	81	-	-	-	-	-	8,056	-	8,056
Airport runway	1,776	-	1,776	-	-	-	(34)	-	-	1,776	(34)	1,742
Gas network infrastructure	24,604	(796)	23,808	737	(24)	-	(785)	-	-	25,317	(1,581)	23,736
<b>Total infrastructural assets</b>	<b>657,434</b>	<b>(5,300)</b>	<b>652,134</b>	<b>17,979</b>	<b>(24)</b>	<b>-</b>	<b>(11,780)</b>	<b>1,668</b>	<b>-</b>	<b>677,057</b>	<b>(17,080)</b>	<b>659,977</b>
<b>Restricted assets</b>												
Land	36,631	-	36,631	-	-	-	-	(2,618)	(2,771)	31,242	-	31,242
Buildings	17,748	(338)	17,410	15	-	432	(104)	(9,959)	(1,280)	6,524	(10)	6,514
<b>Total restricted assets</b>	<b>54,379</b>	<b>(338)</b>	<b>54,041</b>	<b>15</b>	<b>-</b>	<b>432</b>	<b>(104)</b>	<b>(12,577)</b>	<b>(4,051)</b>	<b>37,766</b>	<b>(10)</b>	<b>37,756</b>
<b>Total property, plant and equipment</b>	<b>887,293</b>	<b>(17,426)</b>	<b>869,867</b>	<b>22,519</b>	<b>(2,214)</b>	<b>3,334</b>	<b>(14,925)</b>	<b>(82)</b>	<b>(7,989)</b>	<b>899,527</b>	<b>(29,017)</b>	<b>870,510</b>

## Notes to the financial statements For the year ended 30 June 2010

Council 2009	Cost/ revaluation 1/7/2008 \$000	Accumulated depreciation and impairment charges 1/7/2008 \$000	Carrying amount 1/7/2008 \$000	Current year additions \$000	Current year disposals \$000	Accumulated depreciation eliminated on disposals \$000	Current year depreciation \$000	Transfer \$000	Revaluation surplus \$000	Cost/ revaluation 30/6/2009 \$000	Accumulated depreciation and impairment charges 30/6/2009 \$000	Carrying amount 30/6/2009 \$000
<b>Operational assets</b>												
Land	65,703	-	65,703	-	(2)	-	-	(99)	-	65,602	-	65,602
Buildings	57,538	(124)	57,414	1,719	(22)	-	(1,164)	(788)	(10)	58,437	(1,288)	57,149
Plant, equipment and motor vehicles	8,243	(5,424)	2,819	956	(509)	509	(959)	89	-	8,779	(5,874)	2,905
Leased equipment	573	(398)	175	-	-	-	(107)	-	-	573	(505)	68
Furniture and fittings	2,554	(1,589)	965	120	(1)	-	(107)	-	-	2,673	(1,696)	977
Library books	3,240	(1,621)	1,619	300	(359)	359	(338)	-	-	3,181	(1,600)	1,581
Artworks	31,996	-	31,996	48	-	-	-	32	-	32,076	-	32,076
Capital work in progress	1,859	-	1,859	1,668	-	-	-	(1,028)	-	2,499	-	2,499
<b>Total operational assets</b>	<b>171,706</b>	<b>(9,156)</b>	<b>162,550</b>	<b>4,811</b>	<b>(893)</b>	<b>868</b>	<b>(2,675)</b>	<b>(1,794)</b>	<b>(10)</b>	<b>173,820</b>	<b>(10,963)</b>	<b>162,857</b>
<b>Infrastructural assets</b>												
Wastewater system	183,298	-	183,298	7,925	-	-	(3,933)	-	38,190	225,480	-	225,480
Water system	56,825	-	56,825	3,117	-	-	(1,469)	-	8,001	66,474	-	66,474
Roading network	318,587	-	318,587	10,858	-	-	(4,504)	1,680	-	331,125	(4,504)	326,621
Land under roads	7,975	-	7,975	-	-	-	-	-	-	7,975	-	7,975
Airport runway	2,238	-	2,238	-	-	-	(46)	-	(416)	1,776	-	1,776
<b>Total infrastructural assets</b>	<b>568,923</b>	<b>-</b>	<b>568,923</b>	<b>21,900</b>	<b>-</b>	<b>-</b>	<b>(9,952)</b>	<b>1,680</b>	<b>45,775</b>	<b>632,830</b>	<b>(4,504)</b>	<b>628,326</b>
<b>Restricted assets</b>												
Land	33,735	-	33,735	-	(124)	-	-	-	-	33,611	-	33,611
Buildings	16,888	( )	16,888	860	-	-	(338)	-	-	17,748	(338)	17,410
<b>Total restricted assets</b>	<b>50,623</b>	<b>( )</b>	<b>50,623</b>	<b>860</b>	<b>(124)</b>	<b>-</b>	<b>(338)</b>	<b>-</b>	<b>-</b>	<b>51,359</b>	<b>(338)</b>	<b>51,021</b>
<b>Total property, plant and equipment</b>	<b>791,252</b>	<b>(9,156)</b>	<b>782,096</b>	<b>27,571</b>	<b>(1,017)</b>	<b>868</b>	<b>(12,965)</b>	<b>(114)</b>	<b>45,765</b>	<b>858,009</b>	<b>(15,805)</b>	<b>842,204</b>

## Notes to the financial statements For the year ended 30 June 2010

Group 2009	Cost/ revaluation 1/7/2008 \$000	Accumulated depreciation and impairment charges 1/7/2008 \$000	Carrying amount 1/7/2008 \$000	Current year additions \$000	Current year disposals \$000	Accumulated depreciation eliminated on disposals \$000	Current year depreciation \$000	Transfers \$000	Revaluation surplus \$000	Cost/ revaluation 30/6/2009 \$000	Accumulated depreciation and impairment charges 30/6/2009 \$000	Carrying amount 30/6/2009 \$000
<b>Operational assets</b>												
Land	65,703	-	65,703	-	(2)	-	-	(99)	-	65,602	-	65,602
Buildings	58,323	(705)	57,618	2,089	(701)	520	(1,197)	(788)	(10)	58,913	(1,382)	57,531
Plant, equipment and motor vehicles	10,123	(6,761)	3,362	1,427	(1,719)	1,290	(1,111)	89	-	9,920	(6,582)	3,338
Leased equipment	652	(472)	180	-	(79)	79	(112)	-	-	573	(505)	68
Furniture and fittings	2,680	(1,684)	996	142	(106)	81	(116)	-	-	2,716	(1,719)	997
Library books	3,240	(1,621)	1,619	300	(359)	359	(338)	-	-	3,181	(1,600)	1,581
Art work	31,996	-	31,996	48	-	-	-	32	-	32,076	-	32,076
Capital work in progress	1,859	-	1,859	1,668	-	-	-	(1,028)	-	2,499	-	2,499
<b>Total operational assets</b>	<b>174,576</b>	<b>(11,243)</b>	<b>163,333</b>	<b>5,674</b>	<b>(2,966)</b>	<b>2,329</b>	<b>(2,874)</b>	<b>(1,794)</b>	<b>(10)</b>	<b>175,480</b>	<b>(11,788)</b>	<b>163,692</b>
<b>Infrastructural assets</b>												
Wastewater system	183,298	-	183,298	7,925	-	-	(3,933)	-	38,190	225,480	-	225,480
Water system	56,825	-	56,825	3,117	-	-	(1,469)	-	8,001	66,474	-	66,474
Roading network	318,587	-	318,587	10,858	-	-	(4,504)	1,680	-	331,125	(4,504)	326,621
Land under roads	7,975	-	7,975	-	-	-	-	-	-	7,975	-	7,975
Airport runway	2,238	-	2,238	-	-	-	(46)	-	(416)	1,776	-	1,776
Gas network infrastructure	26,201	(2,261)	23,940	24,604	(26,201)	2,261	(796)	-	-	24,604	(796)	23,808
<b>Total infrastructural assets</b>	<b>595,124</b>	<b>(2,261)</b>	<b>592,863</b>	<b>46,504</b>	<b>(26,201)</b>	<b>2,261</b>	<b>(10,748)</b>	<b>1,680</b>	<b>45,775</b>	<b>657,434</b>	<b>(5,300)</b>	<b>652,134</b>
<b>Restricted assets</b>												
Land	36,755	-	36,755	-	(124)	-	-	-	-	36,631	-	36,631
Buildings	16,888	(0)	16,888	860	-	-	(338)	-	-	17,748	(338)	17,410
<b>Total restricted assets</b>	<b>53,643</b>	<b>(0)</b>	<b>53,643</b>	<b>860</b>	<b>(124)</b>	<b>-</b>	<b>(338)</b>	<b>-</b>	<b>-</b>	<b>54,379</b>	<b>(338)</b>	<b>54,041</b>
<b>Total property, plant and equipment</b>	<b>823,343</b>	<b>(13,504)</b>	<b>809,839</b>	<b>53,038</b>	<b>(29,291)</b>	<b>4,590</b>	<b>(13,960)</b>	<b>(114)</b>	<b>45,765</b>	<b>887,293</b>	<b>(17,426)</b>	<b>869,867</b>

## Notes to the financial statements

### For the year ended 30 June 2010

#### 15. Property, plant and equipment (continued)

##### Valuation

###### *Operational and restricted land and buildings*

At fair value as determined from market-based evidence by an independent valuer. The most recent valuation was performed by Mr KD Pawson, Morgans Property Advisors, Valuers and the valuation is effective as at 30 June 2010. Forestry land has been valued by M RN Goudie, Goudie & Associates, Valuers and the valuation is effective as at 30 June 2010.

###### *Infrastructural asset classes: roads, airport runway, water system, sewerage reticulation, stormwater system and gas distribution network*

At fair value determined on a depreciated replacement cost basis by an independent valuer. At balance date WDC assesses the carrying values of its infrastructural assets to ensure that they do not differ materially from the assets' fair values. If there is a material difference, then the off-cycle asset classes are revalued. The most recent valuation of roading assets was performed by Opus International Consultants Ltd (Wanganui), as at 30 June 2008. The valuation of the water reticulation, wastewater reticulation and stormwater systems and airport assets was undertaken by Robin Mackie (an employee of the WDC), NZCE, Member of NZWWA, at 30 June 2009. John Vessey, of Opus International Consultants Ltd (Wellington), has confirmed the methodology. It is WDC's policy to revalue roading and airport infrastructure assets every three years and the water reticulation, wastewater reticulation and stormwater systems annually, but is only booked if the movement is greater than 10% of the carrying value of the assets at balance date.

The distribution network of WGL is valued at depreciated replacement cost, as at 30 June 2008 by Geoff Evans, BE (Mech) - Network Manager and reviewed in accordance with NZ IAS 16 by Bruce Wattie, CA, BCA, Partner - Financial Advisory Services, of PricewaterhouseCoopers, and James Coe BSc, BE (Electrical), MBA, and member of IPENZ - Director, JT Consulting Limited and a NZ IFRS/ODV review by Guenter Wabnitz, Dip Ing, CPEng, MIPENZ, Principal Consultant Gas and Clean Fuels, Maunsell Limited. The network is revalued on a three yearly cycle.

###### *Land under roads*

Land under roads was valued at 30 June 2003 and this valuation is considered deemed cost. Under NZ IFRS WDC has elected to use the fair value of land under roads as at 30 June 2003 as deemed cost. Land under roads is no longer revalued. Subsequent additions are shown at cost.

###### *Art collection*

The art collection of the Sarjeant Gallery has been valued by Mr James Parkinson of Art + Object; Christies of London and Mr Greg Anderson, Curator, Sarjeant Gallery on 30 June 2008. This is considered deemed cost. Subsequent additions are shown at cost.

###### *Total fair value of property, plant and equipment valued by each valuer*

	<b>Council 2010 \$000</b>	<b>Group 2010 \$000</b>
Mr James Parkinson, Art + Object, Auckland (2008)	10,758	10,758
Christies of London, London (2008)	8,658	8,658
Mr Greg Anderson, Curator, Sarjeant Gallery, Wanganui (2008)	12,514	12,514
Mr Robin Mackie, Wanganui District Council, Wanganui (2009)	291,954	291,954
Opus International Consultants Ltd, Wanganui (2008)	320,957	320,957
Mr DJ Gadsby, Bycroft Petherick Ltd, Wanganui	5,872	5,872
Mr GE Evans, Network Manager, Wanganui Gas Ltd, Wanganui	-	26,201
Mr KD Pawson, Pawson Property Solutions Ltd, (trading as Morgans Property Advisors), Wanganui	172,386	172,386
Mr RN Goudie, Goudie & Associates, Wanganui	2,392	2,392

##### Impairment

No impairment losses have been booked for the year ended 30 June 2010 (2009 \$nil).

##### Work in progress

The total amount of property, plant and equipment in the course of construction is \$1,460,823 (2009 \$831,000).

##### Leasing

The net carrying amount of plant and equipment held under finance leases is \$nil (2009 \$53,000).

## Notes to the financial statements

### For the year ended 30 June 2010

#### 16. Intangible assets

	Council computer software \$000	Group other \$000	Group goodwill \$000	Group total \$000
Movements for each class of intangible asset are as follows:				
Balance at 1 July 2009				
Cost	1,890	2,348	8,000	12,238
Accumulated amortisation and impairment	(1,565)	(1,104)	-	(2,669)
Opening carrying amount	325	1,244	8,000	9,569
Year ended 30 June 2010				
Additions	167	19	-	186
Amortisation charge	(220)	(345)	-	(565)
Disposals/Transfers	-	(624)	-	(624)
Amortisation charge eliminated on disposal	-	624	-	624
Closing carrying amount	(53)	(326)	-	(379)
Year ended 30 June 2010				
Cost	2,057	1,743	8,000	11,800
Accumulated amortisation and impairment	(1,785)	(825)	-	(2,610)
Closing carrying amount	<b>272</b>	<b>918</b>	<b>8,000</b>	<b>9,190</b>
Balance at 1 July 2008				
Cost	1,740	1,671	8,000	11,411
Accumulated amortisation and impairment	(1,292)	(786)	-	(2,078)
Opening carrying amount	448	885	8,000	9,333
Year ended 30 June 2009				
Additions	150	677	-	827
Amortisation charge	(273)	(318)	-	(591)
Closing carrying amount	(123)	359	-	236
Balance at 30 June 2009				
Cost	1,890	2,348	8,000	12,238
Accumulated amortisation and impairment	(1,565)	(1,104)	-	(2,669)
Closing carrying amount	<b>325</b>	<b>1,244</b>	<b>8,000</b>	<b>9,569</b>

There are no restrictions over the title of WDC's intangible assets, nor are any intangible assets pledged as security for liabilities.

#### Impairment

##### Goodwill

Goodwill arises on consolidation of Wanganui Gas Limited in the books of Wanganui District Council Holdings Limited.

## Notes to the financial statements

### For the year ended 30 June 2010

#### 17. Forestry assets

	<b>Council</b>		<b>Group</b>	
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Balance at 1 July	3,413	3,962	3,413	3,962
Increases due to purchases	-	-	-	-
Gains/(losses) arising from changes in fair value	905	(349)	905	(349)
Gains/(losses) arising from physical changes	-	-	-	-
Decreases due to sales	-	-	-	-
Other changes	(16)	-	(16)	-
Decreases due to harvest	(190)	(200)	(190)	(200)
<b>Balance at 30 June</b>	<b>4,112</b>	<b>3,413</b>	<b>4,112</b>	<b>3,413</b>

Through its investment in the Wanganui District Councils' Forestry Joint Committee, WDC owns 1,080 hectares of pinus radiata forest, which are at varying stages of maturity ranging from 6 to 26 years.

#### *Valuation assumptions*

Independent registered valuers Alan Bell and Associates have valued forestry assets as at 30 June 2010. The following valuation assumptions have been adopted in determining the fair value of forestry assets:

- a pre-tax discount rate of 8% (2009 8%) has been used in discounting the present value of expected cash flows;
- notional land rental costs have been included for freehold land;
- the forest has been valued on a going concern basis and only includes the value of the existing crops on a single rotation basis;
- no allowance for inflation has been provided;
- costs are current average costs. No allowance has been made for cost improvements in future operations; and
- log prices are based on a 3 year historical rolling average.

#### *Financial risk management strategies*

WDC is exposed to financial risks arising from changes in timber prices. WDC is a long-term forestry investor and does not expect timber prices to decline significantly in the foreseeable future, therefore, has not taken any measures to manage the risks of a decline in timber prices. WDC reviews its outlook for timber prices regularly in considering the need for active financial risk management.

**Fire** - All forest estate is insured for loss from fire based on the latest valuation from Alan Bell, Registered Forest Consultant. On site mitigation includes updating the Rural Fire Authority and neighbours on access and risk issues, contacts and procedures. It also includes maintaining maps of water supplies and access to such. During the Fire Season (1 October to 30 April) the Fire Weather Index is monitored and on site operations curtailed or cancelled depending on extent of risk. All contractors must have operative fire plans and be fully covered for insurance.

**Tree Health** - Regular surveillance with a defined procedure to have samples analysed at ENSIS (Forest Research) for any suspicious fungal or insect damage.

**Pestilence** - Control of animal and plant pests is ongoing. Uncontrolled, they can cause damage or mortality to the crop. Animal control is focused on goats and hares at establishment and possums in mid rotation. Plant pests are focused on new "invaders" with liaison and reporting to the Regional Council's Plant Pest division.

**Security** - All properties have secured access available only to registered key holders. Contractors and other forest users are given full briefings for health and safety reasons and to avoid any third party claims.

**Harvesting** - Local, national and international prices, transport costs and supply and demand are monitored to be aware of impending sudden decreases or potential increases in prices. If the latter occurs, production levels may be increased. All contracts have a 3 month exit clause or sooner by agreement. Access roads are established at least 6 months in advance of harvesting to allow them to stabilise in order to prevent collapse during operations. If this happens, timber may be isolated and lose quality. A bond is held with BNZ for the current harvesting agent, John Turkington Limited, to cover one month's harvesting if payment is in default. At present this is \$30,000 (2009 \$30,000).

## Notes to the financial statements

### For the year ended 30 June 2010

#### 18. Investment property

	<b>Council</b>		<b>Group</b>	
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Balance at 1 July	5,960	6,005	2,940	2,985
Additions from acquisitions	120	69	-	69
Disposals/Transfers	(1,631)	-	-	-
Fair value gains/(losses) on valuation (note 6)	(167)	(114)	6	(114)
<b>Balance at 30 June</b>	<b>4,282</b>	<b>5,960</b>	<b>2,946</b>	<b>2,940</b>

WDC's investment properties are valued annually at fair value effective 30 June. All investment properties were valued based on open market evidence. The valuation was performed by Bycroft Petherick Limited - Engineers, Valuers and Arbitrators. Bycroft Petherick is an experienced valuer with extensive market knowledge in the types of investment properties owned by WDC.

	<b>Council</b>		<b>Group</b>	
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Rental income	248	665	248	665
Expenses from investment property generating income	(143)	(149)	(143)	(149)
Expenses from investment property not generating income	-	-	-	-
Contractual obligations for capital expenditure	-	-	-	-
Contractual obligations for operating expenditure	-	-	-	-

#### 19. Joint ventures

WDC has a 50/50 joint venture with the Crown to operate the Wanganui Airport. WDC's interest in the jointly controlled operation is as follows:

	<b>Council and Group</b>	
	<b>2010</b>	<b>2009</b>
	<b>\$000</b>	<b>\$000</b>
Current assets	73	42
Non-current assets	5,494	5,653
Current liabilities	76	61
Non-current liabilities	647	670
Income	217	200
Expenses	322	357

WDC has an interest in the Wanganui District Councils' Forestry Joint Committee. WDC's share is 95.09%. WDC's interest in the jointly controlled operation is as follows:

	<b>Council and Group</b>	
	<b>2010</b>	<b>2009</b>
	<b>\$000</b>	<b>\$000</b>
Current assets	215	266
Non-current assets	6,503	6,699
Current liabilities	50	42
Non-current liabilities	-	-
Income	1,098	252
Expenses	1,351	858

#### *Joint venture commitments and contingencies*

Details of any commitments and contingencies arising from the group's involvement in the joint ventures are disclosed separately in notes 25 and 26.

## Notes to the financial statements

### For the year ended 30 June 2010

#### 20. Creditors and other payables

	Council		Group	
	2010	2009	2010	2009
	\$000	\$000	\$000	\$000
Trade payables	5,198	5,969	11,474	10,648
Deposits and bonds	1,371	1,507	1,371	1,507
Accrued expenses	227	217	230	3,785
Amounts due to related parties (note 27)	61	10	-	-
Rates in advance	362	340	362	340
Accrued interest payable	760	681	1,502	681
<b>Total creditors and other payables</b>	<b>7,979</b>	<b>8,724</b>	<b>14,939</b>	<b>16,961</b>

Creditors and other payables are non-interest bearing and are normally settled on 30-day terms, therefore the carrying value of creditors and other payables approximates their fair value.

#### 21. Borrowings

	Council		Group	
	2010	2009	2010	2009
	\$000	\$000	\$000	\$000
<b>Current portion</b>				
Secured loans	21,750	8,000	25,750	13,000
Finance leases	12	56	12	56
<b>Total current portion</b>	<b>21,762</b>	<b>8,056</b>	<b>25,762</b>	<b>13,056</b>
<b>Non-current portion</b>				
Secured loans	57,050	64,800	73,068	78,318
Finance leases	-	12	-	12
<b>Total non-current borrowings</b>	<b>57,050</b>	<b>64,812</b>	<b>73,068</b>	<b>78,330</b>
<b>Total borrowings</b>	<b>78,812</b>	<b>72,868</b>	<b>98,830</b>	<b>91,386</b>

#### Secured loans

WDC's secured debt of \$78,800,000 (2009 \$72,800,000) is mostly issued at floating rates of interest. For floating rate debt, the interest rate is reset quarterly based on the 90-day bill rate plus a margin of 0.13-2.55% for credit risk.

There is a multi option credit facility of \$2,000,000 available with Westpac. At year end there has been no drawdown on this facility. WDC also has a \$40,000 credit card facility with ANZ Bank. At June 2010 \$5,091 was owing on this facility (2009 \$3,116).

#### Security

Council loans are secured over rates revenue or property. There has been no variation to the Liability Management Policy during the 2009/10 year.

Stock security certificates pursuant to a general security arrangement for \$10,000,000 are held by Westpac and \$5,000,000 held by ASB.

Lease liabilities are effectively secured as the rights to the leased asset revert to the lessor in the event of default.

#### Fair values of non-current borrowings

The carrying amounts and the fair values of non-current borrowings are as follows:

	Carrying amounts		Fair values	
	2010	2009	2010	2009
Secured loans (Council)	78,812	72,868	45,915	55,359

The fair values are based on cash flows discounted using a rate based on the borrowing rates ranging from of 3.60% to 10.50% (2009 5.15% to 10.50%).

The carrying amounts of borrowings repayable within one year approximate their fair value, as the impact of discounting is not significant.



## Notes to the financial statements

### For the year ended 30 June 2010

#### Analysis of finance leases

	Council		Group	
	2010	2009	2010	2009
	\$000	\$000	\$000	\$000
<b>Total minimum lease payments are payable</b>				
Not later than one year	12	60	12	60
Later than one year and not later than five years	-	12	-	12
Later than five years	-	-	-	-
<i>Total minimum lease payments</i>	12	72	12	72
Future finance charges	-	(4)	-	(4)
<i>Present value of minimum lease payments</i>	12	68	12	68
<b>Present value of minimum lease payments payable</b>				
Not later than one year	12	56	12	56
Later than one year and not later than five years	-	12	-	12
Later than five years	-	-	-	-
<i>Total present value of minimum lease payments</i>	12	68	12	68
<b>Represented by:</b>				
Current	12	56	12	56
Non-current	-	12	-	12
<b>Total finance leases</b>	<b>12</b>	<b>68</b>	<b>12</b>	<b>68</b>

#### Description of material leasing arrangements

WDC has entered into finance leases for various items of plant and equipment. The net carrying amount of the leased items within each class of property, plant and equipment is shown in note 15.

The finance leases can be renewed at WDC's option, with rents set by reference to current market rates for items of equivalent age and condition. WDC does have the option to purchase the asset at the end of the lease term.

There are no restrictions placed on WDC by any of the finance leasing arrangements.

#### 22. Employee entitlements

	Council		Group	
	2010	2009	2010	2009
	\$000	\$000	\$000	\$000
<b>Current portion</b>				
Accrued pay	377	297	449	376
Annual leave	1,074	1,093	1,179	1,259
Retirement and long service leave	122	28	124	31
Sick leave	12	13	21	23
<i>Total current portion</i>	1,585	1,431	1,773	1,689
<b>Non-current portion</b>				
Retirement and long service leave	461	448	460	469
<i>Total non-current portion</i>	461	448	460	469
<b>Total employee entitlements</b>	<b>2,046</b>	<b>1,879</b>	<b>2,233</b>	<b>2,158</b>

## Notes to the financial statements

### For the year ended 30 June 2010

#### 23. Equity

	Council		Group	
	2010	2009	2010	2009
	\$000	\$000	\$000	\$000
<b>Retained earnings</b>				
Balance at 1 July	523,917	524,971	525,751	528,991
Transfers (to)/from restricted reserves	872	(117)	872	(116)
Adjustment to equity from CCO's	-	-	(224)	-
Transfers from property revaluation reserves on disposal	890	-	890	-
Surplus/(deficit) for the year	(1,824)	(936)	(3,101)	(3,124)
Balance at 30 June	<b>523,855</b>	<b>523,917</b>	<b>524,188</b>	<b>525,751</b>
<b>Restricted reserves</b>				
Balance at 1 July	64,891	64,774	64,891	64,774
Transfers (to)/from retained earnings	(872)	117	(872)	117
Balance at 30 June	<b>64,019</b>	<b>64,891</b>	<b>64,019</b>	<b>64,891</b>
Restricted reserves consist of:				
- Trusts and bequests				
- Self funding insurance				
<b>Asset revaluation reserves</b>				
Balance at 1 July	201,770	155,588	201,994	155,813
Revaluation gains/(losses)	(4,049)	46,182	(4,048)	46,182
Transfer to accumulated funds on disposal of property	(890)	-	(890)	-
Tax on property revaluations	(16)	-	(16)	-
Balance at 30 June	<b>196,815</b>	<b>201,770</b>	<b>197,040</b>	<b>201,995</b>
Asset revaluation reserves consist of:				
Operational assets:				
- land	35,992	39,158	35,992	39,158
- buildings	15,504	13,240	15,504	13,240
- library books	-	-	-	-
- Artworks	8,217	8,218	8,217	8,218
Infrastructural assets:				
- wastewater system	71,047	71,048	71,047	71,048
- water system	9,789	9,789	9,789	9,789
- roading network	36,301	36,301	36,301	36,301
- Airport runway	-	-	-	-
- gas network infrastructure	-	-	225	225
Restricted assets:				
- land	16,533	19,304	16,533	19,304
- buildings	3,432	4,712	3,432	4,712
	<b>196,815</b>	<b>201,770</b>	<b>197,040</b>	<b>201,995</b>
<b>Fair value through equity reserve</b>				
Balance at 1 July	307	278	267	251
Valuation gains/(losses) taken to equity	18	29	28	16
Remove Sarjeant equity from Council to Group	-	-	-	-
Transfers to statement of financial performance on disposal	-	-	-	-
Balance at 30 June	<b>325</b>	<b>307</b>	<b>295</b>	<b>267</b>

## Notes to the financial statements

### For the year ended 30 June 2010

#### 24. Reconciliation of net surplus/(deficit) after tax to net cash flow from operating activities

	Council		Group	
	2010	2009	2010	2009
	\$000	\$000	\$000	\$000
<b>Surplus/(deficit) after tax</b>	<b>(1,824)</b>	<b>(936)</b>	<b>(3,101)</b>	<b>(3,124)</b>
<b>Add/(less) non-cash items</b>				
Share of associate surplus/(deficit)	(27)	1	(27)	1
Depreciation and amortisation expense	14,245	13,239	15,490	14,553
Vested assets	(223)	(255)	(223)	(255)
(Gains)/losses in fair value of biological assets	(698)	349	(698)	349
(Gains)/losses in fair value of investment property	167	114	(6)	114
(Gains)/losses on derivative financial instruments	592	3,575	651	4,655
(Gains)/losses from held-to-maturity investments	-	-	-	-
(Gains)/losses in fair value of plant, property and equipment	946	416	946	416
Increase/(decrease) in deferred tax	(22)	(341)	(1,187)	(1,666)
(Gains)/losses on other investments	738	273	-	(1)
	15,718	17,371	14,946	18,166
<b>Add/(less) items classified as investing or financing activities</b>				
(Gains)/losses on disposal of property, plant and equipment	207	295	232	297
	207	295	232	297
<b>Add/(less) movements in working capital items</b>				
Accounts receivable	1,082	78	2,443	(2,980)
Inventories	(22)	107	11	83
Accounts payable	(590)	(1,946)	(2,164)	1,758
Employee benefits	13	76	(9)	90
	483	(1,685)	281	(1,049)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>14,584</b>	<b>15,045</b>	<b>12,358</b>	<b>14,290</b>

#### 25. Capital commitments and operating leases

	Council		Group	
	2010	2009	2010	2009
	\$000	\$000	\$000	\$000
<b>Capital commitments</b>				
Property, plant and equipment	5,811	7,818	5,811	7,818
Intangible assets	-	-	-	-
Investment property	-	-	-	-
<b>Total capital commitments</b>	<b>5,811</b>	<b>7,818</b>	<b>5,811</b>	<b>7,818</b>

There are no capital commitments in relation to the WDC's interest in the Forestry joint venture or Airport joint venture.

#### Operating leases as lessee

WDC leases property, plant and equipment in the normal course of its business. The majority of these leases have a non-cancellable term of 48 months. The future aggregate minimum lease payments payable under non-cancellable operating leases are as follows:

	Council		Group	
	2010	2009	2010	2009
	\$000	\$000	\$000	\$000
Not later than one year	43	26	43	26
Later than one year and not later than five years	133	-	133	-
Later than five years	-	-	-	-
<b>Total non-cancellable operating leases</b>	<b>176</b>	<b>26</b>	<b>176</b>	<b>26</b>

The total minimum future sublease payments expected to be received under non-cancellable subleases at balance date is \$nil (2009 \$nil).

Lease can be renewed at WDC's option, with rents set by reference to current market rates for items of equivalent age and condition. WDC does have the option to purchase the asset at the end of the lease term.

There are no restrictions placed on WDC by any of the leasing arrangements.

WDC has a lease with Ocean Terminals Limited which provides for the rents from Harbour Endowment properties to be paid to the company. WDC pays to the company the net amount of the rents for the current year after deducting costs incurred.

WDC's financial statements include lease expenditure of \$47,473 (2009 \$46,214). The lease expenditure is for photocopiers and water coolers

## Notes to the financial statements

### For the year ended 30 June 2010

#### Operating leases as lessor

WDC leases its investment property under operating leases. These leases have a varying non-cancellable terms. The future aggregate minimum lease payments to be collected under non-cancellable operating leases are as follows:

	Council		Group	
	2010	2009	2010	2009
	\$000	\$000	\$000	\$000
Not later than one year	1,600	1,429	1,600	1,429
Later than one year and not later than five years	4,791	4,018	4,791	4,018
Later than five years	7,142	6,191	7,142	6,191
<b>Total non-cancellable operating leases</b>	<b>13,533</b>	<b>11,638</b>	<b>13,533</b>	<b>11,638</b>

No contingent rents have been recognised in the statement of financial performance during the period.

#### 26. Contingencies

	Council		Group	
	2010	2009	2010	2009
	\$000	\$000	\$000	\$000
Litigation	160	160	160	160
Building Act claims	70	80	70	80
Financial guarantees	-	-	-	-
Network guarantee	-	-	-	388
Guarantees	-	-	-	-
Other legal proceedings	-	-	-	-
<b>Total contingent liabilities</b>	<b>230</b>	<b>240</b>	<b>230</b>	<b>628</b>

#### RiskPool Insurance

Wanganui District Council obtained public liability and professional indemnity insurance cover from New Zealand Mutual Liability RiskPool up to and including the 30th June 2009. From the 1st July 2009, Wanganui District Council obtains public liability and professional indemnity insurance from QBE. RiskPool operates as mutual fund where each member makes an annual contribution to obtain cover however should claims exceed contributions then calls can be made on the members of that fund year for the shortfall amount. During 2010 a call was advised for \$116,000 (2009 \$53,000) for which full provision has been made. RiskPool have advised that further calls of a similar amount may be required for past pool periods. As the amount and timing is uncertain no provision has been made for any future calls.

Wanganui District Council is a participating employer in the Defined Benefit Plan Contributors Scheme (the scheme), which is a multi-employer defined benefit scheme. If the other participating employers cease to participate in the scheme, Wanganui District Council could be responsible for any deficit of the scheme. Similarly, if a number of employers cease to participate in the scheme, the Wanganui District Council could be responsible for an increased share of any deficit.

## Notes to the financial statements

### For the year ended 30 June 2010

#### 27. Related party transactions

Wanganui District Council is the ultimate parent of the group and controls six entities, being Wanganui District Council Holdings Limited, Wanganui Incorporated, Wanganui Airport Joint Venture, Cooks Gardens Trust Board, The Sarjeant Gallery Trust and Wanganui District Councils' Forestry Joint Committee. Wanganui District Council Holdings Limited in turn owns Wanganui Gas Limited. Wanganui Gas Limited in turn owns Energy Direct NZ Limited and GasNet Limited. Wanganui District Council has significant influence over the following as associates: the Ruapehu Wanganui Rangitikei Economic Development Trust, the Wanganui River Enhancement Charitable Trust, the New Zealand Masters Games Limited, and the Manawatu Wanganui LASS Limited.

