

GROUPS OF ACTIVITIES

How to Read this Section

This section describes Council's activities as grouped in the 2006-2016 Community Plan. Each activity includes a description of the various actions that were carried out over the financial year and also reports on the overall progress of Council's contribution towards community outcomes.

It is structured as follows:

Why we do it

Provides a description of the activities, objectives or purpose.

What we did

Reports on the activities/actions carried out over the year that give effect to that activity. Emphasis is on highlights for the year rather than business-as-usual activities.

How are we going?

Reports on the progress towards achieving community outcomes. Also provides a description of how the particular activity contributes to one or more community outcomes, the measures used to determine whether that contribution is successful, targets that the activity seeks to achieve and its actual achievement.

Identified effects on wellbeing

Explains how the activity effects the social, economic, environmental or cultural wellbeing of the community.

What it cost

Reports on the cost of the service including any variances favourable or otherwise.

Note that brackets are used to denote an adverse variance for operating revenue and expense. Also bracketed amounts on the net cost of service line indicate a surplus i.e. revenue exceeds expenditure.

Asset Management Unit

The Asset Management Unit is responsible for the overall management of Council assets. The Asset Management Unit operates as Engineering and Works within the Council structure. The various Council assets are divided into five groups - Roading, Rivers and Drainage, Community Facilities, Solid Waste and the Three Waters (water supply, wastewater and stormwater). In addition the Unit maintains Council's technical assets including survey plans.

CEMETERIES

WHY WE DO IT

It is a legislative requirement that Councils provide sufficient land and facilities for the burial or cremation of the dead and their remembrance to safeguard public health. Council maintains 13 gazetted public cemeteries in the district occupying 51 hectares. It also provides a records and enquiry services for all council owned cemeteries.

WHAT WE DID

- ▶ An online cemetery database search facility was made available on the Council website.
- ▶ A revised Cemeteries and Crematorium Bylaw was adopted by Council in December 2008.
- ▶ A new tropical garden was developed for ash burials in the Taruheru Cemetery.
- ▶ Routine maintenance and the provision of new signage for East Coast cemeteries.

HOW ARE WE GOING?

Overall Progress towards Achievement of Community Outcomes to which the CEMETERIES Activity Primarily Contributes

How the Cemeteries Process Activity Contributes	Measure	Target	Actual 2009	Actual 2008
OUTCOME				
Safe and Healthy Haven				
By safeguarding public health through the provision of land and facilities for the burial or cremation of the dead and their remembrance.	Percentage of costs recovered from users of the services and facilities.	80%	57% Target not Achieved	53% Target not Achieved

IDENTIFIED EFFECTS ON WELLBEING

The Cemetery activity impacts on social and cultural wellbeing. It has a direct effect on public health through its legislative requirements.

WHAT IT COST (FINANCIAL SUMMARY)

OPERATING EXPENDITURE (\$000)	NOTE	2009 ACTUAL	2009 BUDGET	2009 VARIANCE	2008 ACTUAL
Operating Revenue	1	144	153	(9)	126
Less Operating Expenses	2	255	245	(10)	231
Net Cost of Service		\$111	\$92	\$(19)	\$105

CAPITAL EXPENDITURE (\$000)	ACTUAL	BUDGET	VARIANCE	ACTUAL
Actual Cost	\$36	\$41	\$5	\$12

1. The lower than budgeted operating income reflects the loss on disposal of small buildings of \$5K and lower than budgeted revenue from interment fees.
2. The unfavourable variance in operating expenses resulted from higher depreciation than budgeted of \$2K, bad debts \$3K and higher operating costs \$5K.

FLOOD CONTROL SCHEMES

WHY WE DO IT

The Council administers and maintains two flood control schemes and one river improvement scheme to protect people and properties (including productive land and infrastructure) from flooding.

WHAT WE DID

- ▶ A shift to organic fertiliser on the stop banks of the Waipaoa flood protection scheme to protect the waterways and environment had good results and led to positive feedback from land holders.
- ▶ A three yearly cross-section survey of the Waipaoa River was undertaken to monitor the flood carrying capacity and silt movement for modelling purposes.
- ▶ Ongoing maintenance such as tree layering, spraying, stopbank inspections and repairs.
- ▶ The Waipaoa Flood Control Scheme review continued including extensive investigations into protection levels and equitable rating models.
- ▶ Several significant flood events occurred in the Waipaoa and Uawa catchments and at Te Araroa leading to unbudgeted expenditure for remedial works.

HOW ARE WE GOING?

Overall Progress towards Achievement of Community Outcomes to which the FLOOD CONTROL SCHEME Activity Primarily Contributes

How the Flood Control Scheme Activity Contributes	Measure	Targets	Actual 2009	Actual 2008
OUTCOME				
Safe and Healthy Haven				
Maintaining the integrity of flood control schemes is essential for the safety of the population residing on the flood plain.	At least 25% of the Waipaoa stopbanks shall be inspected annually, and all major bank protection works inspected following a flood equal to or greater than a "1 in 5 year" event.	25%	Target Achieved	Target not Achieved
	At least 50% of the Te Karaka stopbanks shall be inspected annually and corrective action taken where required to restore the stopbanks to design standards.	50%	Target Achieved	Target not Achieved

IDENTIFIED EFFECTS ON WELLBEING

The Flood Control Schemes have a direct impact on community wellbeing. As demonstrated through the performance over the year, inspections have been carried out accordingly which assist in mitigation of the potential effects of flooding.

