



8 October 2020

**ORDINARY MEETING OF COUNCIL**

Notice is hereby given that the **Ordinary Meeting of Council** will be held in the **Council Chambers, Stratford District Council, Miranda Street, Stratford** on **Tuesday 13 October 2020** at **4.00pm**.

**Timetable for 13 October 2020 as follows:**

2.00pm	Workshop for Councillors - LTP Key Projects - Pre-engagement
3.30	Lunch for Councillors
3.30pm	Afternoon tea for Councillors
3.45pm	Public Forum - Taranaki Enviro Schools
4.00pm	Ordinary Meeting

Yours faithfully

Sven Hanne  
**CHIEF EXECUTIVE**

## 2020 - Ordinary - October (13/10/2020)

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**ORDINARY MEETING OF COUNCIL**  
**TUESDAY 13 OCTOBER 2020 AT 4.00 PM**

**A G E N D A**

1. **WELCOME**

- [Health and Safety Message](#)

2. **APOLOGIES**

3. **ANNOUNCEMENTS**

4. **DECLARATIONS OF MEMBERS INTEREST**

Elected members to declare any real or perceived conflicts of interest relating to items on this agenda.

5. **ATTENDANCE SCHEDULE**

Attendance schedule for Ordinary and Extraordinary Council meetings.

6. **CONFIRMATION OF MINUTES**

6.1 **Ordinary Meeting – 8 September 2020**

D20/25263 (Open) (Pages 9-13)

**RECOMMENDATION**

THAT the minutes of the Ordinary Meeting of Council held on Tuesday 8 September 2020, including the public excluded section, be confirmed as a true and accurate record.

\_\_\_\_\_  
Moved/Seconded

6.2 **Farm & Aerodrome Committee – 15 September 2020**

D20/25069 (Pages 14-20)

**RECOMMENDATIONS**

1. THAT the unconfirmed minutes of the Farm and Aerodrome Committee meeting held on Tuesday 15 September 2020 be received.
2. THAT the recommendations in the minutes of the Farm and Aerodrome Committee meeting held on Tuesday 15 September 2020 be adopted.

\_\_\_\_\_  
Moved/Seconded

6.3 **Policy and Services Committee Meeting – 22 September 2020**  
D20/27189 (Pages 21-32)

**RECOMMENDATIONS**

1. THAT the unconfirmed minutes of the Policy and Services Committee meeting held on Tuesday 22 September 2020 be received.
2. THAT the recommendations in the minutes of the Policy and Services Committee meeting, including those in the public excluded section, held on Tuesday 22 September 2020 be adopted.

\_\_\_\_\_/\_\_\_\_\_  
Moved/Seconded

6.4 **Taranaki Solid Waste Committee – 20 August 2020**  
(Pages 33-36)

**RECOMMENDATIONS**

THAT the unconfirmed minutes of the Taranaki Solid Waste Committee meeting held on Thursday 20 August 2020 be received.

\_\_\_\_\_/\_\_\_\_\_  
Moved/Seconded

6.5 **Taranaki Regional Transport Committee – 9 September 2020**  
(Pages 37-41)

**RECOMMENDATIONS**

THAT the unconfirmed minutes of the Regional Transport Committee meeting held on Wednesday 9 September 2020 be received.

\_\_\_\_\_/\_\_\_\_\_  
Moved/Seconded

6.6 **Taranaki Civil Defence Emergency Management Group Joint Committee – 10 September 2020**  
(Pages 42-46)

**RECOMMENDATIONS**

THAT the unconfirmed minutes of the Taranaki Civil Defence Emergency Management Group Joint Committee meeting held on Thursday 10 September 2020 be received.

\_\_\_\_\_/\_\_\_\_\_  
Moved/Seconded

7. **DISTRICT MAYOR'S REPORT**

D20/27127 (Pages 47-65)

**RECOMMENDATION:**

THAT the District Mayor's report be received.

\_\_\_\_\_  
Moved/Seconded

8. **INFORMATION REPORT – PERCY THOMSON TRUST – ANNUAL REPORT**

D20/26789 (Pages 66-95)

**RECOMMENDATION**

THAT the Percy Thomson Trust Annual Report for the year ended 30 June 2020 be received.

**Recommended Reason**

The Percy Thomson Trust is a Council Controlled Organisation of the Stratford District Council and the audit of their Annual Report for the year ended 30 June 2020 was completed by Audit New Zealand.

\_\_\_\_\_  
Moved/Seconded

9. **ADOPT ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2020**  
D20/26789 (Pages 96-246)

**RECOMMENDATIONS**

1. THAT this report be received.
2. THAT the Annual Report for the year ended 30 June 2020 be received and adopted.
3. THAT the Mayor and the Chief Executive be given authority to sign the Annual Report for the year ended 30 June 2020, incorporating any late, minor changes that may be required by Audit New Zealand.
4. THAT the Chief Executive be authorised to publish a Summary Annual Report for the year ended 30 June 2020 once the Audit Report to the Summary Report has been received from Audit New Zealand.

**Recommended Reason**

Section 98A of the Local Government Act 2002 requires Council to adopt the Annual Report 2019/20 by 31 December 2020. The Annual Report gives the community transparency on the Council's performance for the year.

It is a statutory requirement for a local authority to, within one month after the adoption of its Annual Report; make publicly available a summary of the information contained in its Annual Report.

\_\_\_\_\_  
Moved/Seconded

10. **DECISION REPORT – BUDGET AND DESIGN SCOPE FOR NEW AQUATIC CENTRE**

D20/27116 (Pages 247-255)

**RECOMMENDATIONS**

1. THAT the report be received.
2. THAT the loan financing contribution to the new aquatic centre budget be retained at \$12 million in accordance with the Long Term Plan, providing a total project budget of \$20 million.
3. THAT the following components of the new aquatic centre be confirmed as included in the design:
  - 8 lane, 25 metre main pool (25 x 20m)
  - 20 x 15m learn to swim pool
  - 20 x 15m hydrotherapy pool
  - Toddler leisure pool and splash pad
  - Changing facilities
  - Clubroom for swimming club
  - Birthday party/meeting room (combined with clubroom if possible)
  - Foyer and retail
  - Administration and staff room
  - Control/first aid room
  - Storage
4. THAT the following potential components of the new aquatic centre be included in the design in the listed priority order if the budget allows:
  1. Gym/group fitness space
  2. Café
  3. Spa pool
5. THAT the guiding vision for the design of the new aquatic centre be in accordance with the objective and outcomes set out in **Appendix 1** to this report.

**Recommended Reason**

A decision in this matter is required as a matter of urgency to enable this project to move to the procurement stage.

\_\_\_\_\_  
Moved/Seconded

11. **QUESTIONS**

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## **Health and Safety Message**

In the event of an emergency, please follow the instructions of Council Staff.

Please exit through main entrance.

Once you reach the footpath outside please turn left and walk towards the Bell tower congregating on lawn outside the Council Building.

Staff will guide you to an alternative route if necessary.

If there is an earthquake – drop, cover and hold where possible. Stay indoors till the shaking stops and you are sure it is safe to exit or remain where you are until further instruction is given.



## 5. Attendance schedule for 2019-2020 Ordinary and Extraordinary Council meetings.

<b>Date</b>	<b>29/10/19</b>	<b>12/11/19</b>	<b>10/12/19</b>	<b>11/02/20</b>	<b>10/03/20</b>	<b>14/04/20</b>	<b>12/05/20</b>	<b>09/06/20</b>	<b>14/07/20</b>	<b>11/08/20</b>	<b>25/08/20</b>	<b>08/09/20</b>	<b>13/10/20</b>	<b>10/11/20</b>
<b>Meeting</b>	<b>I</b>	<b>O</b>	<b>O</b>	<b>O</b>	<b>O</b>	<b>O (AV)</b>	<b>O (AV)</b>	<b>O</b>	<b>O</b>	<b>O</b>	<b>E</b>	<b>O</b>	<b>O</b>	<b>O</b>
Neil Volzke	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		
Grant Boyde	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		
Rick Coplestone	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		
Peter Dalziel	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		
Jono Erwood	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		
Amanda Harris	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		
Alan Jamieson	✓	✓	✓	A	✓	✓	✓	✓	✓	✓	✓	✓		
Vaughan Jones	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		
Min McKay	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		
John Sandford	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		
Gloria Webby	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		

<b>Key</b>	
<b>O</b>	<b>Ordinary Meeting</b>
<b>E</b>	<b>Extraordinary Meeting</b>
<b>I</b>	<b>Inaugural Meeting</b>
<b>✓</b>	<b>Attended</b>
<b>A</b>	<b>Apology/Leave of Absence</b>
<b>AB</b>	<b>Absent</b>
<b>S</b>	<b>Sick</b>
<b>(AV)</b>	<b>Meeting held by Audio Visual Link</b>

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**MINUTES OF THE ORDINARY MEETING OF THE STRATFORD DISTRICT COUNCIL HELD IN THE COUNCIL CHAMBERS, STRATFORD DISTRICT COUNCIL ON TUESDAY 8 SEPTEMBER 2020 AT 4.02PM**

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**PRESENT**

The District Mayor N C Volzke (the Chairman), the Deputy Mayor A L Jamieson, Councillors G W Boyde, R W Coplestone, P S Dalziel, J M S Erwood, A K Harris, V Jones, M McKay, W J Sandford and G M Webby.

**IN ATTENDANCE**

The Chief Executive – Mr S Hanne, the Director Community Services – Ms K Whareaitu, the Director Assets – Mrs V Araba, the Director Environmental Services – Mr B Sutherland, the Director Corporate Services – Mrs T Radich, the Executive Administration Officer – Mrs E Bishop (*part meeting*), the Communications Manager – Ms G Gibson, 12 members of the public (Stratford A&P Association Representatives and Taranaki Speedway Representatives) (*part meeting*) and two members of the media (Stratford Press and the Taranaki Daily News) (*part meeting*).

1. **WELCOME**

The District Mayor welcomed the Chief Executive, Councillors, staff, members of the public, and the media.

The Stratford District Council observed a minutes silence as acknowledgement and a sign of respect following the passing of former mayor David Walter. The District Mayor noted the flag was flying at half-mast today and would be again on Wednesday, the day of his funeral.

The District Mayor reiterated the health and safety message and emergency procedures.

2. **APOLOGIES**

There were no apologies.

3. **ANNOUNCEMENTS**

There were no announcements.

4. **DECLARATIONS OF MEMBERS INTEREST**

The District Mayor requested Councillors to declare any real or perceived conflicts of interest relating to items on this agenda.

The declaration of member's interest was circulated for updating.

There were no real or perceived conflicts of interest relating to the items on the agenda.

5. **ATTENDANCE SCHEDULE**

The Attendance Schedule for Ordinary and Extraordinary Council meetings was attached.

6. **CONFIRMATION OF MINUTES**

6.1 **Ordinary Meeting – 11 August 2020**  
D20/21553 (Pages 8-15)

**RECOMMENDATION**

THAT the minutes of the Ordinary Meeting of Council held on Tuesday 11 August 2020 be confirmed as a true and accurate record.

BOYDE/ERWOOD  
Carried  
CL/20/89

The Executive Administration Officer undertook to make the following amendments:

- Page 13, second bullet under discussions: *Councillor Vaughn* amend to *Councillor Jones*.

6.2 **Extraordinary Meeting – 25 August 2020**  
D20/22815 (Pages 16-25)

**RECOMMENDATIONS**

THAT the minutes of the Extraordinary Meeting of Council held on Tuesday 25 August 2020 be confirmed as a true and accurate record.

JAMIESON/COPELSTONE  
Carried  
CL/20/90

The Executive Administration Officer undertook to make the following amendments:

- Page 1, second bullet under points of clarification: amend *Stage 1* to *water reforms*.
- Page 24 and 25. It was agreed to remove the section regarding the proposed amendments to the resolution as the sections were contradictory to each other and resulted in no change being made.

6.3 **Policy and Services Committee Meeting – 25 August 2020**  
D20/23068 (Pages 26-38)

**RECOMMENDATIONS**

1. THAT the unconfirmed minutes of the Policy and Services Committee meeting held on Tuesday 25 August 2020 be received.

HARRIS/WEBBY  
Carried  
CL/20/91

2. THAT the recommendations in the minutes of the Policy and Services Committee meeting, including those in the public excluded section, held on Tuesday 25 August 2020 be adopted.

JAMIESON/BOYDE  
Carried  
CL/20/92

7. **DISTRICT MAYOR'S REPORT**

D20/20917 (Pages 39-45)

**RECOMMENDATIONS:**

1. THAT the District Mayor's report be received.

VOLZKE/SANDFORD  
Carried  
CL/20/93

2. THAT Council approves the appointment of Philip Jones as the independent chair of the Audit and Risk Committee.

BOYDE/ERWOOD  
Carried  
CL/20/94

3. THAT Council approves the appointment of the Stratford District Mayor as trustee to the Ostler's Garden Trust.

McKAY/HARRIS  
Carried  
CL/20/95

The District Mayor noted the following points:

- The appointment of Philip Jones as the independent chair of the Audit and Risk Committee is included in the resolutions.
- It has been recently noted that the estate of Mrs Maureen Ostler included a requirement that the District Mayor of the day be a trustee of her estate. It was an expressed wish of hers for the trustees to act as a guardian of the endowment she has left for the Stratford community. Funds will be distributed in accordance with her wishes. There has been one meeting to establish the trust and distributions will be discussed moving forward.

8. **QUESTIONS**

There were no questions.

9. **RECOMMENDATION TO EXCLUDE THE PUBLIC**

**RECOMMENDATION**

THAT the public be excluded from the following parts of the proceedings of this meeting, namely:

Agenda Items No: 10

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution to each matter	Grounds under section 48(1) for the passing of this resolution
Acquisition of Land	The withholding of the information is necessary for commercial sensitivity	The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information. Section 7(2)(b)(ii) of the Local Government Official Information and Meetings Act 1987.

BOYDE/JAMIESON  
Carried  
CL/20/96

The media departed the meeting at 4.19.

In accordance with standing order 18.2 (specified people may remain) the representatives of the Stratford A&P Association and Taranaki Speedway remained for the initial introduction of the report. It was noted that they would depart the meeting prior to deliberations.

6.1

10. **PUBLIC EXCLUDED – ACQUISITION OF LAND**

**RECOMMENDATION**

THAT the open meeting resumes.

SANDFORD/ERWOOD  
Carried  
CL/20/99

6.1

*The meeting closed at 6.05pm.*

N C Volzke  
**CHAIRMAN**

Confirmed this 13<sup>th</sup> day of October 2020.

N C Volzke  
**DISTRICT MAYOR**

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**MINUTES OF THE FARM & AERODROME COMMITTEE MEETING  
OF THE STRATFORD DISTRICT COUNCIL HELD IN THE COUNCIL  
CHAMBERS, STRATFORD DISTRICT COUNCIL ON TUESDAY 15  
SEPTEMBER 2020 AT 11:00AM**

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6.2

**PRESENT**

Councillors G W Boyde (the Chairman), P S Dalziel (via audio visual link), V Jones and Committee Members the Director Corporate Services – Mrs T Radich and the Property Officer – Mrs T Hinton.

**IN ATTENDANCE**

The District Mayor, N C Volzke, the Deputy Mayor A L Jamieson, Councillor W J Sandford, the Chief Executive – S Hanne, the Director Community Services – Ms K Whareaitu, the Director Environmental Services – Mr B Sutherland, the Executive Administration Officer – Mrs E Bishop, the Communications Manager – Ms G Gibson, the Finance Officer – Mrs S Flight, two members of the media (Stratford Press and Taranaki Daily News) and one member of the public.

**1. WELCOME**

The Chairman welcomed the Chief Executive, the District Mayor, Councillors, staff, and the media to the meeting of the Farm and Aerodrome Committee.

He reminded those present to ensure they were familiar with the health and safety notice at the start of the agenda.

**2. APOLOGIES**

An apology was received from the Director Community Services – Ms K Whareaitu.

**RECOMMENDATION**

THAT the apology be noted.

BOYDE/JONES  
Carried  
F&A/20/10

**3. ANNOUNCEMENTS**

The Chief Executive noted the due to the Finance Officer being on parental leave the Director – Corporate Services, Mrs T Radich, would replace that position on the committee which is in accordance with the Delegations Policy that allows the responsibility to move up to the Directors position.

The acting Finance Officer, Mrs Sara Flight, was introduced to the meeting.

**4. DECLARATION OF MEMBERS INTEREST**

There were no declarations of interest relating to the agenda items.

**5. ATTENDANCE SCHEDULE**

The attendance schedule for Farm & Aerodrome Committee meetings was attached.

**6. CONFIRMATION OF MINUTES**

6.1 Farm and Aerodrome Committee Meeting – 16 June 2020  
D20/11519 (Pages 7-14)

**RECOMMENDATION**

THAT the minutes of the Farm and Aerodrome Committee Meeting, held on Tuesday 16 June 2020, be confirmed as a true and accurate record.

DALZIEL/JONES  
Carried  
F&A/20/11

Points noted in discussion:

- It was clarified that the \$50,000 of rate mitigation was applicable to the previous financial year. The mitigation for the 2020/21 year was set via the 2020/21 Annual Plan and would be \$50,000. This can be revisited when setting the budgets during the Long Term Plan process.

**7. MATTERS OUTSTANDING**

D20/11504 (Page 15)

**RECOMMENDATION**

THAT the matters outstanding be received.

BOYDE/JONES  
Carried  
F&A/20/12



**8. PROGRAMME OF WORKS**

D20/10858 (Page 16)

**RECOMMENDATION**

THAT the programme of works be received.

DALZIEL/JONES  
Carried  
F&A/20/13

The Director – Corporate Services noted the Aerodrome business report and risk register were both included in this agenda as per the September timeframe of the programme of works.

It was noted that a strategic planning workshop was scheduled for Councillors in October.

**9. INFORMATION REPORT – AERODROME ACTIVITY REPORT**

**2020**

D20/22925 (Pages 17-28)

**RECOMMENDATION**

THAT the Aerodrome Activity Report 2020 be received.

BOYDE/DALZIEL  
Carried  
F&A/20/14

**Recommended Reason**

This is the first Aerodrome Activity Report to be presented to the Farm and Aerodrome Committee and will be an annual report going forward.

The Director – Corporate Services noted the following points:

- This is an annual report that gives the committee an update on the activity in the past year as well as recommendations for the future.
- In preparation for the 2021 Long Term Plan, Officers have been looking at the way each activity is funded. Currently the aerodrome is a 80/20 split for general rates/user fees and ways are being explored to amend this to a 70/30 split. The workshop in October will look at ways of implementing the transition to being less reliant on the general rates.

Questions/Points of Clarification:

- It was noted that the two current fertiliser companies that used the aerodrome were not paying per tonne as they owned their hangar and therefore paid the ground lease. This would be amended in the fees and charges to clarify that a ground lease replaces the fee per tonnage. It was noted that most fertiliser was housed at air strips or on farm, therefore the ‘per tonne’ mechanism for charging other commercial users should be looked into further.
- It was noted that landing charges were hard to collect. Investigations into other aerodromes operating procedures showed a donation box was the most common process but general feedback had been more damage was made to those collection

facilities than collected revenue. The current air traffic monitoring does not allow Officers to identify who is coming in and therefore cannot be linked to invoicing.

- It was clarified that the ground lease was based on the size of the hangar and not the usage. It was felt that a differential pricing proposal would be beneficial to investigate a fairer way to charge those using the aerodrome for commercial purposes and those using it for recreational activity. Add to matters outstanding.
- It was requested that a detailed breakdown of operational expenditure be presented at the next committee meeting to identify the stable increase of expenditure over the past few years. Add to matters outstanding.
- It was requested that Officers contact the aerodrag organisers to clarify if this was still being pursued for Stratford. Add to matters outstanding.

**10. DECISION REPORT – AERODROME HAZARD RISK REGISTER**

D20/23709 (Pages 29-38)

<p><b><u>RECOMMENDATIONS</u></b></p> <p>1. <u>THAT</u> the report be received.</p> <p style="text-align: right;"><u>BOYDE/DALZIEL</u> Carried F&amp;A/20/15</p> <p>2. <u>THAT</u> the Aerodrome Hazard Risk Register be approved and adopted.</p> <p style="text-align: right;"><u>JONES/DALZIEL</u> Carried F&amp;A/20/16</p> <p><b><u>Recommended Reason</u></b> Identification of the risks in the Hazard Risk Register is necessary to monitor and manage the aerodrome overall risks for continued and safe service delivery at these facilities.</p>
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The Property Officer noted the following points:

- The risk register attached identifies the key risks that must be managed and minimised while ensuring minimal disruption to the Aerodrome.
- The Aeroclub safety team put the risk register together for Council and will update Council if any amendments or additions to the register are required and changes will be made to Council's register as well.

11. **QUARTERLY REPORT – FARM RISK REGISTER**

D20/23850 (Pages 39-45)

**RECOMMENDATION**

THAT this report be received.

BOYDE/JONES  
Carried  
F&A/20/17

**RECOMMENDED REASON**

To provide an update to the Farm and Aerodrome Committee of any changes to the Farm Risk Register and advice the Committee of any incidents in relation to the Top Six Risk on the Risk Register from the previous quarter.

6.2

The Property Officer noted the following points:

- The aerodrome register will be added to this quarterly update now it has been adopted.
- Any changes will be reviewed and the committee will be informed of any incidents relating to the Top 6 risks.
- No new risks were added to the register during the last quarter.
- A new risk to cover pandemic will be added to the register. There is currently a pandemic risk solely centred on cows and bio diversity aspects, the new pandemic will cover the human elements and cover roles of the Ministry of Health, Council and Civil Defence.

Questions/Points of Clarification:

- It was clarified that any significant event (outside of the top 6 risks) will be reported back to the Committee.
- It was requested that a risk be added to cover government regulations – such as the fresh water regulations that are now coming into force.

12. **QUARTERLY REPORT – FARM AND AERODROME BUSINESS REPORT**

D20/23716 (Pages 46-52)

**RECOMMENDATION**

THAT the report be received.

DALZIEL/JONES  
Carried  
F&A/20/18

**Recommended Reason**

This report provides the second quarterly update to the Farm and Aerodrome Committee. It highlights the milk production from the current season at the farm and also reports on the key activities at the Aerodrome.