	<b>Council</b>	
	<b>2010</b>	<b>2009</b>
	<b>\$000</b>	<b>\$000</b>
<b>Wanganui Gas Limited</b>		
Services provided by WDC	166	126
Services provided to WDC	-	-
Loans payable to WDC	900	-
Accounts payable to WDC	-	135
Accounts receivable from WDC	-	-
<b>Energy Direct NZ Limited</b>		
Services provided by WDC	149	117
Services provided to WDC	114	-
Loans payable to WDC	-	-
Accounts payable to WDC	29	12
Accounts receivable from WDC	11	-
<b>GasNet Limited</b>		
Services provided by WDC	131	131
Services provided to WDC	-	-
Loans payable to WDC	-	-
Accounts payable to WDC	17	14
Accounts receivable from WDC	-	-
<b>Wanganui District Council Holdings Limited</b>		
Services provided by WDC	-	-
Services provided to WDC	60	139
Accounts payable to WDC	-	-
<b>Wanganui Incorporated</b>		
Services provided by WDC	4	95
Services provided to WDC	145	(5)
Loans payable to WDC	-	-
Accounts payable to WDC	-	-
Accounts receivable from WDC	16	4
<b>Wanganui Joint Venture Airport (50% JV)</b>		
Services provided by WDC	58	49
Services provided to WDC	28	39
Loans payable to WDC	66	42
Accounts payable to WDC	-	-
Accounts receivable from WDC	3	10
<b>Cooks Gardens Trust Board</b>		
Services provided by WDC	-	-
Services provided to WDC	86	45
Loans payable to WDC	-	-
Accounts payable to WDC	-	-
<b>Sarjeant Gallery Trust Board</b>		
Services provided by WDC	-	541
Services provided to WDC	-	-
Loans payable to WDC	-	-
Accounts payable to WDC (includes WDC current account)	111	72
<b>Wanganui District Council Forestry Joint Committee (95.09% JV)</b>		
Interest paid to WDC	-	-
Services provided by WDC	33	24
Services provided to WDC	-	-
Loans receivable from WDC	-	-
Loans payable to WDC	4	1
Accounts payable to WDC	-	-
Accounts receivable from WDC	-	-

## Notes to the financial statements

### For the year ended 30 June 2010

	<b>Council</b>	<b>2009</b>
	<b>2010</b>	<b>\$000</b>
	<b>\$000</b>	<b>\$000</b>
<b>Ruapehu, Wanganui, Rangitikei Economic Development Trust (33% associate)</b>		
Contribution from WDC	50	55
<b>Whanganui River Enhancement Charitable Trust (33% associate)</b>		
Contribution from WDC	-	-
<b>New Zealand Masters Games Limited (49% associate)</b>		
Services Provided by WDC	1	2
Contribution from WDC	6	68
<b>Manawatu Wanganui LASS Limited (14.28% associate)</b>		
Payment of share contribution to the LASS	1	-
Contributions made to LASS projects	18	-

#### Transactions with key management personnel

During the year Councillors and key management, as part of a normal customer relationship, were involved in minor transactions with the Wanganui District Council (such as payment of rates, purchase of rubbish bags etc).

Wanganui District Council purchased contracting services from B Bullock 2009 Limited in which Councillor Barbara Bullock's spouse has a shareholding. The value of these services was \$919,778 (2009 \$1,269,514). These services were supplied on normal commercial terms. There is a balance of \$96,390 (2009 \$494,888) outstanding for unpaid invoices at year end.

Councillor Barbara Bullock's spouse has a shareholding in Wood Enterprises Limited and the company supplied services to Wanganui District Council worth \$4,030 (2009 \$2,435). These services were supplied on normal commercial terms. There is a balance of \$371 (2009 \$498) outstanding for unpaid invoices at year end.

Councillor Barbara Bullock's spouse has a shareholding in Bullocks Concrete & Gravel Ltd and the company supplied services to Wanganui District Council worth \$3,626 (2009 \$nil). These services were supplied on normal commercial terms. There is a balance of \$525 (2009 \$nil) outstanding for unpaid invoices at year end.

Councillor Dot McKinnon's company Avenue Apartments Limited supplied services to Wanganui District Council worth \$5,762 (2009 \$7,970). These services were supplied on normal commercial terms. There is a balance of \$250 (2009 \$1,855) outstanding for unpaid invoices at year end.

Councillor Dot McKinnon's Spouses company Moore Law supplied services to Council worth \$1,471 (2009 \$1,638). These services were supplied on normal commercial terms. There is a balance of \$nil (2009 \$nil) outstanding for unpaid invoices at year end.

For all Councillors, approval from the Auditor-General was sought prior to contract by Wanganui District Council.

Councillor Dot McKinnon received \$10,000 (2009 \$10,000) in her capacity as Director of Wanganui District Council Holdings Limited.

A provision has been recognised for impairment of receivables for any loans or other receivables to related parties \$nil (2009 \$nil).

#### Key management personnel compensation

	<b>Council</b>	<b>2009</b>	<b>Group</b>	<b>2009</b>
	<b>2010</b>	<b>\$000</b>	<b>2010</b>	<b>\$000</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Salaries and other short term employee benefits	1,714	1,557	2,412	2,353
Post-employment benefits	-	-	-	-
Other long-term benefits	-	-	-	25
Termination benefits	-	-	5	121
<b>Total key management personnel compensation</b>	<b>1,714</b>	<b>1,557</b>	<b>2,417</b>	<b>2,499</b>

Key management personnel include the Mayor, Councillors, Chief Executive and other senior management personnel.

## Notes to the financial statements

### For the year ended 30 June 2010

#### 28. Remuneration

##### Chief Executive

The Chief Executive received the following remuneration:

	Group	
	2010	2009
	\$000	\$000
Salary	237	216
Vehicle (market value plus FBT)	26	17
Parking (market value plus FBT)	-	-
Medical insurance (market value plus FBT)	-	-
Superannuation subsidy	5	3
<b>Total remuneration</b>	<b>268</b>	<b>236</b>

In terms of his contract, the Chief Executive also received professional subscriptions of \$nil (2009 \$nil).

##### Elected representatives

Elected representatives received the following remuneration:

	Council		WGL/WDCHL	
	2010	2009	2010	2009
	\$000	\$000	\$000	\$000
Mayor Michael Laws (includes car)	82	81	-	-
Deputy Mayor Dot McKinnon	43	44	10	10
Councillor Barbara Bullock	26	26	-	-
Councillor Sue Westwood	27	27	-	-
Councillor Randhir Dahya	27	27	-	-
Councillor Nicki Higgie	26	26	-	-
Councillor Danny Jonas	26	26	-	-
Councillor Rana Waitai	27	27	-	-
Councillor Ray Stevens	34	35	-	-
Councillor Rangī Wills	26	26	-	-
Councillor Philippa Baker-Hogan	27	26	-	-
Councillor Allan Anderson	28	28	-	-
Councillor Rob Vinsen	26	27	-	-
	<b>468</b>	<b>469</b>	<b>10</b>	<b>10</b>

##### Rural Community Board

Andrew Collins	9	9	-	-
Shaun Forlong	6	6	-	-
Mark Lourie	5	5	-	-
David Matthews	5	5	-	-
Brian Maude	5	5	-	-
Peter Molan	5	5	-	-
Alan Taylor	6	6	-	-

#### 29. Severance payments

Severance payments were made to one employee during the year. The payment amount totalled \$40,000 (2009 two payments totalling \$8,565).

#### 30. Events after the balance date

The sale of the Sea Port was completed on 1 October 2010. From this date it will be administered as an activity of Wanganui District Council Holdings Limited.

## Notes to the financial statements

### For the year ended 30 June 2010

#### 31. Financial instruments

##### Financial instrument categories

The accounting policies for financial instruments have been applied to the line items below:

	Council		Group	
	2010	2009	2010	2009
	\$000	\$000	\$000	\$000
<b>Financial assets</b>				
<b>Fair value through surplus or deficit</b>				
Derivative financial instrument assets	13	75	13	(899)
<b>Loans and receivables</b>				
Cash and cash equivalents	6,347	7,361	7,319	8,618
Debtors and other receivables	4,522	5,681	10,208	12,597
Loans to related parties	919	-	19	-
Community loans	56	67	56	67
Long term receivables	775	20	775	20
<b>Held to maturity</b>				
National Bank Subordinated Bonds	-	-	-	-
Toyota Bonds	-	-	-	-
<b>Fair value through other comprehensive income</b>				
Other financial assets:				
- unlisted shares	423	418	423	418
- listed shares	-	-	22	51
Government Indexed Bonds*	691	679	691	679
Sinking funds*	62	61	62	61
<b>Financial liabilities</b>				
<b>Fair value through surplus or deficit</b>				
Derivative financial instrument liabilities	4,266	3,733	5,269	3,733
<b>Financial liabilities at amortised cost</b>				
Creditors and other payables	7,979	8,724	14,939	16,961
Borrowings:				
- secured loans	78,800	72,800	98,818	91,318

#### 32. Fair value hierarchy disclosures

For those instruments recognised at fair value in the statement of financial position, fair values are determined according to the following hierarchy:

- Quoted market price (level 1) - Financial instruments with quoted prices for identical instruments in active markets
- Valuation technique using observable inputs (level 2) - Financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable
- Valuation techniques with significant non-observable inputs (level 3) - Financial instruments valued using models where one or more significant inputs are not observable



## Notes to the financial statements

### For the year ended 30 June 2010

The following table analyses the basis of the valuation of classes of financial instruments measured at fair value in the statement of financial position

	Valuation technique			Significant non-observable inputs \$000
	Total \$000	Quoted market price \$000	Observable inputs \$000	
<b>30 June 2010 - Council</b>				
<b>Financial assets</b>				
Derivatives	13		13	
Shares	423	423		
Government indexed bonds	691	691		
Sinking funds	62	62		
<b>Financial liabilities</b>				
Derivatives	4,266		4,266	
<b>30 June 2010 - Group</b>				
<b>Financial assets</b>				
Derivatives	13		13	
Shares unlisted	444	444		
Government indexed bonds	691	691		
Sinking funds	62	62		
NJ Young bequest with ABN Amro	395	395		
<b>Financial liabilities</b>				
Derivatives	5,269		5,269	
<b>30 June 2009 - Council</b>				
<b>Financial assets</b>				
Derivatives	75		75	
Shares unlisted	418	418		
Government indexed bonds	679	679		
Sinking funds	61	61		
<b>Financial liabilities</b>				
Derivatives	3,733		3,733	
<b>30 June 2009 - Group</b>				
<b>Financial assets</b>				
Derivatives	899		899	
Shares unlisted	469	469		
Government indexed bonds	679	679		
Sinking funds	61	61		
NJ Young bequest with ABN Amro	362	362		
<b>Financial liabilities</b>				
Derivatives	3,733		3,733	

There were no transfers between the different levels of the fair value hierarchy

### 33. Financial instrument risks

WDC has a series of policies to manage the risks associated with financial instruments. WDC is risk averse and seeks to minimise exposure from its treasury activities. WDC has established Council approved Liability Management and Investment policies. These policies do not allow any transactions that are speculative in nature to be entered into.

#### Market risk

##### Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices. WDC is exposed to equity securities price risk on its investments, which are classified as financial assets held at fair value through equity. This price risk arises due to market movements in listed securities. This price risk is managed by diversification of WDC's investment portfolio in accordance with the limits set out in WDC's Investment Policy.

##### Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. WDC is not exposed to currency risk, as it does not enter into foreign currency transactions.

## Notes to the financial statements

### For the year ended 30 June 2010

#### *Fair value interest rate risk*

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. Borrowing issued at floating rates exposes the WDC to fair value interest rate risk. WDC's Liability Management Policy outlines the level of borrowing that is to be secured using fixed rate instruments. Floating to fixed interest rate swaps are entered into to hedge the fair value interest rate risk arising where WDC has borrowed at floating rates. In addition, investments at fixed interest rates expose the WDC to fair value interest rate risk. If interest rates on investments at 30 June 2010 had fluctuated by plus or minus 0.5%, the effect would have been to decrease/increase the fair value through equity reserve by \$3,455 (2009 \$3,255). If interest rates on borrowings at 30 June 2010 had fluctuated by plus or minus 0.5%, the effect would have been to decrease/increase the surplus after tax by \$394,000 (2009 \$364,000) as a result of higher/lower interest expense on floating-rate borrowings.

#### *Cash flow interest rate risk*

Cash flow interest rate risk is the risk that the cash flows from a financial instrument will fluctuate because of changes in market interest rates. Borrowings and investments issued at variable interest rates expose WDC to cash flow interest rate risk. WDC manages its cash flow interest rate risk on borrowings by using floating-to-fixed interest rate swaps. Such interest rate swaps have the economic effect of converting borrowings at floating rates and swaps them into fixed rates that are generally lower than those available if WDC borrowed at fixed rates directly. Under the interest rate swaps, WDC agrees with other parties to exchange, at specified intervals, the difference between fixed contract rates and floating-rate interest amounts calculated by reference to the agreed notional principal amounts.

#### **Credit risk**

Credit risk is the risk that a third party will default on its obligation to Council, causing Council to incur a loss. Council has no significant concentrations of credit risk, as it has a large number of credit customers, mainly ratepayers, and Council has powers under the Local Government (Rating) Act 2002 to recover outstanding debts from ratepayers. Council invests funds only in deposits with registered banks and local authority stock and its Investment Policy limits the amount of credit exposure to any one institution or organisation. Investments in other Local Authorities are secured by charges over rates. Other than other local authorities, the group only invests funds with those entities which have a Standard and Poor's credit rating of at least A2 for short term and A – for long-term investments. Accordingly, the group does not require any collateral or security to support these financial instruments.

The Council and group holds a credit enhancement via the Crown Retail Deposit Guarantee Scheme (CRDGS) for funds held with banks that have opted into the scheme. There is a cap on the size of the deposit that is covered by the guarantee of \$1 million per depositor per guaranteed institution. The total amount of funds covered by the CRDGS is \$4 million (2009 \$2.6 million).

The Council and group holds no other collateral or credit enhancements for financial instruments that give rise to credit risk.

#### *Maximum exposure to credit risk*

WDC's maximum credit exposure for each class of financial instrument is as follows:

	<b>Council</b>		<b>Group</b>	
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Cash at bank and term deposits	6,347	7,361	7,319	8,618
Debtors and other receivables	4,522	5,681	10,208	12,597
Derivative financial instrument assets	13	75	13	(899)
Loan receivable	975	67	75	67
Long term receivables	775	20	775	20
<b>Total credit risk</b>	<b>12,632</b>	<b>13,204</b>	<b>18,390</b>	<b>20,403</b>

#### *Credit quality of financial assets*

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to Standard and Poor's credit ratings (if available) or to historical information about counterparty default rates:

	<b>Council</b>		<b>Group</b>	
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
<b>Counterparties with credit ratings</b>				
<b>Cash at bank and term deposits:</b>				
AA	6,347	7,361	7,319	8,618
AA-	-	-	-	-
<i>Total cash at bank and term deposits</i>	<b>6,347</b>	<b>7,361</b>	<b>7,319</b>	<b>8,618</b>
<b>Derivative financial instrument assets:</b>				
AA	13	75	13	(899)
AA-	-	-	-	-
<i>Total derivative financial instrument assets</i>	<b>13</b>	<b>75</b>	<b>13</b>	<b>(899)</b>

Debtors and other receivables mainly arise from WDC's statutory functions, therefore there are no procedures in place to monitor or report the credit quality of debtors and other receivables with reference to internal or external credit ratings. WDC has no significant concentrations of credit risk in relation to debtors and other receivables, as it has a large number of credit customers.

## Notes to the financial statements

### For the year ended 30 June 2010

#### Liquidity risk

##### Management of liquidity risk

Liquidity risk is the risk that Council will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Council aims to maintain flexibility in funding by keeping committed credit lines available. In meeting its liquidity requirements, Council maintains a target level of investments that must mature within the next 12 months. Council manages its borrowings in accordance with its funding and financial policies, which includes a Liability Management Policy. These policies have been adopted as part of the Council's 10-Year Plan. The maturity profiles of the Council's interest bearing investments and borrowings are disclosed in notes 13 and 21 respectively.

##### Contractual maturity analysis of financial liabilities

The table below analyses WDC's financial liabilities into relevant maturity groupings based on the remaining period at the balance date to the contractual maturity date. Future interest payments on floating rate debt is based on the floating rate on the instrument at the balance date. The amounts disclosed are the contractual undiscounted cash flows.

	Carrying amount cash flows	contractual cash flows \$000	Less than 1 year \$000	1-2 years \$000	2-5 years \$000	More than 5 years \$000
<b>Parent 2010</b>						
Creditors and other payables	7,979	7,979	7,979	-	-	-
Secured loans	78,800	89,365	26,461	23,407	39,497	-
<b>Total</b>	86,779	97,344	34,440	23,407	39,497	-
<b>Group 2010</b>						
Creditors and other payables	14,939	14,939	14,939	-	-	-
Secured loans	98,800	107,401	30,731	23,407	53,263	-
<b>Total</b>	113,739	122,340	45,670	23,407	53,263	-
<b>Parent 2009</b>						
Creditors and other payables	8,724	8,724	8,724	-	-	-
Secured loans	72,800	85,781	14,804	23,679	36,630	10,668
<b>Total</b>	81,524	94,505	23,528	23,679	36,630	10,668
<b>Group 2009</b>						
Creditors and other payables	16,961	16,961	16,961	-	-	-
Secured loans	91,300	101,974	17,216	23,679	50,411	10,668
<b>Total</b>	108,261	118,935	34,177	23,679	50,411	10,668

## Notes to the financial statements

### For the year ended 30 June 2010

The table below analyses WDC's derivative financial instruments that will be settled on a gross basis into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

	Liability carrying amount \$000	Contractual cash flows \$000	Less than 6 months \$000	Between 1 and 2 years \$000	More than 2 years \$000
<b>Parent and group 2010</b>					
Contracts:					
- net	5,269	5,269	26	347	4,896
<b>Parent and group 2009</b>					
Contracts:					
- net	3,733	3,733	41	288	3,405

#### Contractual maturity analysis of financial assets

The table below analyses WDC's financial assets into relevant maturity groupings based on the remaining period at the balance date to the contractual maturity date.

	Carrying amount and contractual cash flows \$000	Less than 1 year \$000	1-2 years \$000	More than 2 years \$000
<b>Parent 2010</b>				
Cash and cash equivalents	6,347	6,347		
Debtors and other receivables	4,522	4,522		
Net settled derivative assets	-	-		
Other financial assets:				
- term deposits	-	-		
- related party loans	919	919		
- community loans	56	56		
- long term loans	775			775
<b>Total</b>	12,619	11,844	-	775
<b>Group 2010</b>				
Cash and cash equivalents	7,319	7,319		
Debtors and other receivables	10,208	10,208		
Net settled derivative assets	-	-		
Other financial assets:				
- term deposits	-	-		
- related party loans	19	19		
- community loans	56	56		
- long term loans	775			775
<b>Total</b>	18,377	17,602	-	775
<b>Parent 2009</b>				
Cash and cash equivalents	7,361	7,361		
Debtors and other receivables	5,681	5,681		
Net settled derivative assets	-	-		
Other financial assets:				
- term deposits	-	-		
- related party loans	-	-		
<b>Total</b>	13,042	13,042	-	-
<b>Group 2009</b>				
Cash and cash equivalents	8,618	8,618		
Debtors and other receivables	12,597	12,597		
Net settled derivative assets	-	-		
Other financial assets:				
- term deposits	-	-		
- related party loans	-	-		
<b>Total</b>	21,215	21,215	-	-

**Sensitivity analysis**

The tables below illustrate the potential profit and loss and equity (excluding retained earnings) impact for reasonably possible market movements, with all other variables held constant, based on WDC's financial instrument exposures at the balance date.

**Parent**

**2010 \$000**

**Interest rate risk**

*Financial assets*

Cash and cash equivalents (63) 63  
Derivatives -  
Other financial assets: (9) 9

*Financial liabilities*

Borrowings:

- bank overdraft -  
- term loans (788) 788  
- Derivatives (43) 43

**Total sensitivity to interest rate risk**

	<b>Profit</b>	<b>- 100bps Other Equity</b>	<b>Profit</b>	<b>+ 100bps Other Equity</b>
<i>Financial assets</i>				
Cash and cash equivalents	(63)		63	
Derivatives	-			
Other financial assets:	(9)		9	
<i>Financial liabilities</i>				
Borrowings:				
- bank overdraft	-		-	
- term loans	(788)		788	
- Derivatives	(43)		43	
<b>Total sensitivity to interest rate risk</b>	<b>(903)</b>	<b>-</b>	<b>903</b>	<b>-</b>

**Parent**

**2009 \$000**

**Interest rate risk**

*Financial assets*

Cash and cash equivalents (74) 74  
Derivatives (1) 1  
Other financial assets:

*Financial liabilities*

Borrowings:

- bank overdraft -  
- term loans (728) 728  
- derivatives (37) 37

**Total sensitivity to interest rate risk**

	<b>Profit</b>	<b>- 100bps Other Equity</b>	<b>Profit</b>	<b>+ 100bps Other Equity</b>
<i>Financial assets</i>				
Cash and cash equivalents	(74)		74	
Derivatives	(1)		1	
Other financial assets:				
<i>Financial liabilities</i>				
Borrowings:				
- bank overdraft	-		-	
- term loans	(728)		728	
- derivatives	(37)		37	
<b>Total sensitivity to interest rate risk</b>	<b>(840)</b>	<b>-</b>	<b>840</b>	<b>-</b>

**Group**

**2010 \$000**

**Interest rate risk**

*Financial assets*

Cash and cash equivalents (73) 73  
Derivatives -  
Other financial assets:

*Financial liabilities*

Borrowings:

- bank overdraft -  
- term loans (459) 459  
- derivatives (53) 53

**Total sensitivity to interest rate risk**

	<b>Profit</b>	<b>- 100bps Other Equity</b>	<b>Profit</b>	<b>+ 100bps Other Equity</b>
<i>Financial assets</i>				
Cash and cash equivalents	(73)		73	
Derivatives	-			
Other financial assets:				
<i>Financial liabilities</i>				
Borrowings:				
- bank overdraft	-		-	
- term loans	(459)		459	
- derivatives	(53)		53	
<b>Total sensitivity to interest rate risk</b>	<b>(585)</b>	<b>-</b>	<b>585</b>	<b>-</b>

**Group**

**2009 \$000**

**Interest rate risk**

*Financial assets*

Cash and cash equivalents (86) 86  
Derivatives (1) 1  
Other financial assets:

*Financial liabilities*

Borrowings:

- bank overdraft -  
- term loans (554) 554  
- derivatives (37) 37

**Total sensitivity to interest rate risk**

	<b>Profit</b>	<b>- 100bps Other Equity</b>	<b>Profit</b>	<b>+ 100bps Other Equity</b>
<i>Financial assets</i>				
Cash and cash equivalents	(86)		86	
Derivatives	(1)		1	
Other financial assets:				
<i>Financial liabilities</i>				
Borrowings:				
- bank overdraft	-		-	
- term loans	(554)		554	
- derivatives	(37)		37	
<b>Total sensitivity to interest rate risk</b>	<b>(678)</b>	<b>-</b>	<b>678</b>	<b>-</b>

*Explanation of interest rate sensitivity*

The interest rate sensitivity is based on a reasonable possible movement in interest rates, with all other variables held constant, measured as a basis point movement. For example, a decrease in 50 bps is equivalent to a decrease in interest rates of 0.5%.

The sensitivity for derivatives (interest rate swaps) has been calculated using a derivative valuation model based on a parallel shift in interest rates of -50bps/+100bps (2009 -100bps/+100bps).

## Notes to the financial statements

For the year ended 30 June 2010

### 34. Summary cost of services

For the year ended 30 June 2010

	<b>Budget</b>	<b>Council</b>	
	<b>2010</b>	<b>2010</b>	<b>2009</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
<b>Income</b>			
Corporate and governance	1,353	913	1,233
Community and culture	752	1,361	835
Customer services	1,617	1,623	1,638
Property and facilities	2,989	3,058	4,201
Strategy and development	390	225	167
Transport	10,993	11,099	13,294
Waste	100	70	27
Water	3,910	3,565	3,610
<b>Total activity income</b>	<b>22,104</b>	<b>21,914</b>	<b>25,005</b>
Rates revenue	36,865	37,160	35,759
Gains	172	905	(114)
<b>Total income</b>	<b>59,141</b>	<b>59,979</b>	<b>60,650</b>
<b>Operating expenditure</b>			
Corporate and governance	2,208	2,023	2,522
Community and culture	5,394	5,845	5,242
Customer services	3,007	3,099	3,195
Property and facilities	10,105	10,086	10,641
Strategy and development	2,478	2,146	2,052
Transport	9,673	9,496	8,226
Waste	729	699	646
Water	11,144	11,616	11,530
<b>Total activity expenditure</b>	<b>44,738</b>	<b>45,010</b>	<b>44,054</b>
Depreciation	13,307	14,245	13,239
Revaluation losses and impairments	-	2,613	4,635
<b>Total operating expenditure</b>	<b>58,045</b>	<b>61,868</b>	<b>61,928</b>

Prior year's figures restated due to activity groups changing.

# Notes to the financial statements

## For the year ended 30 June 2010

### 35. Capital management

The Council's capital is its equity (or ratepayers' funds), which comprises retained earnings and reserves. Equity is represented by net assets. The Local Government Act 2002 [the Act] requires the Council to manage its revenues, expenses, assets, liabilities, investments, and general financial dealings prudently and in a manner that promotes the current and future interests of the community. Ratepayers' funds are largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments, and general financial dealings. The objective of managing these items is to achieve intergenerational equity, which is a principle promoted in the Act and applied by the Council. Intergenerational equity requires today's ratepayers to meet the costs of utilising the Council's assets and not expecting them to meet the full cost of long term assets that will benefit ratepayers in future generations. Additionally, the Council has in place asset management plans for major classes of assets detailing renewal and maintenance programmes, to ensure ratepayers in future generations are not required to meet the costs of deferred renewals and maintenance. The Act requires the Council to make adequate and effective provision in its Long Term Council Community Plan (LTCCP) and in its Annual Plan (where applicable) to meet the expenditure needs identified in those plans. And the Act sets out the factors that the Council is required to consider when determining the most appropriate sources of funding for each of its activities. The sources and levels of funding are set out in the funding and financial policies in the Council's LTCCP.

Council has the following Council created reserves:

- reserves for different areas of benefit;
- self-insurance reserves; and
- trust and bequest reserves.

Reserves for different areas of benefit are used where there is a discrete set of rate or levy payers as distinct from the general rate. Any surplus or deficit relating to these separate areas of benefit is applied to the specific reserves. Self-insurance reserves are built up annually from general rates and are made available for specific unforeseen events. The release of these funds generally can only be approved by Council. Trust and bequest reserves are set up where Council has been donated funds that are restricted for particular purposes. Interest is added to trust and bequest reserves where applicable and deductions are made where funds have been used for the purpose they were donated.

### 36. Explanation of major variances to budget

#### Income

Rates revenue is 0.8% higher due to growth in the rating base. Finance income is 54% lower (\$337k lower) due to lower levels of internal investments and a reduction in related party loans. Other revenue is 0.7% higher due to vested assets income of \$200k not budgeted for and additional grants for the Computer Clubhouse and Computers in Homes. Gains on revaluations of 905K were not budgeted.

#### Expenditure

Depreciation and amortisation expense is 7% higher due to large revaluations of Infrastructure assets in June 2009 not included in the Annual Plan model. Finance costs are 2% lower as a result of proactive interest rate risk management. Other expenses are 8% higher to budget. \$2.3M of this increase relates to losses on revaluations, derivative financial instruments and impairment of investments and receivables not budgeted for. Personnel costs are 6% higher than budget due Sarjeant Gallery coming inhouse to Council resulting in an increase in personnel costs not budgeted for.

The variance of \$2.95M between the budgeted surplus before tax of \$1.09M and the actual deficit of \$1.86M is mainly due to non-cash devaluation items processed as expenditure at year end.

#### Assets

The amount of outstanding debtors from NZTA and Rates were lower than budgeted for. The reduction of \$2.5m arises from the early collection of amounts outstanding. The budgeted sale of non current assets held for sale was not completed during the financial year. However, sales of \$1.09m of property held for sale will be completed in the 2010/11 financial year. Valuations of investment property, forestry assets and share investments were lower than expected and this has resulted in a \$5.8m reduction in non current assets.

#### Liabilities

Borrowings are on track to budget with a variance of under 0.1%. Creditors and other payables were higher than budget by \$2.5M as a result of end of year adjustments not budgeted for.

#### Cashflow

##### *Operating activities*

There were no major variances for operating cash flows to budget. The overall variance for operating cash flows was 2.5% with actuals being \$353k higher than budget.

##### *Investing activities*

Overall variance was 10.3% with actuals \$2m higher than budget. A short term advance of \$900k to a subsidiary was unbudgeted. The variance of \$1m from the net cash flows of property plant and equipment is due to the timing of the completion of capital works.

##### *Financing activities*

Overall variance was 4.3% with actuals \$243k higher than budget, however total borrowings are within budget.

The cash position at year end has a variance of 0.2% with actuals only \$16k higher than budget.

## Council's vision, mission and values

### Council's vision

Family-friendly Wanganui – the preferred place for my family home where the community enjoys:

1. Economic opportunities
2. A good image and sense of identity
3. A safe community
4. Good health care services
5. Connectivity
6. Community networks
7. Quality educational opportunities
8. Quality and affordable housing in contemporary family neighbourhoods
9. Access to recreational and cultural activities

### Council's mission

To make Wanganui an attractive place for families and to ensure a quality of life for all.

### Council's values

- **Leadership** – to provide leadership for the community and to advocate on its behalf
- **Community stewardship** – to effectively and efficiently manage community facilities and resources
- **Participatory democracy** – to consult with the community to identify needs and determine priorities for allocating resources
- **Regional cooperation** – to work with our regional partners
- **Accountability to ratepayers** – to balance the provision of services with the community's ability to pay

### Council's strategic direction

We aim to take a sustainable development approach in promoting the wellbeing of the community. This means we will promote development which meets the needs of present generations without compromising the ability of future generations to meet their own needs.

For communities to flourish they need a secure livelihood, a safe and healthy environment, happiness and fulfillment.

The four dimensions of community wellbeing include: **Social, Economic, Environmental and Cultural**. These are defined as:

**Social wellbeing:** relates to education, health, financial and personal security; the strength of community networks and associations; rights and freedoms; and levels of equity.

**Economic wellbeing:** relates to the ability of the economy to generate employment and wealth – which enables communities to afford the goods and services they desire.

**Environmental wellbeing:** relates to the capacity of the natural environment to support, in a sustainable way, the activities that constitute community life.

**Cultural wellbeing:** relates to the shared beliefs, values, customs, behaviours and identities reflected through language, stories, experiences, visual and performing arts, ceremonies, heritage and sports.



## Council's Family-friendly Strategy

<b>Social wellbeing –</b>	
A safe community	<ul style="list-style-type: none"> <li>• Obtain World Health Organisation accreditation as a safe district</li> <li>• Take a zero tolerance approach on gangs</li> <li>• Take a zero tolerance approach on antisocial behaviour</li> <li>• Provide a safe transportation network</li> </ul>
Good health care services	<ul style="list-style-type: none"> <li>• Advocate for retention of full hospital services</li> <li>• Assist with the recruitment of obstetricians, paediatricians and midwives</li> </ul>
Community networks	<ul style="list-style-type: none"> <li>• Develop community partnerships</li> <li>• Support communities to establish community networks and support structures</li> <li>• Support children and youth programmes</li> <li>• Value older people in our community</li> <li>• Continue to build strong relationships with Iwi</li> <li>• Maximise the potential for ethnic diversity</li> </ul>
Quality educational opportunities	<ul style="list-style-type: none"> <li>• Encourage schools to adopt family-friendly policies</li> <li>• Promote quality schools and preschools</li> <li>• Facilitate and support tertiary educational opportunities to attract youth to Wanganui</li> </ul>
<b>Economic wellbeing -</b>	
Economic opportunities	<ul style="list-style-type: none"> <li>• Identify and develop economic development initiatives</li> <li>• Improve business and industry growth, investments and performance</li> <li>• Facilitate training and education opportunities</li> <li>• Promote and support the tourism sector / Regional Tourism Organisation functions</li> <li>• Promote and support events</li> <li>• Encourage and support the uptake of technology that assists economic development</li> </ul>
Connectivity	<ul style="list-style-type: none"> <li>• Facilitate good urban design</li> <li>• Facilitate the provision of digital infrastructure to support families, schools and businesses</li> <li>• Provide pathways to ensure safe cycling and walking routes, particularly to schools and the Central Business District</li> </ul>

	<ul style="list-style-type: none"> <li>• Provide an efficient transportation network to residents and promote economic development</li> </ul>
<b>Environmental wellbeing -</b>	
Quality and affordable housing in contemporary family neighbourhoods	<ul style="list-style-type: none"> <li>• Collaborate on healthy housing initiatives</li> <li>• Ensure District Plan zoning and rules advance family-friendly interests</li> <li>• Encourage environmental sustainability of neighbourhoods</li> </ul>
<b>Cultural wellbeing -</b>	
A good image and sense of identity	<ul style="list-style-type: none"> <li>• Undertake research aimed at attracting families</li> <li>• Promote the quality of life in Wanganui – climate, travel benefits, family-friendly policies</li> <li>• Improve the look of the city</li> <li>• Facilitate a strong sense of identity, belonging and community</li> </ul>
Access to recreational and cultural activities	<ul style="list-style-type: none"> <li>• Provide and maintain parks, recreational and sporting amenities and facilities that meet the needs of all age groups and abilities</li> <li>• Recognise and value our points of difference around sports, arts, culture and heritage</li> <li>• Encourage development of a vibrant Central Business District – shops and café scene, riverfront development</li> </ul>

## Our plans and our reporting

We are accountable to the people of the District for the achievement of our objectives and we are required to report to the public each year on our performance. We also work to achieve a satisfactory audit report from Audit New Zealand on our Annual Report.

Under the Local Government Act 2002 (the Act), Council is required to adopt a 10-Year Plan (Long-term Council Community Plan) every three years. In the year in which a 10-Year Plan is prepared, the first year of the Plan becomes the Annual Plan for that year. In the intervening years, years two and three after the 10-Year Plan is adopted, an Annual Plan must be produced.

### 10-Year Plan 2009-2019

The 10-Year Plan 2009-2019 was adopted in June 2009. This Annual Report reports against year one of the 10-Year Plan, that is, 2009/10.

The 10-Year Plan 2009-2019 was published for public consultation from 14 April to 21 May 2009 in conjunction with Referendum '09. The Council received 61 submissions and heard these submissions at a meeting on 4 June 2009. Twenty-two submitters chose to present oral submissions. In addition, 19,000 people voted on specific proposals through Referendum '09 – representing a 61% response rate.