WHAT IT COST (FINANCIAL SUMMARY)

OPERATING EXPENDITURE (\$000)	NOTE	2009 ACTUAL	2009 BUDGET	2009 VARIANCE	2008 ACTUAL
Operating Revenue		126	130	(4)	121
Less Operating Expenses	1	453	419	(34)	357
Net Cost of Service		\$327	\$289	\$(38)	\$236

CAPITAL EXPENDITURE (\$000)	NOTE	ACTUAL	BUDGET	VARIANCE	ACTUAL
Actual Cost	2	\$13	\$100	\$87	\$63

1. Operating expenses exceeded budget due to cross-section survey costs for Waipaoa River \$50K and costs associated with adverse weather events.
2. Capital works planned for 2009 did not proceed resulting in lower capital expenditure. These capital works have been reprioritised in the 2009-19 Ten Year Plan.

LAND DRAINS, RIVERS and STREAMS

WHY WE DO IT

The Council maintains a network of 330km of drains and 206km of rivers and streams (excluding Flood Control Schemes) to protect people and properties (including productive land and infrastructure) from flooding and from possible damage causing erosion.

WHAT WE DID

- ▶ Council formed a combined action group with government agencies and the community to coordinate all possible resources to implement a whole-of-Waiapu catchment approach to revegetation and erosion control. The key driver is to reduce the potential threat to public safety and property in the Ruatoria Township.
- ▶ A river diversion was successfully trialled in the Waiapu River to reduce the capital cost and financial impact of proposed flood protection works on the Ruatoria community.
- ▶ Makaretu Stream was dug out to allow water to drain faster once the Taruheru Stream drops.
- ▶ General maintenance including spraying, pump station maintenance, drain cleaning, tree clearing, side arm mowing, construction of crossings and head walls.

HOW ARE WE GOING?

Overall Progress towards Achievement of Community Outcomes to which the LAND DRAINS, RIVERS and STREAMS Activity Primarily Contributes

How the Land Drains, Rivers and Streams Activity Contributes	Measure	Target	Actual 2009	Actual 2008
OUTCOME				
Safe and Healthy Haven				
Maintaining land drains, rivers and streams to reduce flooding hazards.	Percentage of Requests for Service completed within target timeframe.	85%	74% ¹ Target not Achieved	78% Target not Achieved

IDENTIFIED EFFECTS ON WELLBEING

The Land Drains, Rivers and Streams Activity has had a positive measurable effect on environmental wellbeing and an indirect effect on social, cultural wellbeing of the community. Of particular note is the work that was and continues to be carried out in the Ruatoria township. As indicated, the combined efforts have seen Council and the community working positively together for the future safety of the community.

WHAT IT COST (FINANCIAL SUMMARY)

OPERATING EXPENDITURE (\$000)	NOTE	2009 ACTUAL	2009 BUDGET	2009 VARIANCE	2008 ACTUAL
Operating Revenue	1	47	20	27	8
Less Operating Expenses	2	1,453	1,381	(72)	1,202
Net Cost of Service		\$1,406	\$1,361	\$(45)	\$1,194

CAPITAL EXPENDITURE (\$000)	NOTES	ACTUAL	BUDGET	VARIANCE	ACTUAL
Actual Cost	3	\$58	\$754	\$696	\$103

1. Operating revenue exceeded budget due to additional contributions towards the maintenance of land drains and rivers.
2. Operating expenses exceeded budget due to investigative costs for the Waiapu River Protection Scheme of \$50K and Scheme 3B of \$7K. Interest costs were higher than budgeted by \$23K.

¹ Performance in this area was below target due in a large part to the Rivers and Land Drainage Engineer position being vacant for nearly a year. This position has now been filled.

3. Capital works were well under the budgeted level due to the timing of projects. A capital works review was carried out with some capital works projects requiring further consultation and application for resource consents (\$150K). Waimata, Taruheru and Turanganui river works planned for 2009 costing \$220K have been carried forward into 2010. Ruatoria flood protection budgeted to cost \$300K did not proceed and has been reviewed with an alternative less expensive approach now proposed.
4. A prior period adjustment for \$776K was made as a result of a review of capital work in progress. This review identified work previously classified as capital that should have been treated as operating expenses.

LAND TRANSPORT

WHY WE DO IT

To ensure that people and goods can move safely and efficiently around the district by a variety of means.

WHAT WE DID

- ▶ The Hirini Street project was completed. The \$6M jointly funded project diverts logging trucks away from the inner harbour area.
- ▶ The first 6km of the Waimata Valley Road upgrade was completed. The upgrade was needed to fix continuous potholes due to an increase of logging trucks servicing the port.
- ▶ The Turanganui Walkway project was completed.
- ▶ The three-yearly Gisborne Regional Land Transport Programme for the Gisborne district (including State Highways) was prepared and consulted on. This includes the subsidy received from the New Zealand Transport Agency (NZTA).

HOW ARE WE GOING?