The Property Officer noted the following points:

- This financial report covers from June to August.
- It was noted the financial year for the farm does not align with Council’s financial year but it was more appropriate that the Committee be presented with a full milking season.
- Quotes for fertiliser have been obtained in accordance with Council’s procurement policy. This will be spread at the required times of the season.
- COVID-19 has had an impact on the aerodrome usage with numbers dropping from 4,660 (previous year) to 3,958 this year. The Aeroclub is looking to run several events including flight training and an open day.
- There were only three of 35 aerodrome customer satisfaction surveys returned. Comments included the uneven ground, surface of runway, an extension of runway for gliders and to fill in a drain to allow for another hangar to be constructed.
- The forecast for milk solids has been updated in Council’s budget to \$6.40.

Questions/Points of Clarification:

- The Chairman noted that the Fonterra announcement for the 2019/20 season and the upcoming dividend were to be announced this Friday.
- It was requested that an aerodrome programme of works be included in this report.
- It was noted that the milk solids were up 3% to 14,000 year to date, compared to this time last year and there were currently 47 cows left to calve.
- It was clarified that the forecasted amount was \$6.50 and was the full year budget from the annual plan. The amended \$6.40 was the current budget.
- The requests from those completing the survey would be discussed as part of the Long Term Plan project discussions. By including discussion on alternative sources of revenue it is possible these could be funded through increased revenue.
- The District Mayor requested that the other users be contacted and asked to complete the survey as he did not feel three returned surveys adequately reflected the satisfaction of the user groups.
- It was requested that the figures for aircraft landing on page 49 be confirmed, specifically July 2019 with 459 landings compared to 13 this year.
- It was noted that overheads were set across all activities for the organisation although actual spends may differ to what is budgeted. This is set once a year.
- It was noted that any profit over and above the \$50,000 for rate mitigation and less capital expenditure, would be used to amortisation of debt. There is not a fixed amount that is used for repayments.
- It was requested that a section be added to the KPIs to cover animal health. The Property Officer noted she would add a section but this would be limited as the stock were not owned by Council. She noted the sharemilkers do have their own animal health register and make a plan annually with their vets.

**13. QUARTERLY REPORT – HEALTH AND SAFETY**

D20/23711 (Pages 53-55)

**RECOMMENDATION**

THAT the report be received.

BOYDE/DALZIEL  
Carried  
F&A/20/18

The Property Officer noted the following points:

- This report covers the June to August period and provides a summary of the health and safety performance for the farm and aerodrome.
- There were no recorded incidents on the farm or aerodrome.
- The health and safety performance of the farm is prepared by the sharemilkers who have regular health and safety meetings with their staff. COVID-19 restrictions were put in place and staff stayed home if unwell and wiped down surfaces when using equipment and the sign in book is operational. Social distancing has been deemed unnecessary due to staff being included in one 'bubble', however social distancing is observed when offsite. Encouragement has been given to staff regarding working alone and they have been instructed to ask for assistance if feeling uneasy completing a task on their own.
- Staff on the farm have completed a calving course and an ATV course. PPE gear is being provided to staff and they have been instructed that helmets are required on the motorbikes even when wearing full wet weather gear.

Questions/Points of Clarification:

- It was confirmed there is a QR code for COVID-19 tracing at the aerodrome.
- It was noted the sharemilkers do take health and safety very seriously and work closely with the Council's health and safety advisor who has been complimentary of their actions.
- It was noted that liability from an accident involving a motorbike would largely depend on the cause and that Council could be liable should it be as a result of its infrastructure such as a bridge on the property.
- Councillor Dalziel noted that many large farms, corporate farms and land corp farms had changed to using side by sides rather than an ATV. It was not agreed that this should be enforced but education and training for ATV use should continue to be encouraged.

#### 14. **QUESTIONS**

There were no questions.

*The meeting closed at 11.57am.*

G W Boyde  
**CHAIRMAN**

Confirmed this 15<sup>th</sup> day of December 2020.

N Volzke  
**DISTRICT MAYOR**

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**MINUTES OF THE POLICY AND SERVICES COMMITTEE MEETING OF THE STRATFORD DISTRICT COUNCIL HELD IN THE COUNCIL CHAMBERS, STRATFORD DISTRICT COUNCIL, MIRANDA STREET, STRATFORD ON TUESDAY 22 SEPTEMBER 2020 AT 3.00PM**

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**PRESENT**

The Deputy Mayor A L Jamieson (the Chairman), the District Mayor N C Volzke, Councillors M McKay, V R Jones, R W Coplestone, P S Dalziel, G W Boyde, W J Sandford, A K Harris, J M S Erwood, and G M Webby.

**IN ATTENDANCE**

The Chief Executive – Mr S Hanne, the Director – Community Services – Ms K Whareaitu, the Director – Environmental Services – Mr B Sutherland, the Director Corporate Services – Mrs T Radich, the Executive Administration Officer – Mrs E Bishop, the Communications Manager – Ms G Gibson, the Environmental Health Manager – Ms R Otter (*part meeting*), the Environmental Health Officer – Ms S Horton (*part meeting*), the Special Projects Manager – Mr N Cooper (*part meeting*), the Finance Officer – Mrs S Flight, the Corporate Accountant – Mrs C Craig (*part meeting*), and two members of the media (Stratford Press and Taranaki Daily News).

1. **WELCOME**

The Deputy Mayor welcomed the District Mayor, the Chief Executive, Councillors, staff, and the media. He reminded Councillors to ensure they are familiar with the health and safety message including evacuation procedures.

2. **APOLOGIES**

An apology was noted from the Director – Assets – Mrs V Araba

**RECOMMENDATION**

THAT the apology be noted

BOYDE/McKAY  
Carried  
P&S/20/134

3. **ANNOUNCEMENTS**

There were no announcements.

4. **DECLARATIONS OF MEMBERS INTEREST**

The Deputy Mayor requested Councillors to declare any real or perceived conflicts of interest relating to items on this agenda.

Councillor Erwood declared an interest in Items 8 and 9

The District Mayor declared an interest in Item 9

5. **ATTENDANCE SCHEDULE**

The Attendance Schedule for Policy and Services Committee meetings was attached.

6. **CONFIRMATION OF MINUTES**

6.1 **Policy and Services Committee Meeting – 25 August 2020**  
D20/22870 Pages 9-21

**RECOMMENDATION**

THAT the minutes of the Policy and Services Committee Meeting held on Tuesday 25 August 2020, including those in the public excluded section, be confirmed as a true and accurate record.

ERWOOD/SANDFORD  
Carried  
P&S/20/135

7. **MATTERS OUTSTANDING**

D16/47 Page 22

**RECOMMENDATION**

THAT the matters outstanding be received.

BOYDE/COPLESTONE  
Carried  
P&S/20/136

*Councillor Erwood removed himself from the table at 3.05pm.*

8. **INFORMATION REPORT – STRATFORD DISTRICT LICENSING COMMITTEE 2019/2020 ANNUAL REPORT**

D20/24871 Pages 23-29

**RECOMMENDATIONS**

1. THAT the Annual Report for Stratford District Licensing Committee for 2019/2020 be received and contents noted.
2. THAT ~~subject to any amendments~~ the Annual Report will be forwarded to the Alcohol Regulatory and Licensing Authority.

DALZIEL/HARRIS  
1 abstained  
Carried  
P&S/20/137

**Recommended Reason**

The report is required to be prepared by the Stratford District Licensing Committee as part of its duties under the Sale and Supply of Alcohol Act 2012.

The Environmental Health Manager noted the following points:

- This report is prepared annually for the Alcohol Regulatory and Licensing Authority and is a statutory requirement.
- The statistics gathered are reported to the authority via survey monkey.
- All statistics are published on Council’s website.
- There were no significant trends to report other than a slight increase in the number of licensed premises which related to the issue of an on-licenses and club license.
- Alcohol applications are down slightly and this is partly due to COVID-19 and special licenses not having been applied for.

The District Mayor removed himself from the table at 3.06pm

9. **DECISION REPORT – STRATFORD DISTRICT LICENSING COMMITTEE (DLC)**

D20/24888 Pages 30-37

<b><u>RECOMMENDATIONS</u></b>	
<p>1. <b><u>THAT</u></b> the report be received.</p>	<p><u>BOYDE/McKAY</u> 2 abstained <u>Carried</u> P&amp;S/20/138</p>
<p>2. <b><u>THAT</u></b> the Council consider the future composition of the Stratford District Licensing Committee.</p>	
<p>3. <b><u>THAT</u></b> the Council recruit its own Commissioner and a Deputy Chairperson be chosen from elected members and the Stratford District Council share a list of members with New Plymouth District Council as outlined in option 2 of this report.</p>	<p><u>SANDFORD/BOYDE</u> 2 abstained <u>Carried</u> P&amp;S/20/139</p>
<b><u>Recommended Reason</u></b>	
<p>The initiation of this process is due to the current Stratford District Licensing Committee Commissioner (Mr Alex Matheson) signalling his intention to resign from this position.</p> <p>The Council has the opportunity to review the current structure of Stratford’s District Licensing Committee.</p>	

The Environmental Health Manager noted the following points:

- Currently the Stratford and New Plymouth District Council’s share a commissioner and a list of members that make up the legislative requirements in forming the District Licensing Committee.
- The current commissioner has signalled his intention to resign from the committee and New Plymouth District Council have indicated their intention to appoint two new commissioners and additionally advertise for the appointment of new list members to extend the current list.
- The terms for these positions is 5 years.
- The majority of applications are received are considered on the papers by the commissioner, therefore the recommended option of this report is to advertise externally for our own



commissioner to ensure a greater pool of applicants with experience and local knowledge is reached.

- The Deputy Chair (currently District Mayor Volzke) would continue to be an Elected Member and Stratford would still share a list with New Plymouth District Council which covers both councils in terms of expertise, conflict of interests and speciality areas of expertise.

Questions/Points of Clarification:

- Councillor Boyde noted his support for option 2 as Stratford should have its own commissioner.
- Councillor Sandford noted his support for option 2 with the defining factor being the ability to find a person with local knowledge. He acknowledged the great work done by the committee.

The District Mayor and Councillor Erwood re-joined the table at 3.10pm.

## 10. DECISION REPORT – DRAFT KEEPING OF ANIMALS POULTRY AND BEES BYLAW

D20/24877 Pages 38-55

### RECOMMENDATIONS

1. THAT the report be received.

JONES/HARRIS  
Carried  
P&S/20/140

2. THAT the *draft* Keeping of Animals Poultry and Bees Bylaw 2020 be adopted and released for public consultation.

McKAY/ERWOOD  
Carried  
P&S/20/141

### Recommended Reason

The recommendation of the Council is required to initiate the public consultation process required by Sections 82 and 83 of the Local Government Act 2002, to seek comments from the public on the amendments to the *draft* Keeping of Animals Poultry and Bees Bylaw 2020.

The Environmental Health Manager noted the following points:

- During the review of this bylaw research was undertaken on how other councils have addressed their animal bylaws as well as considering our officers experiencing of enforcing the current bylaw.
- Terminology throughout the bylaw was also reviewed for clarity.
- The addition of cats into the draft bylaw provides officers with a tool to address environmental and health related issues as a result of cats. A cap on the number of cats has not been included due to officers recommendation that education can resolve most issues and the low number of complaints received. There is the ability to impose a cap if Council requests this.
- Rules for the keeping of bees have also been introduced. The inclusion of these rules will give Council some controls around beekeeping and the associated environmental impacts. Hives are also required to be registered to ensure disease control is maintained. Bee keeping on road reserve has also been addressed in the bylaw as requested by Councillors during the workshop.
- The 50metres from a boundary or dwelling in relation to the keeping of pigs was considered to be the desirable distance to address health related issues (e.g. water intake, smell and

general nuisance) however it has been noted that council permission can be granted if the distance will be closer than 50 meters and the issues have been addressed.

- On page 46, clause c of Public Places, it was noted the additional and at the end of the clause would be removed.
- The associated map to the bylaw was tabled to Councillors.

*The Special Projects Manager joined the meeting at 3.11pm.*

Questions/Points of Clarification:

- It was clarified that on page 48, 9.3c, 'premises' would be amended to property boundary.
- It was noted that the close of consultation would be amended from 30 October to ensure sufficient time for consultation was achieved following adoption of the resolutions by Council on 13 October 2020.
- It was noted that this bylaw would not affect the business operating on Orlando Street.
- It was clarified that the number of pigs per sty did not need to be included as intensive pig farming was covered by the District Plan. It does allow the number of pigs to be restricted if the animals are causing a nuisance.
- Councillor Coplestone noted there was no limit to the number of cats that could be kept. With Taranaki's pest free objectives he felt cats could be classified as pests and kept to a minimum. The Environmental Health Manager noted that feral cats are not addressed by this bylaw and are dealt with by pest control or the Taranaki Regional Council. This bylaw can only address the number of cats per residential property. She noted she was not aware of an issue in the urban area at the moment. This bylaw would purely deal with the cats if they became a health related nuisance or causing nuisance to the neighbouring property. Numbers could be restricted if Council wished to include that.
- The Deputy Mayor supported Councillor Coplestone due to the biodiversity element and the destruction of wildlife by cats.
- The District Mayor noted he did not support a cap on the number of cats or kittens as the purpose of the bylaw was to ensure they do not create a nuisance or endanger health and not about biodiversity.
- Councillor Coplestone reiterated his view that a cap on the number of cats would restrict the population in town and be advantageous moving forward for a pest free Taranaki.
- Councillor Boyde supported the District Mayor's comments.
- Councillor Jones supported the release of the document for consultation but noted his concern over clause 9.3(a) stating a pig cannot be within 50 metres of an occupied dwelling – and the note in 9.1 that rural zoned areas could keep pigs in accordance with the applicable clauses in the bylaw. The Environmental Health Manager would further clarify this within the document prior to being released.

11. **DECISION REPORT – BRAND REFRESH – COUNCIL LOGO**

D20/24092

Pages 56-66

**RECOMMENDATIONS**

1. THAT the report be received.

BOYDE/McKAY  
Carried  
P&S/20/142

- ~~2. THAT Council adopt one of the options provided in Appendix B of a refreshed logo for the Stratford District Council.~~

**Recommended Reason**

As a key initiative within the Communications and Engagement Strategy adopted by Council in May 2020, Council's endorsement is sought to agree to the direction of the recommended logo refresh so that the wider brand improvement project can commence.

The Communications Manager noted the following points:

- Earlier this year Council adopted the communications strategy.
- As part of the initiatives from this a brand audit was undertaken with a number of inconsistencies identified in the way Council communicates. The outcomes of this was the need for a brand refresh – with a refresh over a full rebrand favoured due to time and cost.
- This is being looked at in a staged approach with today's report requesting approval for the Council's corporate logo.
- Three Taranaki designers were engaged and through feedback collected from staff seven options are presented today for adoption of one.

Questions/Points of Clarification:

- It was clarified that Appendix B of the report showed the logo options up for discussion today. Appendix C showed icon and wording designs to give an example of how they could look.

*The Corporate Accountant joined the meeting at 3.30pm.*

- It was noted that the colours were established following engagement with staff. Feedback asked about imagery and element importance and asked for colour palette suggestions. Natural colours, blues and greens, were favoured with red, black and white noted as being associated with Stratford through schools and sports teams.
- Councillor McKay noted that branding should be quite precise with clean lines and easily identifiable in different sizes and levels. She noted her support for option 7 as it provided a good balance of the realistic shape of the mountain but with cleaner lines that will look sharper on small and large scales. Councillor Coplestone noted his support for option 7 as well.
- Councillor Dalziel supported option 7 but noted the green should be less pastel and bolder to reflect Taranaki grass.
- Councillor Boyde supported option 7 and congratulated the communications team on the collation of feedback from the workshop and the resulting outcomes.
- Councillor Sandford noted he preferred the shape of the mountain on option 4 and the shapes breaking outside of the circle. He felt the shape of the mountain on 7 was too drawn out.
- Councillor Jones felt the blue being in front of the mountain depicts an ocean rather than a river coming down from the mountain. He noted his support for 6 or 7 in terms of the mountain shape.

- Councillor Harris noted her support of the shape of the mountain in 1,2 or 3 due to the crispness of the shape and the pull back to the original logo. She felt this was a good compromise and more relative to a refresh. Councillor Webby supported these comments.
- Councillor Erwood noted he supported the shape of the mountain on option 6 and the blue and green being outside of the circle as per option 7. He also supported the green being more vibrant.
- The District Mayor noted his support for option 4.

**RECOMMENDATION**

THAT Council adopt Option 4, with a more vibrant green, for the Stratford District Council logo.

ERWOOD/SANDFORD  
Division  
For 5  
Against 6

MOTION LOST  
P&S/20/143

*A division was called.*

*Those voting for the motion: The District Mayor, The Deputy Mayor, Councillors: Dalziel, Erwood and Sandford.*

*Those voting against the motion: Councillors: Boyde, Coplestone, Harris, Jones, McKay and Webby.*

*The motion was lost.*

**RECOMMENDATION**

THAT Council adopt Option 7 for the Stratford District Council logo.

McKAY/BOYDE  
Against 3  
Carried  
P&S/20/144

Points noted in discussion:

- The Director – Community Services noted the Te Reo name has come from Whakaahurangi Marae but local Iwi will also be engaged with prior to locking it in. There have been some challenges with the layout with the long name but there are guidelines from Central Government on using bilingual names and these are the best outcomes with different layout options. Both vertical and horizontal versions will be created to allow for all designs and scenarios.

*The Corporate Accountant departed the meeting at 3.45pm.*

## 12. MONTHLY REPORTS

### 12.1 ASSETS REPORT

D20/23226

Pages 67-90

#### RECOMMENDATION

THAT the reports be received.

HARRIS/WEBBY  
Carried  
P&S/20/145

6.3

The Chief Executive noted the following points:

- Logging is in full flight and with the current weather the rainfall and moisture is resulting in the anticipated damage to the roads. The attached images show the reality of the road condition in the Eastern Hill Country and the damage big vehicles with so many wheels can do.
- Trade Waste is increasing in importance and activity for the department with the granting of the new waste water consent for the oxidation point requiring a stronger focus on what enters the waste water system and how it can be avoided or dealt with. There are some inconsistencies that have been identified in the bylaw which will be brought back to Council for correction. The team is currently investigating an illegal discharge into the waste water system.
- Pest control and general maintenance is occurring in various locations across the network.
- Renovations have started on a number of halls including the Centennial Rest Rooms. Renovation work at the War Memorial has been carefully planned to ensure both public halls were not unavailable at the same time. Work on the Hall of Remembrance is also about to start, as is work on a number of community halls.
- There is now only one section at the subdivision that is not under any form of negotiation or further agreement discussion.
- Now the pool location has been decided work is progressing with planning and looking into contractual elements. Officers are speaking to and visiting a number of councils with pools recently built or under construction.
- The Bike Park tender documents are being drawn up before they are released to the market. There has been a very strong emphasis on local contractors where possible.

Questions/Points of Clarification:

- It was clarified that amber and red tags had still been applied to rubbish bin collections during the transition period to the reduced plastic intakes. There is a grace period for a further couple of weeks for the items previously collected but the red tags are still being attached for other unacceptable materials.

## 12.2 COMMUNITY SERVICES REPORT

D20/22882

Pages 91-99

### RECOMMENDATION

THAT the reports be received.

ERWOOD/WEBBY  
Carried  
P&S/20/146

6.3

The Director – Community Services noted the following points:

- The Mayors Taskforce for Jobs campaign was launched two weeks ago and had a very good turnout. There are definitely employers in the District looking for employees. The Workforce Coordinator role is currently being recruited for.
- The facilities adapted to the return to level 2, with the pool having felt the most impact with the change. The pool returns back to normal tomorrow.
- Councillors were urged to promote the support on offer from Venture Taranaki to businesses in the District for professional services support. Up to \$5,000 can be granted to businesses.
- The Citizen Awards presentation evening is Tuesday 29 September.
- The Meet the Candidates evening is Wednesday 30 September.

Questions/Points of Clarification:

- Councillor Webby noted the current exhibition “Aroaromahana” at the Percy Thomson Gallery was on till 11 October and was a wonderful exhibition.
- Councillor McKay noted the Stratford Business Association delivered a workshop at CMK for members on help with finances and using xero. The Stratford Club hosts the next BA5 on Thursday. The Secret Shopper campaign is in its third week and has been really appreciated by recipients and by the businesses. The ladies lunch is being held tomorrow and has had maximum bookings. The Christmas Parade theme has been set as ‘Santa’s Workshop’.

## 12.3 ENVIRONMENTAL SERVICES REPORT

D20/23136

Pages 100-107

### RECOMMENDATION

THAT the reports be received.

HARRIS/WEBBY  
Carried  
P&S/20/147

The Director - Environmental Services noted the following points:

- Only 21 building consents were received in August which was less than the previous few months and could be an indication of stabilisation and the impact of the building consent exemptions. There have been 23 received so far for September.
- IANZ has approved the action plan to proceed with addressing the non-compliance issues.
- Work is ongoing with the street numbering projects. Seyton Street has now been finished and Brecon Road will be completed at the end of this week. Glanville Road/Regan Street will be the next task and will be brought to Council as it will require a decision to be made by Council.

Questions/Points of Clarification:

- It was noted there were no particular issues or trends with the bylaw complaints and is around the same figure as it usually is.
- It was noted no issue had been found with numbering on Ariel Street. The District Mayor requested that Mr Sutherland accompany him to visit the properties in question.
- It was noted the earthquake prone building stocktake was a long running process. There is still another 12 months to notify building owners and the next timeframe does not enact until notification has occurred. Council will be updated when this is has happened.

6.3

12.4 **CORPORATE SERVICES REPORT**

D20/24685 Pages 108-125

**RECOMMENDATION**

THAT the reports be received.