The Council deliberated on all submissions on 8 June 2009. On 30 June 2009 the 10-Year Plan was adopted.

### Annual Report

The Annual Report is required under section 98 of the Local Government Act 2002. The purpose of the Annual Report is to:

- Compare actual activities and actual performance with the intended level of activity and performance as set out in the 10-Year Plan and Annual Plan.
- Promote accountability of the local authority to the community for decisions made throughout the year.

The report must contain:

<p>In relation to each group of activities:</p>	<ul style="list-style-type: none"> <li>• The activities included within the group.</li> <li>• The Community Outcomes to which the group primarily contributes.</li> <li>• The result of any measurement undertaken during the year on progress towards the achievement of the Community Outcomes.</li> <li>• A description of any identified effects that any activity within the group has had on the social, economic, environmental or cultural wellbeing of the community.</li> <li>• An audited statement of service provision, comparing intended levels with actual levels and giving the reasons for any significant variance between actual and intended levels.</li> <li>• An audited statement of any significant new or replacement assets in the year to which the report relates, with reasons for acquisition or replacement and explaining any significant</li> </ul>
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	variation between budgeted cost and actual cost.
A report on each Council Controlled Organisation including:	<ul style="list-style-type: none"> <li>• The extent to which each Council Controlled Organisation has attained the Council's policies and objectives.</li> <li>• A comparison between the actual and intended nature and scope of the organisation.</li> <li>• A comparison between actual performance and key performance targets.</li> </ul>
Audited financial statements for core and consolidated Council.	
Remuneration paid to elected representatives and the chief executive.	
Information relating to severance payments to the chief executive and any other staff.	
A statement that the requirements of the Act in relation to the Annual Report have been complied with.	
A report on the activities the Council has undertaken to establish and maintain processes to provide opportunities for Maori to contribute to the decision-making process of Council.	

## Groups of activities

### Overview

The Council's activities fall into six groups: Property and facilities; Community and culture; Strategy and development; Infrastructure; Corporate and governance; and Customer services.

### Property and facilities

This group of activities includes services and facilities that underpin the maintenance of a family-friendly district. It ranges from the provision of essential services, such as cemeteries, which contribute to the health and social wellbeing of the community, to swimming pools which, although not essential services, are important facilities for the social wellbeing of the community. The activities included in this group are:

Cemeteries	Pensioner housing
Central Business District maintenance	Property
Community buildings and rural halls	Swimming pools
Parks and reserves	

### Community Outcomes to which the group primarily contributes

The **Property and facilities** group contributes to:

- A healthy community
- A safe community
- A prosperous community
- A well connected community
- A community with well developed amenities and recreational opportunities
- A community with identity
- An environmentally sustainable community

### Community and culture

This group of activities includes services and facilities that support the community and promote social and cultural wellbeing. It includes iconic venues that make up our cultural precinct and create the heart of Wanganui. The facilities attract visitors and provide residents with a deep sense of pride and identity. It also includes community development initiatives such as youth services and community support addressing issues around safety, health and youth wellbeing. The activities included with this group are:

Community development	
<i>Cultural precinct:</i>	
Library	Sarjeant Gallery
Regional Museum	War Memorial Hall
Royal Wanganui Opera House	

### Community Outcomes to which the group primarily contributes

The **Community and culture** group contributes to:

- A healthy community
- A safe community
- A prosperous community
- A well connected community
- A community where people work together
- A community with quality education
- A community with well developed amenities and recreational opportunities

- A community with identity
- An environmentally sustainable community

## Strategy and development

This group of activities provides support to the community and the Council. Support is provided to improve the economic wellbeing of the community and support and assistance is also provided to Council in achieving its strategic direction and in meeting its legislative requirements. The activities included in the group are:

Economic development	Strategy and policy
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### Community Outcomes to which the group primarily contributes

The **Strategy and development** group contributes to:

- A healthy community
- A safe community
- A prosperous community
- A well connected community
- A community where people work together
- A community with quality education
- A community with identity
- An environmentally sustainable community

## Infrastructure

This group of activities is divided into three subcategories: Transport; Water; and Waste. Transport provides and maintains connections both within the district and beyond and is essential for economic prosperity and social connectedness. Water provides the 'three water' services, stormwater, wastewater and water supply. These essential services protect the health and safety of people, land and property. The Waste category concerns minimising the district's waste and promotes the sustainable use of the district's resources, for now and in the future. The activities included within this group are:

<i>Transport:</i>	<i>Water:</i>
Roading	Water supply
Footpaths and berms	Stormwater
Airport	Wastewater
Sea port	Waterways and natural drainage
Central Business District Parking	
	<i>Waste:</i>
	Waste minimisation

### Community Outcomes to which the group primarily contributes

The **Infrastructure** group contributes to:

- A healthy community
- A safe community
- A prosperous community
- A well connected community
- A community with well developed amenities and recreational opportunities
- A community with identity
- An environmentally sustainable community

## Corporate and governance

This group of activities provides support for Council staff and elected members to work together for the benefit of the community. The portfolio of investments provides income to support the work of Council. The activities are:

Corporate management	Investments
Governance	

### Community Outcomes to which the group primarily contributes

The **Corporate and governance** group contributes to:

- A prosperous community
- A well connected community
- A community where people work together
- A community with identity

## Customer services

This group of activities includes services that promote a safe and healthy community. It includes Emergency management and Regulatory services. Emergency management aims to protect life and property and to prepare the community for emergency situations. Regulatory services is the delivery arm of Council and ensures the compliance and enforcement of relevant legislation and bylaws. The activities are:

Regulatory services	Emergency management
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### Community Outcomes to which the group primarily contributes

The **Customer services** group contributes to:

- A healthy community
- A safe community
- An environmentally sustainable community

## **Progress made towards the achievement of the Community Outcomes**

The Local Government Act 2002 requires the Council to report on progress towards achieving the Community Outcomes at least once every three years. A Community Outcomes Survey was undertaken in December 2006 and a report on progress towards the achievement of the outcomes was provided in June 2007. The next Community Outcomes Monitoring Report will be produced in 2010/11.

This report was tasked with detailing:

- The work that the Council and other participating key stakeholders had undertaken in an effort to best meet the outcomes specific to the Wanganui community;
- Measuring the state of Wanganui's current social, cultural, environmental and economic wellbeing; and
- Forecasting planned projects and priorities that may impact on Community Outcomes into the future.

In order to accurately monitor this progress, each outcome was assigned a number of monitoring indicators. The indicators are a mixture of qualitative and quantitative measures and were developed in consultation with key stakeholders as part of the action planning process. Data collection has been an ongoing process and is recorded in Council's Interplan database. The reporting for this Annual Report is based upon both the updated statistics gathered and the contribution Council has made through its work programmes.

During 2008 the Community Outcomes were reviewed and in 2009 these new outcomes were incorporated into the 10-Year Plan 2009-19.

An ongoing process of reviewing and revising monitoring procedures is necessary to ensure the required outcomes are being met. Monitoring over time will confirm the appropriateness of the existing activities, or may identify the need to make changes in order to improve their effectiveness.

Ongoing review of Council's partner organisations in the Community Outcomes process will also be undertaken to ensure effective practices of community collaboration and to most broadly reflect the achievements of the Wanganui District.










## Community Outcomes indicators

It is important to note that the Community Outcomes belong to the community, not the Council. As a result, the Council's role is to take the lead by facilitating their achievement in partnership with other key stakeholders. The following Community Outcomes indicators have been developed in consultation with these stakeholders and an agreement to track performance reached. Where no specific performance target has been set by our partners then a comparison to the previous year's performance has been made. This enables us to track progress between reporting periods but is different to assessing whether we are making sufficient progress towards an optimum position or end goal.

Each Community Outcome is assigned primary and secondary indicators, which are then weighted accordingly in the Council's planning and monitoring system (Interplan). An overall target of 90% is also set. This is considered to be a fair and reasonable level of attainment and recognises that success will not only be demonstrated at the 100% mark and that there is often more to the story. A variance of 10% is also applied so that the system is flexible enough to tell this story. This means that an indicator or Outcome might attain an amber traffic light where the result is close to being achieved and therefore a rigid 'pass' or 'fail' is not appropriate.

### Indicators of a healthy community

<b>Primary indicators:</b>		
<b>Life expectancy</b>	Life expectancy for the district increased from 76.5 years in 2002 to 79.9 years in 2005. Women had a longer life expectancy at 81.9 years compared to 77.9 years for men.	
<b>Secondary indicators:</b>		
<b>Shorter stays in emergency departments</b>	95% of patients were admitted, discharged or transferred from the Wanganui Hospital's emergency department within eight hours as per the hospital's target.	
<b>Improved access to surgery</b>	The volume of elective surgeries performed at Wanganui Hospital increased to 3,078 discharges as per the hospital's target.	
<b>Waiting time for cancer treatment</b>	All cancer patients requiring radiation treatment received this within six weeks as per the hospital's target. This service is delivered by MidCentral DHB.	
<b>Immunisation rates for two-year olds</b>	The target of increasing immunisation rates for two year olds to 89% in the 2009/10 year was not achieved. The actual result was 87% of two year olds immunised.  However, an additional target of increasing immunisation rates for Maori two year olds to 88% was exceeded, with 91% achieved.	
<b>Percentage of hospitalised smokers provided with advice and help to quit</b>	The target of 80% of hospitalised smokers provided with advice and help to quit was not achieved. The actual result was 42%. However, this is an increasing trend and the measure is still in its infancy.	
<b>Percentage of people with diabetes attending free annual checks</b>	The target of 65% of diabetes patients attending free annual checks was not met. The actual result was 59.70%. The Primary Health Organisation is in discussions with the Ministry of Health in relation to	



	achieving this target.	
<b>Percentage of the eligible adult population undergoing cardiovascular risk assessment</b>	The target of 69.20% of the eligible adult population undergoing cardiovascular risk assessments in the previous five years was exceeded. The actual result was 73%.	
<b>Diabetes management</b>	The target of 76% of diabetes patients demonstrating satisfactory or better diabetes management was exceeded. The actual result was 77.60%.	
<b>Utilisation of adolescent dental services</b>	In 2008/09 utilisation of adolescent dental services totaled 56%. In 2009/10 this had increased to 67.20%, surpassing the target of 66%.	
<b>Participation in sport and recreational activities</b>	In 2008/09 96% of people had participated in at least one of the sport and recreational activities canvassed in the Community Views Survey. In 2009/10 this had increased to 97%. These activities include things like playing sport for a club, using the riverbank walkways and visiting a park. The Community Views Survey can be found on the Council website: <a href="http://www.wanganui.govt.nz">www.wanganui.govt.nz</a> .	
<b>Number of coaches in Wanganui</b>	Sport Wanganui began collection of registered and volunteer coach statistics in 2009/10. Records indicate that there were 452 people undertaking some form of coaching activity in Wanganui during this period.	
<b>Use of public conservation land</b>	Recorded visitors to conservation land and the number of users of Department of Conservation huts totaled 5,413. Although this represents a decrease on the previous year's results (5,938) difficulties with data collection in 2009/10 has meant that these results only span a ten month period.	







## Council actions that have contributed to 'A healthy community'

<b>Working collaboratively on health initiatives</b>	The Council continued to work with the Whanganui DHB, PHOs and ACC during 2009/10 and supported health initiatives such as the Gonville Centre, community gardens and Healthy Homes. This kind of significant collaborative work is now being managed through the Safer Wanganui Project. This project is driven by the Safer Wanganui Steering Group and comprises representatives from a number of community organisations.
<b>Building family sport engagement through Community Taskforce initiatives</b>	Family sport engagement has emerged as a priority of the 'For Our Kids' project. This is the first major initiative of the Community Taskforce on Youth Wellbeing and was launched in March 2010 at the Castlecliff Beach and Springvale Park 'Children's Day' celebrations. The project aims to foster the development of Wanganui's young people through greater community involvement. Volunteers and families will be provided with the necessary skills to communicate, support and mentor young people, led by a Council-based programme coordinator. The project has received funding from the Whanganui Community Foundation, Te Puni Kokiri and the Council and will continue to be rolled-out during 2010/11.

<b>Wastewater Treatment Plant</b>	All physical works at the Wastewater Treatment Plant are complete, with an improved aeration system installed in July 2009 and subsequent improvements in effluent quality. Council is currently in the commissioning phase which should be complete by February 2011. The Wastewater Treatment Plant receives sewage and industrial wastewater, with separated stormwater discharging to the Whanganui River or smaller local watercourses.
<b>Tradewaste</b>	The performance of the wastewater treatment plant relies on numerous factors. One significant component is the quality and volume of industry tradewastes delivered to the Council system. A key focus on industry requirements is regulated through a tradewaste bylaw and industry permits. Compliance and monitoring of tradewastes is a relatively new activity for the Council since construction of the plant. During 2009/10 tradewaste consents were issued to six companies discharging greater than 100m <sup>3</sup> per day. Education tours are scheduled to run annually for industry. The first industry representative visit was completed in April 2010.  Second tier tradewaste will be evaluated in 2010 and 2011.
<b>Water renewals / upgrades</b>	The following renewals / upgrades were completed in 2009/10: <ul style="list-style-type: none"> <li>• London Street, Spier Street, Kaikokopu Road</li> <li>• Anzac Parade, Young Street, Jones Street</li> <li>• Carlton Ave, Watkins Street, Liffiton Street</li> <li>• Somme Parade, Kells Avenue, Camellia Avenue</li> <li>• Abbott Street, Duigan Street, Rimu Street</li> <li>• Pharazyn Street, Carlton Avenue</li> <li>• Awatea Street (approximately 100 metres from Cornfoot Street)</li> </ul>
<b>Soft water project and security of water supply</b>	The Council continued its efforts to reduce household and business expenses, and ensure the long-term security of Wanganui's water supply, by providing softer water and additional water sources. Water from the Abelard bore was introduced into the system from November 2009, with the Heloise bore coming on-line in April 2010 – mitigating some of the identified water supply risks in the 10-Year Plan 2009-2019. This has reduced dependency on the Kai Iwi bores and increased supply capacity.  However, in June 2010 small earthquakes damaged the Abelard bore causing it to produce high levels of sand. Work is now underway to rectify the problem and recommission the bore.

## Indicators of a safe community

<b>Primary indicators:</b>		
<b>Crime levels</b>	In 2008/09 total reported crime incidents equaled 4,300. In 2009/10 total reported crime had increased to 5,398.	
<b>Number of fatal/serious injury crashes per year</b>	The target of less than 22 was achieved. The actual result was 12 fatal/serious crashes during the 2009/10 year.	

<b>Perceptions of safety</b>	<p>Perceptions of safety continued to be measured by the Council's annual Community Views Survey. Although perceptions of safety at home in the evening remained at 96% between 2008/09 and 2009/10, night time CBD safety perceptions dropped 12% (from 52% to 40%).</p> <p>Feelings of safety in the daytime were also varied, with fewer people feeling safe at home 'all of the time' or 'most of the time' (down from 99% to 95%) and a slight increase in those feeling safe in the CBD (up from 94% to 96%).</p>	
<b>Secondary indicators:</b>		
<b>Public perception of gang issues</b>	<p>This is a new KPI and has not been measured in the 2009/10 year. It will form part of survey work in 2010/11.</p> <p>However, a recent Police report has estimated that Wanganui's 'no-tolerance' stance on gangs has led to a 15% reduction in the number of gang members in the district.</p>	-
<b>Police numbers in the district</b>	The number of Police in the district remained at 121 between 2008/09 and 2009/10.	
<b>Reported injuries in relation to pavements and pedestrian crossings</b>	There were 28 injuries reported to the Council during 2009/10 as a result of pavements or pedestrian crossings. This was an improvement on the number of urgent safety hazards identified in 2008/09.	
<b>Pavement and pedestrian crossing safety</b>	There were 83 complaints made to the Council about pavement and pedestrian crossing safety during 2009/10. This was an improvement on the number of defects identified in 2008/09.	
<b>Number of property fires</b>	The number of property fires remained stable between 2008/09 and 2009/10 with 100 fires for each period.	
<b>Number of lives lost through property fires</b>	There was one life lost due to a property fire during 2009/10. The fatal fire occurred on 3 May 2010. In addition, there were 115 rescue or medical responses made.	

## Council actions that have contributed to 'A safe community'

<b>Safer Wanganui Project</b>	The Wanganui Safety Plan was launched in December 2009 by the Member of Parliament for Wanganui, Chester Borrows, at the Gonville Community Centre. This plan is a collaborative community effort fed into by representatives from the Council, Ministries of Social Development, Education and Health, ACC, community social services, Sport Wanganui, businesses and Iwi/Maori. It identifies the barriers to achieving a 'safer Wanganui' and promotes action plans to tackle these significant social issues.
<b>Working towards World Health Organisation 'Safe Community' accreditation</b>	Development of the Wanganui Safety Plan is also a key step towards achieving accreditation as one of the World Health Organisation's 'Safe Communities'. This worldwide

	<p>programme recognises safety as a universal concern and a responsibility shared by all. Safe communities work to protect and improve safety through a coordinated and inter-sectorial approach. There are currently nine safe communities in New Zealand with a further five (including Wanganui) aiming for designation in the 2010/11 year. Wanganui's application was submitted in June 2010.</p>
<p><b>CCTV network</b></p>	<p>At the end of 2009 the Council-owned CCTV network underwent a wireless technology upgrade to 'future proof' the system. This technology enables camera sites to be established at greater distances, for example in the suburbs, as it removes the need to lay costly fibre optic cable. At the same time three additional cameras were installed utilising the wireless technology – Victoria Ave (in the middle of the second block), Abbot Street (opposite the new Gonville Centre) and Drews Avenue (at the Rutland Street / Drews Avenue intersection). The existing camera on the Opus building was also upgraded to a later model. These new cameras can be programmed to 'patrol' a pre-set pattern, as opposed to defaulting to a fixed position when not being manually operated. There are now 19 cameras operating.</p>
<p><b>Supporting safety initiatives</b></p>	<p>The Council took a particular interest in anti-social behaviour during 2009/10 and will continue this focus into 2010/11. A number of initiatives communicated Council's aim to decrease anti-social behaviour and develop a family-friendly city that is a great place to live and visit. Council worked with security patrols, Police, Victim Support, burglary victims, Neighbourhood Support, Crime Stoppers, Maori Wardens and Youth Access to Alcohol (YATA) and integrated this facilitative role into the Safer Wanganui framework.</p>
<p><b>Community Taskforce on Youth Wellbeing / 'For Our Kids'</b></p>	<p>The Community Taskforce on Youth Wellbeing was established in 2007 to stem the flow of young people into gangs by providing options and opportunities for alternative pathways. The Taskforce is Wanganui's largest forum of its kind, with members from the Council, Iwi, and senior representatives of government agencies discussing youth issues with community youth representatives. Driving this work is the belief that making a positive intervention in a child's life at an early age (five to 12 years old) may foster a change in mentality and the cycle of intergenerational gang culture can be broken.</p> <p>During 2009/10 the Taskforce focused on the development of its 'For Our Kids' initiative. This gained Council support in October 2009 and received funding for a Council-based programme coordinator during the Annual Plan 2010/11 deliberations in June. The goal of 'For Our Kids' is to increase community awareness and involvement in meeting the needs of Wanganui's young people and to provide adults with the necessary skills to communicate, support and act as mentors. 'For Our Kids' works in three specific areas – community, corporate and family. The initiative sets out goals for each area, which include:</p> <ul style="list-style-type: none"> <li>• Facilitating discussions in the community on how to support young people.</li> </ul>

	<ul style="list-style-type: none"> <li>• Encouraging the corporate sector to participate by volunteering and/or sponsoring events and activities.</li> <li>• Celebrating success by recognising families that contribute to the 'For Our Kids' kaupapa.</li> <li>• Encouraging families to interact with their children in a positive way – talking, playing, listening and supporting.</li> </ul>
<b>Hazards / site features project</b>	<p>The Council progressed its hazards / site features project during 2009/10. The project's objective is to provide one Council-wide system that records site features information in a format that is current, comprehensive, centrally accessible, validated and maintained. This will provide more certainty and accuracy for customers when obtaining data from Council, for example in the form of Land Information Memoranda (LIMs). A mapping system has been developed to record and display these features and will include items such as heritage sites, trees and swimming pools as well as hazard identification.</p>
<b>Emergency Management Plan</b>	<p>The Council adopted its own local Emergency Management Plan in October 2009 to align with the Manawatu-Wanganui Regional Civil Defence Emergency Management Group Plan. This was developed in conjunction with relevant partnering agencies – including emergency services, utility operators and health and community organisations. While the Wanganui Plan is complementary to the regional Group Plan, its primary focus is on describing local arrangements for readiness, reduction, response and recovery.</p> <p>The regional Group Plan was adopted in December 2009 by the Regional Joint Standing Committee.</p>
<b>Building consent authority (BCA) accreditation</b>	<p>The BCA accreditation and registration scheme emerged as an initiative of the Building Act reform in 2004. Its purpose is designed to improve the control of, and encourage better practice and performance in, building design, regulatory building control and building construction. As a result, by 31 March 2009 all councils carrying out building consent, approval and inspection work had to be accredited and registered as a BCA. The Council achieved this in July 2008.</p> <p>In January 2010 the Council underwent an audit process. International Accreditation New Zealand evaluated the Council's policies, procedures and systems and considered whether our BCA was performing adequately. The assessment team found the BCA "to be staffed by competent personnel who were positive and cooperative throughout the assessment". They also commented that the Council's staff were committed to producing excellent customer service. Seven corrective actions were identified (one in relation to Regulation 17 and six in relation to Regulations 5-16). These were rectified and a full accreditation certificate was issued in July 2010.</p> <p>Accreditation means that:</p> <ul style="list-style-type: none"> <li>• Ratepayers can be provided with a high level of professional surety that all of the Council's systems and processes are independently assessed by</li> </ul>



	<p>International Auditing NZ as being fully compliant with the Building Act and regulations</p> <ul style="list-style-type: none"> <li>• Customers receive a better service – e.g. in relation to pre-vetting and acceptance procedures, faster throughput and a higher quality of consents</li> <li>• Better linkages are formed with other Council departments – providing a ‘one stop shop’ approach</li> <li>• There is greater detail and definition in relation to site inspections</li> <li>• Skilled personnel are available to discuss issues with customers</li> <li>• There is improved public information recorded for future reference</li> <li>• Consistent, standardised and ongoing ‘good quality’ practice will be delivered</li> <li>• ‘Good quality’ building control will be defined, highlighted and promoted throughout the sector</li> <li>• Continuous improvement will be fostered</li> <li>• Improved technical capabilities and resourcing of building controls will be ensured</li> <li>• Closer and more formal relationships among BCAs and between BCAs and technical consultants / contractors will be encouraged</li> <li>• Incentives for improving performance and raising standards will be provided</li> </ul> <p>More information can be found on the Department of Building and Housing’s website: <a href="http://www.dbh.govt.nz/bofficials-bca">www.dbh.govt.nz/bofficials-bca</a></p>
<p><b>Roading projects</b></p>	<p>Safety projects included street lighting improvements along Somme Parade and investigation of traffic calming options at Mowhanau village.</p> <p>In addition, road safety concerns were addressed at Abbot Street. This followed increased pedestrian demand in the wake of the Gonville Community Centre’s opening and was prompted by receipt of a 423 signature petition from a member of the community, Noeline Lane, in September 2009. As a result, a ‘zebra’ crossing and traffic island were installed and compulsory stop restrictions were imposed on the junction of Harper and Abbot streets. The crossing is also the first in Wanganui to have dedicated night lighting for increased safety and visibility. Ms Lane assisted the Mayor in officially opening the new pedestrian crossing on 11 December 2009.</p> <p>However, it should also be noted that the Council has had a \$2.0M reduction in New Zealand Transport Agency (NZTA) subsidies for 2010/11 due to a Government decision to spend more money on ‘Roads of National Significance’ – and a \$5.5M reduction over the next three financial years. This means that some of the roading projects identified in the 10-Year Plan will have to be reprioritised. The Council recognises that its roading network may be at greater risk as a result of these exclusions and deferrals but cannot deliver on its approved work programme without this subsidy.</p>




<p><b>Heads Road traffic safety investigations</b></p>	<p>The Council considered improvements to the Heads Road, Beach Road and Prince Street intersection. These road safety concerns were prompted by the positioning of the railway line that crosses Heads Road, an increase in business activity (and resultant changes in traffic behaviour) and the existence of a service lane to the south of Heads Road. In addition, changes to the way Imlay funnels its site traffic has also meant that at peak times large queues form – proving particularly hazardous for cyclists. Representatives from the Heads Road industrial area attended a meeting at the Council in March 2010 and provision has been made for the development of an Industrial Transport Strategy during 2010/11.</p>
<p><b>Stormwater separation project</b></p>	<p>Separation of the stormwater and wastewater network continued during 2009/10. As at 30 June 2010 separation was 98.8% complete (based on the number of declarations received). 12,376 properties have been separated since the project commenced in December 2000 and 1,502 property owners have uplifted loans to assist with this process. Ongoing work will include onsite investigations throughout Wanganui to identify any cross-connections or missed links between sanitary and stormwater infrastructure. Once the separation project is complete Council will continue to review sources of infiltration to the sanitary system.</p>
<p><b>Wanganui water safety forum</b></p>	<p>Council officers are participating in a 'Whanganui Water Safety Forum'. This group has representatives from a number of organisations throughout Wanganui with interests in water based activities (such as Surf Lifesaving, Rowing Association, Public Health and ACC) and has been meeting regularly to compose a 'Whanganui District Water Safety Education Plan'. The plan will direct particular focus to the river as a result of increased activity (both on the surface and in the vicinity) and funding is being sought to install signage and develop a river users' education programme.</p>
<p><b>Prohibition of Gang Insignia Act and Bylaw</b></p>	<p>In August 2009 the Council adopted its Gang Insignia Bylaw and this came into effect in September 2009. The Bylaw prohibits the wearing of gang insignia in specified public places (including the CBD, parks and recreational areas) and was made possible by a piece of enabling legislation – the Gang Insignia Act. This Bill was introduced to Parliament by Whanganui MP Chester Borrows in November 2007 and received its third reading in May 2009. Royal Assent was received three days later and a Council Bylaw was required to define some of its provisions and make it operational.</p> <p>A Police report covering the period ending March 2010 considered that the Bylaw has contributed to:</p> <ul style="list-style-type: none"> <li>• Overt gang presence being less noticeable by the general public.</li> <li>• A reduction in levels of intimidation for the community.</li> <li>• A reduction in confrontation between gangs.</li> </ul> <p>In conjunction with the Police's own "anti-gang" operations, it is estimated that this has led to a 15% reduction in the number of gang members in Wanganui.</p>








<p><b>Earthquake Prone Buildings Policy</b></p>	<p>The Council adopted its revised Earthquake Prone Buildings Policy on 31 August 2009. Since first adopting an earthquake-prone buildings policy in 2006 the Council has identified buildings that are potentially earthquake-prone according to definition. This review attempts to give owners of earthquake-prone buildings a clearer understanding of their responsibilities – including setting definite timeframes by which they are to have their buildings assessed and fully compliant.</p>
<p><b>Participation on Road Action Group</b></p>	<p>Council officers continued to attend Road Action Group meetings. In 2009/10 this group participated in the development of the Wanganui Safety Plan by furnishing key road safety statistics and a mobility scooter research paper was prepared.</p>
<p><b>Durie Hill anti-social behaviour</b></p>	<p>In 2009 a petition was received from Durie Hill residents concerned about safety and community wellbeing in their suburb. This petition made particular reference to anti-social behaviour such as excessive noise, racing and littering in the vicinity of the Durie Hill Tower. As a result of these concerns the Council met with community representatives in July 2009 to devise effective solutions including the employment of community / security patrols and Police surveillance. A number of additional measures were also investigated, such as traffic calming at the entrance to Tower Crescent, further beautification of the area and use of the CCTV 'rapid deployment' camera. A 'knee-breaker fence' was erected between the road and the grassed area in front of the elevator. These issues have since improved.</p>
<p><b>Emergency management training activities</b></p>	<p>These activities included:</p> <ul style="list-style-type: none"> <li>• 11 August 2009 – 19 volunteers attended an Emergency Operations Centre session focussing on roles and responsibilities.</li> <li>• 8 September 2009 – 12 welfare team members attended a session on the role of the New Zealand Fire Service.</li> <li>• 22 September 2009 – five new welfare recruits attended an orientation session.</li> <li>• 12 November 2009 – 'Exercise Spring Storm' was successfully evaluated by Ministry of Civil Defence Emergency Management staff based on computerised processing of information. This training provides quality assurance that the emergency management team and processes could function in a 'real life' scenario.</li> <li>• 10 March 2010 – ten welfare volunteers were briefed on the responsibilities of the Ministry of Social Development</li> <li>• 18 March 2010 – 18 volunteers attended an off-site exercise for map reading and communications.</li> <li>• 10 June 2010 – 16 volunteers attended exercise 'Willy Nilly', assessing and prioritising information into a Situation Report.</li> </ul>
<p><b>Responses to significant events</b></p>	<p>Emergency management on-call duty officers were tasked with responding to the following significant events, comprising earthquakes and potential tsunamis, during 2009/10:</p> <ul style="list-style-type: none"> <li>• 15 July 2009 – Southland, Tuatapere earthquake</li> </ul>

	<p>(7.8)</p> <ul style="list-style-type: none"> <li>• 30 September 2009 – Samoa earthquake (7.9), requiring a partial activation of the Emergency Operations Centre</li> <li>• 8 October 2009 – Vanuatu earthquake (7.8)</li> <li>• 27 February 2010 – Chile earthquake (8.8), requiring a partial activation of the Emergency Operations Centre</li> <li>• 28 May 2010 – Vanuatu earthquake (7.2), requiring a partial activation of the Emergency Operations Centre</li> </ul>
<p><b>Emergency management assessment</b></p>	<p>The Civil Defence Emergency Management Group was reviewed by the Ministry of Civil Defence &amp; Emergency Management, with the results informing a regional Civil Defence Emergency Management Group 'Capability and Assessment' report. This review concluded that:</p> <p><i>"..evaluation has revealed the Group to be an integrated and generally effective CDEM Group, with well established organisational structures, a collaborative culture, and substantial CDEM planning in place..Positive working relationships and the strong regional focus of the Coordinating Executive Group, alongside the engagement of the Joint Committee are of note. The strength of the group also lies in competent individuals in key roles (although this also presents an area of risk where backup capability is limited).</i></p> <p><i>There is a high level of confidence in the Group's ability to respond to an event of short or medium term duration, and a strong sense that members will be able to rely on each other for support if needed. The memory of the 2004 floods is still prominent, and this has galvanised the region into action, with a strong awareness of 'what is possible!'</i></p> <p>The emergency management activity will continue to pursue improvements in line with recommendations from the CDEM report and as a result of exercise feedback.</p>

## Indicators of a prosperous community

<b>Primary indicators:</b>		
<b>Unemployment</b>	Unemployment benefit recipients totaled 847 in June 2008. In June 2009 this number had grown to 999. This trend is true of the wider employment status of New Zealand.	
<b>Average total hourly earnings</b>	Average total hourly earnings in Wanganui sat at \$21.38 in 2009/10. This marked an increase on the previous period, where average earnings were \$20.84 per hour.	
<b>Deprivation profile</b>	At an average of 6.2, Wanganui's level of deprivation is just above the national average of 6.  This decile number is based on household income, car and telephone access, household crowding, employment, home ownership status and people <60	

	in a single parent family. This index categorises communities from one (least deprived) to decile ten (most deprived). Within our District Health Board area, 60% of suburbs recorded a decile rating greater than five. St John's Hill is the only suburb to score one, while Castlecliff, Mosston and Central Wanganui are equally ranked the most deprived, all recording a score of ten.	
<b>Median income</b>	Wanganui's median income was \$19,800 as measured by Census 2006. Although this marks an increase when compared to the previous Census period where median income was \$14,800 it is still considerably lower than the national median of \$24,400.  The next Census will be delivered in March 2010.	
<b>Secondary indicators:</b>		
<b>Perception of Wanganui as 'business friendly'</b>	Forty nine percent of respondents to the Chamber of Commerce's survey in 2008/09 believed Wanganui to be business friendly. Although this survey was not delivered in 2009/10 it is intended to run this annually from 2010/11.	
<b>Pastoral sector gross output</b>	Gains were witnessed in Wanganui's total pastoral sector gross output. This figure increased from \$70.5M in 2008/09 to \$78M in 2009/10.	
<b>Tonnes of product through the port</b>	17,600 tonnes of product was processed through Wanganui Port in 2009/10, representing a reduction of 2,400 tonnes on the previous period.	
<b>Number of guest nights</b>	Guest night figures in 2009/10 demonstrated a decline on those for the previous year - mirroring a trend reflected in other smaller districts. There were 173,500 guest nights in 2009/10 and 199,709 in 2008/09.  The Council's draft Economic Development Strategy has indicated that guest nights should ideally increase by 0.6% each year, with a target of 184,547 by 2015 and 189,922 by 2020.	