Overall Progress towards Achievement of Community Outcomes to which the LAND TRANSPORT Activity Primarily Contributes

How the Land Transport Activity Contributes	Measure	Targets	Actual 2009	Actual 2008
OUTCOME				
Connected Communities				
<ul style="list-style-type: none"> ▶ Affordable, safe and reliable transport and communication. ▶ People feel connected and part of their communities. 				
OUTCOME				
Safe and Healthy Haven				
<ul style="list-style-type: none"> ▶ Our roads and footpaths are safe to walk, cycle and drive on. 				
By providing (or ensuring that others provide) transport networks and systems to move people and products: <ul style="list-style-type: none"> - Safely - Conveniently - Comfortably between and across the district. By ensuring that the transport networks and systems provided: <ul style="list-style-type: none"> - address all travel mode needs - heavy traffic, car, rail buses, walking and cycling, mobility/paratransit. - are being properly maintained, upgraded and improved for the long term. 	1. The number of injury road crashes per 100 million vehicle kms travelled.	66 ¹ or below	62 Target Achieved	54 Target Achieved
	2. Average roughness of sealed roads (NAASRA counts),	95 or below	105 Target not Achieved	105 Target not Achieved
	3. Percentage of rough sealed roads (within 150 NAASRA counts).	85% or below	87% Target not Achieved	86% Target not achieved
	4. Property Isolation - maximum average number of property days where property isolated over 1 day.	No more than 150 property days	255 ² Target not Achieved	35 Target Achieved
	5. Congestion - travel time to traverse nominated route (minutes).	40 minutes or less	24.46 minutes Target Achieved	27.55 minutes Target Achieved
	6. Satisfaction with public passenger transport bus system.	80%	87% Target Achieved	Not Measured
	7. Passenger kilometres per year on public bus service.	300,000	372,228 Target Achieved	347,256 Target Achieved
	8. Percentage of residents very/fairly satisfied with Council roads, excluding State Highways, in annual residents survey.	58%	57% ³	65% Target Achieved
	9. Percentage of residents very/fairly satisfied with footpaths in annual residents survey.	69%	55% ³	68% Target not Achieved
	10. Requests for service resolved within target completion timeframes.	92%	82% ⁴ Target not Achieved	90% Target not Achieved

¹ This target relates to a figure used for similar Council's known by NZTA as "Group C".

² Performance in this area has significantly worsened due to one road - Nuhiti Road (Shark Bay) being closed for three months. This affected one farm.

³ The survey questionnaire was changed in 2009 so is not comparable to the previous year's results and to a certain extent the performance target.

⁴ Performance in this area was below target due to an unusually large number (1,586) of requests for service received; 264 of which were resolved over target.

IDENTIFIED EFFECTS ON WELLBEING

The actions that were carried out over the course of the year under the Land Transport activity have had a positive effect on the social, economic and environmental wellbeing of the community. Health and social benefits from safe and connected walkways and public transport networks are well established. While not all of the targets have been met it is still reasonable to assume that what has been achieved has impacted positively on the wellbeing of the community with the exception of the Nuhiti road residents.

WHAT IT COST (FINANCIAL SUMMARY)

OPERATING EXPENDITURE (\$000)	NOTE	2009 ACTUAL	2009 BUDGET	2009 VARIANCE	2008 ACTUAL
Operating Revenue	1	10,930	8,395	2,535	8,986
Less Operating Expenses	2	23,769	22,780	(989)	24,032
Net Cost of Service		\$12,839	\$14,385	\$1,546	\$15,046

CAPITAL EXPENDITURE (\$000)	NOTE	ACTUAL	BUDGET	VARIANCE	ACTUAL
Actual Cost	3	\$20,211	\$11,709	\$(8,502)	\$12,189

1. Operating revenue exceeded budgeted levels due to additional Regional Development Roding (RDR) grant funding of \$3M from the New Zealand Transport Agency (NZTA). Operating revenue also excludes income from vested assets totalling \$4.8M.
2. The unfavourable variance in operating expenses resulted from higher depreciation costs of \$400K, emergency work and roading maintenance cost \$600K. Depreciation was impacted by asset revaluations which were not completed in time for inclusion in the 2009 budget.
3. Council has received vested assets of \$4.8M. This has artificially added unbudgeted expenditure of \$4.8M to the capital expenditure cost resulting in an adverse variance. \$3M of additional regional development roading capital expenditure was spent during the year which was also unbudgeted. An additional \$0.5M was spent on minor safety projects and about \$0.2M on the Turanganui walkway and other cycleway/walkway projects.

PARKS and RESERVES

WHY WE DO IT

To have an open space network that provides community and recreational opportunities, as well as cultural, landscape and ecological protection and enhancement.

WHAT WE DID

- ▶ Ongoing maintenance of reserves, open spaces and sports fields including mowing, flowers, spraying, fencing, carpark, furniture, tracks, play equipment and illegal dumping.
- ▶ Three senior all-weather soccer fields were completed at Watson Park.
- ▶ A new Management Plan for Botanical Gardens consulted on and adopted.
- ▶ Management of Freedom Camping from the beginning of daylight saving to Easter to reduce the impact on the environment and ensure public safety.
- ▶ Improved drainage of two soccer fields at Nelson Park for all year availability.
- ▶ Ablution facilities were upgraded at Health Johnston Reserve and the Wainui Reserve.
- ▶ A new grandstand was erected at the Tokomaru Bay rugby grounds.
- ▶ Swing installations and surfacing upgrades were made to six urban playgrounds.
- ▶ Titirangi Reserve enhancement including removal of exotic trees, noxious plants and replanting of natives.
- ▶ Management Plans for Anzac Park and Lysnar Reserve implemented including new furniture, stairs, upgrading of play areas and new car parks.
- ▶ New multi-purpose aquatic and recreation centre planning and early consultation was initiated.
- ▶ A new artificial hockey turf was considered for Churchill Park and agreed to in principle subject to further consultation.
- ▶ The Turanganui walkway extension was completed.
- ▶ Extensions to the city's cycle and walkways along Waikanae Beach and the Taruheru River were planned and consulted on.
- ▶ A neighbourhood reserve in Elgin was consulted on.