BOYDE/COPLESTONE  
Carried  
P&S/20/148

The Director – Corporate Services noted the following points:

- The subdivision is on track to being cost neutral. All but one section is either sold or under contract.
- The financials for August are the first two months of the financial year.
- User charges are \$34,000 down on budget.
- Operating expenditure is on track with the budget.
- Provincial Growth Fund projects have been highlighted in orange and carry forwards in grey on the capital expenditure summary so these can be easily tracked. 3% of the capital expenditure for the year has been spent.
- It is noted in the treasury management section that there is potentially an additional \$3 million that might not be required until later on in the year to fund capital projects and therefore could be invested. There are restrictions under the treasury management policy on how much can be invested with any one bank as an attempt to mitigate risk. To get the highest rate would be to go with Westpac and this would be in breach of the policy.
- There had been a bit of concern regarding rate collections during the COVID-19 and how this would look, but the current year’s collection is similar to previous years and it seems no effect is yet to be seen.
- Rates in arrears are currently higher than previous year but this is due to a couple of different rate payers that are currently being dealt with.

Questions/Points of Clarification:

- The District Mayor noted the restrictions within the Treasury Management Policy were self-imposed to ensure Council did not take on undue risk. The Chief Executive confirmed that these were self-imposed restrictions and therefore Council could breach its own policy or acknowledge the breach and proceed with the investment.
- It was noted the floating loan rate was 1.3% and would be lower than the return from investing.
- Councillor Dalziel noted his support for investing the funds for the 120 days.

**RECOMMENDATION**

THAT Council acknowledges and endorses breaching the Treasury Management Policy and investing an additional \$3 million with Westpac for 120 days.

VOLZKE/DALZIEL  
Carried  
P&S/20/149

- It was clarified that how work on the pool would affect Council’s borrowing would depend on how the funding was received as this was yet to be clarified. Earlier developments may be funded by the grants before further lending was required.

13. **QUESTIONS**

There were no questions.

14. **RECOMMENDATION TO EXCLUDE THE PUBLIC**

**RECOMMENDATION**

THAT the public be excluded from the following parts of the proceedings of this meeting, namely:

Agenda Items No: 15

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

<b>General subject of each matter to be considered</b>	<b>Reason for passing this resolution to each matter</b>	<b>Grounds under section 48(1) for the passing of this resolution</b>
Lease of Land	The withholding of the information is necessary for commercial sensitivity	The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information. Section 7(2)b(ii) of the Local Government Official Information and Meetings Act 1987.

ERWOOD/HARRIS  
Carried  
P&S/20/150

*The Media departed the meeting at 4.16pm*



15. **PUBLIC EXCLUDED ITEM – LEASE OF LAND**

**RECOMMENDATION**

THAT the open meeting resumes.

WEBBY/JONES  
Carried  
P&S/20/153

*The meeting closed at 4.47pm.*

A L Jamieson  
**CHAIRMAN**

Confirmed this 27<sup>th</sup> day of October 2020.

N C Volzke  
**DISTRICT MAYOR**

**6.3**



**Date:** 20 August 2020, 10.30am  
**Venue:** Taranaki Regional Council, 47 Cloten Road, Stratford  
**Document:** 2567516

<b>Present</b>	Councillors	N W Walker B Roach A Jamieson	Taranaki Regional Council (Chairman) South Taranaki District Council Stratford District Council
<b>Attending</b>	Councillor	M Bellringer Mr G Bedford Mrs H Gerrard Miss L Davidson Mr P Ledingham Ms L Jones Mrs K Hope Ms J Dearden Mrs V Araba Mr H Denton Mr J Beeslar Ms R Martin Mr R Simeon	(South Taranaki District Council) ( <i>zoom</i> ) (Taranaki Regional Council) (Taranaki Regional Council) (Taranaki Regional Council) (Taranaki Regional Council) (Taranaki Regional Council) (New Plymouth District Council) (New Plymouth District Council) (Stratford District Council) (South Taranaki District Council) (South Taranaki District Council) (South Taranaki District Council) (Envirowaste) ( <i>Zoom</i> )
<b>Apologies</b>		An apology was received from Councillor R Handley, New Plymouth District Council. Walker/Jamieson	
<b>Notification of Late Items</b>		There were no late items.	

## 1. Confirmation of Minutes – 21 May 2020

### Resolved

That the Taranaki Solid Waste Management Committee of the Taranaki Regional Council:

- a) takes as read and confirms the minutes and resolutions of the Taranaki Solid Waste Management Committee meeting held via zoom on Thursday 21 May 2020 at 10.30am
- b) notes that the unconfirmed minutes of the Taranaki Solid Waste Management Committee meeting held via zoom on Thursday 21 May 2020 at 10.30am, have been circulated to the New Plymouth District Council, Stratford District Council and South Taranaki District Council for their receipt and information.

Walker/Jamieson

### Matters arising

#### Plastic in road surfacing

- The plastics in road surfacing trial is continuing. A second trial has been laid in the yard, it has better consistency however there are a few issues around the quality of compacting. Due to this it is unable to be rolled out yet and is still waiting on the feasibility study to be completed.
- It was suggested that once they have the right combination it is tested on mountain roads in colder climate and also in warmer higher volume areas.
- It was clarified that there are other countries using plastic on roads. However, the mixture of New Zealand's baled mix plastics has not been trialled elsewhere. The single stream plastics already have markets so they are not being used for the trial. The mixed bales of recycling in New Zealand are not able to be utilised and recycled in any other way at this time which is why they are using these types of plastics to trial.

## 2. Enviroschools Activities

- 2.1 Mr G K Bedford, Taranaki Regional Council, introduced Lauree Jones, Taranaki Enviroschools Regional Coordinator & Facilitator who provided a presentation on Enviroschools activities.
- 2.2 Ms L Jones was thanked for her presentation and acknowledgment was given to her for her passion for her job.

### Resolved

That the Taranaki Solid Waste Management Committee of the Taranaki Regional Council:

- a) receives the presentation by Lauree Jones on Enviroschools activities in Taranaki.

Jamieson/Walker

**3. Regional Waste Minimisation Officer's Activity Report**

- 3.1 Ms J Dearden, New Plymouth District Council, spoke to the memorandum informing the Committee of significant activities undertaken by the Regional Waste Minimisation Officer, in collaboration with the New Plymouth District Council, Stratford District Council and South Taranaki District Council.

**Resolved**

That the Taranaki Solid Waste Management Committee of the Taranaki Regional Council:

- a) receives the memorandum and notes the activities of the Regional Waste Minimisation Officer.

Jamieson/Roach

**4. Change to What Plastics Will be Accepted for Recycling**

- 4.1 Ms K Hope, New Plymouth District Council, spoke to the memorandum outlining the upcoming change to what plastics will be accepted for recycling in Taranaki.
- 4.2 All three councils have approved the change to what plastics can be accepted for recycling going forward. The change in recycling will start from 31 August 2020.
- 4.3 It is not believed that this will have much impact on volumes of wastes going to landfill.

**Resolved**

That the Taranaki Solid Waste Management Committee of the Taranaki Regional Council:

- a) receives the memorandum and notes the upcoming changes to the acceptance of plastics for recycling.

Walker/Jamieson

**5. Regional Behaviour Change Strategy**

- 5.1 Ms K Hope, New Plymouth District Council, spoke to the memorandum presenting the draft Regional Behaviour Change Strategy.
- 5.2 It was noted that education providers, specifically Enviroschools, should be consulted and included in further conversations on the Regional Behaviour Change Strategy.

**Resolved**

That the Taranaki Solid Waste Management Committee of the Taranaki Regional Council:

- a) receives the memorandum
- b) notes and ratifies the Regional Behaviour Strategy.

Walker/Roach

**6. Progress on the Government's Work Programme for Waste**

- 6.1 Ms H Gerrard, Taranaki Regional Council, spoke to the memorandum informing the Committee of recent announcements regarding the Government's work programme on waste.

**Resolved**

That the Taranaki Solid Waste Management Committee of the Taranaki Regional Council:

- a) receives the information contained in this memorandum pertaining to recent Government announcements.

Walker/Jamieson

**7. General Business**

**7.1 Disposal of Tyres**

- NPDC are looking at whether they can provide a facility as a collection point for tyres or if there is anyone in the industry that wants to be the collection point. NPDC will look at the feasibility of a collection point through the LTP process.
- Illegal dumping of tyres on land is a district council issue. If they are in a water way then it is the responsibility of the Regional Council.

**7.2 Colson Road Landfill Special Waste**

- For the past 12 months the Colson Road landfill has been kept open to accept special waste from commercial businesses. This was to allow businesses time to find an alternative to dispose of their special waste. It has been reasonably expensive and is not a viable option going forward. The landfill will now be permanently closed on 31 October. The Taranaki Construction Safety Group have made inquiries about special waste, particularly asbestos, being stored locally somewhere and then sent away in bulk. NPDC are speaking with them directly.

There being no further business, Committee Chairperson, Councillor N W Walker declared the meeting of the Taranaki Solid Waste Management Committee closed at 11.54am.

**Confirmed**

Chairperson \_\_\_\_\_

**N W Walker**

**19 November 2020**



**Date** 9 September 2020, 11am  
**Venue:** Taranaki Regional Council, 47 Cloten Road, Stratford  
**Document:** 2582648

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<b>Present</b>	Councillors	Matthew McDonald	TRC (Chairperson)
		Tom Cloke	TRC
		Harry Duynhoven	NPDC
	Mayor	Neil Volzke	SDC
		Phil Nixon	STDC
	Ms	Emma Speight	NZTA
<b>Attending</b>	Messrs	Mike Nield	Acting Chief Executive TRC
		Chris Clarke	Transport Manager TRC
	Ms	Fiona Ritson	Policy Analyst TRC
	Miss	Liesl Davidson	Committee Administrator TRC
	Messrs	Ross I'Anson	NZTA
		Steve Bowden	SDC
		Vincent Lim	STDC
		Rui Leitao	NPDC
		David Langford	NPDC
		Richard Buttimore	New Plymouth Airport
		Peter Ledingham	Communications Adviser TRC
		Richie Arber	NZ Road Carriers Association
		Justin Hawkrigde	Port Taranaki Limited
		Kevin Wright	NZTA
Ms	Junine Stewart	NZTA	
	Marion Webby	STDC	
Mr	R O'Keefe	NZ Police	

One member of the media, Mr Mike Watson, Taranaki Daily News.

**Apologies** There were no apologies received.

**Notification of Late Items** There were no late items.

The chairman, Mr M McDonald acknowledged the passing of David Walter past Chairman of the Taranaki Regional Council and the Regional Transport Committee.

## 1. Confirmation of Minutes – 17 June 2020

### Resolved

That the Taranaki Regional Transport Committee:

- a) takes as read and confirms the minutes and resolutions of the Regional Transport Committee meeting of the Taranaki Regional Council held in the Taranaki Regional Council chambers, 47 Cloten Road, Stratford on Wednesday 17 June 2020 at 11am
- b) notes that the unconfirmed minutes of the Regional Transport Committee meeting held at the Taranaki Regional Council chambers, 47 Cloten Road, Stratford on Wednesday 17 June 2020 at 11am were circulated to the New Plymouth District Council, Stratford District Council and the South Taranaki District Council for their receipt and information.

Volzke/Cloke

### Matters arising

There were no matters arising.

## 2. Minutes of the Regional Transport Advisory Group

### Resolved

That the Taranaki Regional Transport Agency:

- a) receives the unconfirmed minutes of the Taranaki Regional Transport Advisory Group Meeting held on Wednesday 12 August 2020.

Cloke/Volzke

### Matters arising

- 2.1 Connections to Port Taranaki are in the very early stages and is only conceptual thinking so far.
- 2.2 Ahititi Stock Effluent - Design for the replacement effluent facility is almost complete.

## 3. Waka Kotahi New Zealand Transport Agency Update

- 3.1 Ms Emma Speight, Waka Kotahi NZ Transport Agency, provided an update on the Waka Kotahi NZ Transport Agency's activities nationally and regionally and answered questions arising.
- 3.2 Ms Junine Stewart Waka Kotahi NZ Transport Agency, provided an update on the Road to Zero & Safe Network Programme and answered questions arising.
- 3.3 Mr Kevin Wright Waka Kotahi NZ Transport Agency, provided an update on the Investment Prioritisation Methodology and answered questions arising.
- 3.4 Councillor T Cloke expressed concern around the amount of money being spent on the design work for State Highway 3.

**Recommended**

That the Taranaki Regional Council:

- a) receives the three presentations provided by Waka Kotahi NZ Transport Agency.  
Duynhoven/Nixon

**4. Regional Land Transport Plan 2021 Development**

- 4.1 Ms F Ritson, Taranaki Regional Council, spoke to the memorandum providing an update to the Committee on the development of the *Regional Land Transport Plan for Taranaki 2021/22-2026/27* (RLTP 2021), including the two month extension.
- 4.2 Receiving the outputs from the Investment Logic Mapping (ILM) process undertaken as part of the review.
- 4.3 Seeking support from the Committee of the proposed changes to the strategic policy framework by the review process incorporating any changes requested by the Committee at the workshop preceding the meeting, for:
- A new thirty-year vision
  - Minor amendments to the objectives and policies
  - New ten-year headline targets
  - New ten-year transport investment priorities
- 4.4 Seeking support from the Committee to adopt the new nationally recommended policy/methodology for prioritising significant activities.

**Recommended**

That the Taranaki Regional Council:

- a) receives the memorandum, *developing the Regional Land Transport Plan 2021*
- b) notes the two-month extension to the deadline for submissions and the amended development timeline provided
- c) notes that an externally-facilitated Investment Logic Mapping process has been undertaken with key stakeholders as part of developing the RLTP 2021, and receives the resulting schematic of weighted problem and investment benefit statements
- d) agrees to a proposed new thirty-year vision for the RLTP 2021, subject to any changes requested by the Committee
- e) agrees to the minor changes proposed to the RLTP strategic policy framework (issues, Objectives and Policies), subject to any changes requested by the Committee
- f) agrees to the inclusion of the ten-year headline targets for the RLTP 2021 and the phasing of those targets, subject to any requested changes by the Committee
- g) agrees to the proposed ten-year investment priorities and the phasing of those priorities, subject to any changes requested by the Committee
- h) agrees to the proposed prioritisation process to follow for any significant works.  
Clope/Nixon



**5. New Plymouth Airport Update**

- 5.1 Mr R Buttimore, New Plymouth Airport, provided a presentation updating the Committee on the New Plymouth Airport.

**Recommended**

That the Taranaki Regional Council:

- a) receives the New Plymouth Airport Update.  
Cloke/Duynhoven

**6. Port Taranaki Limited Update**

- 6.1 Mr J Hawkridge, Port Taranaki Limited, provided an update on Port activities.

**Recommended**

That the Taranaki Regional Council:

- a) receives the Port Taranaki Limited update.  
McDonald/Cloke

**7. Regional Road Safety Update**

- 7.1 Ms M Webby, Road Safe Taranaki and Mr Robbie O'Keefe, NZ Police, provided a presentation updating the Committee on road safety activities in the region.
- 7.2 Acknowledgement was given to Kath Ford - ACC Injury Prevention Co-ordinator who has recently retired.

**Recommended**

That the Taranaki Regional Council:

- a) notes and receives the update on road safety activities in the region provided by representatives of the Taranaki Road Safety Action Planning Group.  
Cloke/Duynhoven

**8. Draft Regional Public Transport Plan 2020/2030**

- 8.1 Mr C Clarke, Taranaki Regional Council, spoke to the memorandum providing an update to the Committee on the draft *Regional Public Transport Plan 2020/2030* (RPTP) development.

**Recommended**

That the Taranaki Regional Council:

- a) notes and receives the update on the draft *Regional Public Transport Plan 2020/2030*.  
Cloke/Nixon

**9. Public Transport Operational Update for the year end June 2020**

- 9.1 Mr C Clarke, Taranaki Regional Council, spoke to the memorandum providing the Committee with the operational report on public transport services for the quarter and year ending 30 June 2020.

**Recommended**

That the Taranaki Regional Council:

- a) receives and notes the operational report of the public transport services for the quarter and year ending 30 June 2020.

Speight/Nixon

**10. Correspondence and Information Items**

- 10.1 Mr M J Nield, Acting Chief Executive, Taranaki Regional Council, spoke to the memorandum updating the Committee on correspondence and information items since their last meeting.

**Recommended**

That the Taranaki Regional Council:

- a) receives and notes for information purposes the correspondence with Waka Kotahi NZ Transport Agency regarding the Egmont Road / SH3 Devon Road intersection
- b) receives and notes for information purposes the update on the proposed changes to setting speed limits
- c) agrees that the Committee prepares a submission on the Ministry of Transport's *Proposed Approach to the Speed Management – Land Transport Rule: Setting of Speed Limits*.

McDonald/Cloke

There being no further business the Committee Chairperson, Councillor M J McDonald, declared the Regional Transport Committee meeting closed at 1.23pm

**Confirmed**

**Taranaki Regional Transport  
Committee Chairperson:** \_\_\_\_\_

**M J McDonald**

**Wednesday 2 December 2020**



**Committee:** Taranaki Emergency Management Group Joint Committee

**Date:** 10 September 2020, 10.30am

**Venue:** Taranaki Regional Council, 47 Cloten Road, Stratford

**Document:** 2584180

<b>Present</b>	Councillor	M Cloke	Chairman - Taranaki Regional Council
	Mayors	P Nixon	South Taranaki District Council
		N Volzke	Stratford District Council
		N Holdom	New Plymouth District Council
<b>Attending</b>	Councillor	D MacLeod	Taranaki Regional Council
	Councillor	A Jamieson	Stratford District Council
	Messrs	G Bedford	Taranaki Regional Council
		S Hanne	Stratford District Council
		C Stevenson	New Plymouth District Council
		K Wright	New Plymouth District Council
		C Campbell-Smart	Taranaki Emergency Management
	Ms	M Meads	National Emergency Management Agency <i>zoom</i>
	Miss	L Davidson	Taranaki Regional Council
		One member of the media, Mike Watson, Taranaki Daily News.	

**Apologies** An apology for lateness was received from Mayor P Nixon.

**Notification of Late Items** There were no late items.

## 1. Confirmation of Minutes

### Resolved

That the Taranaki Civil Defence Emergency Management Group Joint Committee:

- a) takes as read and confirms the minutes and resolutions of the Taranaki Civil Defence Emergency Management Group Joint Committee meeting held via audio-visual link (zoom) on Thursday 21 May 2020 at 1.30pm
- b) notes that the unconfirmed minutes of the Taranaki Civil Defence Emergency Management Group Joint Committee meeting held on Thursday 21 May were

circulated to the New Plymouth District Council, Stratford District Council and the South Taranaki District Council for their receipt and information.

Volzke/Holdom

**Matters arising**

- 1.2 Kelvin Wright Appointed as Recovery Manager - It was clarified that Mr C Stevenson, NPDC, had not drafted a memo for the Committee on administrative details as the councils have come up with an agreement that has created the necessary operational framework in the short term.

**2. Confirmation of Extraordinary Minutes - 17 August 2020**

**Resolved**

That the Taranaki Civil Defence Emergency Management Group Joint Committee:

- a) takes as read and confirms the minutes and resolutions of the Extraordinary meeting of the Taranaki Civil Defence Emergency Management Group Joint Committee held via audio-visual link on Tuesday 17 August 2020 at 7pm.

Holdom/Nixon

**Matters arising**

There were no matters arising.

**3. Taranaki Civil Defence Emergency Management Co-ordinating Executive Group Minutes - 27 August 2020**

**Resolved**

That the Taranaki Civil Defence Emergency Management Group Joint Committee:

- a) receives the unconfirmed minutes of the Taranaki Civil Defence Emergency Management Co-ordinating Executive Group meeting held in the Taranaki Regional Council chambers, 47 Cloten road, Stratford on Thursday 27 August 2020 at 10.30am
- b) adopts the recommendations therein.

Cloke/Holdom

**Matters arising**

- 3.1 The HAZMAT Co-ordination Group and the Readiness and Response Advisory Group are combining, as the two groups have very similar membership and the same agenda.
- 3.2 The Primary Industries Sector Group changed their name back to Rural Advisory Group.
- 3.3 Annual Performance Report - The Committee requested to remove recommendation D from the Co-ordinating Executive Group minutes from the recommendations to be adopted by the Joint Committee, as

recommendation D was to be raised separately elsewhere during the joint Committee meeting.

#### 4. Advisory Group Minutes

##### Resolved

That the Taranaki Civil Defence Emergency Management Group Joint Committee:

- a) receives the unconfirmed minutes of the meeting of the Welfare Co-ordination Group (WCG) held on 19 February 2020
- b) receives the unconfirmed minutes of the meeting of the Lifelines Advisory Group held on 10 June 2020
- c) receives the unconfirmed minutes of the Welfare Co-ordination Group (WCG) held on 1 July 2020
- d) receives the unconfirmed minutes of the meeting of the Primary Industries Sector Group held on 6 July 2020
- e) confirms the name change of the Primary Industries Sector Group back to Rural Advisory Group
- f) receives the unconfirmed minutes of the meeting of the HAZMAT Co-ordination Committee held on Tuesday 21 July 2020
- g) confirms the combining of the HAZMAT Co-ordination group and the Readiness and Response Advisory Group.

Holdom/Cloke

#### 5. Annual Report 2019/20

- 5.1 Mr C Campbell-Smart, Taranaki Civil Defence Emergency Management, spoke to the memorandum presenting the 2019/20 Annual Performance Report.
- 5.2 A big focus at the office at present is managing the risk around staff well being, especially with the added risk of a potential resurgence of COVID-19 with attendant workload.

##### Resolves

That the Taranaki Civil Defence Emergency Management Group Joint Committee:

- a) receives the memorandum *Annual Performance Report 2019/20* and Appendix
- b) notes the surplus of \$105,000
- c) approves the accumulation of the \$105,000 surplus into the CDEM operational reserve

Cloke/Holdom

#### 6. Annual Business Plan 2020-2021

- 6.1 Mr C Campbell-Smart, Taranaki Civil Defence Emergency Management, spoke to the memorandum presenting the draft Annual Business Plan 2020-2021.