## **Council actions that have contributed to 'A prosperous community'**

<b>Sister City economic opportunities</b>	The Council recognised Wanganui's increasing international connections (and the importance of this to improving our standing on the world stage) with the establishment of an International Relations Subcommittee in September 2009. This subcommittee was tasked with fostering new and supporting existing relationships and has a particular focus on economic, cultural, social and educational development. The establishment of Sister City associations in Asia has been identified as a significant opportunity for Wanganui to raise its profile, promote economic initiatives and build key relationships. Funding has been allocated for this purpose in the 2010/11 year.
<b>Enterprise Training Programme</b>	The Council continued its involvement in the NZTE

	Enterprise Training Programme. This programme provides owners and operators of small to medium businesses (employing less than 50 fulltime staff) with access to a range of business training information and coaching sessions. Some of the sessions delivered in 2009/10 included e-marketing and LEAN principles and courses sustained a high satisfaction rating from participants (94%).
<b>Conference Bureau</b>	The Conference Bureau provided advice and assistance to a number of proposed conferences and events, with nine held in Wanganui during 2009/10. These conferences catered to Diversional Therapists, the Language Teachers Association, Maori Women's Welfare League, Police Christian Support, Floral Art Society of New Zealand, Te Matarau and Jehovah's Witnesses. In addition, the Greyhound NZ AGM and Awards were staged in Wanganui in October while the Wanganui Rangitikei Electric Power Board Reunion was hosted in May. A Wanganui Conference Planner / Guide was sent to 240 conference organisers, as well as to key government departments and posted online at <a href="http://www.wanganui.com">www.wanganui.com</a> . This was followed with an 'outsert' in the 'New Zealand Meeting Newz' magazine which is received by 600 North Island corporate organisations.
<b>Skilled Workers Attraction Programme (SWAP)</b>	This Council continued its efforts to attract skilled workers to Wanganui. In 2009/10 these initiatives included promoting Wanganui's appeal to immigrants through 'Wanganui Matters' (a publication distributed to all Embassies, High Commissions, Airports and key Government ministries) and the Wanganui.com website. A number of enquiries were fielded by the Council's economic development staff throughout the year and other contact was made, for example via the Big Braai.
<b>Business assistance</b>	Economic development officers worked with a variety of businesses to provide development support, for example in the form of expansion projects and in relation to transport and infrastructural issues. A number of meetings were held with representatives from the Heads Road industrial area and a tour of this precinct was delivered in May.  Business establishment support was also furnished, with key forums set up such as a Developers Business Group and a Tourism and Hospitality Group. Council officers attended these meetings as required to provide information on issues such as the building consent process and stormwater reticulation.
<b>BIZ (Business information)</b>	The Council continued to operate as a 'walk-in' BIZ information centre – offering specialist business information and referral services to business customers as funded by NZTE. In August 2009 the results of the 'BIZ Mystery Shopper Survey' were revealed and BIZ Information Wanganui was one of only eight sites around New Zealand to achieve a score of 100%. There are 29 BIZ information offices throughout New Zealand and the assessment covered 34 separate standards.
<b>Economic development activities for the rural sector</b>	Funding was allocated to the Rural Community Board via the 10-Year Plan 2009-2019 for the investigation of economic development initiatives that benefit the rural sector. A research project was commenced in August 2009




	<p>incorporating representation from the Council, Federated Farmers and the Rural Community Board.</p>
<p><b>Visitor initiatives</b></p>	<p>Involvement by the Council in 2009/10 included:</p> <ul style="list-style-type: none"> <li>• Securing the Wanganui leg of Opshop's '10 Gigs in One Day' tour in April 2010 – 700 people attended.</li> <li>• Assisting Rotary with the Wanganui promotion elements of its Rugby World Cup initiative for 'Home Hosting' of international Rotarians.</li> <li>• Participating in plans for Wanganui's role as a host city for the USA's rugby team during the Rugby World Cup tournament.</li> <li>• Assisting with the Targa Rally's arrival in Wanganui in October 2009.</li> <li>• Coordinating the Billy Webb rowing event in November 2009.</li> <li>• Assisting with the inaugural 'Raceweek'.</li> <li>• Participating in the Christmas Parade and distributing 2,000 'Discover Wanganui' postcards.</li> <li>• Sponsoring the 'Big Braai' South African BBQ event in April 2010 – approximately 1,200 people attended the event at Cooks Gardens.</li> <li>• Assisting with 'Floravision', a national exhibition of Floral Art, held in Wanganui in April 2010.</li> <li>• Developing a Visitor Guide.</li> <li>• Promoting Wanganui through 'Wanganui.com', a new Whanganui River Road brochure and a Discover Wanganui Facebook 'fan page'. A journalist from 'KiaOra' magazine was also hosted and an eight-page spread on Wanganui and its attractions printed in the summer edition. A documentary on the River Road and its people was subsequently recorded by Radio New Zealand following this article.</li> <li>• Hosting young ambassadors from Wanganui's Sister City Toowoomba, Australia.</li> <li>• Participating in the Western North Island Alliance.</li> <li>• Participating in the Major Regional Initiative – 'Te Kahui Tupua'.</li> </ul>
<p><b>Rural Community Board Strategic Plan</b></p>	<p>In September 2009 the Rural Community Board agreed to develop its own 10-year vision to align with the Council's 10-Year Plan. This plan will set out the Rural Community Board's strategic direction and goals and will be called 'Rural Directions 2020'. It will be adopted in 2010/11.</p> <p>The Board also developed a Communications Strategy which was adopted in October 2009 and began six-monthly distribution of a newsletter ('Hotwire') to all rural delivery properties.</p>
<p><b>Economic Development Strategy</b></p>	<p>Review of the Council's Economic Development Strategy was progressed during 2009/10 and the general direction of the draft strategy was approved by the Council in June 2010 to enable consultation with key stakeholders. This consultation will be achieved via focus group sessions which it is hoped will engender community ownership and shape a complementary action plan.</p> <p>As it sits, the draft Economic Development Strategy is about</p>






	<p>creating wealth and achieving a high value economy for the Wanganui district. It identifies our problems and our strengths, communicates a clear vision, maps out a way forward and sets targets for both the Council and other strategic organisations to bring about the changes necessary to achieve growth. The final strategy will be adopted in 2010/11.</p>
<p><b>War Memorial Conference and Convention Centre</b></p>	<p>The Council continued its efforts to enhance the conference capability of the War Memorial Conference and Convention Centre. In 2009/10 this work included the purchase of a large electric projector screen for the main hall, the repair of moveable partition walls, replacement of seats in the Pioneer Room, repairs to seats in the Concert Chamber and implementation of a new charging regime (effective 1 July 2010). Further proposals for revitalisation were also devised. Plans were made to upgrade signage, improve acoustics through soundproofing, provide a memorial display of World War II photographs and deliver further audio-visual resources – with implementation due in the first quarter of 2010/11.</p> <p>The facility was also actively marketed as an integral part of the Conference Bureau’s promotional campaign. This has resulted in increased bookings and enquiries from organisations outside Wanganui.</p>
<p><b>Youth job opportunities</b></p>	<p>In August 2009 the Council resolved to participate in the government’s Youth Opportunities for employment initiative – a \$152M fund administered through Work and Income creating up to 16,900 new jobs for young people throughout the country. In addition to promoting the initiative to key stakeholders (including the Community Taskforce on Youth Wellbeing, Council contractors and Heads Road businesses) the Council also developed a number of internal positions. These included a Governance Services Project Facilitator to progress completion of governance projects (such as the development of a Governance Services Desk Manual) and a Nagaizumi-Wanganui Friendship Centre Project Facilitator to assist with restoration of the Centre’s Japanese Tea House garden and facilitate delivery of the centre’s summer programme. In total, 13 young people were employed at the Council via this scheme.</p>
<p><b>Ake Ake project</b></p>	<p>The Ake Ake project also emerged as a result of the government’s Youth Opportunities – Community Max package and was jointly designed by the Council, Yes to Youth Wanganui and Aerosol Art Coordinator Pamela Roy. Ake Ake means to ‘rise up’ and the project aimed to support young people by providing them with regular activity, regular employment and regular income – equipping them for the workforce with improved lifeskills and transferable work capabilities. Four young people participated in the following projects during 2009/10:</p> <ul style="list-style-type: none"> <li>• Upgrade of the Yes to Youth Hall in Castlecliff</li> <li>• Mural work at Wembley Park</li> <li>• Numeracy and literacy training</li> <li>• Painting of the Computer Clubhouse</li> <li>• Painting walls in conjunction with the Council’s</li> </ul>



	<p>Graffiti Clean Up team</p> <ul style="list-style-type: none"> <li>• Self-esteem development and training</li> </ul>
<b>Sea port</b>	<p>The Council and River City Port Ltd (RCPL) have been in negotiations over each party's interpretation of the lease agreement for the sea port (which has proved to be ambiguous in areas) since 2006.</p> <p>This very long running legal dispute resulted in a 15 hour formal mediation process in Wellington on 18 August 2010.</p> <p>The Council had previously resolved that it should take back control of the Port so that it can restore / convert the Port to its best possible use for the community. At the mediation it was agreed that the most favourable option would be for the Council to purchase the port business assets and lease from RCPL for \$2.75M.</p> <p>At the Council meeting of 30 August 2010, the Council unanimously approved the proposal to purchase and on 1 October 2010 will take full control of the Port on behalf of the community.</p> <p>This agreement also ensures that Land Meat can be retained in Wanganui – as they are now able to expand their operation, allowing for further investment in the city.</p> <p>Final details of the agreement are now being worked through in order for the asset to transfer to the Council on 1 October. The Council has allowed itself up to 12 months to prepare a business plan for the future of the port operation, port infrastructure and the purpose of the Harbour Endowment.</p>

## Indicators of a well connected community

<b>Primary indicators:</b>		
<b>Community participation</b>	In 2008/09 46% of people were active in a community organisation. In 2009/10 this had decreased to 36%. This result represented the only statistically significant decline in the cultural and recreational activities canvassed.	
<b>Flights in and out of Wanganui</b>	In 2008/09 3,412 flights were made in and out of Wanganui. In 2009/10 this had decreased to 2,838 flights. The drop is due to the cancellation of a large number of flights over the December - January period by Eagle Airways and the operation of six rather than eight flights on Saturdays.	
<b>Percentage of households with access to the internet</b>	The target of 50% was exceeded. The actual projected result was 53% of households with access to the internet. Access to the internet is an important measure of social connectedness – providing the means to stay in touch as well as to obtain necessary information. This figure will be confirmed following Census 2011.  The Council's draft Economic Development Strategy makes specific reference to increasing Wanganui's	

	household internet connectivity. It sets a target for the district of 80% by 2015-2020.	
<b>Secondary indicators:</b>		
<b>Length of pathways and footpaths</b>	Pathway and footpath provision increased from 7,900m <sup>2</sup> to 8,200 m <sup>2</sup> between 2008/09 and 2009/10.	
<b>Users of public transport</b>	Users of the bus transport system in Wanganui increased from 153,894 in 2008/09 to 158,946 in 2009/10. Increased patronage means that Wanganui will retain current routes for the coming year. This service is delivered by Horizons Regional Council.  Although user numbers have increased there are still concerns about the suitable provision of bus services in Wanganui. These issues will continue to be worked through with Horizons during 2010/11.	
<b>Public transport user satisfaction</b>	Horizons Regional Council conducts a public transport user satisfaction survey to canvass community perceptions of its services. In 2008/09 69% of public transport users were satisfied with the service received. In 2009/10 this increased to 79%.	
<b>Rail movements in and out of Wanganui</b>	The Ministry of Transport records the number of rail movements in and out of Wanganui. In 2008/09 there were 364 rail movements and this number was sustained in 2009/10.	
<b>Port assisted movements in and out of Wanganui Port</b>	The ships register recorded 29 port assisted movements in and out of Wanganui Port during 2009/10. This represented a slight decline on the previous period where 32 movements were made.	

## Council actions that have contributed to 'A well connected community'

<b>Review of Wanganui Urban Bus Services</b>	In February 2010 representatives from Horizons Regional Council and Wanganui District Council met to review Wanganui's passenger transport services. Agreement was reached to maintain Wanganui's current bus routes and roll Wanganui's contract over until 2011. This will sustain critical existing services and enables further discussion to take place regarding Wanganui's future public transport needs.
<b>Computers in Homes</b>	The Computers in Homes programme provides low income families with access to ICT and the Internet to support education and employment outcomes. The project is tracking well towards its goal of engaging with 150 families by the end of 2011 – by the beginning of July 2010 it is expected that over 95 families will have graduated from the programme. Partner schools include Aberfeldy, Aranui, Castlecliff, Keith Street, Tawhero, Wanganui East, Kura o Kokohuia, Whanganui Awa, Wanganui Intermediate and Wanganui Girls' College. Continued demand for the programme was evidenced by Statistics NZ research released in April 2010 which indicated that Wanganui's internet uptake is the second lowest in New Zealand (34%) while our proportion of broadband connectivity (47%) is the smallest.





	<p>The 'Stepping UP' programme also continued during 2009/10 and was operated through the Whanganui Learning Centre. As at June 2010 it had enrolled nearly half its target of 250 learners for 2010. Wanganui was selected as one of the first regions in New Zealand to participate in the 'Stepping UP' initiative. This is a Computers in Homes / Microsoft NZ collaboration and provides extended ICT training to Computers in Homes participants as well as to others looking to upskill.</p>
<b>Aotearoa People's Network</b>	<p>The Aotearoa People's Network continued to provide a free internet service hosted by the Wanganui District Library and in May 2010 reached a milestone of 100,000 sessions. People used this service for a number of purposes including writing CVs, participating in online courses or staying in touch with family and friends through social networking sites. Computers linked to the network are available at both the Davis Library and Gonville Café Library. Free Wifi access is also available to people with their own wireless enabled computers and other wireless devices. The network caters to approximately 1,750 people a week.</p>
<b>Putiki Marae Digital Hub</b>	<p>The Putiki Marae 'Cyberwhare' forms part of the Aotearoa Peoples Network Kaharoa initiative and was officially opened to the community in March 2010. Support for this development was provided by Te Puna Matauranga o Whanganui, UCOL Whanganui, Aotearoa People's Network (Christchurch), National Library of New Zealand, Putiki Marae Committee and whanau. Putiki Marae delegates oversee administration and delivery and have participated in the Computers in Homes training programme. The network has been very positively received by the Putiki community and has enjoyed high usage rates – up to 120 hours per week.</p>
<b>River Road seal extension</b>	<p>This seal extension project entered its third year of a six year period of construction. The earthworks contract for the entire 30 kilometres length is 99% complete and aggregate supply from Jerusalem continued successfully.</p>
<b>Forestry Study</b>	<p>The Wanganui Rural Community Board commissioned a forestry consultant to examine the preparedness of the district's rural roads in relation to future forestry activity. This report was received by the Council in November 2009 and identified the 2020-30 period as the most intense forest harvesting period within the next 30 years. It also highlighted the roads likely to be most affected by forest haulage activity – some of which are currently ill-equipped to handle these forthcoming loads. As a result, Council is starting to plan now in order to ensure the integrity of the rural roading network is maintained.</p>
<b>Acknowledgement of roading issues</b>	<p>The Council has been impacted by a reduction in NZTA funding due to a Government decision to spend more money on 'Roads of National Significance'. This has meant that the Council has had to change its asset management strategy from one of 'enhancement' to a position of 'holding on'. The Council recognises that Wanganui's roading network is an essential service for residents, visitors and our economy and will continue to actively lobby the Government to reinstate these subsidies. However, the Government has indicated that reinstatement of funding for Wanganui and</p>

	<p>other provincial towns is unlikely.</p> <p>Other roading issues include assessment of the vehicle dimension and mass rule by a Regional Land Transport sub-committee and ongoing discussions with industry regarding truck tonnage. Industry has advised the Council that:</p> <ul style="list-style-type: none"> <li>• SH3 Cobham Bridge is a major North-South movement impediment;</li> <li>• The Heads Road industrial area is Wanganui's current primary start/finish destination;</li> <li>• Wanganui's key routes are Heads Road, Mosston Road and Montgomery Road;</li> <li>• Inter-district routes include SH3 Great North Road, SH3 London Street, SH3 Carlton Avenue, SH4 Putiki Drive and SH4 Anzac Parade; and</li> <li>• Possible additional routes include Fitzherbert Avenue (including extension), Victoria Avenue and Glasgow Street.</li> </ul>
<p><b>Rural Roads Strategic Plan</b></p>	<p>The Rural Roads Strategic Plan was reviewed by the Rural Community Board and adopted by the Council in November 2009. The Plan recognises that the provision of roading is a significant building block in the development of any region and provision should be made for a sustainable, safe and cost-effective roading system – one that effectively moves people, goods and vehicles throughout the district.</p>
<p><b>Riverfront boardwalk</b></p>	<p>On 10 December 2009 the Mayor officially opened the newly constructed Somme Parade shared pathway. This pathway is 1.1km long and took five months to construct. It runs between Somme Parade and the riverbank from Dublin Street Bridge to opposite Bates Street. The concept for the pathway was developed by architect Mark Southcombe of Void Architecture, in liaison with council staff and provides further enhancement of the Whanganui riverbank area – making it even more accessible to visitors and the Wanganui community.</p>
<p><b>Wireless broadband trial</b></p>	<p>A free wireless broadband trial was rolled out by the Council in June 2010 and is believed to be the first trial of its kind in New Zealand, as while other councils have set up wireless 'hotspots' a council has not directly connected people to the internet before. The trial gives up to 60 households in the Gonville and Fordell areas free broadband internet access for six-months, via a wireless receiver. A further 40 receivers are available to households in the two trial areas at a cost of \$170.00. Funding for the free receivers was donated by the Powerco Wanganui Trust.</p> <p>In addition, Wanganui Girls' College has purchased a receiver and will also participate in the scheme.</p> <p>Participants in the trial will take part in surveys each month to provide Council with an understanding of the constraints and opportunities surrounding broadband connections in the district.</p> <p>The trial will run until December 2010.</p>
<p><b>Digital Strategy</b></p>	<p>The Council began work on a Digital Strategy to align with the Government's Digital Strategy 2.0 and its \$1.5B Ultra</p>

	<p>Fast Broadband initiative. This strategy is borne out of the need to ensure that Wanganui achieves the best digital outcomes for its district and in recognition of the centrality of digital technology to the way society will operate in the future. The Digital Strategy is underpinned by Wanganui's Draft Broadband Strategy and contributes to Wanganui's Economic Development Strategy. The Digital Strategy seeks three major outcomes – a high value economy, vibrant communities and culture, and a healthy environment. The draft Digital Strategy was approved for public consultation in June 2010.</p>
<b>Broadband Strategy</b>	<p>A draft Broadband Strategy was also produced by the Council in 2009/10. This sets out the Council's vision, drivers, principles and strategies in relation to broadband and highlights the benefits of accelerating fibre to the people of Wanganui. It also sets out the preferred model for roll out of a broadband network, ensuring schools, hospitals, medical centres, government departments, universities and businesses are connected as quickly as possible. The draft strategy was approved for the public submission process in June 2010 and consultation is being undertaken in conjunction with the draft Digital Strategy.</p>
<b>Ultra fast broadband</b>	<p>In 2008 the Wanganui school community asked the Council to become involved in efforts to obtain improved broadband access in the district. During 2009/10 the Council has examined many of the issues related to existing broadband services in Wanganui and has made a proposal to the Government's \$1.5B Ultra Fast Broadband Initiative (UFB). The Council is continuing to work through this confidential process with Crown Fibre Holdings.</p>
<b>River Road community library service</b>	<p>Supporting communities along the Whanganui River is a key objective of a well connected community and in 2009/10 the Council progressed plans to open a small-scale library hub at Jerusalem in collaboration with the Sisters of Compassion. In addition, a book scheme with the Whanganui Awa School was developed with Paige's Book Gallery.</p>
<b>Mountains to the Sea cycleway</b>	<p>The Council liaised with key stakeholders, including the Department of Conservation, in relation to the Mountains to the Sea cycleway during 2009/10. In particular the Economic Development team worked to integrate this project into the Wanganui district - pursuing opportunities for maximum economic benefit and visitor leverage. Applications for additional sections in the vicinity of the Wanganui district have been lodged with the National Cycleway Fund and work has commenced on a plan to utilise the River Road. This would act as a 'feeder' and 'receiver' – connecting riders to the routes that have been (and are continuing to be developed) in the upper river valley / Bridge to Nowhere area.</p>

## Indicators of a community where people work together

<b>Primary indicators:</b>		
<b>Public perception of positive leadership</b>	<p>The 2010 Community Views Survey revealed that 60% of people rated the performance of the Mayor and councillors as 'good' or 'very good'. This represented a decrease in confidence on the previous year where 72% of respondents were satisfied with this performance.</p> <p>In addition, provision of sufficient information, responsiveness to community needs and issues and community involvement in decision making was also canvassed. All of these measures were down on results for the previous year, with 69% of people considering that 'enough' or 'more than enough' information had been supplied (80% in 2009); 57% of people believing that the Council had responded 'very well' or 'well' to community needs and issues (73% in 2009); and 55% noting satisfaction with the community's involvement in decision making (68% in 2009).</p>	
<b>Voter turnout at local elections</b>	There was no election held during the 2009/10 year. The next election will be in October 2010.	-
<b>Secondary indicators:</b>		
<b>Submissions to annual planning process</b>	<p>In May 2010 the Council received 58 submissions to its Annual Plan for the 2010/11 year. In comparison, the Council's 10-Year Plan 2009-2019 consultation process (which ran from April – May 2009) attracted 61 submissions. This was in addition to the referendum process which ran concurrently – enabling direct consultation on a number of specific issues and achieving the highest referendum response rate to date (61%).</p> <p>Twenty-nine submitters to the Annual Plan 2010/11 elected to be heard at the Council's submissions meeting on 31 May 2010.</p>	
<b>Referenda participation rate</b>	The Council did not hold a referendum in the 2009/10 year. The next referendum will be held in conjunction with the local government elections in October 2010.	-

## Council actions that have contributed to 'A community where people work together'

<b>Collaboration with community organisations</b>	The Council maintained its work with a host of external agencies – most notably through the Safer Wanganui Project and Community Taskforce on Youth Wellbeing. In addition, the Council signed a Memorandum of Understanding with Work and Income NZ in September 2009 and the Youth Projects Coordinator continued to liaise with Whanganui UCOL, particularly in relation to the Computer Clubhouse.
<b>Facilitation of the Older People's Forum</b>	The Older People's Forum met regularly during 2009/10 to progress issues of significance for older people in our community. This included discussion regarding the NZ



	Council of Elders 'Loneliness and Isolation Report'; Council's Pensioner Housing service; Age Concern's Intergenerational Life Story Project and accredited home visiting initiative; and Horizon Regional Council's Urban Land Transport review.
<b>Providing the community with resources to foster financial independence, e.g. Fundview and BreakOut databases</b>	These searchable databases were provided at the District Library and Community House and enabled the public to access current information on funding sources, criteria and availability. Fundview contains over 600 different funding schemes for voluntary organisations while Breakout offers over 2,200 funding schemes for students, researchers, sports people and artists.
<b>Community Contracts</b>	Funding of \$100,000 was available to support community groups and organisations in the delivery of community based projects or events. Twenty-four applications were received for the formal 2009/10 Community Contracts funding round and 19 contracts were approved with grants totalling \$75,175. The residual amount (\$24,824) was held for applications which might arise during the year.
<b>Information Strategy</b>	Work has commenced on an Information Strategy following a risk review which indentified information management as the number one Council risk. The Council is also working to digitise key records, such as building packs, to safeguard information for the future.
<b>Customer services initiatives</b>	A number of customer services projects were undertaken in 2009/10 to improve systems and enhance interaction with the public. These included: <ul style="list-style-type: none"> <li>• Installation of a new telephony solution (Zeacom) – a more intelligent system enabling enhanced monitoring and reporting as well as quicker call handling.</li> <li>• Development of a new customer service / reception area and reconfiguration of the call centre – providing a better customer experience for both 'walk-in' and 'call-up' customers.</li> </ul>
<b>TamaUpoko and Tupoho Working Parties</b>	The Council continued to meet separately with two of the Atihaunui-A-Paparangi Runanga, Tupoho and TamaUpoko, on a six-weekly basis as per its relationship documents. Eight TamaUpoko Link meetings and eight Tupoho Working Party meetings took place during the 2009/10 year.
<b>Youth Committee</b>	The Council's Youth Committee entered into its fifth year of operation. Eighteen young people (between the ages of 12 and 24) are appointed for a term of at least one year and are selected to match Wanganui's diverse makeup and act as effective youth advocates. Issues considered by the committee during 2009/10 included the government's Youth Opportunities employment scheme, 'Shaping Wanganui' (the District Plan review) and the Council's Waste Management and Minimisation Plan. The Committee also engaged with the Wanganui Multicultural Youth Council and staged events such as Picnic in the Park.
<b>Rural Community Board</b>	Representative community governance was provided in the rural area by the Rural Community Board. Public meetings continued to be held throughout 2009/10 and the Board pursued additional efforts to connect with its community through initiatives such as a rural newsletter ('Hotwire') and improved coverage in the Community Views Survey. This

	<p>survey revealed that 70% of rural residents were aware of the Rural Community Board and also identified a number of specific issues for the Board to focus on in 2010/11.</p>
<b>Super GoldCard parking scheme</b>	<p>A free parking trial for SuperGold cardholders was implemented following a submission to the Council's 10-Year Plan 2009-2019 from Wanganui Grey Power. This scheme offered free parking for three months along Victoria Avenue from 8.30am to 10.00am, Monday to Friday. The programme was reviewed as part of the Annual Plan 2010/11 deliberation process in June 2010 where it was decided to extend it until 30 March 2011 when a further review will be undertaken.</p>
<b>Disability Strategy</b>	<p>The Council liaised regularly with Whanganui Disability Resources in the development of this community-driven strategy and funded the employment of a Project Consultant (via Community Contracts) to draft the document. It marks the first disability strategy in the world driven by the local community and contains 15 goals which aim to change attitudes by enforcing disabled people's human rights, helping them control how their needs are met, removing barriers put in place by able-bodied people and encouraging widespread and open discussion about key issues. The Council provided comment on the draft strategy in June 2010 and the final strategy will be launched in August 2010.</p>
<b>Community Views Survey</b>	<p>The Community Views Survey continued to be delivered on an annual basis. It primarily measures satisfaction with Council services and facilities while also assessing general quality of life perceptions, community engagement and wellbeing. The survey was undertaken by Versus Research on behalf of the Council between 19-28 April 2010 and canvassed 418 Wanganui residents. Notable additions to the survey in the 2009/10 year included:</p> <ul style="list-style-type: none"> <li>• A more detailed breakdown of park and reserve use with the addition of beach, premier park and neighbourhood park options.</li> <li>• Better clarity around cycle-way and cycle-lane use and the purpose of riverbank walkway usage.</li> <li>• Improved coverage of the Rural Community Board in order to determine rural awareness and preferred strategic direction – as well as to better target rural residents. This has seen rural respondents split according to property size, with a demarcation between those with large (10 hectares plus) and small (2-10 hectare) properties.</li> <li>• Analysis of library patronage by age and gender.</li> </ul>
<b>Samoa tsunami appeal and trip</b>	<p>In the wake of the Samoan tsunami in September 2009 the Council organised a community appeal and coordinated a reconstruction team. This team travelled to the village Satitua in December 2009 and provided assistance to residents – building a church and community centre and distributing supplies including books, toys and sports equipment to the village's children.</p> <p>The Wanganui community raised over \$40,000 towards these efforts.</p>
<b>Food Bank campaign</b>	<p>The Council worked closely with Christian Social Services in</p>



	2009/10 to support its work with Wanganui communities. This included promoting and assisting with a Food Bank drive and matching community donations 'dollar for dollar' from the Mayoral Relief Fund. This resulted in the presentation of a cheque for \$10,000 to Rev. Gene Lawrence (Board Chairperson, Christian Social Services Wanganui) in March 2010.
<b>International Relations Subcommittee</b>	In September 2009 the Council established an International Relations Subcommittee with the intention of fostering new, and supporting existing, relationships worldwide. The subcommittee has a particular focus on economic, cultural, social and educational development and has identified the establishment of Sister City associations in Asia as a significant opportunity for Wanganui to raise its profile, promote economic initiatives and build key relationships.
<b>Creative Communities grants</b>	Funding for local community-based arts activities was again available through the Creative Communities Scheme. This scheme aims to increase participation in the arts at a local level, and increase the range and diversity of arts available to communities. The 2010 funding round closed in February. Thirty-two applications were received and \$30,000 was distributed amongst 21 recipients for a broad programme of arts events and training.
<b>Community Projects Team</b>	<p>The Council's Community Projects Team continued to undertake building work within the city's parks and reserves network. Some of the projects completed during 2009/10 include:</p> <ul style="list-style-type: none"> <li>• Building new nesting boxes for the aviary at Virginia Lake</li> <li>• Digging foundations for the new shelter at Castlecliff Domain</li> <li>• Planting trees on Christies Hill</li> <li>• Revamping wooden signs at walkway areas</li> <li>• Renewing the seats in the brick enclosures along the jetty by the Town Bridge</li> <li>• Constructing a new fence along one side of the Heads Road Cemetery</li> <li>• Installing bike racks at Gonville Domain</li> </ul> <p>The Community Projects Team is comprised of long-term unemployed who are engaged for a 26 week contract.</p>

## Indicators of a community with quality education

<b>Primary indicators:</b>		
<b>NCEA attainment</b>	The percentage of school leavers with at least NCEA Level 3, or sufficient attainment to attend university, dropped negligibly between 2008 and 2009. In 2008 43.9% of students obtained an entrance qualification while in 2009 this sat at 43.6%.	
<b>Level of educational attainment</b>	<p>The number of people aged 15 years or over with a tertiary qualification increased from 1,842 in 2001 to 2,688 in 2006 as measured by the Census.</p> <p>The number of people aged 15 years or over with no qualification decreased from 9,933 in 2001 to 9,768 in</p>	

	<p>2006.</p> <p>The next Census will be delivered in 2011.</p> <p>The Council's draft Economic Development Strategy identifies a more educated community as a key outcome. Currently 33% of people in Wanganui have no formal qualifications. The draft strategy responds to this result by aiming to reduce this figure to 30% or less by 2015-2020.</p>	
<b>Early childhood education enrolment rates</b>	Gains were made in the number of children enrolled in early childhood education between 2008/09 and 2009/10, with rolls increasing from 2,103 to 2,259. Increases were most evident in 'homebased' childcare (jumping from 255 to 430) while kindergarten and childcare (regular) enrolments both decreased.	
<b>Secondary indicators:</b>		
<b>UCOL enrolment rates</b>	Full-time equivalent students for UCOL's Whanganui Faculty grew between June 2009 and June 2010, reversing the pattern of decline that had been evident since 2000. Full-time students totaled 725 while overall enrolments sat at 1,402 (a slight decline on overall figures from the year before).	
<b>Gateway course enrolments</b>	Gateway programmes offer practical courses of study supported by industry Unit Standard qualifications for school students in Years 11 through 13 – providing pathways into careers and a non-traditional approach to learning. In Wanganui these courses offer 'on the job' training in areas such as early childhood care and vet nursing. In 2009/10 there were 168 students enrolled in the Gateway programme. This was an increase of 20 students on the previous year.	


## Council actions that have contributed to 'A community with quality education'




<b>Wanganui Glass School</b>	The Council sustained its involvement in the Wanganui Glass School and signed an agreement with UCOL in August 2010. The school received new equipment, including a new Glory Hole, and the campus also saw general improvements – making it a more attractive space. In September 2009 a second year student was announced as the winner of the Ranamok Glass Competition (the top glass award in Australasia) and was supported in these efforts by the Council and Energy Direct NZ. An Artist in Residence was also appointed. This is a voluntary position, providing assistance to tutors and students while enabling the artist to extend their professional glass art practice.
<b>Trades Training School (INTRANZ)</b>	In May 2010 the Council resolved to support the establishment of a local Trades Training initiative through the allocation of funds for business development and through direct staff support via the Economic Development team. This project marked a collaborative effort between the Council, Wanganui YMCA and the Wanganui LEAN



	<p>Group and emerged following concerns that Wanganui lacked dedicated and focused trade training opportunities – including complete engineering qualifications. The Council’s funds have contributed towards the purchase of tools and equipment (including lathes, welding gear and electric hand tools).</p> <p>The first intake of 15 students will be accepted in August 2010. The course guarantees employment upon receipt of the core qualification – the NZ Certificate in General Engineering (Level 2).</p> <p>The YMCA is responsible for the delivery of training and for student support while industry partners are responsible for the ongoing placement of graduates.</p>
<b>Young Enterprise Scheme</b>	The Council continued to support the government funded Young Enterprise Scheme as a naming sponsor. Team Cable from Nga Tawa received national excellence recognition with the ‘Renaissance Award for Innovation (ICT)’ in November 2009 for their event website for teenagers.
<b>Computer Clubhouse</b>	Wanganui’s Computer Clubhouse opened on 24 May 2010. It provides young people between the ages of 11 and 18 with the opportunity to work on creative and technology based projects with the support of mentors. The Clubhouse is open afterschool until 7.00pm and offers not only a free, safe and supervised environment but also access to a huge variety of high-tech state of the art technology – including 15 Mac workstations, two Mac laptops, a music studio, digital cameras and video, a telescope, lego robotics and a big screen TV. The Clubhouse is the fourth of its kind in New Zealand and the Council was awarded funding for this project through the Department of Internal Affairs Community Partnership Fund.

## Indicators of a community with well developed amenities and recreational opportunities

Primary indicators:		
<b>Participation in sport and recreational activities</b>	The community’s level of participation in sport and recreational activities was canvassed by the Community Views Survey 2010. The vast majority of respondents to this survey (97%) had participated in at least one of the activity options over the last year. This represented a slight increase on the 2008/09 year where 96% of respondents noted some form of participation. A number of new options were included in the 2010 survey to provide better clarity around cycling activity and to offer a more detailed breakdown of park and reserve usage. Respondents were asked which of the following they had undertaken over the previous year: visiting a beach; using / visiting a Premier Park; using / visiting a neighbourhood park; using the riverbank walkway; using other walkways around the city; using / visiting a sportsground; using / attending an event at Cooks Gardens; playing sport on an informal basis; playing organised sport (e.g. for a club); undertaking activities	

	on the Whanganui River; and using a cycle-way or cycle-lane.	
<b>Participation in arts and cultural activities</b>	The 2010 Community Views Survey revealed that Wanganui residents participate in a number of arts and cultural activities, with 89% of respondents undertaking at least one of the identified options in the previous 12 month period. However, despite generally positive participation rates this did mark a decline on the previous year where 93% participation was achieved. One new option was added this year to recognise Wanganui's arts and performance culture following discussions with Council's new Arts Coordinator. Respondents were asked whether they had: used the library; visited the Regional Museum; visited an historical site; been active in a community organisation; attended a performance at the Royal Wanganui Opera House; visited the Sarjeant Gallery; attended the theatre; attended a Maori cultural event / performance; and participated as a performer in any event or activity.	
<b>Secondary indicators:</b>		
<b>Community satisfaction with Council facilities</b>	Community satisfaction with specific Council facilities was measured through the Community Views Survey. In 2008/09 65% of people were satisfied or very satisfied with Council facilities overall, however in 2009/10 this had dropped to 60%.	
<b>Cultural facility patronage</b>	Overall participation in our cultural facilities increased between 2008/09 and 2009/10 as a result of the opening of the Gonville Library. There were 435,553 visitors across the Sarjeant Gallery, Museum, Library and Opera House in 2008/09 and 463,117 in 2009/10.	