HOW ARE WE GOING?

Overall Progress towards Achievement of Community Outcomes to which the PARKS and RESERVES Activity Primarily Contributes

How the Parks and Reserves Activity Contributes	Measure	Targets	Actual 2009	Actual 2008
OUTCOME				
Vibrant Communities				
▶ A range of sport, recreation and leisure opportunities.				
OUTCOME				
Prosperous Communities				
▶ Pride in self and community.				
By providing opportunities for sport and recreation and maximising visitor experience and enjoyment.	Percentage of people surveyed who are very/fairly satisfied with parks and sportsfields in the annual residents Survey.	>80%	80% ¹	86% Target Achieved
	Hectares of dedicated recreational space available per 1,000 population.	3.65ha	4.9 Target Achieved	4.9 Target Achieved
By contributing to the regional identity by developing resources and facilities that foster this identity - climate, aquatic activities and access to them. By contributing to the economic base and growth of the region and maximise value for Council and users.	Percentage of Requests for Service resolved within target timeframes.	>97%	94% Target not Achieved	94.9% Target not Achieved

¹ The survey questionnaire was changed in 2009 so is not comparable with the previous year's results and to a certain extent the performance target.

IDENTIFIED EFFECTS ON WELLBEING

The actions that were carried out over the course of the year under the Parks and Reserves activity have positively impacted on the social and cultural wellbeing of the community. The provision of new soccer fields has enabled more people to participate in sport and ongoing maintenance of reserves, open spaces and sports fields directly impacts on the communities ability to 'use' the facilities and also links to a sense of place and pride in the community as evidenced through customer satisfaction surveys. Management plans and proposals that have been approved for future development under this activity will in the near future also have a positive effect on our community wellbeing.

WHAT IT COST (FINANCIAL SUMMARY)

OPERATING EXPENDITURE (\$000)	2009 ACTUAL	2009 BUDGET	2009 VARIANCE	2008 ACTUAL
Operating Revenue	117	97	20	570
Less Operating Expenses	2,610	2,583	(27)	2,553
Net Cost of Service	\$2,493	\$2,486	\$(7)	\$1,983

CAPITAL EXPENDITURE (\$000)	NOTE	ACTUAL	BUDGET	VARIANCE	ACTUAL
Actual Cost	1	\$622	\$1,249	\$627	\$226

This activity operated within budget and this is reflected in the nominal cost of service variance.

- Capital expenditure was under budget due to capital works of \$310K for the Wainui walkway/cycleway not proceeding and the purchase of land for a Makorori carpark budgeted at \$310K not proceeding. The carpark is likely to be settled in the 2010 financial year.

PUBLIC CONVENIENCES

WHY WE DO IT

To ensure an adequate provision of public toilets at the most appropriate locations to protect the environment and meet public expectations.

WHAT WE DID

- ▶ Upgraded the number of long drop toilets in various locations.
- ▶ Completed a series of upgrades to Novaloo toilets in Tikitiki, Ruatoria and Te Puia.
- ▶ Regular cleaning and maintenance including repairs due to vandalism and graffiti.

HOW ARE WE GOING?

Overall Progress towards Achievement of Community Outcomes to which the PUBLIC CONVENIENCES Activity Primarily Contributes

How the Public Conveniences Activity Contributes	Measure	Targets	Actual 2009	Actual 2008
OUTCOME				
Vibrant Communities				
<ul style="list-style-type: none"> ▶ A variety of events and activities to inspire community participation and draw people to the area. ▶ Town centres are alive and busy. ▶ A range of sport, recreation and leisure opportunities. 				
By providing public conveniences in areas where people are likely to visit or gather at events, to shop or watch or participate in sport, recreation or leisure activities.	Percentage of residents surveyed who are very/fairly satisfied with the district's public toilets in the annual residents survey.	75%	45% ¹	68% Target not Achieved
	Percentage of Requests for Service resolved within target completion timeframes per year.	95%	95% Target Achieved	98% Target Achieved

IDENTIFIED EFFECTS ON WELLBEING

The Public Convenience Activity has a direct impact on social wellbeing (in particular health) and an indirect impact on economic and environmental wellbeing. The performance of this activity suggests that while the intention of the activity is to impact positively on social wellbeing, the dissatisfaction from the resident's survey may suggest that at its current perceived level, it is not having the desired effect on community wellbeing.

WHAT IT COST (FINANCIAL SUMMARY)

OPERATING EXPENDITURE (\$000)	NOTE	2009 ACTUAL	2009 BUDGET	2009 VARIANCE	2008 ACTUAL
Operating Revenue	1	7	5	2	7
Less Operating Expenses	2	724	703	(21)	749
Net Cost of Service		\$717	\$698	\$(19)	\$742

CAPITAL EXPENDITURE (\$000)	ACTUAL	BUDGET	VARIANCE	ACTUAL
Actual Cost	\$217	\$231	\$14	\$192

1. The favourable variance in income resulted from higher than budgeted fees collected for the Bright Street, Gisborne shower facility.
2. The higher than budgeted expenditure includes additional depreciation of \$25K. This resulted from asset revaluations which occurred after the budget was set.