**Resolves**

That the Taranaki Civil Defence Emergency Management Group Joint Committee:

- a) receives the memorandum *Adoption of the Annual Business Plan 2020-2021 and Appendix A (Annual Business Plan 2020-2021)*
- b) approves the Annual Business Plan 2020-2021\*

(\*It was noted the costings for the refurbishment of the Robe St facility presented within the Annual Plan were no longer current)

Holdom/Nixon

**7. Appointment of Ms Linda Weterman as temporary Group Welfare Manager and Resignation of Ms Nadine Ord**

- 7.1 Mr C Campbell-Smart, Taranaki Civil Defence Emergency Management, spoke to the memorandum noting the appointment of Ms Linda Weterman to the role of Group Welfare Manager under contract for an initial period of one month, with an extension if required, under delegated authority for the Taranaki CDEM Group. The resignation of Ms Nadine Ord from the role of Group Welfare Manager was also noted.
- 7.2 The appointment of a replacement is near complete.

**Resolves**

That the Taranaki Civil Defence Emergency Management Group Joint Committee:

- a) receives the memorandum, *Group Welfare Manager Appointment and Resignation*
- b) notes Ms Nadine Ord's resignation from the role of Group Welfare Manager
- c) notes that TEMO is recruiting for Ms Ord's role at the Group Office

Cloke/Volzke

**8. Letters from the Minister of Civil Defence and the National Emergency Management Agency re COVID-19 Response**

- 8.1 Mr C Campbell-Smart, spoke to the memorandum advising of two letters of thanks received in relation to the COVID-19 Response. One was from Minister Peeni Henare, Minister of Civil Defence and the second from Carolyn Schwalger and Sarah Stuart-Black of the National Emergency Management Agency.

**Resolves**

That the Taranaki Civil Defence Emergency Management Group Joint Committee:

- a) receives and notes the letters from Minister Peeni Henare, Minister of Civil Defence and the second from Carolyn Schwalger and Sarah Stuart-Black of the National Emergency Management Agency.

Cloke/Holdom

**9. Letter from the National Emergency Management Agency**

- 9.1 Mr C Campbell-Smart, Taranaki Civil Defence Emergency Management, spoke to the memorandum advising of a letter from the National Emergency Management Agency updating national tsunami warning options.

**Resolves**

That the Taranaki Emergency Management Group Joint Committee:

- a) receives and notes the letter from Sarah Stuart-Black of the National Emergency Management Agency regarding national Tsunami warning systems
- b) notes that Alerts sent through the Emergency Mobile Alert System will now be automatically forwarded through the New Zealand Red Cross' Hazard App.

Cloke/Holdom

**10. General Business**

- 10.1 Mr K Wright, informed that he has been working with iwi to have them more involved in covid response. Iwi are working on a recovery plan, and the Taranaki Civil Defence and the Iwi Recovery plan will work alongside each other. The Committee agreed that it would be good to get Iwi around the CDEM table and work is being done on how that happens. Working together will mean that Civil Defence will be able to serve the community in a more efficient way

**11. NEMA Update**

- 11.1 Ms M Meads, NEMA, agreed that having Iwi around the table is good and NEMA will be working with Craig Campbell Smart on this and how to formalise the approach.

There being no further business the Group Chairperson Tom Cloke thanked attendees and declared the Taranaki Civil Defence Emergency Management Group Joint Committee Meeting closed at 11.40am.

**Confirmed**

Chairperson \_\_\_\_\_

**M J Cloke**

**3 December 2020**

# MONTHLY REPORT



F19/13/04-D20/23424

**TO:** District Council

**FROM:** District Mayor

**DATE:** 7 October 2020

**SUBJECT: REPORT FOR THE MONTH OF SEPTEMBER 2020**

## RECOMMENDATIONS:

1. THAT the District Mayor's report be received.
2. THAT Gloria Webby be appointed as a Trustee of the Percy Thomson Trust for a three year term.
3. THAT Christine Craig be appointed as a Trustee of the Percy Thomson Trust for a three year term.

\_\_\_\_\_/\_\_\_\_\_  
Moved/Seconded

## 1. MAYORS TASK FORCE FOR JOBS EMPLOYMENT PROJECT LAUNCH

Recently we received confirmation that our application for funding from the Mayor's Task Force for Jobs had been successful. The council has been allocated a grant of \$500,000 to be used to assist people up to the age of 25 years with employment. The expectation is that the funding will be spread across a flexible range of support packages that targets 50 people and that the funding should be spent by 30 June 2021. This employment assistance project was officially launched at a function last month. There was wide spread interest and positivity amongst those attending, with many of those being involved with employment support projects of their own. All were keen to look for opportunities to collaborate with the council project.

Since the launch, Council has employed a person to drive this specific project and give it the best chance to achieve the goals set within the government funding package. It should be noted that the project is fully funded and will not have any requirement for rate payer funding. While the goals are challenging, if we commit to the project and try hard enough, it's my belief they can be achieved.



## **2. NGĀTI MARU FORESTRY COURSE GRADUATION**

The graduates of the Ngāti Maru Forestry Course celebrated their success at a ceremony held last month. Ten graduates and their supporters were treated to a special occasion that was not only a time for happy celebration, but was a very motivational moment as well.

The way the students had embraced the course, which was heavily based on Maori culture and values, was quite extraordinary. It was clear from the bonding and respect for others that was evident among the graduates and tutors, that this was no ordinary course and the results proved it. Nearly all the graduates were moving into work immediately and were looking forward to the first pay day that follows. The seventeen week course that teaches broad forestry related skills will be repeated in February next year and more young people will be given the chance to learn the skills necessary for work in this demanding sector.

Congratulations to everybody involved with this successful, Stratford based venture.

## **3. BLUE LIGHT DRIVER TRAINING**

The Blue Light driver training scheme held a celebration recently to acknowledge the trainees success and express their thanks to the volunteer driving instructors. The programme identifies youth needing assistance to obtain drivers licences and links them with volunteer instructors to help them attain their full license. For many young people not having a driver's license is a severe impediment to finding a job and for some people, even holding a restricted license can be just as problematic. This ongoing programme is a very positive intervention that enhances trainee's opportunities to gain employment and remain within the bounds of the law.

## **4. CITIZEN AWARDS**

Once again we hosted a successful evening to present our annual Citizens Awards. The four recipients were very deserving and somewhat overwhelmed by the recognition they have received. As a small District we would not be able to maintain the clubs and organisations we currently have unless people like these recipients continue to give up their personal time and offer their volunteer services. It is right to acknowledge them and celebrate their contribution to the community.

## **5. MEET THE CANDIDATES**

With the general election day edging closer it was great to have the opportunity to meet the candidates for the Wanganui electorate. The public debate organised by the Youth Council and Positive Aging groups was reasonably well attended by the general community and bolstered by the support groups that most candidates brought with them. While the evening did not result in any fiery exchanges or disagreements between candidates, it did provide the opportunity for them to explain policy differences and personal preferences in the two referendum that we are voting on. This information was well received by the audience, even when they didn't agree with what was being said. As always, I encourage people to vote in the general election on 17 October 2020.

**6. PERCY THOMPSON TRUSTEES**

The Percy Thompson Trust is this council's only Council Controlled Organisation and as such, the council is required to appoint trustees to the governance positions of the Trust. The current terms of Trustees Gloria Webby and Christine Craig have come to an end, therefore two appointments need to be made. Both Gloria Webby and Christine Craig are eligible for re-appointment and are available to fill these vacancies. It is my recommendation that both be re-appointed for a further three year term.

**7. TARANAKI CIVIL DEFENCE EMERGENCY MANAGEMENT GROUP JOINT COMMITTEE**

The quarterly meeting of this committee focussed on the adoption of the Annual Business Plan 2020-2021 and adopting the Annual Report for 2019-2020. The report period includes the response to the Covid-19 pandemic that required Civil Defence to be fully operational for a prolonged period. This was a true test of the capability of the regional service to staff, manage and fund a longer term emergency event. The unconfirmed minutes are available on the Taranaki Regional Council website.

**8. TARANAKI REGIONAL LAND TRANSPORT COMMITTEE**

The quarterly meeting of this committee focussed on the development of the Taranaki Regional Land Transport Plan 2021. Most important was the setting of priorities and goals, as these factors are the major influence on how the transport budget is spent, not only by our councils, but also by Waka Kotahi NZTA. The unconfirmed minutes are available on the Taranaki Regional Council website.

**9. CORRESPONDENCE - See attached.****10. SOME EVENTS ATTENDED**

- Filmed Citizen Awards video's (x4)
- Attended Youth Council meeting
- Met with representatives of the Stratford A & P Association (x3)
- Attended Regional Leadership Group meeting (x2)
- Attended Blue Light Driver Training presentations
- Attended Regional Land Transport Committee workshop
- Attended Regional Land Transport Committee meeting
- Attended Regional Civil Defence Emergency Management committee meeting
- Hosted the Mayor's Task Force for Jobs Employment Project launch
- Met with representatives of the TET Stadium Committee
- Attended a zui with Ministry of Health
- Attended the opening day of the Stratford Croquet Golf club
- Attended meeting of the Stratford Combined Sports Society Stadium Committee
- Attended meeting of Te Kōpuka nā Te Awa Tupua committee
- Attended a meeting of the Ostler's Gardens Charitable Trust
- Attended the Annual General Meeting of the Justice of the Peace Association
- Attended the Ngati Maru Forestry Course Graduation
- Attended two day webinar for District Licensing Committee members
- Hosted Citizens Awards Presentation evening
- Moderated the meet the candidates evening (general election)
- Daily News Interviews (multiple)
- Stratford Press Interviews (multiple)

- Radio Interview More FM
- Attended multiple video meetings of the regional Mayors and Chairs (x 3)
- Attended Regional Mayors and Chairs meeting (x1)
- Attended Council Meetings (x3)
- Attended Council Workshops (x4)



**N C Volzke JP**  
**DISTRICT MAYOR**

## **Stratford Volunteer Fire Brigade Call Outs September 2020**

The Stratford fire brigade responded to 5 calls in September 2020

- 05-09-20      Scene protection required after motor vehicle accident SH 3 Bird Road
- 10-09-20      Assist Eltham fire brigade investigate smell of gas Fonterra Collingwood Street
- 15-09-20      Rubbish fires causing smoke nuisance Flint Road
- 23-09-20      Alarm activation Stratford High School Swansea Road accidental activation
- 29-09-20      Chimney Fire Cardiff Road

**From:** Clare Dobson <[clare.dobson@tcf.org.nz](mailto:clare.dobson@tcf.org.nz)>  
**Sent:** Thursday, 17 September 2020 9:28 a.m.  
**Subject:** NZ Telecommunications industry launches new 5G Facts website

Mōrena

Today, the New Zealand Telecommunications Forum (TCF) has launched a new website, [www.5gfacts.org.nz](http://www.5gfacts.org.nz), to provide New Zealanders with a “one-stop shop” on 5G information and easy links to reputable expert sources.

This comes on the back of a consumer survey which shows most New Zealanders aren't confident in their knowledge of 5G and would like easier ways to find out the facts. The research has shown what we have long suspected: many New Zealanders are confused or unsure about 5G and what it may mean for them. That's perhaps not surprising given there's so much varying and confusing information out there.

The good news is the research also indicates most people are keen to learn more and they want easier ways to get reliable information. The vast majority also recognise it's important for New Zealanders to have access to the best mobile networks. You can read more about the research in our media release [here](#).

There are lots of claims made about 5G, especially on the Internet and social media, and it's often hard to separate fact from fiction. If you want to learn more about 5G, we strongly encourage you to use respected sources of information from science and health experts that can be accessed via **5G Facts**. If you don't have time to look at the [5G Facts](#) website, here's a few important things to know:

- 5G simply stands for “fifth generation” – it's the latest evolution since mobile technology first came to New Zealand in 1987.
- 5G's faster speeds and extra performance will pave the way for a range of new and better services – from smart connected homes to driverless cars.
- All cellular mobile networks including 5G operate via bands within the radio spectrum. These radio waves are called ‘non-ionising’ which mean they don't carry enough energy to damage human DNA.
- New guidelines that reflect decades of scientific research. If you're happy to use mobile services on 3G or 4G today, then you should be equally comfortable with using 5G.

For easy reference, we've also compiled a brief fact sheet that you may wish to [download](#).

Thanks for your interest and please get in touch if you have any questions.

Ngā mihi

**Geoff Thorn**

**TCF CEO**

**New Zealand Telecommunications Forum (TCF)**

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## Prime Minister

MP for Mt Albert

Minister for Arts, Culture & Heritage

Minister for National Security & Intelligence

Minister for Child Poverty Reduction



Neil Volzke

Via email: [nvolzke@stratford.govt.nz](mailto:nvolzke@stratford.govt.nz)

Tēnā koe Neil

### Marking Waitangi Day in your community

Waitangi Day is a time for reflection on the bicultural foundations of our modern nation and how we value the contribution of all cultures who are represented in New Zealand today, both tangata whenua and tangata tiriti. Waitangi Day commemorations are important to the growth of our national identity for bringing people together in acknowledgement of our shared histories.

This is a day that should be commemorated not only at Waitangi, where the Treaty was first signed, but throughout the country, to recognise that the Treaty itself travelled, and that its impact is part of the fabric of our entire nation.

In many centres annual Waitangi Day events are well established and enjoyed by thousands of New Zealanders. However, there are some parts of the country where people do not have the opportunity to participate in such events.

I encourage local councils, iwi and community groups to work together to design and run events to commemorate Waitangi Day in 2021. It is my hope that we will see events organised throughout the country so that all New Zealanders have the opportunity to participate in an event on Waitangi Day, or on the local anniversary of the Treaty's signing.

The Commemorating Waitangi Day Fund provides funding for events that commemorate the signing of te Tiriti o Waitangi. Applications for the Commemorating Waitangi Day Fund are now open, and must be submitted by Monday 19 October 2020. For more information on the Fund criteria, please visit the Ministry for Culture and Heritage's website: [mch.govt.nz/funding-nz-culture/ministry-grants-awards/commemorating-waitangi-day-fund](http://mch.govt.nz/funding-nz-culture/ministry-grants-awards/commemorating-waitangi-day-fund).

For events in 2021, applicants to the Commemorating Waitangi Day Fund will also be asked to consider and demonstrate how they will give effect to the Ministry of Health guidelines for organisers and attendees of gatherings at the different COVID-19 Alert Levels.

I look forward to hearing about all the exciting events that are being planned for Waitangi Day 2021.

Nāku me ngā mihi

Rt Hon Jacinda Ardern  
Minister for Arts, Culture and Heritage



## Media Release

7

14 September 2020

### **FONTERRA TARGETS COMMUNITY SUPPORT WHERE IT'S NEEDED MOST**

Fonterra is taking a new approach to how it provides nutrition to communities, to better reach those most in need across New Zealand.

CEO Miles Hurrell says, as a New Zealand farmer owned co-op, with employees spread right across regional New Zealand, Fonterra is part of many communities.

“We’ve taken a good look at what the country is facing into, particularly in the context of COVID-19, and asked if our current way of doing things is supporting the people who need it most.

“We can see there’s a need for us to expand our thinking and take a more holistic approach that reaches more people – which is why we’re making these changes,” says Mr Hurrell.

As part of its new approach, Fonterra will:

#### **Grow KickStart Breakfast alongside partners Sanitarium and the Ministry of Social Development**

There are already more than 1,000 schools in KickStart Breakfast, and one of our immediate goals is to work with our partners to have all decile 1 to 5 schools across the country in KickStart Breakfast - reaching another 200 schools - where coming together over breakfast at the start of the school day really makes a difference.

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**Extend our supply of dairy nutrition further into communities by partnering with NZ Food Network to distribute dairy products to charities, foodbanks and community partners.**

We believe it's not just in schools where we can play a role. We saw this first-hand during lockdown earlier this year, when we redirected close to one million serves of Fonterra Milk for Schools product into communities through food banks, charities and other partners. Coming together with NZ Food Network allows us to keep doing this.

NZ Food Network CEO Gavin Findlay says "NZFN is delighted to partner with Fonterra to deliver much needed goodness into the communities of Aotearoa New Zealand. This complements our own desire of 'getting food to where it's needed most'. Working together, we will strive to ensure everyone has access to healthy, nutritious food."

**End of an era - Fonterra Milk for Schools**

This refreshed approach means Fonterra Milk for Schools, which is for primary school aged children, will wrap-up at the end of this year. It's something we've loved being a part of, but we know we can provide more kids access to dairy nutrition by growing KickStart Breakfast - which is open to all schools, of all ages and deciles, across the country.

"We've got a lot of affection for Fonterra Milk for Schools, but we have to recognise through this refresh there's a much more efficient, environmentally focused and impactful way to get milk to more kids each day.

"It will be an end of an era and we're proud of what Fonterra Milk for Schools has achieved - but times have changed and so will we, to ensure we're always doing our best for those who need it the most," says Mr Hurrell.

Papatoetoe North School principal Stan Tiatia says "our school community makes high use of the KickStart Breakfast programme and for us it is a time for whanau, staff and children to connect and start the day in a positive state. The programme helps to build community and in times affected by anxiety and isolation the KickStart breakfast time provides an opportunity for connection and care. We are grateful for the work by the KickStart team and know that our community is strengthened by their efforts."

Fonterra will now talk with schools in Fonterra Milk for Schools, who aren't also already members of KickStart Breakfast, to see if joining KickStart Breakfast is right for them for the 2021 school year.

"These changes reflect our co-operative heart – good things happen when people come together," says Mr Hurrell.



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Find more information on what Fonterra and partners are doing in New Zealand communities [here](#):



ENDS

**For further information contact:**

Fonterra Communications

24-hour media line

Phone: +64 21 507 072

**About Fonterra**

*[We're](#) a global dairy nutrition company owned by [10,000 farmers and their families](#). We've built our expertise on the legacy of the thousands of farmers who've made New Zealand a world leader in dairy. With a can-do attitude and a collaborative spirit, we're a world leading dairy exporter. Our 22,000 people share the goodness of dairy nutrition with the world through our innovative [consumer](#), [foodservice](#) and [ingredient solutions](#) brands, and our farming and processing operations across four continents.*

*If you no longer wish to receive media releases from Fonterra, please [click here to opt out](#).*

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**Phil Nixon**  
South Taranaki  
District Mayor



**David MacLeod**  
Taranaki Regional  
Council Chair



**Neil Volzke**  
Stratford District Mayor



**Neil Holdom**  
New Plymouth District  
Mayor

### **Message to Wellington from Taranaki's Civic Leaders**

As we look ahead to the upcoming election on 17 October 2020, it is important to remember that local and central government are partners in delivering services and public leadership to our communities.

The four local authorities in Taranaki, consisting of the New Plymouth, Stratford and South Taranaki District Councils along with the Taranaki Regional Council, have come together to issue a clear statement, in the same way that we have done in 2014 and 2017, on the key areas of importance for the Taranaki region. In our last message, we identified eight priorities and significant progress has been made over the last three years, but there is still work to do and over this time, some new key areas have emerged.

We acknowledge and appreciate the support that the Government has committed and delivered on in the last three years. Of note are the sizable investments made to improving State Highway 43 and the project to connect and upgrade a series of walking tracks as a part of the Taranaki Crossing. Also, the more recent investment in Parihaka, Yarrow Stadium and other regional projects.

It is crucial that we continue to work together to address these priorities, as the policies and priorities of Central Government greatly influence regional communities and economies. As the region's civic leaders, we felt it was important to provide you with an update on existing projects and a list of the further priorities identified for attention and action by the incoming Government.

The Organisation for Economic Co-operation and Development (OECD) has identified several industries most likely to be hit hard by the enforced quarantine measures caused by COVID-19. Over the past five years, tourism expenditure in the region has grown an average of 4 percent. In January 2020, the region saw nearly \$50 million in combined domestic and international tourism spend, with this number reduced to below \$5 million as of April 2020. The number of building consents issued in Taranaki for the month of March decreased by 7 percent on the previous month. This is concerning as building consents offer a measure of intended activity within the building and construction sector within Taranaki.

While strict quarantine measures remain in place for international visitors, the continued involvement from Central Government to promote Taranaki is crucial in supporting our region with its recovery. Taranaki maintains one of the lowest Central Government spends per capita while continuing to make significant contributions to national wealth through its highly productive agricultural sector, the oil and gas industry and the associated downstream of the processing and manufacturing industries that they support.

Taranaki people value a range of policies and programmes that the Government have in place to support infrastructure, education and health. As civic leaders for the region we are calling on Central Government to hold the four key priority areas identified at the forefront of their thinking for both our region and nation over the next three years and beyond.

### **Priorities for Taranaki**

#### **Roading**

A study on improvements to State Highway 3 (between Hāwera and New Plymouth) had been undertaken, however there has been no progress or updates on this matter since the completion of the study. Local Government in Taranaki is proposing a major investment of resources to deliver on these projects for the safety improvements on State Highway 3 from Hāwera through to New Plymouth. We believe the implementation of these measures are important for the safety of our communities as well as for those visiting our region.

#### **Tourism**

Tourism in our region would be greatly boosted through the development and improvement of tracks and trails, and road access points to Taranaki Maunga such as Te Rere o Kapuni – Dawson Falls, as well as district and regional cycleways and walkways.

#### **Energy**

The ongoing support and investment in the development of Taranaki's transitional energy ecosystem to help drive New Zealand's progress towards a high value low carbon economic future.

#### **Education**

It is critical that the Government invests in Taranaki's tertiary education and learning capabilities to support the region's COVID-19 recovery and transition.

A big limitation for many people in our region is connectivity. We're are calling on the Government to improve and create new facilities in the region that would allow people to come together, access technology, resources and tutors to support engagement with education and allow more options for on-campus study or access to resources for distance learning students.