## **Council actions that have contributed to 'A community with well developed amenities and recreational opportunities'**




<b>Kowhai Park skateboard ramp project</b>	The Kowhai Park Skatebowl was given a mural makeover. This was a joint project of the Youth Committee and the Make It. Take It. Project. New Zealand contemporary artist Michel Tuffery worked on the mural with Pamela Roy of the Aerosol Art Project and youth engaged with Yes 2 Youth Services. A BBQ was held to celebrate the completion of the mural in summer 2010.
<b>Youth Committee – Underground Youth Fashion Show</b>	The fourth Underground Youth Fashion Show was staged on 7 November 2009. Over 400 young people were involved in event coordination, stage design, sound and lighting, entertainment, modelling and fashion design.
<b>Opening of the Gonville Library</b>	The Gonville Café Library was officially opened on 31 August 2009 and quickly established itself as an important community hub, with more than 4,000 people per month making use of its library collections, café and internet facilities. The new library offers all the services of the Davis Library (just on a smaller scale), including four free-to-use computers connected to the internet via the Aotearoa Peoples Network, free wireless internet access and one of the best book collections in New Zealand on health,

	<p>sustainable living and 'eco' practices. Creating the Café Library in the Gonville Centre, which also includes a health practice and a community meeting room, places the library service in the centre of the local community and invites the public to take full advantage of the varied range of library services on offer.</p>
<b>Upgrade of Kowhai Park toilets</b>	<p>Refurbishment of the Kowhai Park toilets took place during 2009/10 and an official reopening took place on 18 April 2010. The revamped toilets include a nappy changing facility in the male block and form part of a rejuvenation push to re-establish Kowhai Park as the 'best playground in New Zealand'.</p>
<b>Sarjeant Gallery improvements</b>	<p>Floor sanding - At the end of May 2010 the entire Gallery was de-installed in readiness for floor sanding and a polyurethane coating. This necessitated the Gallery's closure for four weeks and included the removal of all exhibited artworks as well as the entire Front of House shop area, the library and the contents of two offices. This work was completed in time for the Gallery to reopen on 19 June 2010.</p> <p>Skylights - Replacement of the Gallery's skylights was undertaken. This work was completed at the end of June 2010 and involved replacement of the supporting framing, new aluminium carriers, new laminated safety glass and improved flashing details. An Historic Places Trust architect was engaged to oversee this project.</p> <p>Re-roofing – Re-roofing of the gallery was completed by the end of June 2010.</p> <p>Additional work - The gallery also received a new kitchen / servery, a disabled toilet, an upgrade of its workshop walls, fire alarm improvements, parapet capping, an upgrade of its front facade and roof lighting.</p>
<b>Virginia Lake Reserve Management Plan</b>	<p>A management plan for the Virginia Lake Reserve was adopted by the Council in November 2009. This is a working document – setting out the Council's objectives and policies for the day-to-day management of the reserve as well as defining its longer term intentions. The Plan's vision statement recognises and seeks to sustain the reserve's outstanding scenic and park-like characteristics, its visitor appeal and its provision of a valuable wildlife habitat within the urban area.</p>
<b>Virginia Lake improvements</b>	<p>In addition to the water quality work undertaken at the lake, the following enhancements were also made during 2009/10:</p> <ul style="list-style-type: none"> <li>• The path up to the toilets on the southern side of Virginia Lake has been concreted (making it much safer)</li> <li>• Ongoing tree work</li> <li>• Completion of a fence around the playground</li> <li>• Restoration and reinstatement of the lion sculptures at the southern entrance (made possible by a</li> </ul>

	<p>Lottery Grant)</p> <ul style="list-style-type: none"> <li>• Construction of a retaining wall alongside the lakeside toilets</li> </ul>
<b>War Memorial Conference and Convention Centre</b>	<p>The Council's aim is to promote the War Memorial Conference and Convention Centre as a high quality facility that caters for a range of community and commercial activities, while still reflecting its heritage. A new management, charging and promotion regime was devised in 2009/10. This will be implemented from 1 July 2010.</p>
<b>Family-friendly bike ride</b>	<p>The Council supported Sustainable Whanganui's application to its Family Friendly Fund (via Community Contracts) for a 'family bike ride' as part of the Department of Conservation's Summer Holiday Programme. The event was held on 31 January 2010 and travelled from the Green Bikes Workshop, alongside the Whanganui River on the cycle/walkway and across the Dublin Street Bridge before finishing at Kowhai Park. The event promoted a strong 'safe cycling' message as well as healthy exercise. The Council's sponsorship helped provide a BBQ lunch for participants at the end of the afternoon's ride.</p>
<b>Parks and property general</b>	<p>Improvement work undertaken in the parks and property area during 2009/10 included:</p> <ul style="list-style-type: none"> <li>• Improved access at the Duncan Pavilion</li> <li>• Repair and maintenance work at Castlecliff Hall</li> <li>• Installation of a sculpture sponsored by the Bason Botanic Gardens Trust at the top of the Millennium Hill steps</li> <li>• Repairs to the skatebowl at Kowhai Park</li> <li>• Re-landscaping around the railway tracks at Kowhai Park and provision of new picnic tables</li> <li>• Toilet renovations at the Davis Library and upgrading of the emergency lighting</li> <li>• Replacement of cladding and repainting of the Royal Wanganui Opera House's exterior.</li> </ul>
<b>Velodrome</b>	<p>In June 2010 the Government announced a significant re-shaping and expansion of high performance sport, including the intent to create a 'cycling centre of excellence' in the North Island. Expressions of Interest (EoI) in the cycling centre (which must include facilities for track, road, mountain and BMX cycling) were to be provided to SPARC by 30 August 2010.</p> <p>The significant work that was already underway for the proposed enclosure of the Wanganui velodrome was expanded to reflect the new scope and submitted to SPARC. A National High Performance Board has been created to oversee the EoI process on behalf of SPARC. Selected cities will be requested to tender more detailed proposals, with a decision to be announced on the successful proposal in April 2011.</p> <p>In January 2010 the Council confirmed its unanimous support for a 'cycling centre of excellence' in Wanganui – should Wanganui be the successful applicant. As a result, the Council has resolved to source 50% of the estimated \$16.6M required for stage 1 of the project (enclosure of the Velodrome and the building of the associated facilities for</p>

	cycling).
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## Indicators of a community with identity

<b>Primary indicators:</b>		
<b>Perceptions of Wanganui residents</b>	<b>of by</b> When asked about quality of life 31% of respondents to the Community Views Survey indicated that they believed this was 'better' compared to last year, while 57% considered it to be 'about the same'. These results are in line with the findings from last year. The closeness of facilities, the people and family / friends were highlighted as the best things about living in Wanganui. Similarly, the people, good facilities and an abundance of outdoor spaces were identified as Wanganui's top three family-friendly elements.	
<b>Perceptions of Wanganui external people</b>	<b>of by</b> In 2009 the Council commissioned a national survey on perceptions of Wanganui. The survey provided an insight into how people view Wanganui across a range of 'quality of life' indicators and also examined Wanganui's key features and identities – as perceived by New Zealanders. Thirty-three percent of respondents to this survey indicated that they considered Wanganui to be a tourist destination. This did not meet the longer term target of 50%. The survey will next be undertaken in the 2010/11 year.	
<b>Perception of Wanganui's heritage value</b>	<b>of</b> This is a new KPI and has not been measured in the 2009/10 year. It will form part of survey work in 2010/11.	-
<b>Secondary indicators:</b>		
<b>Intention to remain in Wanganui</b>	In 2010 70% of people had no intention to move out of Wanganui even if it was possible to do so – this compares to 72% in 2009 and 76% in 2008. Of those who indicated that they would leave if the opportunity arose most (33%) claimed that better job opportunities would be the impetus to move.	

## Council actions that have contributed to 'A community with identity'

<b>Cemetery database</b>	Development of a searchable digitised index of the Council's official cemetery records was progressed during 2009/10 in conjunction with the New Zealand Society of Genealogists. Burial and cremation records were scanned and indexed with over 5,000 records entered by volunteer genealogists as at the end of June 2010.
<b>Iconic events</b>	The Council continued to support iconic events such as Puanga/Matariki celebrations, Wanganui Artists Open Studios and the Wanganui Literary Festival. The 2010 Puanga/Matariki celebrations began on 16 June 2010 with a dawn launch at Putiki Marae. Scheduled events include a film evening, star gazing from the observatory, book launches, taonga preservation course, storytelling at the library and a kai evening. The 2009 celebrations ran from 3

	<p>June until 8 July 2009.</p> <p>The employment of a Council Arts Coordinator in February 2010 has enabled further support for Wanganui's calendar of iconic events.</p>
<b>Sports Hall of Fame</b>	<p>The Wanganui Sports Awards were held in March 2010. Council staff assisted with the Sports Hall of Fame induction element of the event and displayed a series of framed portraits of 'Hall of Fame' inductees. The collection will be added to annually as new recipients are inducted. New appointments made in 2009 and 2010 included Moke Belliss (rugby), Harry Cave (cricket) and Pat Barwick (hockey).</p>
<b>Peter Snell statue</b>	<p>Sir Peter Snell was in attendance to perform the official unveiling of the life-size bronze Peter Snell statue at Cooks Gardens on 15 August 2009. The unveiling was preceded by a family fun day at Cooks Gardens, including children's sporting events, and was followed by an afternoon tea and dinner. A stained glass window commemorating the sporting achievements of both Sir Peter Snell and Billy Webb was also installed in the Council Chambers as part of the 'Wanganui Story'.</p>
<b>John Ballance statue</b>	<p>A bronze larger-than-life statue of former New Zealand Premier John Ballance was also presented to the public in 2009. This was sited in front of the Council's offices and officially unveiled on 19 October 2009. This spot was chosen because it provides a suitably prominent position – overlooking one of Wanganui's major intersections adjacent to the seat of local government.</p> <p>John Ballance was Premier of New Zealand from 1891-93 and formed the country's first Liberal government. He was previously the MP for Rangitikei and Wanganui.</p>
<b>Krupp Gun</b>	<p>The restored Krupp Artillery Gun was fired at a special ceremony on 8 May 2010. Celebrations were kicked off with a civic parade, with the pipes and drums of the 5th Wellington West Coast Taranaki battalion and a civic delegation accompanying the gun en route to the War Memorial forecourt.</p> <p>The Krupp Gun was cast and created in Germany, provided to the Boer republic of Orange Free State, and used against colonial forces in the Boer War. It was fully restored by a team of experts with financial assistance from the Council and the Lotteries Commission and returned to its operational capacity. It has now taken permanent residence in Wanganui's War Memorial Conference and Convention Centre and will be available for use at Anzac and Remembrance Day ceremonies. It is believed that the restored Krupp Gun is the only one of its vintage in the world, and the only operational piece.</p>
<b>Public Art Strategy</b>	<p>The Council adopted a Public Art Strategy in June 2010. This strategy is about providing the vision, leadership and infrastructure to support the development of public art activities at selected spaces and places – encouraging residents and visitors to explore, absorb, feel part of and have fun in our city. The Council's appointment of an Arts Coordinator will assist the implementation of this strategy,</p>



	strengthen relationships with the arts community and build Wanganui's arts sector.
<b>Billy Webb event</b>	The second Billy Webb Challenge was held on 29 November 2009. Mahe Drysdale competed against Tim Maeyens from Belgium and there was also a women's race with New Zealand's Emma Twigg racing against Australian Sally Kehoe.
<b>Visitor Information Centre</b>	Work to convert the former Tearaway Building into Wanganui's new Visitor Information Centre began in autumn 2010. This construction included framing for the new façade, re-cladding of the roof and replacing the old metal sheets with new steel. In addition to iSite services the ground floor area will include the 'Wanganui Shop', public toilets (complete with aquarium), a display of local native bush and a café, while the upstairs area will house a Glass Gallery. Rental income will be provided through the leasing of a private apartment / office suite on the first floor. This project is part of a number of measures to revitalise Wanganui's riverfront precinct – delivering a complete visitor experience and providing a vibrant community hub. The new centre is scheduled to open in spring 2010.
<b>Visitor Committee</b>	In November 2009 the Council established a Visitor Committee to: <ul style="list-style-type: none"> <li>• Monitor implementation of the Visitor Strategy</li> <li>• Assist with the development of the district's marketing plan</li> <li>• Monitor the iSite development and performance</li> <li>• Provide policy guidance on visitor matters to the Economic Development team</li> <li>• Provide feedback to the Council on matters relating to the Visitor Strategy</li> <li>• Facilitate the establishment of a Visitor Industry Forum</li> <li>• Monitor the Regional Tourism Organisation's functions</li> </ul>
<b>Southern Entranceway</b>	The Council continued its efforts to develop the "best entrance to a city anywhere in New Zealand" and to draw travellers into the city. This work includes roading improvements and installation of a roundabout at the dangerous Wikitoria Road/State Highway 3 corner, plus landscaping and beautification. The Council has also decided to install a sculpture ('Encounter') at the site – an abstract representation of the encounter and greeting that occurs when people meet. Construction commenced in December 2009 and is due for completion in September 2010.
<b>Visitor Strategy</b>	The Council approved a Visitor Strategy for the district on 19 October 2009. Consultation on this document was extensive – taking a broad view of the visitor industry and encompassing all persons in Wanganui with an interest in this sector. The adopted strategy sees Wanganui recognised as a vibrant and appealing district that offers an integrated and coordinated experience through its visitor attractions, its business prospects and its liveable potential. In essence, Wanganui will be a great place to live and visit.






<p><b>Riverfront development</b></p>	<p>The Council progressed its vision to create a vibrant riverfront precinct – transforming the area into an entertainment and tourism hub which embraces the Whanganui River. Public consultation was undertaken throughout 2009/10 and plans continue to be formulated. These are likely to incorporate a pedestrian friendly flow and will work in concert with other key Council initiatives: the Southern entranceway project (designed to attract more traffic and visitors off State Highway 3 through Putiki and into the city); a nationwide marketing and promotions campaign to relaunch Wanganui on the national stage; and the construction of a riverfront visitor information centre. The Council approved \$150K at the 2010/11 Annual Plan deliberation process in June 2010 for the development of initial designs and more targeted public consultation.</p>
<p><b>Plaques and Memorials Policy</b></p>	<p>A Plaques and Memorials Policy was adopted by the Council in April 2010. The purpose of the policy is to provide certainty with regard to the marking of public sites of significance in the Wanganui district – in an effort to avoid ad hoc, prolific, inappropriate or widely varying placement of plaques and memorials. The policy operates within the context of the telling of the Wanganui Story and sets a process for the Council and the community to follow when new plaques and memorials are proposed.</p>
<p><b>Implementation of the Urban Design Action Plan</b></p>	<p>As part of the District Plan review the Council considered (and will continue to consider) matters relating to urban amenity. To assist this process, and to achieve the objectives of the urban design protocol that the Council is a signatory of, workshops with Councillors and Council staff were facilitated by Urbanism+ in May 2010. Good urban design is described as the art of making places for people – and establishing the necessary connections between people and places. High-quality urban design is key to creating sustainable cities and is proven to lead to economic, social, cultural and environmental wellbeing.</p> <p>In addition, the Council made a submission to Standards NZ supporting the review of NZS4404 and its change in emphasis for development design – shifting from a singularly focused engineering position to a sustainable and modern design consideration that takes account of liveability and environmental quality.</p>
<p><b>Heads Road Cemetery Management Plan</b></p>	<p>A Management Plan for the Heads Road Cemetery was adopted by the Council in October 2009. Protection and preservation of this site is warranted because of its historic and social significance (locally and nationally) and its importance as an expression of the cultural values of the founding years of Wanganui. This importance has been recognised by its registration as a Category I site (nationally significant) by the Historic Places Trust. The purpose of the Management Plan is to provide the Council with adequate strategies, guidelines and actions to ensure appropriate management – while discouraging activities inconsistent with the nature and cultural significance of the cemetery.</p>
<p><b>Archaeological assessments</b></p>	<p>Archaeological assessments were carried out during 2009/10 in consultation with Tupoho, Ngati Apa, Nga Rauru and Tamareheroto representatives as part of a Council</p>



	<p>funded project to review and document key areas of the district for unidentified archaeological sites. Over 300 named places were identified during 2009/10.</p> <p>Excavation was also undertaken on Putiki Drive as part of the cutting back of the riverbank for the Southern entranceway development. This revealed significant new knowledge about the settlement of the area from the earliest Maori inhabitants to the colonial period. Three different phases of Maori occupation were discovered at the site. Items found included mammal, fish and bird bones, trolling lures or Pa Kahawai, pieces of clay tobacco pipes, buttons and glass beads. Radiocarbon dates from the base of the shell midden indicate the site was first occupied approximately 600 years ago.</p> <p>Excavation of a St. Hill Street car park also provided a significant insight – encapsulating the entire European history of Wanganui from the 1850s to the early 20<sup>th</sup> century. Considerable material was uncovered from whole black beer bottles, badges and china to more unusual items such as cricket paraphernalia.</p>
<b>Sample Heritage Colours</b>	<p>Advice for owners of District Plan Heritage Inventory listed buildings or those located in the Old Town Conservation Zone was provided in March 2010. The Council does not have an official heritage colour scheme but owners of these buildings are required to use colours appropriate to the age of the building.</p>
<b>Museum award</b>	<p>In August 2009 the Museum received an Award for an Outstanding Contribution to the New Zealand Diversity Action Programme 2009. The Award was granted by the Race Relations Commissioner, Joris de Bries, and presented by the Governor General to a group of four museum representatives in Wellington. This award was granted to celebrate the Museum's bicultural approach, and in particular the award winning exhibition Te Pihī Mata.</p>
<b>Sculpture competition</b>	<p>Applications to the Council's inaugural sculpture competition closed in April 2010. The proposal brief called for site specific sculptural works – with the winning work to be permanently sited along the riverbank walkway and Somme Parade shared pathway. A first prize of \$50,000 is being offered for construction and permanent installation and 'People's Choice' and runner-up prizes may also be awarded. The display of public art in this area will enhance the riverfront as a vibrant space and underlines the Council's commitment and support for Wanganui's thriving arts scene. It is expected that over time we will acquire a significant body of work that will become a visitor attraction in its own right. The event will run between 25 September and 11 October 2010.</p>
<b>International Peace Day support</b>	<p>The Council participated in International Peace Day celebrations in 2009. Wanganui's branch of the United Nations Association of New Zealand and 'Operation Peace Through Unity' chapter organised Wanganui's contribution to these efforts including the coordination of a walk to Wellington to coincide with the World March for Peace and Nonviolence. Participants departed Wanganui on 21</p>

	September 2009 (the International Day of Peace) and arrived in Wellington on 2 October 2009 (Ghandi's birthday) in time for international launch celebrations.
<b>Naming of Wanganui</b>	On 18 December 2009 Lands Minister Maurice Williamson released his decision that both 'Wanganui' and 'Whanganui' would be valid spellings of our city's name – leaving it up to organisations and individuals to choose their own preferred variant. Legislative change is required to effect the Minister's decision. More information on the spelling of Wanganui and its history can be found on the Council website: <a href="http://www.wanganui.govt.nz">www.wanganui.govt.nz</a>

## Indicators of an environmentally sustainable community

<b>Primary indicators:</b>		
<b>Amount of waste recycled through the recycling centre</b>	There was a slight decrease in the amount of waste recycled through the Peat Street recycling centre in 2009/10 with 19,664m <sup>3</sup> of product received. This compares to a total of 19,681m <sup>3</sup> for 2008/09.	
<b>Drinking water quality</b>	The target of 100% was not able to be confirmed as a result of timing issues with Ministry of Health grading of our two new bores (Abelard and Heloise). These bores hold "provisionally secure" status until all testing and reporting requirements are met. However, it is expected that confirmation of the bores' security status and receipt of an Aa grading will be made within the next two months.  Ministry of Health grading is a measure of confidence that drinking water supplies will remain uncontaminated.	-
<b>Secondary indicators:</b>		
<b>Quality of water at Whanganui River swimming spots</b>	During summer 2008/09 E. Coli levels in the Whanganui River (measured at the Town Bridge) met the national swimming spot guidelines 52% of the time. In summer 2009/10 this spot met the guidelines 81% of the time. E. Coli bacteria are an indicator of public health-risk. Horizons Regional Council undertakes weekly testing at the Town Bridge site during the summer season. Results that do not comply with the national standard mean that the river may be unsafe for swimming at the time the sample was taken. It is likely that the apparent poorer water quality in 2008/09 was due to a wetter summer period.	
<b>Endangered wetlands</b>	There are three endangered wetlands in the Wanganui district as designated by Horizons Regional Council. These are Lake Pauri, Lake Wiritoa and Kaitoke Lake.	
<b>Quality of effluent from treatment plant</b>	The quality of effluent discharge from the wastewater treatment plant was measured across the 2009/10 year. There were 417 tests undertaken, with the plant achieving 86% compliance for chemical parameters, 58% for biological and an overall compliance rate of 73%.	
<b>Water quality at South Beach and</b>	There were 257 water quality tests undertaken in 2009/10 and compliance was attained 91% of the time.	

<b>Castlecliff Beach</b>	This is an improvement on the previous year where 82% compliance was achieved.	
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## **Council actions that have contributed to 'An environmentally sustainable community'**

<b>Support for 'sustainable community' initiatives</b>	The Council continued its support for initiatives such as community gardens and Enviroschools through the Community Development activity. Additional support for the agencies that lead these projects (such as the Whanganui Regional Primary Health Organisation and Sustainable Whanganui) will be strengthened in 2010/11 with the development of a 'collaboration and support plan'.
<b>Virginia Lake restoration project</b>	Investigations into algal bloom control at Virginia Lake continued to be undertaken. This has been recognised as a long-term project, with a projected lifespan of 12 years. Efforts delivered by the Council to date have focused on disrupting the algae environment by using solar circulation and aeration and enhancing monitoring of components (e.g. oxygen, nutrients and temperature). In the longer term stormwater will be used to feed the lake and remove the heavy nutrient load. This stormwater is being channeled from Rotokawau and serves the dual purpose of improving water quality while also addressing flooding issues in the Rotokawau pond area. This process is being monitored (particularly during the rainy winter months) to optimise the next phase of pipe works. Additional funds were allocated for Virginia Lake restoration work during the Annual Plan 2010/11 deliberation process in June. Tests will be carried out to determine the best way forward and four ultrasound algae control units will be installed.
<b>District Plan review</b>	<p>The District Plan review process has been dubbed 'Shaping Wanganui' and the first phase of the project (Central City and Riverfront) was advanced during 2009/10. Extensive consultation has been undertaken and the findings from this first stage will be used to inform the riverfront development concept plan.</p> <p>The review process (which is required every ten years) acknowledges that we live in a changing environment and provides opportunity for the community to reassess environmental outcomes and priorities and to redefine its vision for the future of our district.</p> <p>The District Plan review will continue to be rolled out in the following phase order:</p> <ol style="list-style-type: none"> <li>1. Central City and Riverfront</li> <li>2. Commercial</li> <li>3. Manufacturing/Industrial</li> <li>4. Residential/Lifestyle</li> <li>5. Rural</li> <li>6. Heritage</li> <li>7. Miscellaneous</li> </ol> <p>Although a target of 33% completion was set for the 2009/10 year this was not achieved. The actual result was</p>

	<p>13% completion. This was due to the project starting later than anticipated following extensive preparation and consultation with Council and, as a result, the District Plan review period has been extended by almost a year. The targets in the 2010/11 Annual Plan have been subsequently amended. There are seven phases to the District Plan review. We are currently approximately 75% through phase one.</p>
<p><b>Waste Management and Minimisation Plan</b></p>	<p>A Waste Management and Minimisation Plan was developed to meet the requirements of the Waste Minimisation Act. This was adopted in October 2009 and envisions a family-friendly district where people have access to services that encourage individual and community responsibility for sustainable waste minimisation. It also sets a goal of 60% reduction of waste to landfill by 2015. The Council will canvass the community's interest in enhanced opportunities for waste minimisation at the kerbside in 2010/11.</p>
<p><b>Expenditure of the district's waste levy on suitable waste minimisation initiatives</b></p>	<p>In order to derive income to help communities and businesses address waste issues, the national Waste Minimisation Act mandated that a levy be put on all waste disposed at landfill. As a result, from 1 July 2009, operators of waste disposal facilities have been required to pay \$10 per tonne on waste landfilled. These levy monies are then distributed by a Waste Authority, with 50% of the district's levy take allocated to the Council on a pro rata capita basis. Wanganui's expected income from the levy will be approximately \$120,000 per annum. Expenditure of this money must be made on existing waste minimisation services, new services or a combination of the two. This funding can also be used to provide grants, to support contract costs or as infrastructure capital. The Council signalled through its Waste Management and Minimisation Plan that within its first year of allocation it will use these funds towards:</p> <ul style="list-style-type: none"> <li>• Enhancing current waste minimisation services, including the recycling drop-off centre to provide greater, and more sustainable waste minimisation services to the public</li> <li>• Exploring the plan's key goal of enhancing opportunities for waste minimisation at the kerbside.</li> </ul> <p>The Council also received applications to this fund from external parties. In May 2010 the Council resolved to allocate \$10,000 towards the reestablishment of an odourless composting facility (the only one in the southern hemisphere) and \$12,000 to Nga Hononga Marae Trust for investigations into a 'wind row' composting operation.</p> <p>In May 2010 the Council also adopted a Waste Fund Policy to assist it to fairly and consistently distribute its levy monies. As a result, there will be two funding rounds each year and the total fund pool will be set at a maximum of \$60,000 per annum.</p>
<p><b>e-Day</b></p>	<p>The Council continued its association with the national e-Day scheme and participated in the collection effort on 12 September 2009. This was staged at the Racecourse, with</p>

	over 25 tonnes of e-waste collected locally for recycling.
<b>River Week</b>	River Week was held from 1 to 8 November 2009. This initiative was coordinated by the Department of Conservation with support from a variety of organisations – including the Council. More than 20 events were on offer throughout the week, encompassing walks, talks and river activities. The Council's contribution to the week's celebrations included a free BBQ at the river's edge, tours of the wastewater treatment plant and a screening of the 'River Queen' on the outside of the Sarjeant Gallery.
<b>Environmental/waste education in schools</b>	The Council's interest in environmental education initiatives continued throughout 2009/10. In October 2009 the Council resolved to adopt a year long pilot trial of the Zero Waste programme. This programme is designed to educate children about sustainability through waste minimisation, water conservation and reducing their family's carbon footprint. This programme has been taught in schools around New Zealand since 1993 and currently there are approximately 500 schools participating nationally. Support for this programme assists the Council to deliver on the objectives of the Waste Management and Minimisation Plan by offering 'ground up' education programmes to school students.
<b>Earth hour participation</b>	The Council decided to participate in Earth Hour on 27 March 2010 by turning the lights off at Durie Hill tower for one hour from 8.30pm. Earth Hour is organised internationally by World Wildlife Fund (WWF) and raises global awareness of climate change issues.

## Community Outcomes and identified effects on community wellbeing

### A healthy community

- Property and facilities group
- Community and culture group
- Strategy and development group
- Infrastructure group
- Customer services group

The Council continued to work collaboratively with its community partners to advance health outcomes for the district. These efforts have been largely driven by the Safer Wanganui Project and family sport engagement has since emerged as priority of the 'For Our Kids' initiative. Health statistics reveal generally positive results in relation to DHB targets and Wanganui residents continue to sustain high participation rates in sport and recreational activity.

Indicators and actions for 'A healthy community' demonstrate generally positive impact on the social wellbeing of the community.

### A safe community

- Property and facilities group
- Community and culture group
- Strategy and development group
- Infrastructure group
- Customer services group

Safety and the reduction of anti-social behaviour were significant priorities for the Council during 2009/10. This focus manifested itself in the Safer Wanganui Project's endeavours to gain 'Safe Community' accreditation, in the Community Taskforce's progression of the 'For Our Kids' initiative, in road safety improvements and in the adoption of the Gang Insignia Bylaw in August 2009. Safety indicators generally reflected these efforts, with serious road crashes well below target and perceptions of safety maintained at 96%.

Indicators and actions for 'A safe community' denote that social wellbeing is continuing to be actively and successfully pursued.

#### **A prosperous community**

- Property and facilities group
- Community and culture group
- Strategy and development group
- Infrastructure group
- Corporate and governance group

Revitalisation and rejuvenation were key drivers for the Council during 2009/10 – with a longer-term view to relaunching Wanganui on the national stage. As a result, the Council directed attention to bolstering these aims through a revised Economic Development Strategy, attracting events and people to our district through the Conference Bureau and Skilled Workers Attraction Programme, supporting young people to gain transferable work skills and assisting business growth. Although economic indicators were not particularly favourable, these reflect the wider economic situation nationwide with unemployment up and the number of guest nights down.

Indicators and actions for 'A prosperous community' generally signify support for the community's ongoing economic wellbeing.

#### **A well connected community**

- Property and facilities group
- Community and culture group
- Strategy and development group
- Infrastructure group
- Corporate and governance group

The Council sought gains in connectivity both in terms of transport integration and communication networks throughout 2009/10. These gains were principally demonstrated in enhancements to existing ICT programmes (by engaging with additional participants and key community hubs, for example the Gonville Library and River Road communities), through actively pursuing a digital future for Wanganui and by continuing to develop our shared pathways infrastructure. Indicators generally communicate success, although leaner times are also reflected in the reduction of flight traffic in and out of Wanganui Airport.

Indicators and actions for 'A well connected community' generally reflect positive impact on the social and economic wellbeing of the community.

#### **A community where people work together**

- Community and culture group
- Strategy and development group
- Corporate and governance group

The social fabric of the community continued to be supported and the significance of diverse voices recognised. This was achieved through the provision of a number of 'community participation' platforms, including the Youth Committee, Older People's Forum and Iwi working parties and via funding or charitable donations for significant causes. In 2009/10 this included the Christian Social Service's Food Bank Campaign, the Samoan tsunami appeal and



grants for community-based projects and events. Although the community's rating of the performance of the Mayor and Councillors as 'good' or 'very good' demonstrated a decrease, this remains relatively high at 60%, with a further 19% of respondents remaining neutral. Additional indicators were not applicable in the 2009/10 year but will be measured in 2010/11.

Indicators and actions for 'A community where people work together' reveal a sustained open and healthy political environment. This is marked by community development and governance efforts that champion inter-sector collaboration and widespread public engagement. This work continues to contribute to the enhancement of social wellbeing.

#### **A community with quality education**

- Community and culture group
- Strategy and development group

The Council partnered with key stakeholders to ensure the retention of existing education opportunities and also sought to develop new initiatives to plug the gaps, and meet the needs of our community. The delivery of quality education was secured and progressed through the Wanganui Glass School, Trades Training School, Young Enterprise Scheme and Computer Clubhouse. Positive gains were similarly reflected in indicator activity with large (and sustained) increases in early childhood enrolments, a reverse in the pattern of decline for full-time UCOL enrolments and greater numbers of students opting into hands-on training through the Gateway programme.

Indicators and actions for 'A community with quality education' reveal positive contributions to the social wellbeing of the community.

#### **A community with well developed amenities and recreational opportunities**

- Property and facilities group
- Community and culture group
- Infrastructure group

A wide variety of amenities and recreational opportunities were developed and enhanced during 2009/10. These continued to position Wanganui as a great place to live and visit and included the staging of events and activities for (and by) young people, maintenance and improvement work at our premier parks and opening of the Gonville Café Library. Although satisfaction with Council facilities and participation in arts and cultural activities both sustained drops in 2009/10 – these results are also relatively high at 60% and 89% respectively.

Indicators and actions for 'A community with well developed amenities and recreational opportunities' reveal that positive impact on the community's wellbeing continues to be made.

#### **A community with identity**

- Property and facilities group
- Community and culture group
- Strategy and development group
- Infrastructure group
- Corporate and governance group

Wanganui's unique image and identity continued to be fostered and promoted as part of efforts to relaunch Wanganui on the national stage – and position Wanganui as an exciting and vibrant place to live, visit and do business. As a result, our identity was proclaimed through events such as the Billy Webb race, Puanga/Matariki celebrations and Krupp Gun launch and future development was kicked-off with the approval of a Public Art Strategy, the initiation of a sculpture competition and through progress at the riverfront precinct. The

cornerstone of this precinct will be the Visitor Information Centre – providing not only a complete visitor experience but also a vibrant community hub. Indicators are somewhat positive but have also been impacted by global economic conditions – reflecting slightly less optimistic quality of life perceptions.

Indicators and actions for 'A community with identity' reveal that cultural and social wellbeing is continuing to be supported.

#### **An environmentally sustainable community**

- Property and facilities group
- Community and culture group
- Strategy and development group
- Infrastructure group
- Customer services group

Sustainable and efficient use of the district's resources remained a priority during 2009/10. This was demonstrated in a variety of ways and at a various levels – including through the school curriculum via funding for the Zero Waste programme, through significant restoration work at Virginia Lake and through wider community efforts such as participation in international, national and local environmental initiatives (for example, Earth Hour, e-Day and River Week). The Council also adopted its Waste Management and Minimisation Plan for the district in October 2009. In terms of measured indicators, water quality at the Whanganui River's key swimming spots demonstrated improvement, drinking water quality exceeded its targets and our beaches were better. However, the Recycling Centre did witness a slight decline in volume processed.

Indicators and actions for 'An environmentally sustainable community' denote positive effects on the environmental wellbeing of the community.



## Property and facilities

For the year ended 30 June 2010

	<b>Budget</b>	<b>Council</b>	
	<b>2010</b>	<b>2010</b>	<b>2009</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
<b>Income</b>			
User fees and other revenue	2,832	2,899	4,114
Subsidies	157	159	87
<b>Total income</b>	<b>2,989</b>	<b>3,058</b>	<b>4,201</b>
<b>Operating expenditure</b>			
Operating expenditure	7,864	7,745	8,007
Finance costs	823	880	832
Council overhead	1,418	1,461	1,802
<b>Total operating expenditure</b>	<b>10,105</b>	<b>10,086</b>	<b>10,641</b>
<b>Operational rates requirement</b>	<b>7,116</b>	<b>7,028</b>	<b>6,440</b>
Capital acquisitions	335	501	947
Capital replacements	940	1,197	911
<b>Total capital expenditure</b>	<b>1,275</b>	<b>1,698</b>	<b>1,858</b>
<b>Total funding requirement</b>	<b>8,391</b>	<b>8,726</b>	<b>8,298</b>
Transfers (to)/from special funds	195	180	1,118
New loans/(loans repaid)	601	680	272
<b>Total capital funding</b>	<b>796</b>	<b>860</b>	<b>1,390</b>
<b>Rate requirement</b>	<b>7,595</b>	<b>7,866</b>	<b>6,908</b>

Total operating expenditure within each Activity Group may vary due to timing of work programmes, however there were no changes to the level of service. Prior year's figures restated due to activity groups changing.