¹ The survey questionnaire was changed in 2009 so is not comparable with the previous year's results and to a certain extent the performance target.

COMMUNITY and STAFF HOUSING

WHY WE DO IT

Semi-Commercial Activity. To provide quality housing to those who have difficulty providing it themselves.

WHAT WE DID

- ▶ Ongoing refurbishment of housing units including installation of security doors and garden sheds.
- ▶ Improved the tenant satisfaction levels from the previous year's results.
- ▶ Incremental rent increases signalled to ensure rents increase to cover operating costs.
- ▶ A 90% of market rent rate policy was introduced for new tenants. All staff housing continues to be rented at market rates.
- ▶ A full review of community housing was initiated to address the financial performance of this activity.
- ▶ This review will be completed in 2010.

HOW ARE WE GOING?

Overall Progress towards Achievement of Community Outcomes to which the COMMUNITY and STAFF HOUSING Activity Primarily Contributes

How the Community and Staff Housing Activity Contributes	Measure	Targets	Actual 2009	Actual 2008
OUTCOME				
Safe and Healthy Haven				
Safe and healthy environment for tenants through compliance with relevant legislative and Council policy.	Occupancy rate.	95%	99% Target Achieved	97% Target Achieved
	Annual tenant satisfaction survey:			
	- Accommodation	95%	95% Target Achieved	97% Target Achieved
	- Maintenance	95%	92% Target not Achieved	87.8% Target not Achieved
	- Contact with Council staff	95%	97% Target Achieved	91.8% Target not Achieved
	- Feeling of security	95%	92% Target not Achieved	75.5% Target not Achieved
	- Pleasant living environment	95%	91% Target not Achieved	77.6% Target not Achieved

IDENTIFIED EFFECTS ON WELLBEING

The Community and Staff Housing activity directly affects social wellbeing through the provision of affordable housing for staff in remote locations and those in need. The performance of this activity suggests that while the occupancy rate exceeds its target, further improvements are required with regard to general beautification of the housing stock.

WHAT IT COST (FINANCIAL SUMMARY)

OPERATING EXPENDITURE (\$000)	NOTE	2009 ACTUAL	2009 BUDGET	2009 VARIANCE	2008 ACTUAL
Operating Revenue	1	561	670	(109)	660
Less Operating Expenses	2	810	715	(95)	754
Net Cost of Service		\$249	\$45	\$(204)	\$94

CAPITAL EXPENDITURE (\$000)	NOTE	ACTUAL	BUDGET	VARIANCE	ACTUAL
Actual Cost	3	\$79	\$52	\$(27)	\$12

1. Operating revenue was under budget due to the loss on the sale of a quarry property of \$126K.
2. Operating expenses were over budget due to the higher than budgeted depreciation costs of \$119K due to asset revaluations occurring after the budget was set.
3. Actual capital expenditure includes capital expenditure of \$40K carried forward from the 2008 year. Capital expenditure for 2009 included refurbishment of community housing units, installation of security doors and garden sheds.
4. The Community and Staff Housing reserves are now in deficit being \$107K and \$38K respectively. Improved financial performance from this activity will allow these deficits to be repaid over the next 5 years.

SOLID WASTE

WHY WE DO IT

To ensure the sustainable management of the district's waste by reducing waste at source, minimising waste generation, maximising opportunities to use waste as a resource and minimising the amount of waste sent to landfill (with a target of zero waste by 2015), in a manner that protects public health and the environment.

WHAT WE DID

- ▶ The Tikitiki transfer station was opened replacing the old burn pit. Residents can now recycle and deposit rubbish in a fully consented and environmental friendly facility.
- ▶ Four new rubbish trucks were purchased by AllBrites resulting in an improved service and professional image.
- ▶ A full review of this activity was initiated to address financial performance issues.

HOW ARE WE GOING?

Overall Progress towards Achievement of Community Outcomes to which the SOLID WASTE Activity Primarily Contributes

How the Solid Waste Activity Contributes	Measure	Targets	Actual 2009	Actual 2008
OUTCOME				
Safe and Healthy Haven				
▶ Freedom from health risks and harm.				
By minimising waste production and residual waste going to landfill.	Percentage of total waste going to landfill.	Decreasing trend (annual) and 15% or less of the waste stream by 31 December 2009 based on 2000 data	740 tonne decrease - Target Achieved	Target not Achieved
By collecting domestic waste and recyclables:				
- Regular and timely.	Percentage of Requests for Service resolved within standard timeframes.	(98% in 2008)	85% ¹ Target not Achieved	91% Target not Achieved
- Satisfactory to the customers.	Percentage of residents very/fairly satisfied with rubbish bag collection in annual residents survey.	60%	70% ²	67% Target Achieved
By encouraging recycling by kerbside collection and disposal and recycling facilities at transfer stations.	Amounts of recycling materials in tonnes collected from kerbside domestic collection in Gisborne City.	Annual increase as a percentage of total waste collected	No change Target not Achieved	3% Increase Target Achieved

IDENTIFIED EFFECTS ON WELLBEING

The Solid Waste Activity has a direct impact on the community's social and environmental wellbeing (in particular health) and an indirect impact on economic wellbeing. The performance of the activity suggests that with respect to environmental wellbeing, waste production and therefore waste going into the landfill is at an acceptable level. This measure unfortunately does not identify whether this has had any positive beneficial effect such as cleaner streets or neighbourhoods.

¹ Performance in this area was well below target due in large part to the Solid Waste Engineer position being vacant for about six months. This position has now been filled.