**Report Card**

A summary of what has been achieved across the priorities identified for Taranaki three years ago:

What we asked for	What has happened	Comment
<b>Taranaki Crossing</b>	In September 2019, the Government committed \$13.3 million from the Provincial Growth Fund for this project, along with additional funding from the Taranaki Regional Council, the New Plymouth District Council, DOC and the New Zealand Transport Authority. Work on the project began in February 2020 and is scheduled for completion in 2023.	Progressing well.
<b>State Highway 43</b>	In February 2020, the Government committed funding from the NZ Upgrade Programme for several projects from the submitted business case, as well as the funding announced earlier for the sealing of 12kms in the Tangarakau Gorge. Funding was also committed for a new bridge to be built over the Kahouri Stream and a range of smaller but significant improvements. A total of \$23 million is being invested into the Forgotten World Highway which will make the road safer and more accessible to locals and visitors. We thank the government for the results so far and are pleased to see work progressing.	Progressing well.
<b>Predator-free Taranaki</b>	The Crown-owned Predator Free 2050 Ltd has committed to funding the long-term project for the first five years along with the Taranaki Regional Council and Taranaki's community. Currently, nearly 8000 traps have been installed with the aim of removing rats, possums	Progressing well.

	and stoats from around Taranaki Maunga.	
<b>Regional Connectivity- the second Rural Broadband Initiative and the new Mobile Black Spot Fund</b>	The Government announced a significant additional rural broadband and mobile coverage would be deployed around the country. While \$130 million was promised with the aim of targeting around 10,000 rural households and businesses there are still many people in our region that struggle with poor to no mobile or broadband connectivity.	Good progress with rural broadband. We still have serious issues with mobile blackspots.
<b>Mount Messenger Bypass/ State Highway 3</b>	We are pleased to see progress on this project.	
<b>Bell Block to Waitara SH3 safety improvements</b>	We welcome the announcement of \$29 million funding to start this project and look forward to seeing progress.	



23 September 2020  
Document: 2591920

Ministry of Transport  
PO Box 3175  
WELLINGTON 6140  
Attn: Speed team

via email to [speed@transport.govt.nz](mailto:speed@transport.govt.nz)

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## Proposed approach to speed management – Land Transport Rule: Setting of Speed Limits July 2020

### Introduction

The Taranaki Regional Council (the Council) appreciates the opportunity to provide the Ministry of Transport (the Ministry) with early feedback on the discussion document titled *Proposed Approach to Speed Management. Land Transport Rule: Setting of Speed Limits. July 2020.* (Proposed Rule).

The Council makes this submission in recognition of:

- the purpose of local government set out in the *Local Government Act 2002*, and the role, status, powers and principles under that Act relating to local authorities;
- its functions and responsibilities under the *Land Transport Management Act 2003* (LTMA); and
- its regional advocacy responsibilities whereby the Council represents the Taranaki region on matters of regional significance or concern.

The Council has also been guided by its Mission Statement *'To work for a thriving and prosperous Taranaki'* across all of its various functions, roles and responsibilities, in making this submission.

The Council works with territorial authorities and other stakeholders in Taranaki to enable a resilient and safe, multi-modal transport system. The Council also convenes the Taranaki Regional Transport Committee (RTC), which is responsible for developing the *Taranaki Regional Land Transport Plan* (RLTP) under the LTMA.

### General comments

- The Council supports a more coordinated and transparent approach to speed management, and the desired outcome to achieve consistency of speed management setting between road controlling authorities (RCA) within a region and between regions.

- Based on feedback received from local RCAs, the Council agrees that a new regulatory framework for setting speed limits is needed, with the current bylaw process being resource intensive, time consuming and complex.
- The Council also supports greater alignment with the RLTP process. However, there are issues that need to be addressed to ensure successful implementation, with simplification of the consultation process in particular being required.

### Speed Management Plans (SMPs)

The Council agrees with:

- removing the current bylaw-making requirements, and moving to a national Register of Land Transport Records;
- increasing regional collaboration and consistency in speed limit setting; and
- all regional SMPs being made publicly available on the Waka Kotahi website.

### Separation of state highways from local roads

The Council strongly disagrees with the proposal that state highways are separated out of the regional transport process, which seems contrary to the stated goals for greater consistency and 'whole of network' thinking. State highways are usually the spine of a regional roading network, and their speed limit often dictates the speed limit for a number of local roads. The proposed development of separate regional SMP by RTCs for local roads and a separate SMP for state highways by Waka Kotahi derogates from integrated transport management and would unnecessarily create public confusion and add cost. The public do not generally differentiate between local roads and state highways.

The setting of speed limits for state highways should be included within the wider regional speed management process, similarly to the current RLTP process. In much the same way as Waka Kotahi creates an investment proposal for state highways nationally (that can be considered at a national level by organisations that have a country-wide brief); which is then submitted on a regional basis to RTCs around the country in recognition of the importance of the considerations /role at a regional level. Regional councils would work with Waka Kotahi to put the state highway speed limits into the regional SMP, encouraging greater collaboration between Waka Kotahi and local councils throughout a region. This supports the one network approach, and means that the public would receive one regional SMP that includes all the state highway and local road speed limits.

The Council lacks confidence that Waka Kotahi can satisfactorily act as both an RCA and a regulator in this process. The Council therefore disagrees with the proposal that Waka Kotahi would be responsible for certifying regional SMPs (s2.2.4, p15). Capacity and timeliness for Waka Kotahi's involvement in RLTPs is already an ongoing issue. The proposed independent Speed Management Committee should be responsible for certifying regional SMPs, which **include** state highways within them.

### Recommendations:

- Include the setting of speed limits for state highways **in** the regional SMP process.

- Make the Speed Management Committee responsible for certifying regional SMPs, which **include** state highways within them.

### **Resourcing and funding of additional costs for councils**

The Council notes philosophical opposition to regional councils undertaking this new role, which is a road controlling authority or national responsibility. Fronting challenging community conversations around speed limits is being pushed onto a sector that is not responsible for the roading network.

Due to the impacts of the COVID-19 pandemic, the local government sector has a heightened level of sensitivity to any new cost imposition from changes to legislation and new programmes. Any new costs will have to be passed onto communities who are already experiencing economic hardships. Additional resourcing streams that are less reliant on 'local shares' to undertake this important work would enable timelier and more effective implementation. The current challenging and uncertain economic environment is an important context, as successful implementation of new policy needs to impose the least burden on communities under stress.

The Council notes that additional costs will be incurred by councils, particularly regional councils, for implementing the planned new regional SMPs. This was raised in the Council's February 2020 submission on the *Land Transport (NZTA) Legislation Amendment Bill*, but does not appear to have been addressed. Councils are already under significant financial and capacity pressure. Appropriate resourcing needs to be put in place for all councils to ensure a successful transition over the next three years, and moving forward.

The Council seeks that new funding be available to support regional councils to provide capacity and capability to undertake the new function of preparing regional SMPs. While there will be some districts where the changes may create efficiencies, there will be additional costs to territorial authorities in areas that do not have active speed management programmes, and to support RTCs with their new functions. This comes alongside substantial new national requirements under the *Resource Management Act 1991*, and the need to support the delivery of economic stimulus at a time when operational expenditure is already severely constrained.

### **Recommendation:**

- New funding be made available to enable councils to implement the new rule.

### **Consultation on plans and transitional arrangements**

The Council notes that "*the consultation process for speed management plans is expected to align with the consultation process for RLTPs*" (sec 2.2.3, p15). However, it is unclear what form this will take, and whether the long-term vision is for a speed management plan to become **part** of an RLTP or remain separate.

As noted in the document, alignment with the regional land transport planning process is no longer possible for the 2021 RLTP round, so will need to wait until 2024. The transitional process to get to that point needs clarification. It is important to note that councils are transitioning at different speeds and have different levels of resource and capability, which makes funding, alignment and timing very challenging. There will be a lot of work for advisory groups to manage cross-boundary issues in particular. It is also not clear, just how



this process will align with the RLTP process. Councils need more understanding of what is required of them, in order to manage expectations and avoid issues during transition.

The Council wishes to know what a consultation plan is envisaged to look like, and how much weight is given to the wishes of the regional community versus the 'regulator' if there is a disagreement as to the appropriate speed limit on a section of road. The Council is seeking that Waka Kotahi undertake meaningful engagement with councils to ensure that there is meaningful consultation with our community on their views regarding the setting of speed limits.

The Council also seeks more information on what authority RCAs will have over placement of safety cameras on local roads, who pays for these, and who will monitor them.

**Recommendations:**

- More details communicated to the sector about how the process is to be implemented, the timeframes envisaged, and alignment with the RLTP process (including whether regional SMPs are aimed to become **part** of RLTPs in future).
- Provide a detailed level of communication and engagement with local government about the transition process and during the transition phase.
- Provide more information on the safety camera component of the proposals.

**Independent speed management committee (2.3, p17) and Waka Kotahi's role as regulator (3.2.5, p25)**

The Council supports the establishment of an independent Speed Management Committee, however believes that their role should be broader – specifically as a certifier for the regional SMPs. As outlined earlier, there is strong concern that the setting of state highway speeds is a separate process from the regional SMP process. The Speed Management Committee's role should be to certify regional SMPs which, with proposed change, will incorporate both the state highway and local road speed changes. This simpler process will improve alignment and reduce costs.

The Council is concerned that Waka Kotahi may have difficulty managing conflicts of interest with its various roles of advisor, educator and regulator. This may undermine national confidence in the proposed framework.

**Recommendations:**

- The Speed Management Committee's role be to certify regional SMPs that incorporate speed changes on all roads within the regional network (local roads and state highways).
- Provide clarity and confidence for the local government sector that the various roles of Waka Kotahi will be managed appropriately.

**Out of cycle process for setting speed limits (2.2.5, p16)**

The Draft Rule recognises that there could be situations where speed limits need to be set outside of the standard, three-yearly planning process. The level/process of public consultation required in these instances is unclear, as is whether this occurs solely at the RCA level, or whether a variation to the regional SMP is required.

The Council believes that, for setting of speed limits around schools that fall out of cycle, there should be no requirement for public consultation. This would reduce costs for councils, while providing clarity for the public and improving the speed of implementation.

The Council seeks greater clarification on what would constitute “a minor deviation from a speed limit that would generally be consistent with the relevant plan” (Step 3 of diagram on p16).

**Recommendations:**

- Provide greater detail on the process for out of cycle speed limit setting, particularly around public consultation requirements and the involvement of the RTC.
- For setting of speed limits around schools that fall out of cycle, there should be no requirement for public consultation.
- Clarify what would constitute “a minor deviation from a speed limit that would generally be consistent with the relevant plan”.

**Mandatory speed limits around schools (2.5, p20)**

Strong support is provided for a mandatory reduction of speed limits around schools, both for physical safety as well as encouraging greater use of active modes of transport to and from school. Notes that through this planning process, RCAs would be required to reduce speed limits around urban schools to 30km/h (or 40km/h where appropriate) and around rural schools to a maximum of 60km/h.

Some regions may want to move more quickly than the 10-year proposed timeframe for transition to safer speed limits around schools. Flexibility should be provided to allow regions to move more quickly if they are able to do so. A benefit of this will be that early adopters of the rule will be able to share their learning from the process with other regions.

**Recommendation:**

- Provide flexibility for those regions that wish to move more quickly so they can do so.

**Summary and conclusion**

In summary, we thank the Ministry for seeing early feedback from stakeholders on the proposed new approach to speed management. The Council looks forward to seeing the formal Rule when it is consulted on post-election.

If you require any additional information on this submission, please contact Fiona Ritson, Policy Analyst (Fiona.Ritson@trc.govt.nz or 06 765 7127).

Yours faithfully

Cr Matthew McDonald  
**Chair Regional Transport Committee**  
**Taranaki Regional Council**

# INFORMATION REPORT



**STRATFORD**  
**DISTRICT COUNCIL**

F19/13/04-D20/26789

**TO:** Council

**FROM:** Corporate Accountant

**DATE:** 13 October 2020

**SUBJECT:** PERCY THOMSON TRUST – ANNUAL REPORT

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## **RECOMMENDATION**

THAT the Percy Thomson Trust Annual Report for the year ended 30 June 2020 be received.

## **Recommended Reason**

The Percy Thomson Trust is a Council Controlled Organisation of the Stratford District Council and the audit of their Annual Report for the year ended 30 June 2020 was completed by Audit New Zealand.

\_\_\_\_\_/\_\_\_\_\_  
Moved/Seconded

## 1. **PURPOSE OF REPORT**

To present the Annual Report for the year ended 30 June 2020 for Percy Thomson Trust to Council. This report must be delivered to the shareholders (Council) within 3 months after the end of each financial year (30 September) and requires the Auditor's Report to be included. However due to COVID-19, legislation was passed on 5 August 2020 to extend the statutory reporting timeframes for Council Controlled Organisations to 30 November 2020. The Report was delivered to Council on 7 October 2020, via email.

## 2. **EXECUTIVE SUMMARY**

The Annual Report of the Percy Thomson Trust was audited by Audit New Zealand. The Percy Thomson Trust is a Council Controlled Organisation of the Stratford District Council and their performance forms part of Council's group financial statements as recorded in Council's Annual Report.

3. **LOCAL GOVERNMENT ACT 2002 – SECTION 10**

Under section 10 of the Local Government Act 2002, the Council’s purpose is to “enable democratic local decision making by and on behalf of communities; as well as promoting the social, economic, environmental, and cultural well-being of communities now and into the future”			
Does the recommended option meet the purpose of the Local Government 4 well-beings? And which:			Yes
Social	Economic	Environmental	Cultural
✓	✓		✓

4. **BACKGROUND**

The Local Government Act 2002 defines entities in which the Council has more than a 50 percent shareholding, or the ability to appoint more than 50 percent of the Trustees/Directors, as a Council Controlled Organisation. The Percy Thomson Trust (the Trust) meets these criteria and Council monitors the performance of the Trust. The Trust operates on an independent basis at arms length from the Council.

5. **INFORMATION SUMMARY**5.1 **Trustee Changes**

During the year Trustee Viv Milner resigned, and following public advertisements for expressions of interest, two new trustees were appointed, being Deborah Clough and Helen Cloke.

The Trust deed allows for a minimum of five and a maximum of seven trustees. The Trust now has a full complement of trustees, covering a range of skills and experience.

5.2 **Exhibitions**

During the year the gallery was fully booked for exhibitions, however due to COVID-19, and the lockdown, the gallery and Percy’s Place were closed for a period of about eight weeks. Some of the exhibitions that were able to be delivered were “*Remembering Rodin, touring from Te Papa; The Crescent Moon; Hidden Realms; the Regional Embroiderers Exhibition; and ENGRAM – Memory Trace.*”

Exhibitions that were unable to be delivered due to COVID-19 were the Taranaki Arts Trail; and the Stratford Art Society winter exhibition.

The gallery is now booked well into 2021, and includes local and national exhibitions.

### 5.3 **Financial Statements**

The Trust had a net deficit of \$85,000 (after accounting for depreciation) for the 2019/20 financial year, compared to a budgeted deficit \$75,000.

This was primarily due to the reduction in external funding that was received during the year. Grants and subsidies received during the year were \$12,000 less than budget, and made up as follows:

- Taranaki Electricity Trust, \$2,500, for the provision of exhibitions
- TSB Community Trust, granted \$20,000 during the 2019/20 year, however \$10,000 of this was for the TSB Emergence Exhibition and awards, which did not commence until July 2020, and
- Ministry of Social Development, \$23,000, in wage subsidies due to COVID-19.

Other funding anticipated did not eventuate.

Wages was also over budget due the extra staff required for the bigger exhibitions, however this was offset by savings in other operating expenditure.

## 6. **STRATEGIC ALIGNMENT**

### 6.1 **Direction**

The Annual Report (including the Audit opinion from Audit NZ) is a statutory requirement, as is the requirement to deliver the report to council.

### 6.2 **Annual Plan and Long Term Plan**

The recommendation does not have any implications concerning the Long Term Plan.

### 6.3 **District Plan**

The recommendation does not have any implications concerning the Stratford District Plan.

### 6.4 **Legal Implications**

There are no legal implications.

### 6.5 **Policy Implications**

There are no policy implications.

### **Attachments:**

**Appendix 1 – Percy Thomson Trust Annual Report**



C Craig  
**CORPORATE ACCOUNTANT**



Endorsed by  
T Radich  
**DIRECTOR – CORPORATE SERVICES**



Approved by  
K Whareaitu  
**ACTING CHIEF EXECUTIVE**

**DATE:** 6 October 2020

## APPENDIX 1



# PERCY THOMSON TRUST

- Percy Thomson Gallery
- Percy Thomson Arboretum
- Percy Thomson Herbarium

**ANNUAL REPORT  
FOR THE YEAR ENDED  
30 JUNE 2020**

# PERCY THOMSON TRUST

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## PERCY THOMSON TRUST – BOARD

Chairman: Bruce Ellis

Trustees: Jim Clarkson  
Helen Cloke  
Deborah Clough  
Christine Craig  
Keryn Walsh  
Gloria Webby

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## PERCY THOMSON TRUST – STAFF

### As at 30 June 2020

Gallery Director – Rhonda Bunyan

#### Part-time Gallery Assistants

- Isaac Ander
- Bill Davies
- Donna Hitchcock
- Carina McQueen
- Gayleen Schrider
- Amy Taunt

## PERCY THOMSON TRUST – CHAIRMAN'S REPORT

On behalf of the Trust it is my pleasure to present the report for the twelve months ended 30 June 2020. The period will be remembered for the effects of the Covid-19 pandemic but was particularly notable for the continued success of the gallery in presenting innovative exhibitions and providing opportunities for local and Taranaki artists.

### Financials

The overall operating position was affected by the lockdown with the Gallery closed from 24 March to 27 May. The financial position was rescued somewhat by the wage subsidy provided by the Government.

There was a cash deficit of \$9,000 from operating activities compared with the budgeted break-even position and a deficit of \$3,000 in the previous year. The main features of this have been the lower grant levels from the TET and the TSB Community Trusts although partially offset by the wage subsidy.

Direct income from the Gallery being commissions on exhibition sales and Percy's Place turnover, donations, "Friends" subscriptions and rental/hireage fees showed an overall improvement on budget but were limited from the closure of the Gallery for the lockdown period.

The financial position as shown in the "Statement of Financial Position" shows the total Trust Equity of \$2,965,000 – an increase of \$106,000. Features to note are:

- Capital expenditure of \$94,000 on the Gallery building for major remedial work on the roof;
- Revaluation of the land and building of \$190,000;
- An increase in funds invested of \$72,000 – see further analysis below; and
- A net decrease in cash on hand of \$154,000 from the capital expenditure, operating cash deficit and increase in funds invested.

### Gallery Operations

The Gallery has a performance target of 20,000 visitors per year. In the year ended 30 June 2019 we reached a record 25,000. Visitors for the year ended 30 June 2020 totalled 19,262 – adjusting for the closure this is a pro-rata total of 23,000. This is a very good result given the disruptions caused by the lockdown including the cancellation of the Stratford Art Society Autumn exhibition, traditionally one with a high visitor attendance.

The exhibition programme presented by our Director, Rhonda Bunyan, continues to ensure that the Gallery is at the forefront of pushing boundaries, offering new experiences for patrons and visitors, giving outlets to showcase the considerable artistic talent within the district and the wider province. Rhonda also used the opportunity of the lockdown to continue to showcase local talent through the virtual exhibition for local artists run through Facebook.

Particular features of the year's programme were:

- the *Crescent Moon - the Asian Face of Islam in New Zealand* providing a captivating and often surprising insight into the lives of New Zealand's Muslim community;
- Professional weavers and regional embroiderers;
- Stratford Art Society Spring exhibition;
- *Hidden Realms*;

## PERCY THOMSON TRUST – CHAIRMAN'S REPORT

- Taranaki artists pushing boundaries including Rhonda's own photographic exhibition exploring shapes, patterns and shadows in water and sand;
- Arts Trail exhibition – despite postponement of the trail itself we still exhibited the works of the artists participating in the trail when it happens in October/November; and
- *Remembering Rodin* – Te Papa's travelling exhibition.

### Investment Funds

The investment portfolio of the Trust is summarised as follows:

Category	Book Value as at 30 June 2020 (\$)	Book Value as at 30 June 2019 (\$)
Trading Bank Term Deposits	250,000	250,000
Bonds	280,000	280,000
Commercial Property through Proportionate Ownership Schemes and Property Investment Funds	447,000	375,000
<b>Total</b>	<b>\$977,000</b>	<b>\$905,000</b>

In the light of the current economic situation in New Zealand it is appropriate to review the commercial property investments.

It is worth noting that the decision to participate in the various schemes and funds had the following objectives:

- To increase the cash investment returns of the overall invested funds given the reducing returns available from Bank Term Deposits and other fixed interest bonds;
- The opportunity for capital growth in these investments.

Further, in seeking such investments particular criteria included:

- The quality of the respective buildings;
- The quality and security of the tenancies within each property;
- The quality and experience of the managers of the respective properties.

The breakdown of these investments is:

Property	Original Investment (as per Statement of Financial Position)	Current Market Value (as at Balance Date of the investments of 31 March 2020)	Cash Income Return on Original Investment	Summary of Tenancies
Bush Road, Albany, Auckland – light industrial	125,000	231,388	8.40%	- Thermo Fisher Scientific – 100%

## PERCY THOMSON TRUST – CHAIRMAN'S REPORT

Osterley Way, Manukau, Auckland – office building	50,000	51,985	9.25%	- IRD – 98% - Other – 2%
Todd Park, Porirua, Wellington – light office/industrial complex	122,000	135,751	7.58%	- Placemakers 15.4% - Hannah's 10.9% - Hexatronic 17.6% - Anderson & Flowers 10.9% - Mitsubishi Motors 13.3% - Fusion Interiors 12.3% Conroy Removals 6% - Downer NZ 4.7% - NZ Post 4.5% - Free Kindergarten Association 4.2% - Other 0.2%
Cameron Road, Tauranga – Office building and retail	50,000	50,788	7.80%	- Tauranga City Council 49.8% - IRD 40.0% - Other (3) – retail & office 10.2%
Augusta Industrial Fund – light industrial mainly in Auckland	100,000	106,159	6.03%	The 49 tenants across three cities include Toll, Repco, Linfox, Fujitsu, Fletcher Building Steel Group, Macpac, Vulcan Steel, and Halls Refrigeration Transport (Icepak)
<b>Total</b>	<b>\$447,000</b>	<b>\$576,071</b>	<b>Average 7.67%</b>	
		(28.9% increase)		

## PERCY THOMSON TRUST – CHAIRMAN'S REPORT

The Covid-19 pandemic has had a minimal effect on the investment returns but has not adversely affected the overall strength and prospects of the investments. The return from the Augusta Industrial Fund reduced from a projected 6.5% to the average of 6.03% over the year as a result of the need to make rental concessions for some tenants. Such concessions were also required for some of the tenants in the Cameron Road and Todd Park properties, however the cash reserves held within these two investments meant that returns to investors were maintained at previously agreed levels.