## Property and Facilities group significant acquisitions or replacements of assets

The following table shows the significant expenditure on capital acquisitions and replacements for the Property and Facilities Group. Significant variations to the Annual Plan are discussed below if necessary.

Activity	Item	Budget \$	Actual \$
Cemeteries	Sealing internal roads	45,000	0
CBD Maintenance	Tree replacement programme	30,000	0
Parks and reserves	Laird Park netball courts	0	53,403
	Gateways project	220,000	169,460
	Toilet upgrades	50,000	30,529
	Playground equipment, furniture, fences etc	127,000	125,283
	Archers Bridge	0	157,511
	Durie Hill steps and walkway	22,000	0
	Sea Cadets purchase	0	55,000
	Kowhai Park	45,000	13,242
	Glen Logie rose garden	15,000	3,561
	Riverfront precinct development	50,000	0
	Cenotaph repairs	50,000	28,837
	Kowhai Park toilets	250,000	237,619
	Sundry projects	48,000	71,344
Pensioner housing	Building improvements	45,000	20,194
	Property		
	Community House	0	22,086
	Council Building	120,000	139,073
Swimming Pools	Splash Centre extension	0	322,176
Cooks Gardens	Turf replacement	0	101,364
	Other improvements	15,000	0

Work was planned to maintain the service capacity of the Council facilities and to deal with the expected demands on the service.

### Cemeteries

Sealing internal roads job not proceeded with this year. It has been included in next years budget.

### CBD maintenance

Any work on the community under-verandah lighting project has been deferred in the meantime, until a detailed programme has been established. The \$30,000 budget for tree removal and replacement was transferred to planned maintenance, to match Council's asset policy of not capitalising trees.

### Parks and reserves

Capital replacement and acquisition work in the Annual Plan totalled \$877,000, and with carry overs from 2008/09 of \$484,000, the total programme was \$1,361,000. Actual expenditure for the year was \$946,000. The main reasons for the difference of \$415,000 can be explained by carry overs of \$395,000 for projects to be completed next year, including the Gateways project, Virginia Lake lighting and bus parking, Cenotaph repairs and the William Birch toilets. These are all projects that were underway as at the end of June.

As with each year, there are expenditure overs and unders in the current year. Overspends included the Archers bridge project which required additional strengthening, Laird Park drainage work, and the purchase of the Sea Cadets lease. These overspends were offset by lesser expenditure for the Riverfront precinct development, Kowhai Park work, and the Durie Hill steps work that was completed last year.

### **Pensioner housing**

Some expenditure has been reclassified as operating and planned maintenance.

### **Property**

Work on the Community House relates to stormwater separation that was required to be done. The Council Building expenditure includes a carry over from last year of \$60,000 for reroofing and alarm work.

### **Swimming Pools**

The additional expenditure, funded from loans, relates to contract settlement costs and additional project management costs. Recovery is currently being sort by court action.

### **Cooks Gardens**

The turf replacement job was completed this year. This was funded by a carry over of \$100,000 from last year. Lighting towers work on the Velodrome of \$15,000 has been carried over to next year.

## Activity scorecards







These scorecards track the Council's performance against its measures and targets. In each instance (at both the activity level and group level) an overall target of 90% is set. This is considered to be a fair and reasonable level of attainment, recognising that success will not only be demonstrated at the 100% mark and that there is often more to the story. A variance of 10% is also applied so that the system is flexible enough to tell this story. This means that an indicator or Outcome might attain an amber traffic light where the result is close to being achieved and therefore a rigid 'pass' or 'fail' is not appropriate.


### **STATEMENT OF SERVICE PERFORMANCE – PROPERTY AND FACILITIES GROUP**

**Scorecard Name:**  
**CEMETERIES**






**Date From**  
01-Jul-2009

**Date To**  
30-Jun-2010

Linked items	Unit	Target	Actual	Indicator
Percentage compliance with discharge to air conditions in resource consent (Cemeteries).	%	100.00	100.00	
<b>Comment:</b> The target of 100% was achieved. Discharge to air resource consent conditions were complied with.				
Percentage compliance with Office of Veterans Affairs inspections of the RSA burial area.	%	100.00	100.00	
<b>Comment:</b> The target of 100% was achieved. Inspections complied with the Office of Veterans Affairs conditions.				
The number of burial plots available within the district at any one time.	#	≥200.00	617.00	
<b>Comment:</b> The target of greater than, or equal to, 200 was achieved. The actual result was an average of 617 burial plots available in the district during 2009/10. In addition, there were more plots potentially available at the rural cemeteries. These figures are based on all available land left in the cemetery for the purposes of burial plots according to the proposed layout.				
The number of cremation plots available within the district at any one time.	#	≥500.00	1,978.00	
<b>Comment:</b> The target of greater than, or equal to, 500 was achieved. The actual result was an average of 1,978 cremation plots available in the district during 2009/10. The figures are based on all available land left in the cemetery for the purposes of ash plots according to the proposed layout.				
The percentage of permits issued before monuments are erected.	%	≥99.00	100.00	
<b>Comment:</b> The target of greater than, or equal to, 99% was achieved. There were no unauthorised monuments erected.				
Percentage compliance with the requirements of the Burial and Cremation Act 1964.	%	100.00	100.00	
<b>Comment:</b> The target of 100% was achieved. The Burial and Cremation Act was complied with. Audits are now being performed on four cremations and four burials per month and a checklist has been developed to ensure that the correct procedure is being followed.				

Linked items	Unit	Target	Actual	Indicator
The percentage of the community who are fairly or very satisfied with the services and facilities provided (Cemeteries).	%	55.00	71.00	
<b>Comment:</b> The target of 55% was exceeded. The actual result was 71% of the community were fairly or very satisfied with our cemeteries.				

**Scorecard Name:** CENTRAL BUSINESS DISTRICT MAINTENANCE      **Date From:** 01-Jul-2009      **Date To:** 30-Jun-2010

Linked items	Unit	Target	Actual	Indicator
The number of faults involving more than a single light fitting is less than the targeted number per annum (Central Business District maintenance).	#	<12.00	0.00	
<b>Comment:</b> The target of less than 12 was met. There were no multi-light faults reported during the year. Although there was one report of a single tube being out, this was resolved within 24 hours.				
The percentage of time that public toilets are available during opening hours (Central Business District maintenance).	%	≥95.00	100.00	
<b>Comment:</b> The target of greater than, or equal to, 95% was achieved. The actual result was 100% availability. Despite acts of vandalism the Orient toilets remained at least partially available at all times during the year.				
The number of complaints to Council about cleanliness and hygiene will be less than the targeted number per annum (Central Business District maintenance).	#	<12.00	1.00	
<b>Comment:</b> The target of less than 12 was met. The actual result was one complaint. This was made in relation to rubbish from flats being left on the veranda of a property in Guyton Street.				
The number of footpath related accidents in the CBD reported to Council is less than the targeted number per annum.	#	<6.00	3.00	
<b>Comment:</b> The target of less than six was achieved. The actual result was three footpath related accidents in the CBD. These were all reported in the last quarter and were located in Moutua Quay, Maria Place and Victoria Avenue. Repairs have been made in all cases.				
The number of repairs to public or private assets caused by tree and vegetation related damage is less than the targeted number per annum.	#	<5.00	2.00	
<b>Comment:</b> The target of less than five was achieved. The actual result was two repairs. These repairs fixed pavements damaged and lifted by tree roots. The tree replacement programme instigated in 2009/10 will address this issue over time, starting with the most significant areas of lifting in the CBD first.				

Linked items	Unit	Target	Actual	Indicator
The percentage of residents who are fairly or very satisfied with the contribution the CBD makes to their lifestyle and the image of Wanganui.	%	85.00	73.00	
<b>Comment:</b> The target of 85% was not achieved. The actual result was 73% of residents were fairly or very satisfied with the contribution the CBD makes to their lifestyle and the image of Wanganui.				

**Scorecard Name:**  
**COMMUNITY BUILDINGS & RURAL HALLS**

**Date From**  
01-Jul-2009

**Date To**  
30-Jun-2010









Linked items	Unit	Target	Actual	Indicator
The percentage of time the Ward Observatory is open during its agreed opening hours.	%	100.00	100.00	
<b>Comment:</b> The target of 100% was achieved. The Ward Observatory was open 100% of the time during its agreed operating hours.				
The percentage of time the Ladies Rest toilets are available for use during the agreed opening hours.	%	≥95.00	100.00	
<b>Comment:</b> The target of greater than, or equal to, 95% was achieved. The actual result was 100% availability of the Ladies Rest toilets during the agreed opening hours.				
The percentage of rural halls with a management committee.	%	100.00	100.00	
<b>Comment:</b> The target of 100% was achieved and all relevant rural halls had a management committee. However, Kaitoke Hall is no longer used by the community and, as a result, has no management committee.				

**Scorecard Name:**  
**PARKS AND RESERVES**

**Date From**  
01-Jul-2009

**Date To**  
30-Jun-2010

Linked items	Unit	Target	Actual	Indicator
The percentage of sporting code licence holders who have, and use, a Health and Safety Plan.	%	100.00	100.00	
<b>Comment:</b> The target of 100% was achieved. All sporting code licence holders had and used a Health and Safety Plan during 2009/10.				
The percentage of time that the Coast Guard can launch when needed from the Wharf St. ramp (or the secondary Putiki Slipway), 24 hours a day, seven days a week.	%	100.00	100.00	
<b>Comment:</b> The target of 100% was achieved. The Coast Guard was able to launch when needed. However, the Coast Guard did touch the bottom at Wharf St. on one occasion at low tide. This site has since been dredged.				
Elevator maintenance, safety, emergency and management systems will pass the requirements	%	100.00	100.00	

Linked items	Unit	Target	Actual	Indicator
of the annual Certificate of Inspection.				
<b>Comment:</b> The target of 100% was achieved. Annual certification was awarded.				
The number of safety checks carried out on playground equipment per year.	#	12.00	12.00	
<b>Comment:</b> The target of 12 was achieved. All scheduled safety checks were carried out on playground equipment.				
The number of safety inspections of all walkways within the parks network per year.	#	4.00	4.00	
<b>Comment:</b> The target of four was achieved. All scheduled walkway safety inspections were carried out.				
The percentage of maintenance inspections per year that are rated 'good' (Parks and reserves).	%	75.00	83.75	
<b>Comment:</b> The target of 75% was exceeded. The actual result was 83.75% of maintenance inspections were rated 'good'.				
The percentage of sports-ground licence holders who are fairly or very satisfied with ground conditions.	%	80.00	85.00	
<b>Comment:</b> The target of 80% was exceeded. The actual result was 85% of sports-ground licence holders were fairly or very satisfied with ground conditions. The questionnaire design will continue to be worked on during 2010/11.				
The percentage of the community fairly or very satisfied with the Durie Hill elevator.	%	60.00	41.00	
<b>Comment:</b> The target of 60% was not achieved. The actual result was 41% of the community were fairly or very satisfied with the Durie Hill elevator.				
The percentage of the community that is fairly or very satisfied with our parks and reserves.	%	≥90.00	88.00	
<b>Comment:</b> The target of greater than, or equal to, 90% was not achieved. The actual result was 88% of the community were fairly or very satisfied with our parks and reserves.				
The percentage of the public who are fairly or very satisfied with the provision of public toilets (Parks and reserves).	%	30.00	38.00	
<b>Comment:</b> The target of 30% was exceeded. The actual result was 38% of the community were fairly or very satisfied with public toilets.				
The percentage of the time the elevator service is available to the public during operating hours.	%	≥99.00	100.00	
<b>Comment:</b> The target of greater than, or equal to, 99% was achieved. The Durie Hill Elevator remained available at all times during its opening hours throughout the year.				

Linked items	Unit	Target	Actual	Indicator
The percentage of time that parks and open spaces are available for use (365 days per year).	%	≥98.00	100.00	
<b>Comment:</b> The target of greater than, or equal to, 98% was achieved. The actual result was 100% availability of parks and open spaces during 2009/10.				
The percentage of time that sportsgrounds are available for use (365 days per year).	%	98.00	99.50	
<b>Comment:</b> The target of 98% was exceeded. The actual result was 99.5% availability of sportsgrounds during 2009/10. Minor impacts included a one day closure of Peat Park and short periods of restricted use at Springvale Park and Wembley Park.				

**Scorecard Name:  
PENSIONER HOUSING**

**Date From** 01-Jul-2009  
**Date To** 30-Jun-2010







Linked items	Unit	Target	Actual	Indicator
Pensioner housing will be self funding, apart from asset replacements.	%	100.00	100.00	
<b>Comment:</b> The target of 100% was achieved. There was no ratepayer funding required during the 2009/10 year.				
The percentage of tenants who rate their level of satisfaction with pensioner housing as good or very good.	%	90.00	91.00	
<b>Comment:</b> The target of 90% was exceeded. The actual result was 91% of tenants rated their level of satisfaction with pensioner housing as 'good' or 'very good'. This survey is delivered every three years. These results are from 2007/08.				
Percentage occupancy rate for the pensioner housing portfolio.	%	>95.00	89.00	
<b>Comment:</b> The target of greater than 95% was not achieved. The actual result was 89% occupancy. As the vacancy trend indicates that demand for pensioner housing appears to be lower than the supply, the Council is carrying out a review of this activity. This review will be completed in early 2011 and will consider whether Council should decrease the number of units available or change its policy to meet alternative areas of demand for social housing.				

**Scorecard Name:  
PROPERTY**

**Date From** 01-Jul-2009  
**Date To** 30-Jun-2010

Linked items	Unit	Target	Actual	Indicator
Percentage of Council owned buildings with a current Building Warrant of Fitness.	%	100.00	100.00	
<b>Comment:</b> The target of 100% was achieved. All Council owned buildings held a current Building Warrant of Fitness.				
Percentage occupancy of investment properties.	%	>90.00	94.73	
<b>Comment:</b> The target of greater than 90% was achieved. The actual result was 94.73% occupancy of investment properties during 2009/10.				










Linked items	Unit	Target	Actual	Indicator
Percentage of capital returns to Council from the sale of surplus properties that match forecast targets in timeframe terms.	%	95.00	0.00	
<b>Comment:</b> The target of 95% was not achieved. Notwithstanding that \$1.09M of property was sold in the 2009/10 year, none of the properties forecast to sell this year were settled before 30 June 2010. The surplus land at the Aramoho Cemetery has sold but will settle in 2010/11. In addition, 8 Gilmore Street and 57 Heads Road are under contract and due for settlement in 2010/11. The sale of Montgomery Reserve has been delayed by negotiations with NZTA over road access.				
The percentage of Council activity managers who are fairly or very satisfied with the work carried out by Property Services.	%	95.00	50.00	
<b>Comment:</b> The target of 95% was not achieved. The actual result was 50% of Council managers were fairly or very satisfied with the work carried out by Property services. This measure was canvassed via an internal survey.				
Percentage of capital returns to Council from the sale of surplus properties that match forecast targets in dollar terms.	%	95.00	77.00	
<b>Comment:</b> The target of 95% was not achieved. The actual result was 77% of capital returns met the Council's forecast targets in dollar terms. This equated to \$1.09M of property sold against a target of \$1.42M. Two reserves with an estimated disposal value of \$139K were withdrawn from the disposal process after consultation with the community. In addition, 8 Gilmore Street and 57 Heads Road went under contract in 2009/10 for \$433K and are expected to settle in mid 2010/11.				
Percentage of forecast net income for the City Endowment portfolio that is delivered.	%	98.00	83.75	
<b>Comment:</b> The target of 98% was not achieved. The actual result was 83.75% of forecast net income delivered.				
Percentage of forecast net income for the Community and Operational Property portfolio that is delivered.	%	98.00	114.00	
<b>Comment:</b> The target of 98% was exceeded. The actual result was 114% of forecast net income delivered for the Community and Operational Property portfolio.				
Percentage of forecast net income for the Harbour Endowment portfolio that is delivered.	%	98.00	33.50	
<b>Comment:</b> The target of 98% was not achieved. The actual result was 33.5% of forecast income delivered. Although revenue for the year exceeded the budget by 3%, legal costs associated with the Port lease dispute were significantly higher than budgeted and therefore net income was lower than forecast.				

**Scorecard Name:**  
**SWIMMING POOLS**

**Date From**  
01-Jul-2009

**Date To**  
30-Jun-2010

Linked items	Unit	Target	Actual	Indicator
Percentage compliance with New Zealand Swimming Pool Water Quality Standards (NZS 5826:2000).	%	100.00	100.00	
<b>Comment:</b> The target of 100% was achieved. No samples tested were outside the prescribed limits.				
The number of pool users at Wanganui East Pool will be maintained at >22,000.	#	≥22,000.00	15,112.00	
<b>Comment:</b> The target of greater than, or equal to, 22,000 was not achieved. The actual result was 15,112 pool users at Wanganui East over the season. The drop in visitor numbers may be due to the poorer weather conditions over summer 2010. Sixty percent of the total visits were for organised school swimming, while 98% of the total visits were made by children.				
The percentage of time that all pools meet the target temperatures agreed with the operators.	%	98.00	73.50	
<b>Comment:</b> The target of 98% was not achieved. The actual result was 73.5% compliance with target temperatures. This measure specifically refers to the Splash Centre and although the target was not met, the actual degree of variation in temperatures was fairly small. The average variation from the set temperatures ranged from -1.13 degrees to +2.05 degrees.				
The percentage of time that the Splash Centre is open during opening hours.	%	98.00	100.00	
<b>Comment:</b> The target of 98% was exceeded. There were no closures of the Splash Centre in 2009/10.				
The percentage of time that the Wanganui East Pool is open during its specified season.	%	≥95.00	99.00	
<b>Comment:</b> The target of greater than, or equal to, 95% was achieved. The actual result was 99% availability. The pool was closed for one day during the season.				
Number of Splash Centre pool users.	#	92,390.00	205,385.00	
<b>Comment:</b> The target of 92,390 was exceeded. The actual result was 205,385 users. However, this target was inaccurate and represents the target before the Splash Centre redevelopment was completed. As a result the target for 2010/11 has been amended in the Annual Plan.				
The percentage of the community who are fairly or very satisfied with the swimming pool facilities.	%	80.00	56.00	
<b>Comment:</b> The target of 80% was not achieved. The actual result was 56% of the community were fairly or very satisfied with the swimming pool facilities. This may be due to problems the pool experienced with its heating over 2009/10. These problems have since been rectified.				

## Community and Culture

For the year ended 30 June 2010

	<b>Budget</b>	<b>Council</b>	
	<b>2010</b>	<b>2010</b>	<b>2009</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
<b>Income</b>			
User fees and other revenue	662	1,284	801
Subsidies	90	77	34
<b>Total income</b>	<b>752</b>	<b>1,361</b>	<b>835</b>
<b>Operating expenditure</b>			
Operating expenditure	4,452	4,898	4,295
Finance costs	131	111	52
Council overhead	811	836	895
<b>Total operating expenditure</b>	<b>5,394</b>	<b>5,845</b>	<b>5,242</b>
<b>Operational rates requirement</b>	<b>4,642</b>	<b>4,484</b>	<b>4,407</b>
Capital acquisitions	303	627	304
Capital replacements	594	704	884
<b>Total capital expenditure</b>	<b>897</b>	<b>1,331</b>	<b>1,188</b>
<b>Total funding requirement</b>	<b>5,539</b>	<b>5,815</b>	<b>5,595</b>
Transfers (to)/from special funds	-	(38)	(20)
New loans/(loans repaid)	496	588	801
<b>Total capital funding</b>	<b>496</b>	<b>550</b>	<b>781</b>
<b>Rate requirement</b>	<b>5,043</b>	<b>5,265</b>	<b>4,814</b>

Total operating expenditure within each Activity Group may vary due to timing of work programmes, however there were no changes to the level of service. Prior year's figures restated due to activity groups changing.

## Community and Culture group significant acquisitions or replacements of assets

The following table shows the significant expenditure on capital acquisitions and replacements for the Community and Culture Group. Significant variations to the Annual Plan are discussed below if necessary.

Activity	Item	Budget \$	Actual \$
Community development	CCTV cameras	90,000	123,965
	Computer Clubhouse	0	81,689
	Broadband trial	0	35,343
Library	Book Vote	320,000	320,000
	Office and computer additions	93,000	26,601
	Gonville Library	0	261,039
War Memorial Hall	Wall partition work	100,000	3,840
	Exterior cladding	0	125,083
Sarjeant Gallery	Weatherproof roof	220,000	202,325
	Offsite Storage project	0	45,915
	Access ramp	0	13,950
	Asset introduced from the Trust	0	42,783

Work was planned to maintain the service capacity of the Council facilities and to deal with the expected demands on the service.

### Community development

This expenditure continues the programme of installing CCTV cameras within the Central Business District. Additional expenditure was covered by community contributions and a carry over of funds from last year.

The Computer Clubhouse expenditure was covered by a government grant received during the year. The Broadband expenditure was approved by Council and was financed from loans

### Library

Council budgets a rolling programme for the replacement of library books, this year to the value of \$320,000. The capital expenditure re the new Gonville Library building was financed by a Council special fund transfer of \$93,000 , the balance of the funds required coming from the Library's accumulated equity.

Expenditure for office and computer equipment, as well as furniture and fittings, was well under budget.

### War Memorial Hall

The wall partition work has just commenced, with \$96,000 requiring to be carried forward.

Funds of \$350,000 were carried over from the previous year for the exterior cladding job. Only \$125,083 has been spent this year as the project is being reassessed. However \$240,000 is being carried forward to next year for window refurbishment work.

### Sarjeant Gallery

The weatherproofing of the roof project came in just under budget. Last year we carried over \$125,000 for the offsite storage project. This years underspend will be carried over to next year. Also carried over from last year was \$20,000 for the access ramp, again the underspend will be carried over to next year to complete the project.

There was a one-off transfer of assets from the Sarjeant Trust books of \$42,783.

Please see the activity scorecard explanation on page 109 of the Annual Report for further information.

### **STATEMENT OF SERVICE PERFORMANCE – COMMUNITY AND CULTURE GROUP**

**Scorecard Name:**  
**COMMUNITY DEVELOPMENT**

**Date From**  
01-Jul-2009

**Date To**  
30-Jun-2010

<b>Linked items</b>	<b>Unit</b>	<b>Target</b>	<b>Actual</b>	<b>Indicator</b>
Annual satisfaction survey with the representatives of the Tupoho and TamaUpoko Runanga, measuring quality of working relationship with staff.	%	75.00	92.00	
<b>Comment:</b> The target of 75% was exceeded. The actual result was 92% satisfaction. This measure was canvassed via an annual Council-delivered customer survey.				
Number of Youth Councillors.	#	18.00	18.00	
<b>Comment:</b> The target of 18 was achieved. There were 18 Youth Councillors serving on the Youth Committee throughout 2009/10.				
The number of youth events.	#	12.00	17.00	
<b>Comment:</b> The target of 12 was exceeded. The actual result was 17 youth events held during 2009/10. These events included 'Picnic in the Park' and the 'Underground Fashion Show'.				
Percentage of uptake and reporting on Community Contract funding by community partners.	%	100.00	89.00	
<b>Comment:</b> The target of 100% was not achieved. The actual result was 89% uptake and reporting. This figure was influenced by two main factors: first whether the organisation actually uplifted the funds; and second whether the required reporting was carried out by the organisation.				
Number of family graduations from the Computers in Homes programme.	#	50.00	84.00	
<b>Comment:</b> The target of 50 graduations was exceeded. The actual result was 84 family graduations from the Computers in Homes programme.				
Number of formal forums held with Nga Rauru and Ngati Apa.	#	1.00	0.00	
<b>Comment:</b> The target of one was not achieved. The actual result was no formal forums held with Nga Rauru and Ngati Apa during 2009/10. Community Development staff are working to set up formal meetings for 2010/11.				
Number of Fundview and Breakout Database licences available for community use.	#	5.00	5.00	
<b>Comment:</b> The target of five was achieved. Fundview and Breakout Database licences were available for community use.				
Number of iconic events (Puanga/Matariki, Wanganui Artists Open Studios, Literary Festival - biennial) held per year (Community development).	#	3.00	4.00	

Linked items	Unit	Target	Actual	Indicator
<b>Comment:</b> The target of three was exceeded. The actual result was four events staged in 2009/10. These events were the Wanganui Festival of Glass, Wanganui Literary Festival, Wanganui Artists Open Studios and Puanga/Matariki.				
Number of meetings held per annum (Community development - Safer Wanganui).	#	6.00	12.00	
<b>Comment:</b> The target of six was exceeded. The actual result was 12 meetings.				
Percentage of households with access to the internet.	%	50.00	53.00	
<b>Comment:</b> The target of 50% was exceeded. The actual projected result was 53% of households with access to the internet. Access to the internet is an important measure of social connectedness – providing the means to stay in touch as well as to obtain necessary information. This figure will be confirmed following Census 2011.				
The number of Aotearoa People's Network user sessions (Community development).	#	42,000.00	69,465.00	
<b>Comment:</b> The target of 42,000 was exceeded. The actual result was 69,465 user sessions. This number steadily increased throughout the year, with 13,839 sessions in the first quarter and 20,317 sessions by the last quarter. Gains are attributable to improved technical management, with user sessions ending after a specified amount of time and sessions shortened from one hour to 35 minutes. This meant that more people were able to use the system. In addition, the APN is now also available at the Gonville Library and Wifi use has grown in popularity.				
The number of Computer Clubhouse member sessions per annum (Community development).	#	2,000.00	628.00	
<b>Comment:</b> The target of 2,000 was not achieved. The actual result was 628 member sessions. This is because the Computer Clubhouse has only been open since May 2010.				
Number of initiatives funded and implemented per annum (Community development - Safer Wanganui).	#	5.00	5.00	
<b>Comment:</b> The target of five was achieved. Funded initiatives included the Ake Ake Project (graffiti prevention), Kowhai Park Skatebowl Project (graffiti prevention), Te Rito training programmes (family violence prevention) and a Safer Wanganui Safety Plan Scoping Report on sexual violence.				
Percentage of key milestones met for government-funded partnerships/projects (Community development).	%	98.00	100.00	
<b>Comment:</b> The target of 98% was exceeded. The actual result was 100% achievement of key milestones for government-funded partnerships and projects.				
Regularity of meetings with Ministries of Social Development, Youth Development, Education, Culture and Heritage, Justice; Department of Internal Affairs; Creative New Zealand; and Whanganui Police.	#	16.00	26.00	
<b>Comment:</b> The target of 16 was exceeded. The actual result was 26 meetings held with key				








Linked items	Unit	Target	Actual	Indicator
stakeholders.				

**Scorecard Name:**  
**LIBRARY**

**Date From**  
01-Jul-2009

**Date To**  
30-Jun-2010

Linked items	Unit	Target	Actual	Indicator
Percentage of opening hours staff are available to assist with access (Library).	%	100.00	100.00	
<b>Comment:</b> The target of 100% was achieved. Staff were available to assist with access 100% of opening hours.				
Percentage of the time Library sites (Davis, Alexander, Gonville) are open.	%	99.00	99.00	
<b>Comment:</b> The target of 99% was achieved. Library sites were open 99% of the time.				
Percentage of time website is available (Library).	%	99.00	99.00	
<b>Comment:</b> The target of 99% was achieved. The library website was available 99% of the time.				
The number of events, talks and tours that promote the Library's services to groups, individuals and organisations.	#	14.00	13.00	
<b>Comment:</b> The target of 14 was not achieved, The actual result was 13 events, talks and tours were delivered to promote the Library's services.				
The percentage of Te Taurawhiri and Heritage collections that are indexed and digitised (Library).	%	15.00	16.71	
<b>Comment:</b> The target of 15% was exceeded. The actual result was 16.71% of Te Taurawhiri and Heritage collections were indexed and digitised.				
The percentage of time that staff are available to support and advise APN users during Library operating hours.	%	100.00	100.00	
<b>Comment:</b> The target of 100% was achieved. Staff were available to assist APN users 100% of the time.				
The percentage of time the People's Network (APN) is available during its operating hours (Library).	%	100.00	100.00	
<b>Comment:</b> The target of 100% was achieved. The People's Network was available 100% of the time during operating hours.				
Number of items in collection (Library).	#	118,000.00	122,321.00	
<b>Comment:</b> The target of 118,000 items was exceeded. The actual result was 122,321 items in the collection.				
This measure will see the Library meet national collection standards across the period of the 10-Year Plan. The Library is ahead of its target and making gains towards its 135,000 item goal. In				





Linked items	Unit	Target	Actual	Indicator
addition to the acquisition of new items, in 2009/10 the Library also undertook slightly less de-selection. This is the process of removing items from the collection as they become old or obsolete.				
Number of members with Iwi affiliation (Library).	#	2,032.00	2,012.00	
<b>Comment:</b> The target of 2,032 was not achieved. The actual result was 2,012 Library members with Iwi affiliation. This target is continuing to be worked towards but measurement is dependent on people volunteering this information when they sign up for a Library card.				
Number of members with River Road addresses (Library).	#	352.00	365.00	
<b>Comment:</b> The target of 352 was exceeded. The actual result was 365 Library members with River Road addresses.				
Number of older people (55+ yrs) who are library members.	#	3,505.00	3,671.00	
<b>Comment:</b> The target of 3,505 was exceeded. The actual result was 3,671 Library members over the age of 55.				
Percentage of all preschoolers (0-4 years) in Wanganui that are library members.	%	20.00	17.20	
<b>Comment:</b> The target of 20% was not achieved. The actual result was 17.20% of preschoolers in Wanganui are Library members. A gap in children's services provision has since been rectified with the appointment of a Children's Book Champion. A supporting role is due to be filled shortly.				
The number of local Private Training Establishments that the Library works with in the areas of literacy and skill development.	#	≥5.00	10.00	
<b>Comment:</b> The target of greater than, or equal to, five was achieved. The Library actually worked with 10 PTEs during 2009/10. These included Te Wananga o Aotearoa, Te Wananga o Raukawa, Training For You, Te Ora Hou and Workforce Development. Students were shown how to effectively use library systems to source information and to improve their research skills.				
The number of user contributions of content items to the Library's online resources.	#	500.00	12.00	
<b>Comment:</b> The target of 500 contributions was not achieved. The actual result was 12 user contributions. This was because the Flickr Commons Project that would have formed the basis of much of this measure was closed by Yahoo to new participants after we had signed the agreement but before we were set up. We are proceeding on our own with the historic image collection in 2010/2011.				
The percentage of Library users who are fairly or very satisfied with the service provided.	%	92.00	83.00	
<b>Comment:</b> The target of 92% was not achieved. The actual result was 83% of Library users were fairly or very satisfied.				



**Scorecard Name:**  
**ROYAL WANGANUI OPERA HOUSE**

**Date From**  
01-Jul-2009





**Date To**  
30-Jun-2010

Linked items	Unit	Target	Actual	Indicator
The building has a current "Building Warrant of Fitness" (Royal Wanganui Opera House).	%	100.00	100.00	
<b>Comment:</b> The target of 100% was achieved. The building received and maintained a current Building Warrant of Fitness.				
The number of days each year that the Opera House hosts events.	Days	121.00	105.00	
<b>Comment:</b> The target of 121 was not achieved. The actual result was 105 days of hosted events. This was due to shorter production runs as a result of the economic climate and had been acknowledged in the setting of a lower target for the 2009/10 year. However, despite productions being staged for shorter periods, attendance was actually up and exceeded the set target.				
The number of patrons who attend shows at the Opera House per year.	#	22,000.00	27,976.00	
<b>Comment:</b> The target of 22,000 was exceeded. The actual result was 27,976 patrons attending shows during 2009/10. Although the number of days that the Opera House hosted events was down on its target, higher attendance figures are perhaps attributable to the increased number of school productions staged.				
The percentage of patrons that are fairly or very satisfied with the Opera House facilities.	%	70.00	85.00	
<b>Comment:</b> The target of 70% was exceeded. The actual result was 85% of users were fairly or very satisfied with the Opera House.				

**Scorecard Name:**  
**SARJEANT GALLERY**

**Date From**  
01-Jul-2009

**Date To**  
30-Jun-2010




Linked items	Unit	Target	Actual	Indicator
The number of days that the gallery is open each year.	Days	363.00	338.00	
<b>Comment:</b> The target of 363 days was not achieved. The actual result was 338 opening days. This was because the gallery was closed for 25 days for maintenance during the fourth quarter.				
The number of events held at the gallery.	#	24.00	52.00	
<b>Comment:</b> The target of 24 events was exceeded. The actual result was 52 events held at the gallery. This result was due in part to the Artists Open Studios and the Fringe Festival.				
The number of local visitors (Sarjeant Gallery).	#	16,953.00	15,476.00	
<b>Comment:</b> The target of 16,953 was not achieved. The actual result was 15,476 local visitors. This is likely due to the gallery's 25 day closure for maintenance during the fourth quarter.				
The percentage of the collection meeting minimum documentation standards (Sarjeant Gallery).	%	90.00	93.00	
<b>Comment:</b> The target of 90% was exceeded. The actual result was 93% of the collection met				

Linked items	Unit	Target	Actual	Indicator
minimum documentation standards.				
The percentage of the collection that is fully documented with references (Sarjeant Gallery).	%	12.50	8.00	
<b>Comment:</b> The target of 12.5% was not achieved. The actual result was 8% of the collection is fully documented with references.				
The percentage of visitors who are fairly or very satisfied with the gallery's exhibitions.	%	80.00	88.25	
<b>Comment:</b> The target of 80% was exceeded. The actual result was 88.25% of visitors were fairly or very satisfied with the gallery's exhibitions. This measure was canvassed via the Sarjeant Gallery's daily customer satisfaction surveys.				
The percentage of visitors who are fairly or very satisfied with their gallery experience.	%	80.00	89.00	
<b>Comment:</b> The target of 80% was exceeded. The actual result was 89% of visitors were fairly or very satisfied with their gallery experience. This measure was canvassed via the Sarjeant Gallery's daily customer satisfaction surveys.				
The revenue raised by the gallery from events.	\$	10,500.00	5,841.78	
<b>Comment:</b> The target of \$10,500 in revenue raised by Gallery events was not achieved. The actual result was \$5,841.78. A factor is that at times the Exhibition Programme precludes the use of the Gallery for functions.				
The number of visitors to exhibitions and gallery events.	#	29,870.00	26,859.00	
<b>Comment:</b> The target of 29,870 was not achieved. The actual result was 26,859 visitors to exhibitions and gallery events. This result is due to the gallery's 25 day closure for maintenance during the fourth quarter.				