² The survey questionnaire was changed in 2009 so is not comparable with the previous year's result and to a certain extent the performance target.

WHAT IT COST (FINANCIAL SUMMARY)

OPERATING EXPENDITURE (\$000)	NOTE	2009 ACTUAL	2009 BUDGET	2009 VARIANCE	2008 ACTUAL
Operating Revenue	1	96	215	(119)	(50)
Less Operating Expenses	2	4,107	3,875	(232)	3,749
Net Cost of Service	4	\$4,011	\$3,660	\$(351)	\$3,799

CAPITAL EXPENDITURE (\$000)	NOTE	ACTUAL	BUDGET	VARIANCE	ACTUAL
Actual Cost	3	\$251	\$340	\$89	\$717

1. The lower than budgeted operating revenue was due to 50% lower tip fees recovered for the Waiapu Landfill. Also the collection of a \$50K waste levy did not proceed. In 2008 operating revenue was negative because of a loss on disposal of solid waste assets.
2. Operating expenses exceed budget primarily due to interest costs being \$268K higher than budgeted. This was due to the increased loan funding of solid waste capital expenditure incurred in prior years. This occurred as a result of the split of the depreciation reserve. This activity then needed to increase its internal loans by \$7M as previous capital loan repayments were being funded from the depreciation reserve when no funds were available there.
3. The capital expenditure relating to the construction of new cells at the Waiapu Landfill.
4. This activity is under a full financial and operating review. This review will be completed in 2010 and will address the financial sustainability of the current arrangements.
 This activity has carried forward deficits now totalling \$6.34M along with internal loans of \$12.1M which must be repaid from future rates and charges.

STORMWATER

WHY WE DO IT

To protect people, dwellings, private property and public areas from flooding by removing stormwater. To discharge stormwater and collect contaminants in a manner that protects the environment and public health.

Stormwater is the rain that runs off hard surfaces such as roofs, paved streets, driveways and roads.

WHAT WE DID

- ▶ Low impact urban design philosophies were applied to several improvement projects such as the Wainui School beach access and Wainui Stock Route.
- ▶ Stormwater asset information in rural townships was collected for the first time.
- ▶ Better infrastructure information for Gisborne city was collected.
- ▶ The stormwater system performed well throughout the year due largely to dry weather conditions. Adverse rain events had little impact on the urban stormwater system due to the timing of the events.

HOW ARE WE GOING?

Overall Progress towards Achievement of Community Outcomes to which the STORMWATER Activity Primarily Contributes

How the Stormwater Activity Contributes	Measure	Targets	Actual 2009	Actual 2008
OUTCOME				
Connected Communities				
▶ Access to essential services.				
Provides a modern and convenient way to use stormwater reticulation system.	Percentage of Requests for Service resolved within target completion timeframes.	95%	93% Target not Achieved	93% Target not Achieved
	The percentage of residents satisfied with stormwater system as measured in the annual residents survey.	70%	61% ²	61% ¹ Target not achieved

IDENTIFIED EFFECTS ON WELLBEING

The Stormwater Activity has a direct impact on the community's social and environmental wellbeing and an indirect impact on economic wellbeing. Through the actions carried out by Council, baseline data has been accumulated that will further assist in interventions to protect people from flooding. The performance of the system itself while noted as 'performing well' has been observed within the context of dryer weather. Notably, resident satisfaction with the stormwater system suggests that the effect on wellbeings has not been as strong as desired.

WHAT IT COST (FINANCIAL SUMMARY)

OPERATING EXPENDITURE (\$000)	NOTE	2009 ACTUAL	2009 BUDGET	2009 VARIANCE	2008 ACTUAL
Operating Revenue	1	0	0	0	0
Less Operating Expenses		2,293	2,538	245	2,238
Net Cost of Service	2	\$2,293	\$2,538	\$245	\$2,238

¹ Although the target was not met a large proportion of respondents "did not know" suggesting they had no issues in relation to stormwater.

² The survey questionnaire was changed in 2009 so is not comparable with the previous year's results and to a certain extent the performance target.

CAPITAL EXPENDITURE (\$000)	NOTE	ACTUAL	BUDGET	VARIANCE	ACTUAL
Actual Cost	3	\$2,307	\$1,760	\$(547)	\$838

1. Operating revenue excludes \$1.8M of accounting income from vesting assets.
2. Dry weather conditions and lower interest costs resulted in lower operating costs in 2009.
3. Council has received vested assets of \$1.8M. This has artificially added unbudgeted expenditure of \$1.8M to the capital expenditure cost, resulting in an adverse variance of \$547K. \$830K of capital expenditure for works in Wainui and Inner Kaiti areas have been carried forward into the 2010 year.

THEATRES and HALLS

WHY WE DO IT

To provide facilities that enable the public to experience and participate in the performing and visual arts and to provide venues suitable for seminars, weddings and other community activities.

WHAT WE DID

- ▶ During the year 251 events were held in Council managed theatres.
- ▶ External revenue was up due to more professional touring groups and artists performing.
- ▶ Touring groups were attracted to the region through negotiation with promoters in collaboration with other city venues.

HOW ARE WE GOING?