The overall conclusion is that this portfolio of investments continues to provide good security and investment returns for the Trust.

### **Building Works**

The completion of the roof restoration appears to have fixed our leakage and humidity problems.

### **Premises**

The Council's lease of the part of the premises occupied by the Information Centre expired on 1 June 2019. The occupation is running on a month by month basis until the Centre's move actually takes place. The Council is to give 3 months' notice of intention of its vacation. Efforts to find a suitable replacement tenant (or tenants) has commenced.

### **Other Responsibilities**

- The Arboretum. This has been maintained to a good standard. Work is currently underway with a view to enhancing the visitor experience, especially in conjunction with the Council and its development of the Discovery Trail and visitor reserves.
- The Herbarium. This part of the Trust's remit is now outdated. Work has tentatively commenced to review this – perhaps in conjunction with the enhancement of the Arboretum experience, or even to acknowledge that the original idea of this part of the bequest is no longer able to be practically delivered.

### **Summary**

I particularly acknowledge the work of the trustees, Rhonda, our Gallery Director, Amy, the Gallery Assistant, Christine Craig and the team at the Council for administrative support, and the volunteers without whom the operation of the Gallery would become most difficult.

The Trust continues to make an important contribution to the life and culture of the District. Our stewardship of Percy Thomson's legacy is our key role and we acknowledge the support of the Council and the TET and TSB Community Trusts in making this happen.



Bruce Ellis  
**CHAIRMAN**

# PERCY THOMSON TRUST – AUDIT REPORT

AUDIT NEW ZEALAND  
Mana Arotake Aotearoa

## Independent Auditor's Report To the readers of Percy Thomson Trust's financial statements and performance information for the year ended 30 June 2020

The Auditor-General is the auditor of Percy Thomson Trust (the Trust). The Auditor-General has appointed me, Chris Webby, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and performance information of the Trust on his behalf.

### Opinion

We have audited:

- the financial statements of the Trust on pages 13 to 24, that comprise the statement of financial position as at 30 June 2020, the statement of financial performance and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- the performance information of the Trust on pages 9 to 11.

In our opinion:

- the financial statements of the Trust on pages 13 to 24:
  - present fairly, in all material respects:
    - its financial position as at 30 June 2020; and
    - its financial performance and cash flows for the year then ended; and
  - comply with generally accepted accounting practice in New Zealand in accordance with the Public Benefit Entity Simple Format Reporting – Accrual (Public Sector) Standard; and
- the performance information of the Trust on pages 9 to 11 presents fairly, in all material respects, the Trust's actual performance compared against the performance targets and other measures by which performance was judged in relation to the Trust's objectives for the year ended 30 June 2020.

Our audit was completed on 2 October 2020. This is the date at which our opinion is expressed. The basis for our opinion is explained below, and we draw your attention to the impact of Covid-19 on the Trust. In addition, we outline the responsibilities of the Trust Board and our responsibilities relating to the financial statements and the performance information, we comment on other information, and we explain our independence.

### Emphasis of matter – Impact of Covid-19

Without modifying our opinion, we draw attention to the disclosures about the impact of Covid-19 on the Trust as set out in note 15 to the financial statements and pages 10 to 11 of the performance information.

### Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## PERCY THOMSON TRUST – AUDIT REPORT

### **Responsibilities of the Trust Board for the financial statements and the performance information**

The Trust Board is responsible on behalf of the Trust for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The Trust Board is also responsible for preparing the performance information for the Trust.

The Trust Board is responsible for such internal control as they determine is necessary to enable them to prepare financial statements and performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the performance information, the Trust Board is responsible on behalf of the Trust for assessing the Trust's ability to continue as a going concern. The Trust Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Trust Board intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

The Trust Board's responsibilities arise from the Local Government Act 2002.

### **Responsibilities of the auditor for the audit of the financial statements and the performance information**

Our objectives are to obtain reasonable assurance about whether the financial statements and the performance information, as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements and the performance information.

For the budget information reported in the financial statements and the performance information, our procedures were limited to checking that the information agreed to the Trust's statement of intent.

We did not evaluate the security and controls over the electronic publication of the financial statements and the performance information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements and the performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trust Board.

## PERCY THOMSON TRUST – AUDIT REPORT

- We evaluate the appropriateness of the reported performance information within the Trust's framework for reporting its performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Trust Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the performance information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements and the performance information, including the disclosures, and whether the financial statements and the performance information represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Trust Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

### Other Information

The Trust Board is responsible for the other information. The other information comprises the information included on pages 1 to 5, but does not include the financial statements and the performance information, and our auditor's report thereon.

Our opinion on the financial statements and the performance information does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements and the performance information, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and the performance information or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Independence

We are independent of the Trust in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with, or interests in, the Trust.



Chris Webby  
Audit New Zealand  
On behalf of the Auditor-General  
Palmerston North, New Zealand



## PERCY THOMSON TRUST – PERFORMANCE

### STATEMENT OF SERVICE PERFORMANCE

#### NATURE AND SCOPE OF ACTIVITIES

The Percy Thomson Trust covers three activities, the Art Gallery, the Arboretum, and the Herbarium.

The Thomson Gallery is located in Prospero Place, the arboretum on Cloten Road near the intersection with Ariel Street, and the herbarium at the website [www.taranakiplants.net.nz](http://www.taranakiplants.net.nz).

The Thomson Gallery is Stratford's public art gallery and was opened in June 2002. The gallery contains both exhibition areas and work areas for use by local artists and community art groups. The gallery provides an active programme of exhibitions and events that is both internally generated and toured from other art collections.

The gallery's main display area totals 178 m<sup>2</sup> which can be comfortably partitioned into two areas of 116 m<sup>2</sup> and 62 m<sup>2</sup> respectively.

#### OBJECTS OF THE TRUST

The objects for which the Trust is established are, to the extent that they are a Charitable Purpose within New Zealand, as follows:

- to receive the Thomson Arboretum, the Thomson Herbarium and the Thomson Gallery and to be responsible for the on-going establishment and maintenance of an arboretum, herbarium and art gallery in Stratford;
- to manage the Trust Facilities and to create, acquire, promote, exhibit and manage the collections for the benefit of the inhabitants of the Stratford District and the public generally;
- to endeavour to achieve the objectives the Council sets for the delivery of services in respect of the Trust Facilities as negotiated and set out in the Charter, the Business Plan, and the Strategic Plan;
- to implement the Council's policy as revised from time to time for the development and enhancement of the Trust Facilities with an emphasis on Stratford and in accordance with the Charter, Business Plan and Strategic Plan;
- to provide advice to the Council on the Council's long term policy for the development of gallery services in Stratford;
- to establish exhibition programmes and education policies for the Trust Facilities;
- to develop acquisition, de-accession and collection development policies for the Trust;
- to provide all financial, administration, marketing, technology and services required for the Trust Facilities;
- to determine charges for viewing or using any of the Trust Facilities and the Collections with a view to generating appropriate revenue and encouraging public enjoyment and utilisation of the Trust Facilities and Collections;
- to house and care for any art collections, antiquities or other articles acquired by, loaned, created or otherwise made available to the Trust and particularly to preserve and maintain the Collections (subject to any de-accession policies developed by the Trustees);
- to lease land or other assets where the Trustees determine that such land or other assets can be used in conjunction with the Trust Facilities or to promote the objectives of the Trust;
- to solicit and raise funds and carry out such activities as are necessary or conducive for the carrying out and giving effect to the objects of the Trust;

## PERCY THOMSON TRUST – PERFORMANCE

- to encourage and foster liaison and co-operative activities with related facilities, particularly those in the Stratford district; and
- generally to do all acts, matters and things that the Trustees consider may advance the objects of the Trust.

For the avoidance of doubt, the objects of the Trust expressed above are set out in no particular order or priority and do not include an intention or purpose that the Trust operates a trading undertaking with the intention or purpose of making a profit, but rather that the Trustees fairly and efficiently manage the Trust Fund, the Trust Facilities and the Collections for the benefit of the people of Stratford District.

The Trust's objects shall only be carried out in, or to benefit people in the Stratford District. The Trustees may carry out activities outside the Stratford District to promote the Trust or the Trust's activities but only if they believe that such activities will be for the ultimate benefit of people in the Stratford District.

Level of Service	Performance Measures	Actual 2019/20	Target 2019/20
Delivery of art exhibitions	Deliver proposed art exhibitions which will include local, regional and at least 1 National.	<p><i>Not Achieved:</i> <i>Exhibitions that were unable to be delivered due to COVID-19:</i></p> <ul style="list-style-type: none"> <li>• Taranaki Arts Trail</li> <li>• Stratford Art Society</li> </ul> <p><i>Art exhibitions that were delivered throughout the year included the following:</i></p> <p><b>National –</b></p> <ol style="list-style-type: none"> <li>1. Remembering Rodin</li> <li>2. Angles of Perception – Woven Form</li> <li>3. The Crescent Moon</li> </ol> <p><b>Regional –</b></p> <ol style="list-style-type: none"> <li>1. Taranaki Artocracy</li> <li>2. Hidden Realms</li> <li>3. Bellringer Bellringer Wharehoka Smith</li> <li>4. Regional Embroiders Exhibition</li> </ol> <p><b>Local –</b></p> <ol style="list-style-type: none"> <li>1. State of the Art – Hanging with Rodin</li> <li>2. ENGRAM – Memory Trace</li> <li>3. Tell it Again: repetitions from the Archive</li> </ol> <p><b>(2018/19) – Achieved</b></p>	<i>Deliver proposed art exhibitions which will include local, regional and at least 1 National.</i>

## PERCY THOMSON TRUST – PERFORMANCE

Level of Service	Performance Measures	Actual 2019/20	Target 2019/20
	Number of visitors to the Gallery to be not less than 20,000 per year.	<p><i>Not Achieved</i>  <i>There were 19,262 visitors for the year, with the reduced numbers a direct result of the closure of the gallery due to COVID-19. Up to the COVID-19 lockdown, there was a total of 17,360 visitors, so the targeted number of visitors would have been achieved had the gallery not been forced to close.</i></p> <p><b>(2018/19) - Achieved) 26,656</b></p>	>20,000
	To operate to a “break-even” balance	<p><i>Not Achieved:</i>  <i>The trust did not break even, as a result of the reduction in revenue due to COVID-19, when the gallery and leased premises were closed. “Break even” is defined by the Trust as a cash surplus only, excluding depreciation, and receiving external funding to make up any shortfall in cash and the gain on sale of investments.</i></p> <p><b>(2018/19) - Achieved)</b></p>	<i>Operate within “break-even” budget</i>
Development and maintenance of arboretum	Develop and maintain the arboretum to the standards in the facilities management contract	<p><i>Achieved:</i>  <i>The arboretum has been maintained by Stratford District Council on behalf of the Trust, and meets the standards as set out in the Facilities Management Contract. The planting programme was also maintained, and continued on in conjunction with the plantings/replacement of native trees.</i></p> <p><b>(2018/19) - Achieved)</b></p>	<i>Develop and maintain the arboretum to the standards in the Facilities Management Contract</i>
Delivery of Herbarium	Deliver the herbarium via the internet	<p><i>Not Achieved:</i>  <i>The trust still looking at an alternative arrangement to deliver the herbarium via a third party, and will be done in conjunction with a review of the arboretum, which will be completed during the 2020/21 year.</i></p> <p><b>(2018/19) - Not achieved)</b></p>	<i>Deliver the herbarium via the internet.</i>

## PERCY THOMSON TRUST – PERFORMANCE



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## PERCY THOMSON TRUST – FINANCIAL STATEMENTS

### STATEMENT OF FINANCIAL PERFORMANCE FOR YEAR ENDED 30 JUNE 2020

	Note	Actual 2019/20 \$000	Budget 2019/20 \$000	Actual 2018/19 \$000
<b>Revenue</b>				
Council Funding - Grant		50	50	50
Sale of Goods and Services		59	60	72
Interest, Dividends and Other Investment Revenue		52	54	53
Other Grants, Subsidies and Donations Received	1	35	47	39
<b>Total Revenue</b>		<b>196</b>	<b>211</b>	<b>214</b>
<b>Expenses</b>				
Employee-related Costs	2	102	94	101
Depreciation of Property, Plant and Equipment	3	76	75	72
Other Expenditure	4	103	117	116
<b>Total Expenses</b>		<b>281</b>	<b>286</b>	<b>289</b>
<b>Surplus/(Deficit) from operations</b>		<b>(85)</b>	<b>(75)</b>	<b>(75)</b>
Gain on sale of investments		-	-	24
<b>Net Surplus/(Deficit) for the year</b>		<b>(85)</b>	<b>(75)</b>	<b>(51)</b>

Explanations of significant variances against budget are detailed in note 14.

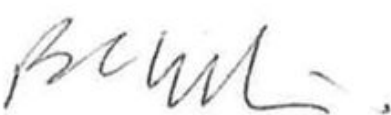
# PERCY THOMSON TRUST – FINANCIAL STATEMENTS

## STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

	Note	Actual 2019/20 \$000	Budget 2019/20 \$000	Actual 2018/19 \$000
<b>Assets</b>				
<b>Current Assets</b>				
Bank Accounts and Cash	5	41	200	195
Investments		250	250	250
Other Financial Assets	6	50	-	-
Debtors and Prepayments	7	3	10	9
<b>Total Current Assets</b>		<b>344</b>	<b>460</b>	<b>454</b>
<b>Non-Current Assets</b>				
Property, Plant and Equipment	3	1,972	1,804	1,810
Other Financial Assets	6	677	660	655
<b>Total Non-Current Assets</b>		<b>2,649</b>	<b>2,464</b>	<b>2,465</b>
<b>Total Assets</b>		<b>2,993</b>	<b>2,924</b>	<b>2,919</b>
<b>Liabilities</b>				
<b>Current Liabilities</b>				
Creditors and Accrued Expenses	8	20	5	53
Employee Costs Payable	9	8	2	7
<b>Total Current Liabilities</b>		<b>28</b>	<b>7</b>	<b>60</b>
<b>Total Liabilities</b>		<b>28</b>	<b>7</b>	<b>60</b>
<b>Trust Equity</b>				
Accumulated Surpluses	10	1,757	1,793	1,842
Contributed Capital	10	0.1	0.1	0.1
Revaluation Reserve	10	1,207	1,124	1,017
<b>Total Equity</b>		<b>2,965</b>	<b>2,917</b>	<b>2,859</b>
<b>Total Liabilities &amp; Equity</b>		<b>2,993</b>	<b>2,924</b>	<b>2,919</b>

The accompanying notes form part of these financial statements.

The Trust Board is approved and authorised to issue the financial statements on 2 October 2020.



B Ellis  
**CHAIRMAN**  
2 October 2020



C Craig  
**TRUSTEE**  
2 October 2020

## PERCY THOMSON TRUST – FINANCIAL STATEMENTS

### STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 30 JUNE 2020

	Note	Actual 2019/20 \$000	Actual 2018/19 \$000
<b>Cash Flows from Operating Activities</b>			
Receipts of Council Funding		50	50
Receipts from Sale of Goods and Services		68	69
Interest, Dividends and Other Investment Revenue		55	54
Receipts of Other Grants and Donations		35	39
Payments to Suppliers and Employees		(243)	(220)
Goods and Services Tax (net)		1	5
<b>Net Cash flow from Operating Activities</b>		<b>(34)</b>	<b>(3)</b>
<b>Cash Flows from Investing and Financing Activities</b>			
Receipts from Sale of Investments		-	704
Payments to Acquire Property Plant and Equipment		(48)	(15)
Payments to Acquire Investments		(72)	(625)
<b>Net Cash flow from Investing and Financing Activities</b>		<b>(120)</b>	<b>64</b>
<b>Net (Decrease)/Increase in Cash for the year</b>		<b>(154)</b>	<b>61</b>
Add opening bank accounts and cash		195	134
<b>Closing bank accounts and cash</b>	5	<b>41</b>	<b>195</b>

## **PERCY THOMSON TRUST – FINANCIAL STATEMENTS**

### **PERCY THOMSON TRUST ENTITY INFORMATION FOR THE YEAR ENDED 30 JUNE 2020**

#### **Legal name**

Percy Thomson Trust (the Trust).

#### **Type of entity and legal basis**

The Trust is incorporated in New Zealand under the Charitable Trusts Act 1957. The Trust is controlled by Stratford District Council and is a council-controlled organisation as defined in section 6 of the Local Government Act 2002.

#### **The Trust's purpose or mission**

The primary objectives of the Trust are to provide the Percy Thomson Gallery, Percy Thomson Arboretum and Percy Thomson Herbarium in accordance with the bequest left by the late Percy Thomson, and to be responsible for the ongoing maintenance of these assets.

#### **Structure of the Trust's operations, including governance arrangements**

The Trust comprises a Board of 7 Trustees who oversee the governance of the Trust, including a Chairman who is responsible for the day-to-day operations of the Trust and reporting to the Trustees, and six other voluntary members who support the Chairman in delivering against the Trust's objectives. At least 50% of the Trustees shall not be current elected members of the Stratford District Council.

#### **Main sources of the Trust's cash and resources**

An operating grant received from the Stratford District Council, investment income, and other forms of grant revenue are the primary sources of funding to the Trust.

#### **Outputs**

The Trust owns and maintains the building in which the gallery is situated and all expenses relating to this are incurred by the Trust. The Trust also promotes and exhibits various forms of art works in the gallery, and exhibition costs are also a major output for the Trust.



# PERCY THOMSON TRUST – FINANCIAL STATEMENTS

## STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 30 JUNE 2020

### ACCOUNTING POLICIES APPLIED

#### Basis of Preparation

The Board has elected to apply PBE SFR-A (PS) *Public Benefit Entity Simple Format Reporting – Accrual (Public Sector)* on the basis that the Trust does not have public accountability (as defined) and has total annual expenses of less than \$2 million.

All transactions in the financial statements are reported using the accrual basis of accounting.

The financial statements are prepared on the assumption that the Trust will continue to operate in the foreseeable future.

The financial statements are presented in NZ dollars, and all values are rounded to the nearest thousand dollars, as per paragraph A22 and A17 c of PBE tier 3 presentation and disclosure, unless stated otherwise.

#### Goods and Services Tax

The Trust is registered for GST. All amounts in the financial statements are recorded exclusive of GST, except for debtors and creditors, which are stated inclusive of GST.

### SIGNIFICANT ACCOUNTING POLICIES

#### Revenue

##### *Grants*

Council, government, and non-government grants are recognised as revenue when the funding is received unless there is an obligation to return the funds if conditions of the grant are not met (“use or return condition”). If there is such an obligation, the grant is initially recorded as a liability and recognised as revenue when conditions of the grant are satisfied.

##### *Sale of goods*

Revenue from the sale of goods is recognised when the goods are sold to the customer.

##### *Sale of services*

Revenue from the sale of services is recognised by reference to the stage of completion of the services delivered at balance date as a percentage of the total services to be provided.

##### *Interest revenue*

Interest revenue is recorded as it is earned during the year.

##### *Employee related costs*

Wages, salaries, and annual leave are recorded as an expense as staff provide services and become entitled to wages, salaries, and leave entitlements.

Performance payments are recorded when the employee is notified that the payment has been granted.

Superannuation contributions are recorded as an expense as staff provide services.

## PERCY THOMSON TRUST – FINANCIAL STATEMENTS

### *Advertising, marketing, administration, and other costs*

These are expensed when the related service has been received.

### *Bank accounts and cash*

Bank accounts and cash comprise a cheque account and deposits held at call with banks.

### *Debtors*

Debtors are initially recorded at the amount owed. When it is likely the amount owed (or some portion) will not be collected, a provision for impairment is recognised and the loss is recorded as a bad debt expense.

### *Investments*

Investments are comprised of term deposits with banks, listed bonds, listed shares, short term promissory notes issued by companies and Local Authorities, real estate, and professionally managed portfolios of investments.

Deposits with banks are initially recorded at the amount paid. If it appears that the carrying amount of the investment will not be recovered, it is written down to the expected recoverable amount.

Listed bonds and shares are initially recorded at the amount paid. If the market price of the investment falls below cost, the carrying value of the investment is reduced to the current market price. If the market price of the investment subsequently increases, the carrying amount of the investment is increased but limited to the original cost of the investment.

### *Property, plant, and equipment*

Property, plant, and equipment is recorded at cost, less accumulated depreciation and impairment losses.

Donated assets are recognised upon receipt of the asset if the asset has a useful life of 12 months or more, and the current value of the asset is readily obtainable and significant. Significant donated assets for which current values are not readily obtainable are not recognised.

For an asset to be sold, the asset is impaired if the market price for an equivalent asset falls below its carrying amount.

For an asset to be used by the Trust, the asset is impaired if the value to the Trust in using the asset falls below the carrying amount of the asset.

Depreciation is provided on a straight-line basis at rates that will write off the cost of the assets over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Furniture and fittings	10 to 20 years (5% to 10%)
Office Equipment	4 to 10 years (10% to 25%)
Buildings	10 to 80 years (1.25% to 10%).

## PERCY THOMSON TRUST – FINANCIAL STATEMENTS

### *Revaluation*

The Trust has adopted tier 2 standards regarding the revaluation of its land and buildings in accordance with PBE IPSAS 17.

Unless stated, valuations are carried out or reviewed by independent qualified valuers and are carried out at least on three yearly cycles. Valuations will be undertaken more regularly if necessary to ensure no individual item of property, land or equipment within a class has a carrying value that is materially different from its fair value.

Land and buildings were valued as at 1 January 2020 by Telfer Young (Taranaki) Ltd, independent valuers. Telfer Young have advised that COVID-19 had no impact on their assessment of valuations.

Revaluation increases and decreases will be transferred to equity.

### *Creditors and accrued expenses*

Creditors and accrued expenses are measured at the amount owed.

### *Employee costs payable*

A liability for employee costs payable is recognised when an employee has earned the entitlement. These include salaries and wages accrued up to balance date and annual leave earned but not yet taken at balance date.

### *Income tax*

Tax expense is calculated using the taxes payable method. As a result, no allowance is made for deferred tax.

Tax expense includes the current tax liability and adjustments to prior year tax liabilities.