**Scorecard Name:**  
**WAR MEMORIAL HALL**

**Date From** 01-Jul-2009  
**Date To** 30-Jun-2010

Linked items	Unit	Target	Actual	Indicator
Reported graffiti is removed within two hours of notification (War Memorial Hall).	%	100.00	100.00	
<b>Comment:</b> The target of 100% was achieved. Reported graffiti was removed within two hours of notification.				
The book of remembrance is on permanent display for public viewing during hall opening hours, or by appointment (War Memorial Hall).	%	100.00	100.00	
<b>Comment:</b> The target of 100% was achieved. The book of remembrance is accessible at all times during the hall's opening hours.				
Booking enquiries are confirmed the same day (War Memorial Hall).	%	100.00	100.00	
<b>Comment:</b> The target of 100% was achieved. Booking enquiries were confirmed the same day.				

Linked items	Unit	Target	Actual	Indicator
The memorial status and architectural integrity of the War Memorial Hall is retained.	%	100.00	100.00	
<b>Comment:</b> The target of 100% was achieved. Memorial status and architectural integrity were retained.				
Number of bookings are increased (War Memorial Hall).	#	170.00	151.00	
<b>Comment:</b> The target of 170 was not achieved. The actual result was 151 bookings. However, the number of 'usage days' that the centre was booked for increased between 2008/09 and 2009/10, jumping from 169 to 250 days.				
The community is fairly or very satisfied with the service provided (War Memorial Hall).	%	66.00	50.00	
<b>Comment:</b> The target of 66% was not achieved. The actual result was 50% of the community were fairly or very satisfied with the War Memorial Conference and Convention Centre.				

## Strategy and development

For the year ended 30 June 2010

	<b>Budget</b>	<b>Council</b>	
	<b>2010</b>	<b>2010</b>	<b>2009</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
<b>Income</b>			
User fees and other revenue	390	225	167
Subsidies	-	-	-
<b>Total income</b>	<b>390</b>	<b>225</b>	<b>167</b>
<b>Operating expenditure</b>			
Operating expenditure	2,512	2,254	2,074
Finance costs	17	(28)	21
Council overhead	(51)	(80)	(43)
<b>Total operating expenditure</b>	<b>2,478</b>	<b>2,146</b>	<b>2,052</b>
<b>Operational rates requirement</b>	<b>2,088</b>	<b>1,921</b>	<b>1,885</b>
Capital acquisitions	-	710	-
Capital replacements	450	(7)	-
<b>Total capital expenditure</b>	<b>450</b>	<b>703</b>	<b>-</b>
<b>Total funding requirement</b>	<b>2,538</b>	<b>2,624</b>	<b>1,885</b>
Transfers (to)/from special funds	(352)	(174)	(110)
New loans/(loans repaid)	(118)	122	(932)
<b>Total capital funding</b>	<b>(470)</b>	<b>(52)</b>	<b>(1,042)</b>
<b>Rate requirement</b>	<b>3,008</b>	<b>2,676</b>	<b>2,927</b>

Total operating expenditure within each Activity Group may vary due to timing of work programmes, however there were no changes to the level of service. Prior year's figures restated due to activity groups changing.

## Strategy and Development group significant acquisitions or replacements of assets

The following table shows the significant expenditure on capital acquisitions and replacements for the Strategy and Development Group. Significant variations to the Annual Plan are discussed below if necessary.

<b>Activity</b>	<b>Item</b>	<b>Budget \$</b>	<b>Actual \$</b>
Economic Development	New I-Site relocation	450,000	703,014

Work was planned to maintain the service capacity of the Council facilities and to deal with the expected demands on the service.

The relocation of the new I-Site office began this year, and it is expected to be completed early next year. The additional expenditure of \$253,000 should be viewed as expenditure brought forward when compared to the original budget of \$450,000.

Please see the activity scorecard explanation on page 109 of the Annual Report for further information.

### **STATEMENT OF SERVICE PERFORMANCE – STRATEGY AND DEVELOPMENT GROUP**

**Scorecard Name:**  
**ECONOMIC DEVELOPMENT**

**Date From**  
01-Jul-2009

**Date To**  
30-Jun-2010



<b>Linked items</b>	<b>Unit</b>	<b>Target</b>	<b>Actual</b>	<b>Indicator</b>
The Wanganui Educational Institute complies with NZQA performance standards and the annual NZQA Audit is completed without findings (Economic development).	%	100.00	100.00	
<b>Comment:</b> The target of 100% was achieved. Performance standards were met and the audit process was completed without findings.				
Whanganui UCOL is satisfied with its partnership in the Wanganui Glass School (Economic development).	%	100.00	100.00	
<b>Comment:</b> The target of 100% was achieved. Whanganui UCOL was satisfied with its partnership in the Wanganui Glass School.				
Whanganui UCOL is satisfied with service delivery at the Wanganui Glass School (Economic development).	%	100.00	100.00	
<b>Comment:</b> The target of 100% was achieved. Whanganui UCOL was satisfied with service delivery at the Wanganui Glass School.				
Customers rate their contact with Economic development as good or very good.	%	95.00	63.00	
<b>Comment:</b> The target of 95% was not achieved. The actual result was 63% of customers rated their contact with economic development as 'good' or 'very good'. This measure was canvassed via an annual Council-delivered customer survey.				
Number of kilometres of open access fibre optic cable laid (Economic development).	KM	25.00	0.00	
<b>Comment:</b> The target of up to 25 kilometres of fibre optic cable was not achieved. No open access fibre optic cable was laid in 2009/10 as this project has not started yet. This is due to changes in central government policy and funding.				
Number of new businesses starting up.	#	4,144.00	4,162.00	
<b>Comment:</b> The target of 4,144 was exceeded. The actual result was 4,162 businesses - an increase of 18.				
People who attend these courses (business education and training) rate them as good or very good.	%	90.00	94.00	
<b>Comment:</b> The target of 90% was exceeded. The actual result was 94% of attendees rated these courses as good or very good.				

Linked items	Unit	Target	Actual	Indicator
The Accreditation Audit will show that the i-Site premise met accessibility standards.	%	90.00	90.00	
<b>Comment:</b> The target of 90% was achieved. The Accreditation Audit confirmed that standards have been met.				
The Visitor Information Network survey will show that customers are satisfied with i-Site services.	%	94.00	80.20	
<b>Comment:</b> The target of 94% was not achieved. The actual result was 80.20%. This represents a pass and the assessors indicated that this: "high percentage score reflects a solid and well run i-Site".				
Visitor guest nights will increase.	#	205,700.00	173,500.00	
<b>Comment:</b> The target of 205,700 was not achieved. The actual result was 173,500 guest nights. This mirrors a trend reflected in other smaller districts throughout 2009/10.				

**Scorecard Name:**  
**STRATEGY AND POLICY**

**Date From** 01-Jul-2009  
**Date To** 30-Jun-2010

Linked items	Unit	Target	Actual	Indicator
A Community Outcomes Monitoring Report will be produced at least once every three years.	%	0.00	0.00	
<b>Comment:</b> The Community Outcomes Monitoring Report will next be produced in 2010/11.				
Council will facilitate the process of identifying Community Outcomes at least once every six years.	%	0.00	0.00	
<b>Comment:</b> This review was carried out in 2008 and is not due again until 2013/14.				
Number of school or education centre events that staff attend each year (Strategy and policy).	#	4.00	0.00	
<b>Comment:</b> The target of four was not achieved. The actual result was no school visits were undertaken. This service had previously been provided in collaboration with the Department of Conservation, however, this has not continued. A reduction in staff resources, and a focus on the District Plan review has meant that replacement education events have not occurred. This target has been amended in the Annual Plan 2010/11 as a result.				
Summary documents will pass Audit NZ quality standards (Strategy and policy).	%	100.00	100.00	
<b>Comment:</b> The target of 100% was achieved. No concerns about the Annual Plan summary were raised by Audit New Zealand.				
Percentage completed of the District Plan review.	%	33.00	13.00	
<b>Comment:</b> The target of 33% was not achieved. The actual result was 13% completion of the District Plan review. The Annual Plan process reviewed and amended forthcoming targets due to project delays. The project started later than anticipated following extensive preparation and consultation with Council. As a result, the District Plan review period has been extended by				

Linked items	Unit	Target	Actual	Indicator
almost a year. There are seven phases to the District Plan review. We are currently approximately 75% through phase one.				
Compliance with Local Government Act review provisions, i.e. 5 years after they are made and 10 years thereafter (Strategy and policy).	%	100.00	50.00	
<b>Comment:</b> The target of 100% was not achieved. The actual result was 50% compliance with Local Government Act review provisions. Council is systematically working its way through a review of its bylaws. A number of key bylaws have already been reviewed and new bylaws have been introduced. Some bylaws have now ceased awaiting a Council decision on whether they need to be re-established.				
Operational areas of Council rate the quality of the policies and plans developed for their area as good or very good.	%	100.00	82.00	
<b>Comment:</b> The target of 100% was not achieved. The actual result was 82% satisfaction that the quality of plans and policies developed were 'good' or 'very good'. This measure was canvassed via an internal survey.				



## Transport

For the year ended 30 June 2010

	<b>Budget</b>	<b>Council</b>	
	<b>2010</b>	<b>2010</b>	<b>2009</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
<b>Income</b>			
User fees and other revenue	2,976	2,959	1,769
Subsidies	8,017	8,140	11,525
<b>Total income</b>	<b>10,993</b>	<b>11,099</b>	<b>13,294</b>
<b>Operating expenditure</b>			
Operating expenditure	8,124	8,051	7,139
Finance costs	617	484	393
Council overhead	932	961	694
<b>Total operating expenditure</b>	<b>9,673</b>	<b>9,496</b>	<b>8,226</b>
<b>Operational rates requirement</b>	<b>(1,320)</b>	<b>(1,603)</b>	<b>(5,068)</b>
Capital acquisitions	2,051	2,590	2,607
Capital replacements	6,040	5,610	8,362
<b>Total capital expenditure</b>	<b>8,091</b>	<b>8,200</b>	<b>10,969</b>
<b>Total funding requirement</b>	<b>6,771</b>	<b>6,597</b>	<b>5,901</b>
Transfers (to)/from special funds	180	766	(6)
New loans/(loans repaid)	1,363	492	739
<b>Total capital funding</b>	<b>1,543</b>	<b>1,258</b>	<b>733</b>
<b>Rate requirement</b>	<b>5,228</b>	<b>5,339</b>	<b>5,168</b>

Total operating expenditure within each Activity Group may vary due to timing of work programmes, however there were no changes to the level of service. Prior year's figures restated due to activity groups changing.

## Transport group significant acquisitions or replacements of assets

The following table shows the significant expenditure on capital acquisitions and replacements for the Transport Group. Significant variations to the Annual Plan are discussed below if necessary.

Activity	Item	Budget \$	Actual \$
Roading	Pathways construction	377,000	3,506
	Minor safety projects	760,000	843,509
	Whanganui River Road seal extension	788,000	1,034,503
	Pavement rehabilitation	923,000	130,360
	Rehabilitation	0	105,723
	Structures components replacements	385,000	392,571
	Emergency management – first response	300,000	688,030
	Flood damage repairs	0	102,579
	Sealed road resurfacing	2,252,000	1,992,122
	Traffic services renewals	230,000	243,058
	Unsealed road metalling	410,000	463,269
	Drainage renewals	1,212,000	1,208,562
	Somme Parade reconstruction	0	577,286
	Strategy Studies	0	52,082
Chas Poynter Drive	35,000	0	
Footpaths and Berms	Replacements	303,000	327,191
Sea Port (Harbour Endowment)	Gas Building	39,000	0
	Inland Port. Taupo Moutoa	50,000	0
CBD Parking	Plant and equipment	25,000	31,916

Work was planned to maintain the service capacity of the Council facilities and to deal with the expected demands on the service.

### Roading

As well as the Annual Plan Roading capital budget of \$7.672M, another \$0.922M was carried over from 2008/09, giving a total programme of \$8.594M for the year. Actual expenditure came in under at \$7.837M. The Council programme was subject to changes during the year by Land Transport New Zealand. The underspend of \$0.757M can be partially explained by \$1.358M being carried over into next year's programme.

### Footpaths and Berms

Capital replacement expenditure was slightly above budget, but was mostly covered by a \$20,000 carry over from last year.

### Sea Port (Harbour Endowment)

The original budgeted work was replaced during the year by a \$228,000 air conditioning job at the Gas Building, to be funded from the Harbour Endowment Capital special fund. This work has been carried over in full to next year.

### CBD Parking

The equipment purchased was hand held terminals, costing a little more than budgeted.








Please see the activity scorecard explanation on page 109 of the Annual Report for further information.

**STATEMENT OF SERVICE PERFORMANCE – INFRASTRUCTURE GROUP:  
TRANSPORT**

**Scorecard Name:  
ROADING**

**Date From**  
01-Jul-2009

**Date To**  
30-Jun-2010

Linked items	Unit	Target	Actual	Indicator
Number of reported injury crashes per 100 million vehicle kilometres travelled.	#	53.00	34.91	
<b>Comment:</b> The target of less than 53 was achieved. The actual result was 34.91 reported injury crashes per 100 million vehicle kilometres travelled.				
The district roads are to have an average road roughness below 110 NAASRA counts.	#	<110.00	106.00	
<b>Comment:</b> The target of below 110 NAASRA counts was achieved. The actual result was an average road roughness count of 106.				
Percentage km of roads in the district that are below a roughness level of 180 as measured by NAASRA.	%	>90.00	93.00	
<b>Comment:</b> The target of greater than 90% was met. Ninety three percent of roads in the district had a roughness level of 180 as measured by NAASRA.				
Percentage of written complaints that are responded to within five working days (Roading).	%	90.00	96.50	
<b>Comment:</b> The target of 90% was exceeded. The actual result was 96.5% of written complaints were responded to within five working days during 2009/10.				
Number of fatal/serious injury crashes per year.	#	<22.00	12.00	
<b>Comment:</b> The target of less than 22 was achieved. The actual result was 12 fatal/serious crashes during the 2009/10 year.				
Number of reported injury crashes per year.	#	65.00	72.00	
<b>Comment:</b> The target of less than 65 was not achieved. The actual result was 72 reported injury crashes. An analysis of Wanganui's 'high crash' risk factors reveal a predominance of issues related to controlled intersections, motorcyclists, 'restricted' licensed drivers and drivers over 70 years old. This is supported by NZTA's 2010 'Communities At Risk Register'.				
The Council's strategies to address road safety issues align with the 2009 Government Policy Statement on Transport and are implemented through a Road Safety Action Plan, with delivery via the Council's enforcement, engineering and education agents.				
Percentage km of roads in the district that are smooth as measured by Smooth Traffic Exposure.	%	>90.00	84.00	
<b>Comment:</b> The target of greater than 90% was not achieved. The actual result was 84% of roads in the district were categorised smooth as measured by Smooth Traffic Exposure.				

Linked items	Unit	Target	Actual	Indicator
Percentage of residents who are fairly or very satisfied with the roading network.	%	>65.00	48.00	
<p><b>Comment:</b> The target of greater than 65% was not achieved. The actual result was 48% of residents were fairly or very satisfied with the roading network.</p> <p>Satisfaction has been impacted in the urban area by ongoing drainage separation works. The Council's strategy is to now smooth as many of these 'rough' roads as is cost beneficial. These improvements will commence on arterial routes before moving to collector routes.</p>				

**Scorecard Name:**  
**FOOTPATHS AND BERMS**

**Date From** 01-Jul-2009  
**Date To** 30-Jun-2010

Linked items	Unit	Target	Actual	Indicator
Number of footpath related defects per year as reported to Council's Customer Services.	#	<253.00	114.00	
<p><b>Comment:</b> The target of less than 253 defects was achieved. The actual result was 114 footpath related defects reported to Customer Services during 2009/10.</p>				
Percentage of street tree trimming requests responded to within five working days.	%	90.00	81.75	
<p><b>Comment:</b> The target of 90% was not achieved. The actual result was 81.75% of street tree trimming requests were responded to within five working days. This was due to a drop in responsiveness in the last quarter where the contractor was responding to calls but not necessarily reporting back within the five day timeframe.</p>				
Percentage of the community who are fairly or very satisfied with footpath surfaces.	%	50.00	51.00	
<p><b>Comment:</b> The target of 50% was exceeded. The actual result was 51% of the community were fairly or very satisfied with footpath surfaces.</p>				
Percentage of the time written or verbal complaints are responded to within five working days (Footpaths and berms).	%	90.00	96.50	
<p><b>Comment:</b> The target of 90% was exceeded. The actual result was 96.50% of written or verbal complaints were responded to within five working days during 2009/10.</p>				

**Scorecard Name:**  
**AIRPORT**

**Date From** 01-Jul-2009  
**Date To** 30-Jun-2010

Linked items	Unit	Target	Actual	Indicator
Percentage compliance with annual Civil Aviation Authority Part 139 Certification concerning runway maintenance, security, safety, emergency and management systems.	%	100.00	100.00	
<p><b>Comment:</b> The target of 100% was achieved. Civil Aviation Authority Part 139 certification was complied with.</p>				

Linked items	Unit	Target	Actual	Indicator
The area (m <sup>2</sup> ) of used commercial building space at the airport.	m	7,580.00	19,325.00	
<b>Comment:</b> The target of 7,580 was exceeded. The actual result was 19,325m <sup>2</sup> of used commercial building space. This target was inaccurate as it did not encompass the entire airport and was lower than the actual area available. It has been amended in the Annual Plan 2010/11.				
The percentage of users who are fairly or very satisfied with the terminal facilities and other passenger services.	%	70.00	89.00	
<b>Comment:</b> The target of 70% was exceeded. The actual result was 89% of airport users were fairly or very satisfied with the terminal facilities and other passenger services at the airport.				

**Scorecard Name:**  
**SEA PORT**

**Date From** 01-Jul-2009  
**Date To** 30-Jun-2010

Linked items	Unit	Target	Actual	Indicator
The number of accidents or incidents per year (Port).	#	0.00	1.00	
<b>Comment:</b> The target of no accidents or incidents was not achieved. There was one accident at the sea port during 2009/10.				
The number of commercial vessel visits per annum (Port).	#	11.00	37.00	
<b>Comment:</b> The target of 11 was exceeded. The actual result was 37 commercial vessel visits. The original target was somewhat conservative and 2009/10 proved to be a successful year for trade. However, there is no guarantee that this will continue.				

**Scorecard Name:**  
**CENTRAL BUSINESS DISTRICT PARKING**

**Date From** 01-Jul-2009  
**Date To** 30-Jun-2010

Linked items	Unit	Target	Actual	Indicator
Percentage of time that meters are operating properly, including the timing mechanism (Central Business District parking).	%	98.00	94.00	
<b>Comment:</b> The target of 98% was not met. The actual result was meters were operating properly 94% of the time during 2009/10. The target was not met because parking meters were targeted for theft rendering them out of service for a period of time. Heavy rainfall also compromised the effectiveness of the Victoria Avenue parking meters.				

## Water

For the year ended 30 June 2010

	<b>Budget</b>	<b>Council</b>	
	<b>2010</b>	<b>2010</b>	<b>2009</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
<b>Income</b>			
User fees and other revenue	3,910	3,565	3,610
Subsidies	-	-	-
<b>Total income</b>	<b>3,910</b>	<b>3,565</b>	<b>3,610</b>
<b>Operating expenditure</b>			
Operating expenditure	6,295	6,501	6,955
Finance costs	3,703	3,934	3,251
Council overhead	1,146	1,181	1,324
<b>Total operating expenditure</b>	<b>11,144</b>	<b>11,616</b>	<b>11,530</b>
<b>Operational rates requirement</b>	<b>7,234</b>	<b>8,051</b>	<b>7,920</b>
Capital acquisitions	6,656	6,987	9,888
Capital replacements	1,851	2,102	2,961
<b>Total capital expenditure</b>	<b>8,507</b>	<b>9,089</b>	<b>12,849</b>
<b>Total funding requirement</b>	<b>15,741</b>	<b>17,140</b>	<b>20,769</b>
Transfers (to)/from special funds	25	363	40
New loans/(loans repaid)	3,445	4,556	7,338
<b>Total capital funding</b>	<b>3,470</b>	<b>4,919</b>	<b>7,378</b>
<b>Rate requirement</b>	<b>12,271</b>	<b>12,221</b>	<b>13,391</b>

Total operating expenditure within each Activity Group may vary due to timing of work programmes, however there were no changes to the level of service. Prior year's figures restated due to activity groups changing.

## Water group significant acquisitions or replacements of assets

The following table shows the significant expenditure on capital acquisitions and replacements for the Water Group. Significant variations to the Annual Plan are discussed below if necessary.

Activity	Item	Budget \$	Actual \$
Stormwater	Separation project	4,414,000	4,299,236
	Urban reticulation maintenance	335,000	288,617
Wastewater	Treatment Plant	688,000	425,740
	Pump Stations	150,000	43,774
	Urban reticulation maintenance	676,000	696,001
Waterways and Drainage	Natural Capital acquisition	50,000	14,089
Water Supply	Water softening project	600,000	1,802,078
	Water urban supply	250,000	125,483
	Urban reticulation replacements	1,300,000	1,370,750

Work was planned to maintain the service capacity of the Council facilities and to deal with the expected demands on the service.

### Stormwater

The Annual Plan budget included \$4.414M for the Stormwater Separation Project, and there was also a carry over of \$0.569M from 2008/09 and a reforecast approved by Council during the year of \$0.4M, giving a total programme of \$5.383M for the year. Actual expenditure came in well behind at \$4.299M. This was due to Heads Road work being delayed towards the end of the year, pending a catchment study. The unspent funds of \$1.084M will be carried over to next year.

Expenditure for urban reticulation replacements was also a little behind budget, as the Separation project slowed.

### Wastewater

Treatment Plant expenditure was \$0.262M behind budget, with the gantry and building maintenance to service twister aerators job now not happening.

The Ocean Outfall job in Pump Stations is to be carried forward into next year.

Urban reticulation maintenance came out close to budget. But there are variations within the expenditure. The Putiki sewer extension was carried over from the previous year. This job had a carry over budget of \$0.642M, but was completed considerably under budget at \$0.364M. The flow monitoring NIWA sites and city wide pump station upgrades work costing \$0.289M are both being carried forward to next year.

### Waterways and natural drainage

Some proposed capital expenditure on flood protection/repair failed banks expenditure didn't happen this year.

### Water supply

The Annual Plan budget included \$0.6M for the water softening project, and there was also a carry over of \$1.526M, giving a total budget of \$2.126M for the year. Actual expenditure was \$1.802M. The underspend of \$0.310M will be carried over to next year.

Water urban supply was underspent in areas like connections and meters.

Urban reticulation replacements were carried out as programmed, with the budget of \$1.3M, being matched by actual expenditure of \$1.371M.

Please see the activity scorecard explanation on page 109 of the Annual Report for further information.

**STATEMENT OF SERVICE PERFORMANCE – INFRASTRUCTURE GROUP: WATER**

**Scorecard Name:**  
**WATER SUPPLY**

**Date From**  
01-Jul-2009

**Date To**  
30-Jun-2010

<b>Linked items</b>	<b>Unit</b>	<b>Target</b>	<b>Actual</b>	<b>Indicator</b>
The Council will maintain a Bb grading and comply with the Drinking Water Standards for New Zealand (or mitigation undertaken if transgressions occur).	%	100.00	-	-
<p><b>Comment:</b> The target of 100% was not able to be confirmed as a result of timing issues with Ministry of Health grading of our two new bores (Abelard and Heloise). These bores hold "provisionally secure" status until all testing and reporting requirements are met. However, it is expected that confirmation of the bores' security status and receipt of an Aa grading will be made within the next two months.</p> <p>Ministry of Health grading is a measure of confidence that drinking water supplies will remain uncontaminated.</p>				
Water hardness levels across urban reticulation area.	#	<150.00	150.00	
<p><b>Comment:</b> The target of less than 150 ppm was met. Hardness is an indicator of scale formation when water is heated (for example in electric jugs and hotwater cylinders) – the higher the hardness, the greater the scale formation. Water with a low level of hardness will reduce the use of products such as soap, shampoo and washing powder. This result is based on testing undertaken in various suburbs since the commissioning of the Abelard bore in November 2009. An average hardness level was then calculated from this data.</p>				
Horizons Regional Council consent conditions will be complied with or mitigation undertaken if transgressions occur (Water supply).	%	95.00	25.00	
<p><b>Comment:</b> The target of 95% could not be accurately measured across the entire year. This is because installation of the system to remotely access flow data from the Kai Iwi bores was not completed by Horizons until the fourth quarter. However, once it was set up Council achieved 100% compliance with monitored consent conditions. This exceeded the target of 95%.</p> <p>These consent conditions set limits on maximum daily quantities and abstraction rates and impose reporting requirements. For example, the bore at Maxwell Station Road had its average daily flow calculated from flow readings recorded at approximately 14 day intervals. The datalogger system has now been installed from which daily flows can be downloaded.</p>				
Hydrants tested will comply with the New Zealand Fire Service's code of practice.	%	85.00	73.75	
<p><b>Comment:</b> The target could not be accurately measured during 2009/10 because the New Zealand Fire Service did not complete its entire testing programme. This was due to industrial action in the second quarter. However, 99% of the hydrants that were tested (177 of 179) did meet the New Zealand Fire Service's code of practice.</p>				
Water will be available to serviced	%	99.00	99.48	



Linked items	Unit	Target	Actual	Indicator
properties at all times.				
<p><b>Comment:</b> The target of 99% was achieved. Water was available to serviced properties on average 99.48% of the time during 2009/10. 'Shut-off' notices delivered to customers detail the street, the number of properties affected, the date and the duration of maintenance. Mains with ongoing maintenance issues are given higher priority in the renewals programme.</p>				
High priority leak repairs will be commenced within six hours of notification (Water supply).	%	95.00	100.00	
<p><b>Comment:</b> The target of 95% was exceeded. The actual average result was 100% of high priority repairs were commenced within six hours. This information was received from Downer NZ via monthly reports. There were 149 high priority repairs conducted during 2009/10.</p> <p>High priority repairs are characterised as those that involve major water leakage or leakage that could cause flooding to private property or bank instability.</p>				
Routine priority leak repairs will be completed within five working days of notification (Water supply).	%	90.00	90.77	
<p><b>Comment:</b> The target of 90% was exceeded. The actual average result was 90.77% of routine priority repairs were completed within five days. This information was received from Downer NZ via monthly reports. There were 1,532 routine priority repairs conducted during 2009/10.</p> <p>Routine priority repairs are characterised as those involving more minor instances of water leakage that are unlikely to impact on properties or bank stability.</p>				

**Scorecard Name:**  
**STORMWATER**

**Date From**  
01-Jul-2009

**Date To**  
30-Jun-2010

Linked items	Unit	Target	Actual	Indicator
Percentage of high priority repairs commenced within 6 hours of notification (Stormwater).	%	≥90.00	100.00	
<p><b>Comment:</b> The target of greater than, or equal to, 90% was achieved. The actual result was 100% of high priority repairs were commenced within six hours of notification. There were 30 high priority repairs conducted during 2009/10.</p> <p>High priority repairs are characterised as those that involve problems with the stormwater network that have the potential to cause damage to private property or pose public health risk.</p>				
Percentage of routine priority repairs completed within 5 working days of notification (Stormwater).	%	≥90.00	91.18	
<p><b>Comment:</b> The target of greater than, or equal to, 90% was achieved. The actual result was 91.18% of routine priority repairs were completed within five working days of notification. There were 152 routine priority repairs conducted during 2009/10.</p> <p>Routine priority repairs are characterised as those that involve problems with the stormwater network that are unlikely to cause damage to private property or to pose public health risk.</p>				
Number of instances per year of water entering residential houses reported to Council.	#	10.00	0.00	

Linked items	Unit	Target	Actual	Indicator
<b>Comment:</b> The target of less than 10 was achieved. The actual result was no instances of water entering residential houses reported to Council during 2009/10.				

**Scorecard Name:**  
**WASTEWATER**

**Date From** 01-Jul-2009  
**Date To** 30-Jun-2010

Linked items	Unit	Target	Actual	Indicator
Discharge consent allows diluted wet weather overflows of wastewater below Cobham Bridge to 2010.	%	0.00	0.00	
<b>Comment:</b> This measure is not applicable in 2009/10.				
Discharge consent to fully treat wastewater to 2026.	%	0.00	0.00	
<b>Comment:</b> This measure is not applicable in 2009/10.				
Percentage of high priority repairs commenced within 6 hours of notification (Wastewater).	%	≥90.00	100.00	
<b>Comment:</b> The target of greater than, or equal to, 90% was achieved. The actual result was 100% of high priority repairs were commenced within six hours of notification. There were 121 high priority repairs conducted during 2009/10.				
High priority repairs are those that involve any blockage or problem within the network with the potential to cause damage to private property or to pose public health risk.				
Percentage of routine priority repairs completed within 5 working days of notification (Wastewater).	%	≥90.00	91.22	
<b>Comment:</b> The target of greater than, or equal to, 90% was achieved. The actual result was 91.22% of routine priority repairs were completed within five working days of notification. There were 309 routine priority repairs conducted during 2009/10.				
Routine priority repairs are those that involve any blockage or problem within the network without the risk of causing damage to private property or the posing of public health risk.				

**Scorecard Name:**  
**WATERWAYS AND NATURAL DRAINAGE**

**Date From** 01-Jul-2009  
**Date To** 30-Jun-2010

Linked items	Unit	Target	Actual	Indicator
Whanganui River Flood Action Plan response compliance.	%	100.00	100.00	
<b>Comment:</b> The target of 100% was achieved. The Whanganui River Flood Action Plan was complied with.				

## Waste

For the year ended 30 June 2010

	<b>Budget</b>	<b>Council</b>	
	<b>2010</b>	<b>2010</b>	<b>2009</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
<b>Income</b>			
User fees and other revenue	100	69	27
Subsidies	-	1	-
<b>Total income</b>	<b>100</b>	<b>70</b>	<b>27</b>
<b>Operating expenditure</b>			
Operating expenditure	460	413	378
Finance costs	185	200	190
Council overhead	84	86	78
<b>Total operating expenditure</b>	<b>729</b>	<b>699</b>	<b>646</b>
<b>Operational rates requirement</b>	<b>629</b>	<b>629</b>	<b>619</b>
Capital acquisitions	-	-	35
Capital replacements	-	-	-
<b>Total capital expenditure</b>	<b>-</b>	<b>-</b>	<b>35</b>
<b>Total funding requirement</b>	<b>629</b>	<b>629</b>	<b>654</b>
Transfers (to)/from special funds	-	(47)	-
New loans/(loans repaid)	(76)	(76)	(6)
<b>Total capital funding</b>	<b>(76)</b>	<b>(123)</b>	<b>(6)</b>
<b>Rate requirement</b>	<b>705</b>	<b>752</b>	<b>660</b>

Total operating expenditure within each Activity Group may vary due to timing of work programmes, however there were no changes to the level of service. Prior year's figures restated due to activity groups changing.

## Waste group significant acquisitions or replacements of assets

The following table shows the significant expenditure on capital acquisitions and replacements for the Waste Group. Significant variations to the Annual Plan are discussed below if necessary.

<b>Activity</b>	<b>Item</b>	<b>Budget \$</b>	<b>Actual \$</b>
Waste minimisation		Nil	Nil

Work was planned to maintain the service capacity of the Council facilities and to deal with the expected demands on the service.

Please see the activity scorecard explanation on page 109 of the Annual Report for further information.

### **STATEMENT OF SERVICE PERFORMANCE – INFRASTRUCTURE GROUP: WASTE**

**Scorecard Name:**  
**WASTE MINIMISATION**

**Date From**      **Date To**  
01-Jul-2009      30-Jun-2010

<b>Linked items</b>	<b>Unit</b>	<b>Target</b>	<b>Actual</b>	<b>Indicator</b>
A free community recycling centre will be provided at Peat Street, 24 hours a day, 7 days a week.	%	100.00	100.00	
<b>Comment:</b> The target of 100% was achieved. A free community recycling centre was provided at Peat Street 24 hours a day, seven days a week.				
A kerbside recycling pick-up service will be provided each month for all households unable to access the Recycling Centre due to disability or being car-less i.e. 12 per year.	#	12.00	12.00	
<b>Comment:</b> The target of 12 was achieved. A kerbside recycling pick-up service was provided each month.				
Council will operate a facility every last Saturday of the month that accepts agrichemical containers for recycling, i.e. 12 per year.	#	12.00	10.00	
<b>Comment:</b> The target of 12 was not achieved. The actual result was 10 occasions where the Council operated an agrichemical container collection facility. This service has been disestablished from the recycling centre and is now being provided through Wanganui Farmlands premises separate from Council.				
Facilities for domestic hazardous waste disposal will be provided at the transfer station.	%	100.00	100.00	
<b>Comment:</b> The target of 100% was achieved. Facilities for domestic hazardous waste disposal were provided 100% of the time at the transfer station.				
Resource consent conditions for Balgownie landfill (monitored for gas and leachates) are complied with.	%	100.00	100.00	
<b>Comment:</b> The target of 100% was achieved. Resource consent conditions were complied with.				
Rural refuse will be collected weekly.	#	52.00	52.00	
<b>Comment:</b> The target of 52 collections was achieved. Rural refuse was collected every week during 2009/10.				
Number of school information and education visits made each year to talk about waste minimisation opportunities.	#	6.00	8.00	
<b>Comment:</b> The target of six was exceeded. The actual result was eight school or information visits were made to talk about waste minimisation opportunities.				