Overall Progress towards Achievement of Community Outcomes to which the THEATRES and HALLS Activity Primarily Contributes

How the Theatres and Halls Activity Contributes	Measure	Targets	Actual 2009	Actual 2008
OUTCOME				
Connected Communities				
▶ People feel connected and part of communities locally, nationally and globally.				
By providing a place for people to gather together and celebrate through arts and other community activities.	The number of performances and bookings annually:			
	- Lawson Field Theatre	230	172 Target not Achieved	201 Target not Achieved
	- War Memorial Theatre	110	69 Target not Achieved	78 Target not Achieved
- Outdoor Theatre	10	10 Target Achieved	9 Target not Achieved	
OUTCOME				
Prosperous Communities				
▶ Pride of self and community.				
Through efficient management of the Theatres, providing facilities for public use that are safe, functional and sustainable.	Achieve financial targets for Theatres by recovery of 40% of operating costs through ratepayer fees and charges by 2009 as set out in Council's Revenue and Financing Policy.	40%	34% Target not Achieved	29% Target not Achieved

IDENTIFIED EFFECTS ON WELLBEING

The Theatres and Halls activity has an indirect impact on the community's cultural, social and economic wellbeing by providing venues for various events. The performance of the activity suggests that there is some improvement to be made to ensure that more events occur at two of the three facilities (given the drop in events). However, this measure does not determine whether other privately owned facilities were utilised for events and therefore the 'actual' impact on community wellbeing is less well known.

WHAT IT COST (FINANCIAL SUMMARY)

OPERATING EXPENDITURE (\$'000)	NOTE	2009 ACTUAL	2009 BUDGET	2009 VARIANCE	2008 ACTUAL
Operating Revenue	1	99	81	18	80
Less Operating Expenses	2	344	280	(64)	322
Net Cost of Service		\$245	\$199	\$(46)	\$242

CAPITAL EXPENDITURE (\$000)	NOTE	ACTUAL	BUDGET	VARIANCE	ACTUAL
Actual Cost	3	\$105	\$105	\$0	\$62

1. Operating revenue exceeded budget due to more professional touring groups and artists.
2. Operating expenditure exceeded budget due to higher depreciation than budgeted of \$46K as a result of upward asset revaluations not included in budgets and unbudgeted recoverable costs of \$15K which are offset by the increased revenue.
3. The capital expenditure relates to the air conditioning upgrade at War Memorial Theatre and also the refurbishment of Lawson Field Theatre and Rose Room.



WASTEWATER

WHY WE DO IT

To protect public health by providing Gisborne City and Te Karaka with a reliable wastewater system. To treat and discharge wastewater in a manner that minimises adverse effects on the environment.

WHAT WE DID

- ▶ Following a 'Give us your feedback' campaign in October 2008 to canvass public opinion on the preferred site, Council purchased the Banks Street site for the purpose of a reduced scope wastewater treatment plant.
- ▶ The inflow infiltration project review was completed. Its primary purpose was to decrease stormwater overflows, decrease operating costs and defer capital works through finding more pipe capacity.
- ▶ More robust activity management planning resulting in a more robust forward capital and operational works programme implemented.
- ▶ The capital pump station renewals programme was completed including work in Magnolia Street, The Esplanade and Grant Road.
- ▶ Capital works in Nelson Road to upsize existing pipework to cater for growth in Taruheru was completed.
- ▶ Capital works in Gladstone Road to replace the cracked pipework that led to sand infiltration in the wastewater network was completed in co-ordination with the roading reseal.

HOW ARE WE GOING?

Overall Progress towards Achievement of Community Outcomes to which the WASTEWATER Activity Primarily Contributes

How the Wastewater Activity Contributes	Measure	Targets	Actual 2009	Actual 2008
OUTCOME				
Connected Communities				
▶ Access to all essential goods and services.				
Provides a modern and convenient way to use wastewater reticulation system.	The percentage of the public who are very/ fairly satisfied with the sewerage system in annual residents survey.	70%	71% ¹	58% Target not achieved
	The percentage of Requests for Service resolved within target timeframes.	95%	63% ² Target not Achieved	85% Target not Achieved
OUTCOME				
Safe and Healthy Haven				
▶ Freedom from health risks and harm.				
▶ Guardianship of our environment for future generations.				
Protects public/private property and public health by providing a wastewater collection system and safe disposal of effluent. Protects the physical environment (particularly beaches and rivers) through the treatment and discharge of effluent through approved methods.	Council meets all its outfall consent conditions.	YES	NO ³ Target not Achieved	NO Target not Achieved
	The annual number of events where sewerage is discharged from Council's reticulation into rivers or streams.	<5	7 Target not Achieved	2 Target Achieved

IDENTIFIED EFFECTS ON WELLBEING

The actions that were carried out over the course of the year under the Wastewater Activity impacted positively on the environmental wellbeing of the community through the provision of a reliable wastewater system. Notwithstanding this, the need to upgrade the wastewater treatment plant has a direct impact on the economic wellbeing of the community.

¹ The survey questionnaire was changed in 2009 so is not comparable with the previous year's results and to a certain extent the performance target.

² Two adverse rain events in 2009 (late July 2008 and late June 2008) on top of an already high water table led to request for service delays by contractors.

³ The new wastewater treatment plant and industry waste separation will ensure compliance.

Council has been actively working to reduce the costs to the ratepayer through examining alternative and cost-affordable options. The decision to locate at Banks Street site will over time help improve the economic wellbeing of the community given the potential negative effects the alternative locations would have had on tourism within the region.