### *Budget figures*

The budget figures are derived from the statement of intent as approved by the Board at the beginning of the financial year. The budget figures have been prepared in accordance with tier 3 standards, using accounting policies that are consistent with those adopted by the Board in preparing these financial statements.

### *Tier 2 PBE Accounting Standards applied*

The Trust has applied tier 2 accounting standards for asset revaluations only, in preparing its financial statements. This was to bring consistency in property revaluations between the Trust and its parent, the Stratford District Council.

## CHANGES IN ACCOUNTING POLICIES

There have been no changes to the accounting policies during the year.

# PERCY THOMSON TRUST – FINANCIAL STATEMENTS

## NOTES TO THE FINANCIAL STATEMENTS

### 1. Other Grants

	Actual 2019/20 \$000	Actual 2018/19 \$000
Grant - Taranaki Electricity Trust	3	15
Grant - TSB Community Trust	10	24
Wages subsidy	23	-
<b>Total Other Grants Received</b>	<b>35</b>	<b>39</b>

There are no unfulfilled conditions and other contingences attached to government grants recognised.

### 2. Employee-related Costs

	Actual 2019/20 \$000	Actual 2018/19 \$000
Salaries and Wages	99	97
Kiwisaver Contributions	3	3
Increase/(Decrease) in Employee Entitlements	1	1
<b>Total Employee-related Costs</b>	<b>102</b>	<b>101</b>

### 3. Property, Plant and Equipment

2020	Buildings \$000	Land \$000	Furniture and Fittings \$000	Office Equipment \$000	Arboretum \$000	Work in Progress - buildings \$000	Total \$000
Cost / Revaluation 1 July 2019	1,649	193	104	7	45	50	2,048
Less Accumulated depreciation	197	-	34	5	3	-	238
<b>Carrying amount 1 July 2019</b>	<b>1,452</b>	<b>193</b>	<b>71</b>	<b>2</b>	<b>42</b>	<b>50</b>	<b>1,810</b>
Additions	94	-	-	4	-	-	98
Transfers	-	-	-	-	-	(50)	(50)
Depreciation expense	(69)	-	(5)	(1)	(1)	-	(76)
Revaluation surplus (incl of depreciation reversed on revaluation)	141	42	-	-	8	-	190
<b>Carrying amount at 30 June 2020</b>	<b>1,618</b>	<b>235</b>	<b>66</b>	<b>5</b>	<b>48</b>	<b>-</b>	<b>1,972</b>

2019	Buildings \$000	Land \$000	Furniture and Fittings \$000	Office Equipment \$000	Arboretum \$000	Work in Progress - \$000	Total \$000
Carrying amount 1 July 2018	1,515	193	74	3	43	-	1828
Additions	2	-	2	-	-	50	54
Depreciation expense	(65)	-	(5)	(1)	(1)	-	(72)
<b>Carrying amount at 30 June 2019</b>	<b>1,452</b>	<b>193</b>	<b>71</b>	<b>2</b>	<b>42</b>	<b>50</b>	<b>1,810</b>

## PERCY THOMSON TRUST – FINANCIAL STATEMENTS

### 4. Other Expenses

	Actual 2019/20 \$000	Actual 2018/19 \$000
Fees to Principal Auditor		
<i>Audit Fees for Financial Statement Audit</i>	8	7
Operating Expenses		
<i>Property expenses</i>	27	21
<i>Art Gallery expenses</i>	45	65
<i>Other operating expenses</i>	23	23
<b>Total Other Expenses</b>	<b>103</b>	<b>116</b>

### 5. Bank Accounts and Cash

#### Current Assets

	Actual 2019/20 \$000	Actual 2018/19 \$000
Cheque Account	41	195
<b>Net Bank Accounts and Cash for the purposes of the Statement of Cash Flows</b>	<b>41</b>	<b>195</b>

### 6. Other Financial Assets

	Actual 2019/20 \$000	Actual 2018/19 \$000
<b>Current Portion</b>		
Financial Assets Available for Sale		
ASB Bank Ltd - 4.25% - matures 26/05/2021	50	-
<b>Total Current Portion</b>	<b>50</b>	<b>-</b>
<b>Non-current Portion</b>		
Financial Assets Available for Sale		
<u>Bonds</u>		
Fonterra Co-op Group - 4.33% - mature 20/10/2021	50	50
ASB Bank Ltd - 4.25% - matures 26/05/2021	-	50
ASB Bank Ltd - 4.20% - matures 24/02/2022	50	50
Meridian Energy Ltd - 4.88% - matures 20/03/2024	30	30
Auckland International Airport - 4.23% - matures 09/11/2022	25	25
Bank of New Zealand Fixed Rate - 5.31% - matures 17/12/2025	75	75
<u>Other Investments</u>		
Proportionate Ownership - Albany, Auckland	50	50
Proportionate Ownership - Manukau, Auckland	50	50
Proportionate Ownership - Porirua, Wellington	122	50
Proportionate Ownership - Albany, Auckland	75	75
Proportionate Ownership - Tauranga	50	50
Proportionate Ownership - Henderson, Auckland	100	100
<b>Total Non-current Portion</b>	<b>677</b>	<b>655</b>
<b>Total Other Financial Assets</b>	<b>727</b>	<b>655</b>

## PERCY THOMSON TRUST – FINANCIAL STATEMENTS

### 7. Debtors and Prepayments

	Actual 2019/20 \$000	Actual 2018/19 \$000
GST Refundable	-	5
Debtors	3	4
<b>Total Debtors and Prepayments</b>	<b>3</b>	<b>9</b>

### 8. Creditors and Accrued Expenses

	Actual 2019/20 \$000	Actual 2018/19 \$000
Creditors	1	46
Income received in advance	10	-
Accrued Expenses	9	7
<b>Total Creditors and Accrued Expenses</b>	<b>20</b>	<b>53</b>

### 9. Employee Costs Payable

	Actual 2019/20 \$000	Actual 2018/19 \$000
Annual Leave	8	7
<b>Total Employee Costs Payable</b>	<b>8</b>	<b>7</b>

### 10. Equity

	Actual 2019/20 \$000	Actual 2018/19 \$000
<b>Opening Equity</b>		
Contributed Capital	0.1	0.1
Revaluation Reserve	1,017	1,017
Accumulated Surpluses	1,842	1,893
<b>Total Opening Balance</b>	<b>2,859</b>	<b>2,910</b>
<b>Movements during the year</b>		
Surplus (Deficit)	(85)	(51)
Revaluation during the year	190	-
<b>Total</b>	<b>105</b>	<b>(51)</b>
<b>Closing Equity</b>		
Contributed Capital	0.1	0.1
Revaluation Reserve	1,207	1,017
Accumulated Surpluses	1,757	1,842
<b>Total Closing Equity</b>	<b>2,965</b>	<b>2,859</b>

## PERCY THOMSON TRUST – FINANCIAL STATEMENTS

### 11. Commitments and Leases

	Actual 2019/20 \$000	Actual 2018/19 \$000
<b>Financial Commitments</b>		
* Percy Thomson Trust will provide building space in the Complex for Sgt Peppers to operate, for the period to 1 June 2022, having just exercised its one further right of renewal for three years.	27	41
* Percy Thomson Trust had a capital commitment for improvements to the Percy Thomson Complex, which was completed in August 2019.	-	38
* Percy Thomson Trust will provide land outside the Complex for NZ Post to use as a box lobby, for the period to 31 May 2022, with one further right of renewal of two years.	2	1
<b>Total</b>	<b>29</b>	<b>80</b>
<b>Operating Leases as a Lessor</b>		
Not later than one year	15	15
Later than one year and not later than five years	14	27
Later than five years	-	-
<b>Total operating leases as a lessor</b>	<b>29</b>	<b>42</b>
<b>Capital commitments</b>		
Not later than one year	-	38
<b>Total capital commitments</b>	<b>-</b>	<b>38</b>

### 12. Related Party Transactions

The Trust is a subsidiary of Stratford District Council and receives an operating grant from the Council to deliver its objectives as specified in the Trust Deed. The Stratford District Council is the ultimate controlling party.

Chairman Bruce Ellis was a Director of Maat Consulting Ltd until December 2019, whom the Trust have purchased proportionate ownership investment through.

Trustees who have a relationship with the Stratford District Council:

- Gloria Webby, Deputy Chairman, is a Councillor;
- Christine Craig, Trustee, is an employee of Stratford District Council; and
- Keryn Walsh, Trustee was a Councillor to October 2019.

The following transactions were carried out with related parties at normal commercial terms:

	Actual 2019/20 \$000	Actual 2018/19 \$000
<b>Stratford District Council</b>		
Grant received from the Council	50	50
Rent received from Council for the Information Centre	18	18
Fees paid to Council for administration services	21	21

## PERCY THOMSON TRUST – FINANCIAL STATEMENTS

### 13. Events After the Balance Sheet Date

There were no significant events after balance date.

### 14. Explanations of major variances against budget

Explanations for major variances from the Trust's budgeted figures in the 30 June 2020 Statement of Intent are as follows:

#### *Statement of Financial Performance*

- Revenue from gallery hire and commissions was less than budget due to the gallery closures during COVID-19.
- Revenue from grants was less than budget due to the current market situation, however the Trust did receive the wage subsidy payment as a result of COVID-19.
- Expenditure was also less than budget due to COVID-19, although employee costs were higher than anticipated as additional hours were required to install and de-install exhibitions.
- The land and buildings were revalued during the year, and the new valuations were higher than anticipated.

#### *Statement of Financial Position*

- The land and buildings were revalued during the year, and the new valuations were higher than anticipated.
- The cash balance was less than budget as additional funds were required to renew parts of the main complex building during the year.

### 15. COVID-19 Disclosure

#### *Financial Impacts*

- No revenue from gallery hire or commissions during levels 3 and 4;
- No revenue from the leased café during levels 3 and 4 as they were unable to access the premises;
- Wage subsidies were received for employees due to the reduced revenue;
- The revaluation of land and buildings was not affected by COVID-19.

#### *Non Financial Impacts*

- The target for visitor numbers for the year was not achieved, however the gallery would have met the 20,000 target had it not been closed for COVID-19;
- The target for the delivery of exhibitions was not met due to COVID-19;
- The break-even performance measure was not achieved due to the reduction in revenue;
- The Trust will continue to operate as a going concern, and COVID-19 had no impact on the future of the Trust.



# DECISION REPORT



F19/13 – D20/27161

**TO:** Council

**FROM:** Director – Corporate Services

**DATE:** 13 October 2020

**SUBJECT:** **ADOPT ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2020**

9

## RECOMMENDATIONS

1. THAT this report be received.
2. THAT the Annual Report for the year ended 30 June 2020 be received and adopted.
3. THAT the Mayor and the Chief Executive be given authority to sign the Annual Report for the year ended 30 June 2020, incorporating any late, minor changes that may be required by Audit New Zealand.
4. THAT the Chief Executive be authorised to publish a Summary Annual Report for the year ended 30 June 2020 once the Audit Report to the Summary Report has been received from Audit New Zealand.

## Recommended Reason

Section 98A of the Local Government Act 2002 requires Council to adopt the Annual Report 2019/20 by 31 December 2020. The Annual Report gives the community transparency on the Council's performance for the year.

It is a statutory requirement for a local authority to, within one month after the adoption of its Annual Report; make publicly available a summary of the information contained in its Annual Report.

\_\_\_\_\_  
Moved/Seconded

## 1. PURPOSE OF REPORT

The purpose of this report is to receive, consider, and adopt the Annual Report for the year ended 30 June 2020 and to authorise the publication of a Summary Annual Report for the year ended 30 June 2020.

## 2. EXECUTIVE SUMMARY

- 2.1 There is a statutory requirement that every Annual Report must be completed and adopted by Council resolution, within four months after the end of the financial year to which it relates. It is also a statutory requirement for a local authority to, within one month after the adoption of its annual report; make publicly available a summary of the information contained in its annual report. Note – these timeframes have been extended under Section 98A of the Local Government Act 2002, so the due date for adoption of the Annual Report for 2019/20 for all local authorities is 31 December 2020.
- 2.2 Audit New Zealand have advised Council staff that they expect to issue Council with an Unmodified Audit Opinion with an “Emphasis of Matter” attached. The “Emphasis of Matter” highlights readers of the report to the effects of Covid-19 on Council’s performance and operational results for the year ended 30 June 2020. This has been added to all local authorities audit reports from Audit New Zealand.
- 2.3 At the time of writing this decision report, the Audit Manager was still in the final stages of reviewing the audit of the Annual Report document, so there may be some minor changes as a result.

## 3. LOCAL GOVERNMENT ACT 2002 – SECTION 10

Under section 10 of the Local Government Act 2002, the Council’s purpose is to “enable democratic local decision making by and on behalf of communities; as well as promoting the social, economic, environmental, and cultural well-being of communities now and into the future”			
Does the recommended option meet the purpose of the Local Government 4 well-beings? And which:		Yes - All	
Social	Economic	Environmental	Cultural
✓	✓	✓	✓

It is to the benefit of all ratepayers in the District and organisations to whom Council is accountable for in its decision making. The release of the report meets the requirements of good quality local public service and providing for Community Outcomes in relation to all four well-beings.

#### 4. **BACKGROUND**

- 4.1 Audit New Zealand has completed their audit of Council's Annual Report for the year ended 30 June 2020. It is expected that an unmodified audit opinion will be issued.
- 4.2 Before Audit New Zealand issue their audit report for the Council's Annual Report, the Annual Report is required to be adopted by Council.
- 4.3 The Summary Annual Report is a separate high-level concise document that must represent fairly and consistently the information regarding the major matters detailed in the Annual Report. Audit New Zealand has to provide Council with an Audit Report on the Summary Annual Report which has to be published within one month after the adoption of the Annual Report.

#### 5. **CONSULTATIVE PROCESS**

##### 5.1 **Public Consultation - Section 82**

There is no requirement for public consultation on Council's Annual Report or the Summary Annual Report for the year ended 30 June 2020.

##### 5.2 **Māori Consultation - Section 81**

There are no specific issues related to iwi concerning the adoption of the Annual Report or the signing-off of the Summary Annual Report.

#### 6. **RISK ANALYSIS**

Please refer to the Consequence and Impact Guidelines at the front of the reports in this agenda.

- Is there a:
  - financial risk;
  - human resources risk;
  - political risks; or
  - other potential risk?
- If there is a risk, consider the probability/likelihood of it occurring.
- Is there a legal opinion needed?

If Council doesn't adopt the report within the legislative timeframes, the Auditor-General will report on this publically and there could be adverse political and reputational risk, and increased oversight by auditors going forward.

## 7. DECISION MAKING PROCESS - SECTION 79

### 7.1 Direction

	<b>Explain</b>
Is there a strong link to Council's strategic direction, Long Term Plan/District Plan?	Yes, the Annual Report compares the actual activities and the actual performance of Council for the year ended 30 June 2020 with the intended activities and the intended level of performance as set out in year two of the Council's 2018–2028 Long Term Plan.
What relationship does it have to the communities' current and future needs for infrastructure, regulatory functions, or local public services?	It provides a snapshot of the Council's financial position, and gives a view as to Council's financial sustainability in order to meet the current and future infrastructure needs.

### 7.2 Data

- |  |
|--|
| <ul style="list-style-type: none"> <li>• Do we have complete data, and relevant statistics, on the proposal(s)?</li> <li>• Do we have reasonably reliable data on the proposals?</li> <li>• What assumptions have had to be built in?</li> </ul> |
|--|

- Preliminary financial results for the year ended 30 June 2020 were presented at the Policy and Services Committee meeting on 28 July 2020.
- The final result, after year-end adjustments, shows a net operating surplus for the year of \$8,022,000, against the Annual Plan 2019/20 budgeted surplus of \$4,822,000. The budgeted surplus includes subdivision sales of \$4,360,000 of which the sales proceeds would be used to repay debt.

The key reason for the variance in the surplus is that Council assumed ownership of the TET Stadium Building, of which the independent market value of the building (\$6,786,000) less any price paid by Council (which was nil), under accounting standards, is to be treated as vested assets revenue.

Removing the vested asset revenue from the net operating surplus, the actual adjusted surplus is \$1,236,000. This is largely because Subdivision Sales were \$3,068,000 lower than budgeted. Note – all sections have now been sold or are under contract.

- Council set itself 93 performance targets of which 74 (80%) were achieved, and 19 (20%) were not achieved. The performance measures not achieved are explained in further detail within the Annual Report document. Some measures were not able to be achieved due to the Covid-19 Level 4 Lockdown from March to May 2020 forcing all public-facing facilities to close down.

7.3 **Significance**

	Yes/No	Explain
Is the proposal significant according to the Significance Policy in the Long Term Plan?	No	
Is it:	No	
• considered a strategic asset; or	No	
• above the financial thresholds in the Significance Policy; or	No	
• impacting on a CCO stakeholding; or	No	
• a change in level of service; or	No	
• creating a high level of controversy; or	No	
• possible that it could have a high impact on the community?	No	

In terms of the Council's Significance Policy, is this proposal of high, medium, or low significance?		
HIGH	MEDIUM	LOW
		✓

7.4 **Options**

<p>An assessment of costs and benefits for each option must be completed. Use the criteria below in your assessment.</p> <ol style="list-style-type: none"> <li>1. What options are available?</li> <li>2. For <b>each</b> option: <ul style="list-style-type: none"> <li>• explain what the costs and benefits of each option are in terms of the present and future needs of the district;</li> <li>• outline if there are any sustainability issues; and</li> <li>• explain if the outcomes meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions?</li> </ul> </li> <li>3. After completing these, consider which option you wish to recommend to Council, and explain: <ul style="list-style-type: none"> <li>• how this option is the most cost effective option for households and businesses;</li> <li>• if there are any trade-offs; and</li> <li>• what interdependencies exist.</li> </ul> </li> </ol>
---

There is a statutory requirement to adopt the Annual Report by 31 December 2020.

It is also a statutory requirement for a local authority to, within one month after the adoption of its annual report; make publicly available a summary of the information contained in its annual report.

The recommended option is to approve the recommendations to adopt the Annual Report 2019/20, subject to any minor changes as requested by Audit New Zealand.

However, if Council does not agree to adopt the Annual Report, there is still time to make any changes. Note – any further changes done at Council’s request (rather than at the request of Audit New Zealand) will require additional audit review by Audit New Zealand.

7.5 **Financial**

- Is there an impact on funding and debt levels?
- Will work be undertaken within the current budget?
- What budget has expenditure come from?
- How will the proposal be funded? eg. rates, reserves, grants etc.

By adopting this report there is no financial impact to Council.

7.6 **Prioritisation & Trade-off**

- Have you taken into consideration the:
- Council’s capacity to deliver;
  - contractor’s capacity to deliver; and
  - consequence of deferral?

The recommended option carries no direct implications to Council’s capacity to deliver its services as proposed in the Long Term Plan or Annual Plan.

7.7 **Legal Issues**

- Is there a legal opinion needed?
- Are there legal issues?

It is a statutory requirement under Section 98 and 98A of the Local Government Act 2002 for Council to adopt the Annual Report 2019/20 by 31 December 2020.

It is a statutory requirement under Section 98 (4) for a local authority to, within one month after the adoption of its Annual Report; make publicly available its Annual Report and a summary of the information contained in its Annual Report.

7.8 **Policy Issues - Section 80**

- Are there any policy issues?
- Does your recommendation conflict with Council Policies?

The recommendation is not in conflict with Council Policies.

**Attachment:**

**Appendix 1** Stratford District Council 2019/20 Annual Report



Prepared by  
Tiffany Radich  
**DIRECTOR – CORPORATE SERVICES**



Approved by  
Kate Whareaitu  
**CHIEF EXECUTIVE**

**DATE:** 6 October 2020



APPENDIX 1

STRATFORD DISTRICT COUNCIL  
**ANNUAL REPORT**  
2019/20





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# Message from the Mayor and Chief Executive

Tēnā koutou katoa

Welcome to Stratford District Council's Annual Report for 2019/20.

When we wrote the plan for 2019/20, no-one knew that our community would spend four months, a third of the financial year covered by this report, in the shadow of the coronavirus pandemic. This interrupted everyone's lives in different ways and equally impacted some of Council's delivery of services and the progress of our capital projects.

Despite the disruption caused by the pandemic, we are pleased to report the following achievements for the 2019/20 financial year:

- Pandemic response – Regardless of the restrictions imposed by the pandemic, Council continued to deliver all core services (Water Supply, Wastewater, Stormwater, Roading and Solid Waste) as well as a number of activities that enabled businesses and residents to retain at least some elements of normality throughout Covid-19 Alert Levels. This included:
  - Our Customer Service Centre, who did everything in their power to support customers, whether the call was about council business, pandemic related information or just for a friendly chat.
  - Governance – with elected members unable to meet in person, a quick change in processes enabled meetings to be held online. As a result, council schedules could largely be retained and elected members were able to support the community throughout the pandemic.
  - Building control – the team managed to process consents throughout Alert Levels and while things slowed down a little bit, activity returned to strong levels once restrictions were lifted.
  - Our Library, who adjusted processes to enable click and collect as well as home delivery services of library items.
  - Civil Defence – Council staff were heavily involved in the regional Civil Defence response to the pandemic, be it in staffing the regional Emergency Coordination Centre or delivering essential supplies to the community.
- Sections on the Council led residential subdivision off Pembroke Road went on sale and are selling well, with 11 sections sold by the end of the financial year.
- Good progress has been made on the new swimming pool development, with procurement to start once the location of the new facility is confirmed. The location was approved by Council after the year end.
- The children's bike park is fully designed and was included in a funding application to Central Government. Funding was approved after year end.
- Central Government funding for the sealing of the currently unsealed section, as well as safety improvements along the length of State Highway 43, being \$23 million in total, has been confirmed.
- The resource consent renewal process for Stratford's wastewater treatment has been completed.
- Long-standing, historic residential boundary issues in Midhirst have been resolved.
- Drinking water compliance – once again, all three of our water schemes achieved provisional full compliance.
- Civil Defence readiness - Council completed the setup of its Emergency Operations Centre which can be fully operational within an hour and supported by a good number of staff and community volunteers that are trained and ready to take up responsibilities as required.