Linked items	Unit	Target	Actual	Indicator
Number of school visits to the Recycling Centre hosted each year.	#	6.00	4.00	
<b>Comment:</b> The target of six was not achieved. The actual result was four school visits hosted at the recycling centre.				
Number of complaints about the peri-urban refuse collection service.	#	<6.00	0.00	
<b>Comment:</b> The target of less than six was achieved. There were no complaints received about the peri-urban refuse collection service during 2009/10.				
Number of complaints about the rural bin sites per year.	#	<6.00	1.00	
<b>Comment:</b> The target of less than six was achieved. The actual result was one complaint about the rural bin sites during 2009/10.				
Amount of product recycled through the Recycling Centre per year.	m <sup>3</sup>	>19,500.00	19,664.00	
<b>Comment:</b> The target of greater than 19,500 was achieved. The actual result was 19,664m <sup>3</sup> of product recycled.				
The number of users of the Recycling Centre per day, average.	#	>320.00	325.00	
<b>Comment:</b> The target of greater than 320 users was achieved. The actual result was 325 users of the recycling centre on average per day.				

## Corporate and governance

For the year ended 30 June 2010

	<b>Budget</b>	<b>Council</b>	
	<b>2010</b>	<b>2010</b>	<b>2009</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
<b>Income</b>			
User fees and other revenue	1,523	847	1,233
Subsidies	(170)	66	-
<b>Total income</b>	<b>1,353</b>	<b>913</b>	<b>1,233</b>
<b>Operating expenditure</b>			
Operating expenditure	6,878	7,064	7,749
Finance costs	133	(118)	77
Council overhead	(4,803)	(4,923)	(5,304)
<b>Total operating expenditure</b>	<b>2,208</b>	<b>2,023</b>	<b>2,522</b>
<b>Operational rates requirement</b>	<b>855</b>	<b>1,110</b>	<b>1,289</b>
Capital acquisitions	81	251	241
Capital replacements	210	268	425
<b>Total capital expenditure</b>	<b>291</b>	<b>519</b>	<b>666</b>
<b>Total funding requirement</b>	<b>1,146</b>	<b>1,629</b>	<b>1,955</b>
Transfers (to)/from special funds	(450)	(528)	(655)
New loans/(loans repaid)	(7)	79	1,472
<b>Total capital funding</b>	<b>(457)</b>	<b>(449)</b>	<b>817</b>
<b>Rate requirement</b>	<b>1,603</b>	<b>2,078</b>	<b>1,138</b>

Total operating expenditure within each Activity Group may vary due to timing of work programmes, however there were no changes to the level of service. Prior year's figures restated due to activity groups changing.

## Corporate and Governance group significant acquisitions or replacements of assets

The following table shows the significant expenditure on capital acquisitions and replacements for the Corporate and Governance Group. Significant variations to the Annual Plan are discussed below if necessary.

Activity	Item	Budget \$	Actual \$
Governance	Stained glass windows	14,000	16,844
Administration	New folding machine	0	31,780
	Colour printers	0	19,022
	Furniture and fittings	30,000	11,534
Information Management	Computer equipment acquisition	0	29,689
	Computer equipment replacement	143,000	232,048
	Intangible asset additions	0	155,850
Records and Archives	Computer equipment acquisition	20,000	0
	Intangible asset additions	40,000	10,223
	Archives renovations	33,000	0

Work was planned to maintain the service capacity of the Council facilities and to deal with the expected demands on the service.

### Governance

The stained glass work is an ongoing project spread over many years. 3 windows were completed this year.

### Administration

The new folding machine was purchased from carry over funds of \$65,000, to cover such contingencies as this. Although colour printers were not budgeted, the cost was covered by the underspend in the furniture and fittings expenditure.

### Information Management

Computer equipment acquisitions was mainly for the CISCO installation. The additional \$89,465 for computer equipment replacements relates to the purchase of I T switches for Infrastructure, with this expenditure being covered by Infrastructure budgets. The intangible asset additions is the cost of the new zeacon telephone system not budgeted. This was partially funded by a \$100,000 budget transfer from labour contractors in Administration.

### Records and Archives

Reductions in Computer equipment and intangible asset expenditure has been offset by additional expenditure in operating license fees re the TRIM project. The expected Archives renovations are not proceeding at this point.



Please see the activity scorecard explanation on page 109 of the Annual Report for further information.

**STATEMENT OF SERVICE PERFORMANCE – CORPORATE AND GOVERNANCE GROUP**

**Scorecard Name:**  
**CORPORATE MANAGEMENT**

**Date From**  
01-Jul-2009

**Date To**  
30-Jun-2010

<b>Linked items</b>	<b>Unit</b>	<b>Target</b>	<b>Actual</b>	<b>Indicator</b>
A clear audit opinion is achieved for audited documents (Corporate management).	%	100.00	100.00	
<b>Comment:</b> The target of 100% was achieved. A clear audit opinion was achieved for audited documents.				
Workplace accidents for Council employees.	#	<49.00	29.00	
<b>Comment:</b> The target of less than 49 accidents was achieved. The actual result was 29 accidents for Council employees. However, the fourth quarter was characterised by more instances of 'near-miss' reporting which is considered to be a very encouraging use of the system.				
Archives and records information will be available during core working hours (Corporate management).	%	90.00	100.00	
<b>Comment:</b> The target of 90% was exceeded. The actual result was 100% availability of archives and records information.				
Telephone calls to the Council's main telephone number (349 0001) will be answered within 20 seconds.	%	70.00	78.50	
<b>Comment:</b> The target of 70% was exceeded. The actual result was 78.50% of telephone calls were answered within 20 seconds. The Council switched to a new telephony system during 2009/10 which provides more intelligent operations, enabling enhanced monitoring and reporting as well as quicker call handling.				
The performance of Council staff is rated by the community as good or very good.	%	>65.00	58.00	
<b>Comment:</b> The target of greater than 65% was not achieved. The actual result was 58% of the community rate the performance of Council staff as 'good' or 'very good'.				
Customers surveyed report being satisfied or very satisfied with the contact and service provided (Customer services).	%	>90.00	95.50	
<b>Comment:</b> The target of greater than 90% was achieved. The actual result was 95.50% of customers reported being satisfied or very satisfied with the contact and service provided.				
The community is satisfied that enough or more than enough information is supplied by the Council.	%	>85.00	69.00	

Linked items	Unit	Target	Actual	Indicator
<b>Comment:</b> The target of greater than 85% was not achieved. The actual result was 69% of the community were satisfied that enough or more than enough information was supplied by the Council.				

**Scorecard Name:**  
**GOVERNANCE**

**Date From**  
01-Jul-2009

**Date To**  
30-Jun-2010

Linked items	Unit	Target	Actual	Indicator
The community will be satisfied that Council has responded very well or well to community needs and issues.	%	75.00	57.00	
<b>Comment:</b> The target of 75% was not achieved. The actual result was 57% of the community believe that Council has responded very well or well to community needs and issues.				
The performance of the Rural Community Board will be rated by the community as good or very good.	%	50.00	36.00	
<b>Comment:</b> The target of 50% was not achieved. The actual result was 36% of the rural community rate the performance of the Rural Community Board as 'good' or 'very good'.				
The performance of the Mayor and councillors will be rated by the community as good or very good.	%	75.00	60.00	
<b>Comment:</b> The target of 75% was not achieved. The actual result was 60% of the community rate the performance of the Mayor and councillors as 'good' or 'very good'.				

**Scorecard Name:**  
**INVESTMENTS**

**Date From**  
01-Jul-2009

**Date To**  
30-Jun-2010

Linked items	Unit	Target	Actual	Indicator
The forecast returns from the Joint Wanganui District Council Forestry Committee will be achieved.	%	100.00	100.00	
<b>Comment:</b> The target of 100% was achieved. The actual result was 100% of forecast returns were achieved. The investment returns were budgeted at \$0 and there was no variance to this result.				
Please refer to the 'Notes to the Financial Statements' (notes 17 and 19) for more information.				
The forecast returns from Wanganui District Council Holdings Limited will be achieved.	%	100.00	100.00	
<b>Comment:</b> The target of 100% was achieved. The actual result was 100% of forecast returns were achieved. The investment returns were budgeted at \$0 and there was no variance to this result.				
Please refer to the Council Controlled Organisations (CCO) section of the Annual Report for more information on the CCO's performance.				

## Customer services

For the year ended 30 June 2010

	<b>Budget</b>	<b>Council</b>	
	<b>2010</b>	<b>2010</b>	<b>2009</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
<b>Income</b>			
User fees and other revenue	1,617	1,600	1,617
Subsidies	-	23	21
<b>Total income</b>	<b>1,617</b>	<b>1,623</b>	<b>1,638</b>
<b>Operating expenditure</b>			
Operating expenditure	2,541	2,593	2,632
Finance costs	3	29	9
Council overhead	463	477	554
<b>Total operating expenditure</b>	<b>3,007</b>	<b>3,099</b>	<b>3,195</b>
<b>Operational rates requirement</b>	<b>1,390</b>	<b>1,476</b>	<b>1,557</b>
Capital acquisitions	8	24	-
Capital replacements	11	11	2
<b>Total capital expenditure</b>	<b>19</b>	<b>35</b>	<b>2</b>
<b>Total funding requirement</b>	<b>1,409</b>	<b>1,511</b>	<b>1,559</b>
Transfers (to)/from special funds	-	53	-
New loans/(loans repaid)	(4)	(4)	254
<b>Total capital funding</b>	<b>(4)</b>	<b>49</b>	<b>254</b>
<b>Rate requirement</b>	<b>1,413</b>	<b>1,462</b>	<b>1,305</b>

Total operating expenditure within each Activity Group may vary due to timing of work programmes, however there were no changes to the level of service. Prior year's figures restated due to activity groups changing.

## Customer Services group significant acquisitions or replacements of assets

The following table shows the significant expenditure on capital acquisitions and replacements for the Customer Services Group. Significant variations to the Annual Plan are discussed below if necessary.

Activity	Item	Budget \$	Actual \$
Emergency Management	Civil Defence plant and equipment	0	9,726
	Rural Fire plant and equipment	11,000	10,572
Regulatory Services	Environmental Health	8,000	14,535

Work was planned to maintain the service capacity of the Council facilities and to deal with the expected demands on the service.

### Emergency Management

Plant and equipment for Civil Defence was forecast during the year at \$11,000.

### Environmental Health

A noise meter was purchased during the year, in excess of the \$8,000 budget.

Please see the activity scorecard explanation on page 109 of the Annual Report for further information.

### **STATEMENT OF SERVICE PERFORMANCE – CUSTOMER SERVICES GROUP**

**Scorecard Name:**  
**EMERGENCY MANAGEMENT**

**Date From**  
01-Jul-2009










**Date To**  
30-Jun-2010

<b>Linked items</b>	<b>Unit</b>	<b>Target</b>	<b>Actual</b>	<b>Indicator</b>
The Readiness and Response sections of the Rural Fire Plan will be reviewed every two years.	%	100.00	100.00	
<b>Comment:</b> The target of 100% was achieved. The Readiness and Response sections of the Rural Fire Plan were reviewed in 2009/10.				
The Reduction and Recovery sections of the Rural Fire Plan will be reviewed every five years.	%	0.00	0.00	
<b>Comment:</b> The Reduction and Recovery sections of the Rural Fire Plan will next be reviewed in 2010/11.				
Percentage attendance at Manawatu-Wanganui Region Civil Defence Emergency Management Group meetings.	%	75.00	100.00	
<b>Comment:</b> The target of 75% was exceeded. The actual result was 100% attendance at Manawatu-Wanganui Civil Defence Emergency Management Group meetings.				
Receipt of calls will be acknowledged within 10 minutes (Emergency management).	%	98.00	100.00	
<b>Comment:</b> The target of 98% was exceeded. The actual result was 100% of calls were acknowledged within 10 minutes.				
Receipt of calls will be acknowledged within 20 minutes (Emergency management).	%	98.00	100.00	
<b>Comment:</b> The target of 98% was exceeded. The actual result was 100% of calls were acknowledged within 20 minutes.				
Number of public awareness presentations made per year (Emergency management).	#	15.00	52.00	
<b>Comment:</b> The target of 15 was exceeded. The actual result was 52 public awareness presentations. This was due to the roll-out of the new 'What's the Plan Stan' resource kit. Emergency management staff worked with 36 schools throughout the district. The next revision is not expected for some time.				
Percentage of public awareness (Emergency management).	%	≥75.00	77.00	
<b>Comment:</b> The target of greater than, or equal to, 75% was achieved. The actual result was 77% of the public could go without outside assistance for three days or more.				

**Scorecard Name:**  
**REGULATORY SERVICES**

**Date From**  
01-Jul-2009

**Date To**  
30-Jun-2010

Linked items	Unit	Target	Actual	Indicator
Number of days the pound service is provided.	Days	365.00	365.00	
<b>Comment:</b> The target of 365 days was achieved. The pound was available every day during 2009/10.				
Percentage of notified planning application reports available five working days before scheduled hearing dates.	%	100.00	100.00	
<b>Comment:</b> The target of 100% was achieved. Notified planning application reports were available five working days before scheduled hearing dates.				
All complaints of excessive noise will be investigated within 30 minutes.	%	95.00	86.00	
<b>Comment:</b> The target of 95% was not achieved. The actual result over the year was 86% of excessive noise complaints were investigated within 30 minutes. While a number of non-conformances lay just outside the 30 minute timeframe, others were justified due to "higher priority" call-outs (e.g. contractors responding to burglar alarms).				
Percentage of parking areas patrolled Monday-Saturday (excluding public holidays).	%	≥98.00	90.00	
<b>Comment:</b> The target of greater than, or equal to, 98% was not achieved. The actual result was 90% of parking areas were patrolled during operating hours. This was due to staff shortages as well as annual leave and sick leave provisions.				
Percentage of properties above the Cobham Bridge that have their stormwater systems separated.	%	≥95.00	98.40	
<b>Comment:</b> The target of greater than, or equal to, 95% was achieved. The actual result was 98.40% of properties above the Cobham Bridge had their stormwater systems separated during 2009/10.				
Percentage of known dogs that are registered or enforcement action taken.	%	100.00	100.00	
<b>Comment:</b> The target of 100% was achieved. All known dogs were registered or enforcement action was taken.				
Percentage of registered food premises inspected at least once a year.	%	100.00	96.50	
<b>Comment:</b> The target of 100% was not achieved. The actual result was 96.50% of registered premises were inspected at least once during 2009/10. Seven premises were not inspected.				
Percentage of building consents processed within the statutory timeframe.	%	90.00	96.67	
<b>Comment:</b> The target of 90% was exceeded. The actual result was 96.67% of building consents were processed within the statutory timeframe.				
Percentage of liquor licences	%	95.00	97.25	

Linked items	Unit	Target	Actual	Indicator
issued within 20 working days of receipt if approved.				
<b>Comment:</b> The target of 95% was exceeded. The actual result over 2009/10 was 97.25% of liquor licences were issued within 20 working days of receipt if approved.				
Percentage of resource consents monitored within two years of being issued.	%	90.00	100.00	
<b>Comment:</b> The target of 90% was exceeded. The actual result was 100% of resource consents that required monitoring were monitored within two years of being issued.				
Percentage of resource consents processed within the statutory timeframes.	%	80.00	97.75	
<b>Comment:</b> The target of 80% was exceeded. The actual result was 97.75% of resource consents were processed within the statutory timeframes. This was achieved following a review of consent processing systems.				
Percentage of the community fairly or very satisfied with the animal control services provided.	%	65.00	56.00	
<b>Comment:</b> The target of 65% was not achieved. The actual result was 56% of the community were fairly or very satisfied with animal control services.				
Percentage of users fairly or very satisfied with the resource management services provided.	%	≥75.00	73.00	
<b>Comment:</b> The target of greater than, or equal to, 75% was not achieved. The actual result was 73% of users were fairly or very satisfied with resource management services. Satisfaction with staff was also measured by this survey, with 79% of people reporting that they were 'satisfied' or 'very satisfied' with the Council officers they dealt with and the services they provided. This measure was canvassed via an annual Council-delivered customer survey.				
Users will be fairly or very satisfied with the building control services provided.	%	70.00	85.00	
<b>Comment:</b> The target of 70% was exceeded. The actual result was 85% of users were fairly or very satisfied with building control services. This measure was canvassed via an annual Council-delivered customer survey.				
Users will be fairly or very satisfied with the environmental health services provided.	%	70.00	83.00	
<b>Comment:</b> The target of 70% was exceeded. The actual result was 83% of users were fairly or very satisfied with environmental health services. Also noted in the survey was an 86% satisfaction level with staff. This measure was canvassed via an annual Council-delivered customer survey.				

## Council Controlled Organisations

### Wanganui District Council Holdings Limited (WDCHL) and Wanganui Gas Limited (WGL)

WDCHL was formed in March 2002 to provide a commercial overview to the Council's investment portfolio. It owns 100% of the shares in Wanganui Gas Limited and its subsidiaries and provides a monitoring service to Council for the following activities:

- Council's investment properties
- Wanganui District Councils' Forestry Joint Committee
- Wanganui Airport Joint Venture
- Wanganui Gas Limited
- Inland Port/Sea Port
- Quarrying

WDCHL was formed to oversee individual investments and to advise Council on:

- The mix of investments in the portfolio;
- The risk of investments in the portfolio;
- The management of individual investments in the portfolio;
- The overall strategy for investments in the portfolio;
- To identify opportunities to enhance investments and returns;
- To identify potential new investments that meet Council investment objectives;
- To identify appropriate structures that may better enhance focus and management of particular investments.

Monitoring of these investments has been carried out and questions regarding the future strategies, mix, prospects and risks of these investments have been addressed. The Board meets monthly except January. The Council objectives for the ownership of the Company are being met.

#### Objective

The Board intends to operate as a successful business in relation to its investments to the monitoring roles assigned to it under contract by WDC.

#### Performance targets

- *To make a profit of \$20,000*

	<b>Actual 2008/09</b>	<b>Budget</b>	<b>Actual 2009/10</b>
Surplus/(deficit) after tax	\$(1,026,000)	\$20,000	\$(51,000)
Dividend received	\$0	\$0	\$0
Dividend paid	\$0	\$0	\$0

Variance between actual and budget for 2010 was the result of the revaluations of derivative financial instruments and additional legal fees.

- *To facilitate Wanganui Gas Limited to achieve the performance targets identified in its Statement of Intent*

The directors have closely monitored the Wanganui District Council's investment in Wanganui Gas Limited, with several of WDCHL's directors sitting on the Wanganui Gas Limited Board. The Board has facilitated the continuance of the Council's investment with variances to performance targets being monitored.

#### Objectives

- *The company aims to improve the long term value and financial return that WDC receives from its trading undertakings.*

Wanganui Gas Limited has experienced adverse market conditions over the financial year. WDCHL's directors have closely monitored the company's progress and have aggressively advised on implementing new income streams and have taken advantage of risk mitigating courses of action.



- *Optimise financial and physical resources through close scrutiny of potential areas of inefficiency, waste or under-utilisation of capital.*

The Directors all have extensive and varied commercial experience which when combined provides a wide set of skills that can provide solutions to issues of inefficiency or under-utilisation of capital. This has been evidenced by our involvement in the shellrock venture at Waitaihanga, and working alongside Iwi to co-develop the shellrock reserve at Kaiwhiaki.

- *Provide prudent management of investments and timely, constructive professional advice regarding its position as shareholder in Wanganui Gas Limited, and any other subsidiary companies or undertakings.*

Several of WDCHL's directors sit on the Wanganui Gas Limited Board. This has provided for timely involvement in the company and in the management of Council's investment. In addition, WDCHL's directors sat on the Airport Management Board, worked along side external contractors with the Forestry portfolio, worked along side WDC staff with regard property matters, and investigated new commercial projects such as property development opportunities, shell rock extraction agreements.

- *Meet the expectations of WDC for quality, competitively priced strategic planning advice on investments and trading undertakings.*

The Board has met monthly to discuss its portfolio performance and the Chairman has reported to Council every meeting to update the Council on matters.

- *Review and advise on the strategies and plans of any subsidiary company, business unit or asset as requested by WDC.*

Board meetings are held on a monthly basis and include the Chief Executive of the Council which enables open communication regarding matters concerning the Council. Monthly Board papers include reports on each area under WDCHL's governance portfolio.

- *Be a good corporate citizen and exercising the appropriate level of social responsibility toward the community and the environment, consistent with the conduct of a sustainable and profitable business.*

WDCHL's Directors are experienced directors who have had significant training and experience in the operations of a Board and the concept of governance. The directors are aware of the "wellbeings" as defined by the Local Government Act 2002 and carry out their decision making with the benefits to the ratepayers of the Wanganui District in the forefront.

## Wanganui Gas Limited

	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
	<b>2008/09</b>	<b>2009/10</b>	<b>2009/10</b>
Net surplus/(deficit) after interest, tax and subvention payment to average ordinary shareholders funds	-17.3%	-0.5%	-21.3%
Earnings before interest and tax to average Assets.	-4.74%	3.9%	-5.45%

### Statement of Intent

Wanganui Gas Limited (the company) is a Council Controlled Trading Organisation established under the Local Government Act 2002. The Statement of Intent for 2006/07 sets out the overall intentions and objectives of Wanganui Gas Limited for the two financial years beginning 1 July 2008.

### Objectives

The Directors intend that the company operate as a successful business and be at least as profitable and efficient as other energy companies. The company aims to achieve a reasonable rate of return on the distribution network business division of the company and to seek a competitive return from its commercial operations to provide a satisfactory dividend to its shareholder after retaining adequate earnings for future business requirements.

### Activities

The company's core businesses are those of providing gas traders with safe, efficient and reliable gas distribution services through the company's networks and the retailing of energy to our customers.

Complementary activities undertaken include the sale and installation of natural gas and propane appliances and advisory services focussed on energy utilisation and efficiency.

### Performance targets and assessment

The performance of the company will be judged against the following measures:

#### *Strategic Plan*

Develop and annually review an outline on the future direction of the company and the strategies required to achieve it.

#### *Reporting*

To provide timely monthly reports to management and the shareholder covering the trading activities undertaken by the company. To provide an unaudited interim financial statement for the six months to 31 December to the shareholder by the end of February and to provide an audited Annual Report to the shareholder by the end of September.

## Wanganui Airport Joint Venture (WAJV)

The primary objectives of the airport operation are to:

- Provide high quality facilities and service commensurate with existing levels of aviation activity and in accordance with all the appropriate Acts, Regulations and Rules pertaining to airport and aviation operations in line with the size of Wanganui Airport.
- Operate the airport in a sound and business like manner.
- Improve the long term value and financial performance of the airport while improving the economic value of the airport to Wanganui.

The objectives of the Wanganui Airport Joint Venture for this financial year and the following two financial years are clearly specified in the statement of intent which was approved by the joint partners.

These objectives are listed below with the relevant targets and measure(s) of performance, and the performance achieved during the financial year.

### **Objective**

Operate the airport in a sound and business like manner.

### **Performance measure**

Reduction of the current loss position to 'break even' or to a level acceptable to Council in light of the CCO's economic value to Wanganui.

### **Achievement**

	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
Net Profit/(Loss)	-196,000	-2,112,000	-208,000	-133,000

The 2008 deficit includes losses on property, plant and equipment valuation of \$1,161,000.

The airport was operated in a business like manner. Cost control was a major focus again this year. Although the financial result target as outlined in the business plan was not achieved, the deficit has improved compared to last year and is acceptable to the Joint Venture partners.

### **Objective**

Provide high quality facilities and service commensurate with existing levels of aviation activity and in accordance with all the appropriate Acts, Regulations and Rules pertaining to airport and aviation operations of the size of Wanganui Airport.

### **Performance measure**

Compliance with all aspects of Part 139 of Civil Aviation Rules with a minimum of one requirement per inspection.

### **Achievement**

Full compliance with Civil Aviation Rules Part 139 was achieved.

### **Objective**

Improve the long term value and financial performance of the airport along with improving the economic value of the airport to Wanganui.

### **Performance measure**

Delivery of an activity plan and subsequent achievement of the individual targets outlined within that plan.

### **Achievement**

Although the deficit exceeded that outlined in the business plan, the deficit has improved compared to last year. Positive development continues with the direction being taken by the airport aimed at increasing user satisfaction.

## **Wanganui Incorporated (WINC)**

The objective of Wanganui Incorporated is to improve the co-ordination of economic development and promotional agencies in Wanganui and to align relevant programmes and capabilities with Council in order to deliver on the Economic Development Strategy. Council brought many activities in house on 1 July 2007 however this charitable trust works in tandem with the Council's economic development activity.

Key performance targets are measured and reported as part of the Council's Statements of Service Performance.

## **Ruapehu, Wanganui, Rangitikei Regional Economic Development Trust (RED Trust)**

The objective of the Ruapehu, Wanganui, Rangitikei Regional Economic Development Trust is the promotion and implementation of regional development initiatives that may be identified by the trustees or the community in general, that benefit communities within New Zealand but primarily within the territorial authority districts of Ruapehu, Wanganui and Rangitikei. The Trust was established on 4 May 2006.

The Ruapehu, Wanganui, Rangitikei Regional Economic Development Trust (RED Trust) has been exempted according to section 7 of the Local Government Act 2002 (the Act). It is therefore not a Council Controlled Organisation for the purposes of the Act.

### **Cooks Gardens Trust Board**

The Cooks Gardens Trust Board was initially established to undertake the development of Cooks Gardens including construction of a new all-weather athletics track, a new velodrome and a new grandstand. With the community investment in this facility, Council believes the use of the facility should be as high as possible while not causing excessive wear or damage to the assets.

Cooks Gardens is a premier sporting facility and the Trust has met the Council objectives of developing the facility and increasing its use.

The Cooks Gardens Trust Board has been exempted according to section 7 of the Local Government Act 2002 (the Act). It is therefore not a Council Controlled Organisation for the purposes of the Act.

### **Whanganui River Enhancement Charitable Trust**

The purposes of the Whanganui River Enhancement Charitable Trust are to promote the enhancement of the quality of the waters and catchment of the Whanganui River; to encourage other parties to promote the enhancement of the quality of the waters and catchment of the Whanganui River; to make funds available to allow river enhancement projects (social, economic and environmental) to be undertaken; to contribute to public education about the health and wellbeing of the Whanganui River; and to assist in the education of students engaged in full-time tertiary study, where that study is relevant to the Whanganui River.

Although Council appoints two of the six Trustees (two also appointed by Ruapehu District Council) they do not exercise significant influence over the Trust. Genesis contributes all revenue, and provides management and accounting personnel. The life of the Trust is linked to the resource consents of Genesis's Tongariro Power Development.

The Whanganui River Enhancement Charitable Trust has been exempted according to section 7 of the Local Government Act 2002 (the Act). It is therefore not a Council Controlled Organisation for the purposes of the Act.

### **Sarjeant Gallery Trust Board**

The purpose of the Sarjeant Gallery Trust Board is to promote and foster the interests of the Wanganui Sarjeant Gallery and the interests of Wanganui's art and artists.

The Wanganui Sarjeant Gallery provides a nationally recognised art experience for both residents of Wanganui and visitors. In addition to providing up-to-date exhibitions, it facilitates educational talks and forums, as well as providing artists a platform for displaying local art.

The Sarjeant Gallery Trust Board has been exempted according to section 7 of the Local Government Act 2002 (the Act). It is therefore not a Council Controlled Organisation for the purposes of the Act.

### **Manawatu-Wanganui Local Authority Shared Services Limited (MW LASS Ltd)**

MW LASS Ltd was formed in October 2008 to provide an 'umbrella vehicle' for the councils of the Manawatu-Wanganui region to investigate, procure, develop and deliver shared services.

Such services will be initiated under the umbrella of MW LASS Ltd where a business case shows that they provide benefits to the council users by either improved levels of service, reduced costs, improved efficiency and/or increased value through innovation. Current feasibility studies being undertaken include GIS, Aerial photography and Joint procurement.

## Equal employment opportunities (EEO) report

Over the past year the attainment of EEO goals has been sought through:

- Making EEO information more readily available on the intranet, personnel policy manuals and through discussions of matters that impacted on our EEO policy and goals at senior management meetings, staff committee meetings and the union/employer working party meetings.
- Giving staff the opportunity to express their views through the annual staff survey and addressing issues that arose.
- Having in place an Employees Assistance Programme which included:
  - Staff support procedures which were adopted to assist employees to resolve concerns and difficulties before they became costly in terms of personal distress or work efficiency.
  - Access to independent workplace support advisors.
  - Access to an independent counselling service.
- Adopting health and safety initiatives and supporting wellness programmes through:
  - Appointing a Health and Safety Officer.
  - Reviewing, rewriting, endorsing and implementing the current health and safety policy and procedure manual.
  - The establishment of an independent staff health and safety committee.
  - The continuance of the influenza inoculation programme which was extended to provide alternative anti-flu medications.
  - The subsidisation of fees programme for medical health eye checks.
  - The continuation of the conduct of Treaty of Waitangi training seminars for all newly appointed staff.

## **Working with Maori**

The Wanganui District Council continues to meet separately with two of the Atihaunui-A-Paparangi Runanga, Tupoho and TamaUpoko, on a six-weekly basis as per our relationship documents. Eight TamaUpoko Link meetings and eight Tupoho Working Party meetings took place during the 2009/10 year.

Iwi, the Council and the Crown continued administration of Moutoa Gardens through the Moutoa Gardens Historic Reserve Board, now renamed the Pakaitore Historic Reserve Board. Four meetings and the AGM were held during the year.

Although relationship documents have not been developed with the two adjoining Iwi, Nga Rauru and Ngati Apa, contact has continued on an as-required basis. Approaches for a relationship have been made by Tamareheroto, a group associated with Nga Rauru.

Council employs an Iwi Liaison officer on a halftime contract basis. Officers continue to carry out consultation with Iwi on specific issues.

## Audit Report

### To the readers of Wanganui District Council and group's financial statements and Statements of Service Performance for the year ended 30 June 2010

The Auditor-General is the auditor of Wanganui District Council (the District Council) and group. The Auditor-General has appointed me, John O'Connell, using the staff and resources of Audit New Zealand, to carry out the audit on her behalf. The audit covers the financial statements, the Statements of Service Performance and the District Council's compliance with the other requirements of Schedule 10 of the Local Government Act 2002 that are included in the annual report of the District Council and group for the year ended 30 June 2010.

#### Unqualified opinion

In our opinion:

- The financial statements of the District Council and group on pages 9 to 55:
  - comply with generally accepted accounting practice in New Zealand; and
  - fairly reflect:
    - the District Council and group's financial position as at 30 June 2010; and
    - the results of operations and cash flows for the year ended on that date.
- The Statements of Service performance of the District Council on pages 105 to 151:
  - complies with generally accepted accounting practice in New Zealand; and
  - fairly reflects the District Council's levels of service provision for the year ended 30 June 2010, including:
    - the levels of service provision as measured against the intended levels of service provision adopted in the long-term council community plan; and
    - the reasons for any significant variances between the actual service provision and the expected service provision.

- The District Council and group have complied with the other requirements of Schedule 10 of the Local Government Act 2002 that are applicable to the annual report, and that are included in the District Council and group's financial statements and service provision information.

The audit was completed on 28 October 2010, and is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Council and the Auditor, and explain our independence.

## **Basis of opinion**

We carried out the audit in accordance with the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards.

We planned and performed the audit to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the financial statements, the service provision information and the other requirements did not have material misstatements, whether caused by fraud or error.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements, the service provision information and the other requirements. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

The audit involved performing procedures to test the information presented in the financial statements, the service provision information and the other requirements. We assessed the results of those procedures in forming our opinion.

Audit procedures generally include:

- determining whether the significant management and system controls are working and can be relied on to produce complete and accurate data;
- verifying samples of transactions and account balances;
- performing analyses to identify anomalies in the reported financial and [service provision] data;
- reviewing significant estimates and judgements made by the Council;
- confirming year-end balances;
- determining whether accounting policies are appropriate and consistently applied;
- determining the appropriateness of the reported service provision information within the Council's framework for reporting performance; and
- determining whether all required disclosures are adequate.



We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements, the service provision information and the other requirements.

We evaluated the overall adequacy of the presentation of information in the financial statements, the service provision information and the other requirements. We obtained all the information and explanations we required to support our opinion above.

## **Responsibilities of the Council and the Auditor**

The Council is responsible for preparing financial statements and service provision information in accordance with generally accepted accounting practice in New Zealand. The financial statements must fairly reflect the financial position of the District Council and group as at 30 June 2010. They must also fairly reflect the results of operations and cash flows for the year ended on that date. The service provision information must fairly reflect the District Council's levels of service provision for the year ended 30 June 2010.

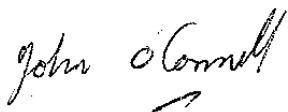
The Council is also responsible for meeting the other requirements of Schedule 10 of the Local Government Act 2002 and including that information in the annual report. The Council's responsibilities arise from section 98 and Schedule 10 of the Local Government Act 2002.

We are responsible for expressing an independent opinion on the financial statements, the service provision information and the other requirements and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001 and section 99 of the Local Government Act 2002.

## **Independence**

When carrying out the audit we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the New Zealand Institute of Chartered Accountants.

Other than the audit and in carrying out the amendment to the long-term council community plan, we have no relationship with or interests in the District Council or any of its subsidiaries.



John O'Connell  
Audit New Zealand  
On behalf of the Auditor-General  
Palmerston North, New Zealand

**Matters relating to the electronic presentation of the audited financial statements, service provision information and the other requirements**

This audit report relates to the financial statements, service provision information and the other requirements of Wanganui District Council and group for the year ended 30 June 2010 included on Wanganui District Council and group's website. The Council is responsible for the maintenance and integrity of Wanganui District Council and group's website. We have not been engaged to report on the integrity of Wanganui District Council and group's website. We accept no responsibility for any changes that may have occurred to the financial statements, service provision information and the other requirements since they were initially presented on the website.

The audit report refers only to the financial statements, service provision information and the other requirements named above. It does not provide an opinion on any other information which may have been hyperlinked to or from the financial statements, service provision information and the other requirements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements, service provision information and the other requirements as well as the related audit report dated 28 October 2010 to confirm the information included in the audited financial statements, service provision information and the other requirements presented on this website.

Legislation in New Zealand governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.