WHAT IT COST (FINANCIAL SUMMARY)

OPERATING EXPENDITURE (\$000)	NOTE	2009 ACTUAL	2009 BUDGET	2009 VARIANCE	2008 ACTUAL
Operating Revenue	1	62	42	20	51
Less Operating Expenses	2	4,438	3,562	(876)	4,728
Net Cost of Service		\$4,376	\$3,520	\$(856)	\$4,677

CAPITAL EXPENDITURE (\$000)	NOTE	ACTUAL	BUDGET	VARIANCE	ACTUAL
Actual Cost	3	\$3,030	\$2,041	\$(989)	\$1,370

1. Operating revenue excludes unbudgeted income from vesting assets of \$1.3M.
2. Operating expenditure includes Wastewater Treatment Plant Project costs of \$722K, higher depreciation costs than budgeted of \$158K due to upward asset revaluations not included in the budget, and higher milliscreen costs than budgeted. \$75K of which was due to the asset being at the end of its estimated useful life and damage from storm debris caused by adverse rain events.
3. Council has received vested assets of \$1.3M. This has artificially added unbudgeted expenditure of \$1.3M to the capital expenditure cost. Council purchased the Bank Street site for \$2.95M for the new wastewater treatment plant. This was also an unbudgeted item.

Note: A prior period adjustment was made in the accounts for \$4.3M in capital work in progress which on review should have been treated as operational expenditure. These costs were accumulated over the last 10 years and represent the investigation, consultation and feasibility study costs in relation to building an upgraded wastewater treatment plant.

This adjustment will increase the deficit carried forward in this activity to \$5.1M which must be recovered from future rates and charges.

WATER SUPPLY

WHY WE DO IT

To provide a constant, adequate, sustainable and high quality water supply to Gisborne's reticulated areas.

WHAT WE DID

- ▶ Public Health Risk Management Plans for Te Karaka and Whatatutu water supplies have been submitted to the Ministry of Health for approval. If approved Council will apply for government funding to upgrade those water supplies to meet the new national standards.
- ▶ Repairs to the hospital reservoir due to the Christmas 2007 earthquake were completed.
- ▶ Restrictions applied during the summer drought (operation of sprinkler systems between 6pm and 8am on alternate days only) were effective in managing water usage.

HOW ARE WE GOING?

Overall Progress towards Achievement of Community Outcomes to which the WATER SUPPLY Activity Primarily Contributes

How the Water Supply Activity Contributes	Measure	Targets	Actual 2009	Actual 2008
OUTCOME				
Safe and Healthy Haven				
▶ Freedom from health risk and harm.				
By ensuring that water is:				
- Safe to drink.	Drinking Water Standards 2005 Testing and Compliance - Microbiological.	99% Gisborne 95% other supplies	100% Target Achieved	100% Target Achieved
	Health Department WS Gradings. Compliance with MoH requirements.	YES	YES	YES
- Clear.	Drinking Water Standards 2005 Testing and Compliance - Turbidity.	99% Gisborne	99% Target Achieved	100% Target Achieved
- Delivered under pressure.	Percentage of properties with 40l/min and 300kPa at property boundary.	95% of properties	99% Target Achieved	Target Achieved
- The service meets the defined fire fighting standards.	Capacity for fire flows (NZFS requirements). Percentage of hydrants that meet the NZFS required capacity for fire flows.	95% of sampled hydrants	100% Target Achieved	97.9% Target Achieved
- Available.	Contractors or complainants to identify annual number of properties in designated reticulated area without water for longer than 8 hours at one time, or a cumulative time of not more than 24 hours per annum (except where upgrading work is programmed).	Zero	Zero Target Achieved	Zero Target Achieved
Customer expectations are met.	Percentage of residents very/fairly satisfied with water supply in annual residents survey.	Greater than 60%	89% ¹	75% Target Achieved
	Average time taken to record and investigate all water quality complaints (taste, odour, colour).	95%	60% Target not Achieved	66.7% Target not Achieved
	Percentage of water quality request for service resolved within target timeframe.	95%	60% Target not Achieved	66% Target not Achieved

IDENTIFIED EFFECTS ON WELLBEING

The Water Supply Activity has impacted positively on the social wellbeing of the community through compliance with the water standards. The actions carried out over the course of the year has seen national requirements met thus making the standard of our water supply safe for our community.

¹ The survey questionnaire was changed in 2009 so is not comparable with the previous year's results and to a certain extent the performance target.

WHAT IT COST (FINANCIAL SUMMARY)

OPERATING EXPENDITURE (\$000)	NOTE	2009 ACTUAL	2009 BUDGET	2009 VARIANCE	2008 ACTUAL
Operating Revenue	1	1,718	1,388	330	1,752
Less Operating Expenses	2	4,174	4,084	(90)	3,947
Net Cost of Service		\$2,456	\$2,696	\$240	\$2,195

CAPITAL EXPENDITURE (\$000)		ACTUAL	BUDGET	VARIANCE	ACTUAL
Actual Cost	3	\$690	\$1,662	\$972	\$238

1. Operating revenue exceeded budgeted levels due to increased water use as a result of dry weather conditions.
2. Operating expenses exceeded budget as a result of higher than budgeted depreciation of \$188K.
3. Capital expenditure varied from budget as a result of Council receiving vested assets of \$503K. This has artificially added unbudgeted expenditure of \$503K to the capital expenditure cost.

Capital projects totalling \$1.2M have been deferred to future years. Also capital expenditure totalling \$192K for water meter reading equipment and Waingake plant replacements has been carried over into the 2010 financial year.