## Operating Results

We finished the year with an operating surplus of \$8,022,000 (before gains on the revaluation of property, plant and equipment; and financial assets), compared to a budgeted surplus of \$4,822,000.

Financial Position

Council did achieve some significant cost savings during the year, however, as a number of council services were unable to operate, there was also a slight reduction in revenue.

The council-owned farm delivered a record production this season of 154,178 kg/milk solids from 370 cows. The net profit for the farm was \$197,000, of which \$50,000 went towards subsidising general rates, and the remainder repaying farm debt. With this, and the sale of a section at the farm, the farm debt reduced by \$811,000, to \$1,968,000 at year end. At year end, all the all riparian planting and fencing work required to be compliant with regulations was completed.

General Performance

Responses from our annual customer survey showed a high level of satisfaction. Once again good responses were received on Stratford being an attractive place to live (95% agreed), Stratford being a safe place (96% agreed), and Stratford offering a healthy lifestyle (96% agreed).

Performance as measured by Council's Key Performance Indicators was strong, with 79.57% of targets being achieved (2018/19 was 76.67%). For many of the targets not achieved, work to remedy the underlying cause has been completed and further work to address shortcomings will be included in the upcoming annual plan. Overall, and despite the challenges faced, this has been a very successful year for Council as we continue to strive for excellent service standards. The year ahead looks both exciting and challenging with high community expectations that the council will deliver on all Long Term Plan commitments and an increased programme of works due to additional government funding.



Neil Volzke, JP  
**DISTRICT MAYOR**

Sven Hanne  
**CHIEF EXECUTIVE**

## **COVID-19 Impact Disclosure**

The Covid-19 pandemic resulted in operational changes to several Council activities, including the closure of most non-essential facilities during Alert Levels 3 and 4 and reduced services during Alert Level 2.

Although Covid-19 resulted in a drop in revenue for our public facing revenue generating activities during Alert Levels 3 and 4 (from late March to late May), it did not have a significant impact on the operational financial results for the year. The activities that saw a reduction of more than 50% in revenue during this period included all sports facilities and halls, the Library, TSB Pool Complex, the Information Centre, and building control activity. Council also saw a slight decrease in operational costs to deliver these activities.

There was no effect on rates revenue collection, assets valuation and treasury management.

Of more significant impact was the effect on Capital Expenditure, and the effect on Non-Financial Performance Measures.

### **Capital Expenditure**

In June 2020, Council decided to carry forward around \$2.3m of capital expenditure projects (31% of the annual capital expenditure budget). With only essential services able to be carried out in Alert Levels 3 and 4, many of these projects were unable to be completed within the intended timeframe. Some of the projects carried forward include the Council subdivision, roading and three waters renewals and improvements, and transfer station building renewals.

### **Non-Financial Performance Measures**

Covid-19 impacted on the measures largely relating to visitor numbers, including visitors to the Pool, Library, Information Centre, War Memorial Centre and Percy Thomson Gallery. Had these facilities been open for the full year, it is assumed that most of the visitor performance measure numbers would have been achieved, excluding perhaps the Library.

The Solid Waste performance measure for the percentage (by weight) of the council controlled waste stream that is recycled was also not achieved. This was due to the regional materials recovery facility (MRF) being closed during Alert Levels 3 and 4, resulting in recyclables having to be landfilled.

# Our Council

## Mission Statement

To serve the district and its communities through advocacy, promotion, services, facilities and positive leadership.

## Our Vision

A progressive, prosperous district where communities are celebrated.

## Our Values

**Integrity** - Be loyal to the organisation and trustworthy, honest and courteous with everyone we deal with.

**Teamwork** - Work together in the same direction, assist each other and have respect for others. Maintain a positive attitude and encourage teamwork.

**Excellence** - Be effective in everything we do using our experience and knowledge. Do the right thing at the right time. Be efficient by being cost effective and ensure prudent management of public money and assets.

**Pride** - Take pride in our performance and our organisation.

**Commitment** - Have commitment and respect for each other, our business and our customers.

**Innovation** - Examine alternatives, challenge the obvious and have a flexible attitude.

# Community Outcomes

## Overall Vision

Council spent time reviewing its vision statement for the district and will aspire to be:

**“A progressive, prosperous district where communities are celebrated.”**

**To the deliver the vision we will develop strategies, policy and procedures that facilitate and encourage:**

- Outstanding Leadership;
- Affordable, Quality Services and Infrastructure;
- A strong Community;
- A smart, Vibrant and Prosperous District;
- Stratford District as a unique destination;
- Financial Strength; and
- Growth

Council has a role on behalf of the community it represents in planning, delivering and monitoring parts of this vision.

Council has held workshops to refine the outcomes to better reflect what is important to Stratford. These are then used to provide direction and inform Council on service delivery and use of resources. These community outcomes are detailed below:

COMMUNITY OUTCOME	WHAT COUNCIL WILL DO
<b>Outstanding Leadership</b>	<ul style="list-style-type: none"> <li>• We will maintain and grow Stratford District as a desirable place to live, work, invest and play.</li> <li>• We will ensure strong advocacy for the community at a regional and national level.</li> <li>• We will take a positive leadership role in growing and developing the urban environment.</li> </ul>
<b>Affordable, Quality Services and Infrastructure</b>	<ul style="list-style-type: none"> <li>• We will focus on meeting the current and future needs of our communities by providing good quality infrastructure, and local public services</li> <li>• We will perform regulatory functions in a way that is most cost effective to households and businesses</li> </ul>
<b>Strong Community</b>	<ul style="list-style-type: none"> <li>• We will work with partners to provide and support high level of access to health, education, social and recreational services and facilities.</li> <li>• We will work proactively to recognise and embrace the bicultural nature of our district through functional relationships with iwi authorities.</li> <li>• We will work proactively to recognise and embrace the multicultural nature of our district.</li> </ul>
<b>Smart, Vibrant and Prosperous District</b>	<ul style="list-style-type: none"> <li>• We will work to create an attractive and safe built environment.</li> <li>• We will work creatively and collaboratively to develop an attractive, vibrant and prosperous CBD</li> </ul>
<b>Stratford District as a unique destination</b>	<ul style="list-style-type: none"> <li>• We will look to work collaboratively to support, build on and promote our uniqueness.</li> </ul>
<b>Financial Strength</b>	<ul style="list-style-type: none"> <li>• We will fund infrastructure development and capital works in a way that is most cost effective for households and businesses, seeking alternative funding to rates where possible.</li> <li>• We will ensure the financial security of Council is not compromised.</li> </ul>
<b>Growth</b>	<ul style="list-style-type: none"> <li>• We will grow a strong and prosperous local economy that attracts, welcomes and retains businesses and residents</li> <li>• We will actively promote the district and its lifestyle</li> <li>• We will support and participant in regional economic development initiatives for the benefit of the Stratford District and its residents</li> <li>• We will ensure the availability of suitable land for development for residential and commercial purposes</li> </ul>

The group of activities contribute predominantly to the following outcomes:

Activities	Outstanding Leadership	Affordable, Quality Services and Infrastructure	Strong Community	Smart, Vibrant and Prosperous District	Stratford District as a unique destination	Financial Strength	Growth
Community Services	✓	✓	✓	✓	✓	✓	✓
Democracy	✓	✓	✓	✓	✓	✓	✓
Economy	✓	✓	✓	✓	✓	✓	✓
Environmental Services	✓	✓	✓	✓	✓	✓	✓
Civil Defence & Emergency Management	✓	✓	✓	✓	✓	✓	
Roading		✓		✓	✓	✓	✓
Stormwater		✓	✓			✓	✓
Wastewater		✓	✓			✓	✓
Solid Waste		✓	✓			✓	✓
Water Supply		✓	✓			✓	✓

The above activities continue to deliver positively towards their intended outcomes as planned.

The group of activities meet the purpose of the Local Government four well-beings as follows:

Activities	Cultural	Social	Economic	Environmental
Aerodrome		✓	✓	
Civic Amenities		✓		
Community Development	✓	✓		
Library	✓	✓		
Parks, Reserves and Cemeteries		✓		✓
TSB Pool Complex	✓	✓	✓	
Democracy	✓	✓	✓	✓
Economic Development	✓		✓	
Information Centre	✓		✓	
Rental and Investment Properties			✓	
Building Services	✓			✓
Planning			✓	✓
Community Health and Safety			✓	
Civil Defence and Emergency Management		✓		✓
Roading		✓	✓	
Stormwater			✓	✓
Wastewater			✓	✓
Solid Waste			✓	✓
Water Supply			✓	✓



## **Opportunities for Māori Contribution to Decision-Making Process**

Section 81 of the Local Government Act 2002 sets out the obligations for Council to both consult with Māori and encourage Māori involvement in Council's decision making processes.

Māori includes those with tangata whenua acknowledged as Ngāti Ruanui, Ngāruahine, Ngāti Maru, Ngāti Mutunga, Ngā Rauru, Ngāti Tama and Te Atiawa. Council also recognises the role of Whakaahurangi Marae within the district.

Council currently has an on-going commitment to Māori consultation with respect to all of its planning processes, including those under the Resource Management Act 1991.

Schedule 10(8) of the Local Government Act 2002 further requires Council to state the steps it intends to take to foster the development of Māori capacity to contribute to decision making processes.

To further foster Māori capacity to contribute to decision making processes Council proposes to:

- Adopt a more formal approach to involving Māori in decision making by having regular liaison meetings.
- Facilitate involvement in significant events.
- Offer training for Council staff and Councillors on marae protocol, local history and related legislation.
- Provide an interpreter on request should Māori wish to present submissions to Council in Te Reo Māori.

Council is also mindful that there may be additional processes which are also appropriate. Council will therefore continue to consult with Māori in the district on its decision making, taking into account the nature and significance of the decision to Māori. Council will also seek opportunities to expand the engagement model to accommodate any additional consultation mechanisms preferred by Māori.

## Council Structure

### ELECTED MEMBERS

Council consists of a District Mayor and ten Councillors.

#### DISTRICT MAYOR

Neil Volzke, JP  
Mobile: 027 631 7418  
Email:  
[nvolzke@stratford.govt.nz](mailto:nvolzke@stratford.govt.nz)

#### URBAN WARD

Deputy Mayor Alan Jamieson JP  
Mobile: (027) 533 1167  
Email:  
[alan.jamieson@stratford.govt.nz](mailto:alan.jamieson@stratford.govt.nz)

Councillor Peter Dalziel  
Mobile: (027) 509 8830  
Email:  
[peter.dalziel@stratford.govt.nz](mailto:peter.dalziel@stratford.govt.nz)

Councillor Jono Erwood  
Mobile: (027) 640 4008  
Email:  
[jono.erwood@stratford.govt.nz](mailto:jono.erwood@stratford.govt.nz)

Councillor Min McKay  
Phone: (027) 472 5904  
Email:  
[min.mckay@stratford.govt.nz](mailto:min.mckay@stratford.govt.nz)

Councillor John Sandford, JP  
Mobile: (027) 496 2278  
Email:  
[john.sandford@stratford.govt.nz](mailto:john.sandford@stratford.govt.nz)

Councillor Gloria Webby  
Mobile: (021) 022 62258  
Email:  
[gloria.webby@stratford.govt.nz](mailto:gloria.webby@stratford.govt.nz)

#### RURAL WARD

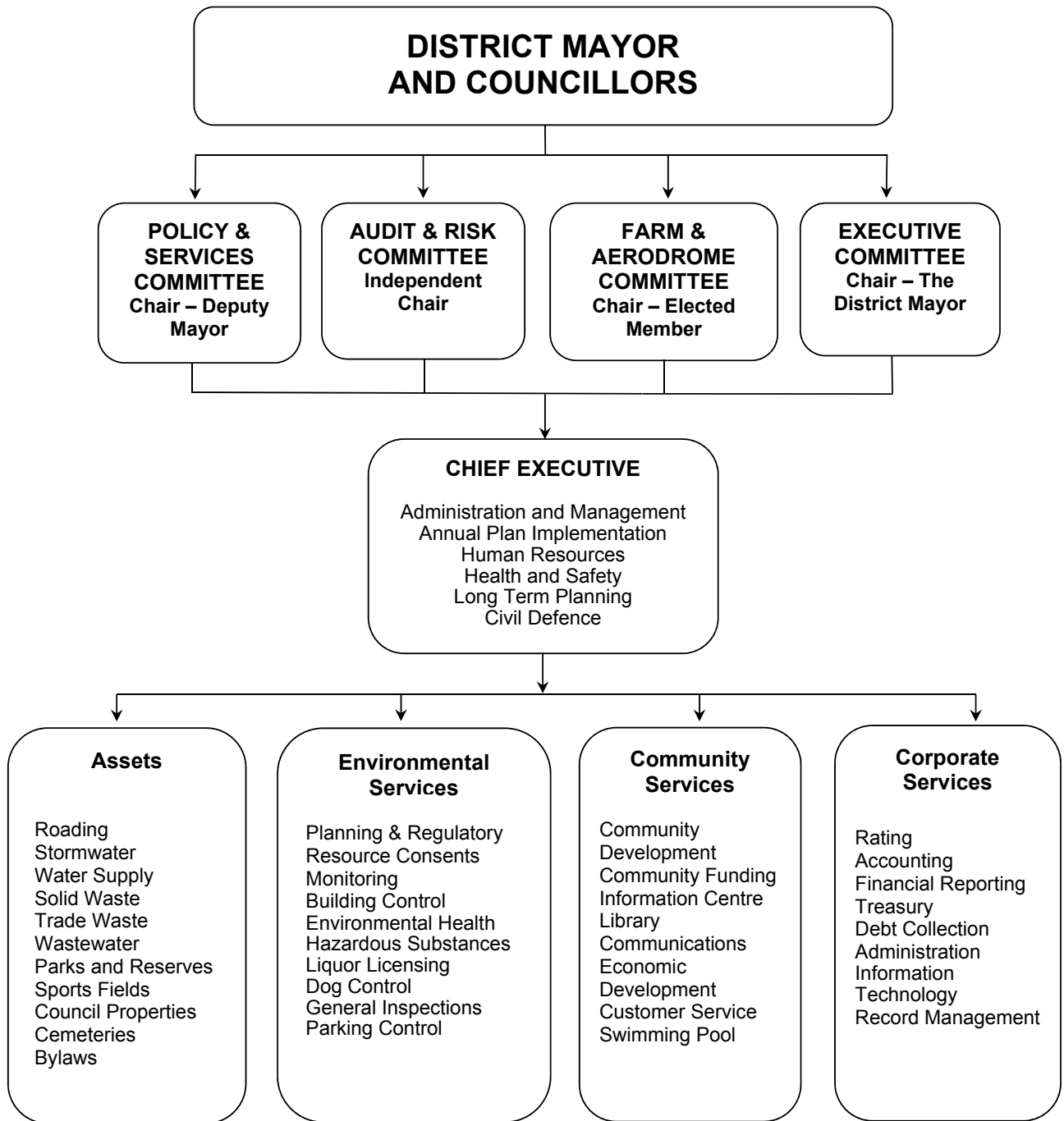
Councillor Grant Boyde, JP  
Mobile: (027) 603 2842  
Email:  
[grant.boyde@stratford.govt.nz](mailto:grant.boyde@stratford.govt.nz)

Councillor Rick Coplestone  
Mobile: (027) 264 5154  
Email:  
[rick.coplestone@stratford.govt.nz](mailto:rick.coplestone@stratford.govt.nz)

Councillor Amanda Harris  
Mobile: (027) 698 8291  
Email:  
[amanda.harris@stratford.govt.nz](mailto:amanda.harris@stratford.govt.nz)

Councillor Vaughan Jones  
Phone: (027) 620 2106  
Email:  
[vaughan.jones@stratford.govt.nz](mailto:vaughan.jones@stratford.govt.nz)

# Council Governance



## Standing Committee Membership

	Council	Policy & Services Committee (Includes Hearings)	Executive Committee	Audit & Risk Committee	Farm & Aerodrome Committee	Sport & New Zealand Rural Travel Fund
Frequency	Monthly	Monthly	As required	5x per year	Quarterly	2x per year
<b>Elected Member</b>						
District Mayor – N Volzke	*	●	*	●		
Deputy Mayor – A Jamieson	●	*	●	●		
Cr G Boyde	●	●			*	
Cr R Coplestone	●	●				
Cr P Dalziel	●	●	●	●	●	
Cr J Erwood	●	●	●	●		●
Cr A Harris	●	●				●
Cr V Jones	●	●			●	●
Cr M McKay	●	●		●		
Cr W Sandford	●	●	●			*
Cr G Webby	●	●				

\* Chairperson

● Member of Committee

## Highlights

The purpose of this Annual Report is to outline the financial performance for the 2019/20 year, identify any changes from the 2018-2028 Long Term Plan (LTP), contribute to the accountability of the Council to its community, and extend opportunities for participation by the public in decision-making processes.

<b>RATING BASE and STATISTICAL INFORMATION FOR THE YEAR ENDED 30 JUNE 2020</b>	
<b>Rating Base Information</b>	
<b>Rating units within Stratford District Council at the end of the preceding financial year (30 June 2019)</b>	
- Number of Rateable Assessments	4,737
- Total Number of Rating Units	5,087
<b>Valuations of the district (including non rateable)</b>	
- Land Value of Rating Units	\$2,014,989,500
- Improvements	\$1,247,135,800
<b>- Total Capital Value of Rating Units</b>	<b>\$3,262,125,300</b>
<b>Statistical Information</b>	<b>30 June 2020</b>
<b>Land Area</b>	2170 sq km
<b>Population (as per 2018 census)</b>	9,474
<b>Public Debt / Term Liabilities</b>	\$15,500,000
<b>Debt per Head of Population</b>	\$1,636
<b>Debt per Rateable Assessment</b>	\$3,272
<b>Debt Servicing as a Percentage of Rate Revenue (max 20%)</b>	3.21%
<b>Full Time Equivalent Staff at 30 June 2020</b>	55
<b>Roads</b> - Sealed	391.1 km
- Unsealed	206.7 km

The operating result for the year ended 30 June 2020 demonstrates the Council's commitment to delivering its services to the community within the financial parameters of its LTP.

<b>FINANCIAL</b>			
<b>For the years ended:</b>	<b>30-Jun-20</b>	<b>30-Jun-20</b>	<b>30-Jun-19</b>
	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
<b>Revenue</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
- Rates	12,750	12,807	12,256
- All Other Revenue	15,012	10,642	7,366
<b>Total Revenue</b>	<b>27,762</b>	<b>23,449</b>	<b>19,622</b>
<b>Total Operating Expenditure</b>	<b>19,740</b>	<b>18,626</b>	<b>19,347</b>
<b>Net Surplus (Deficit)</b>	<b>8,022</b>	<b>4,822</b>	<b>275</b>
<b>Capital Expenditure</b>	4,867	7,467	7,176
<b>Working Capital</b> (excludes current portion of debt repayment which will be refinanced immediately)	6,647		3,532
Current Ratio (Budget not to be less than 1:1)	1.53:1		1:1.09
<b>Public Debt per Head of Population</b>	\$1,636		\$1,613
<b>Rates per Head of Population</b>	\$1,346		\$1,364

The Statement of Financial Position shows the Council's assets, liabilities and its net worth known as equity.

Council's net worth has increased from \$312.1 million to \$321.2 million an increase of \$9.1 million primarily due to the revaluation of land and building as at 1 January 2020 and the vesting to Council of the TET Multi Sports Centre.

### Financial Strategy

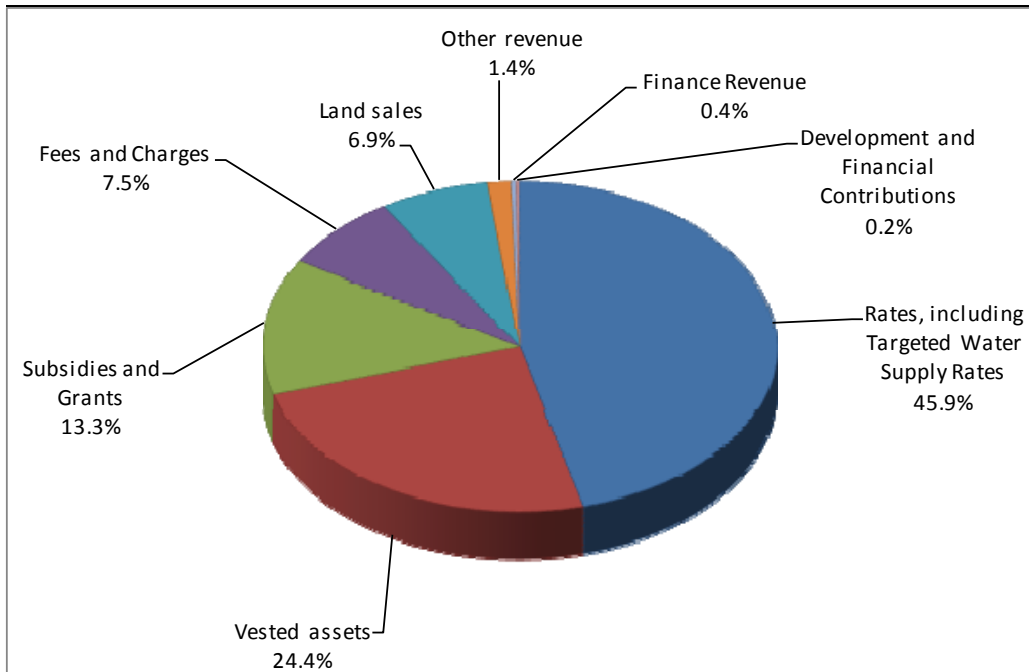
The Financial Strategy was updated by Council in 2018 and is within the LTP 2018-28 document. The objective of the Financial Strategy is to ensure that debt, revenue, and expenditure are managed in a way that ensures service levels are able to be maintained in a financially sustainable way. To achieve this, the Council has set limits on debt, rates increases, and the UAGC, as outlined below. In 2019/20, the rates measures were in compliance.

		<b>Council's Target (limits)</b>	<b>LTP – 2019/20</b>	<b>Actual – 2019/20</b>
<b>Debt</b>	Net debt as a % of total annual revenue	<100%	63%	49.76%
<b>Income &amp; Affordability</b>	% Rates Increase	<4.45%	4.69%	4.04%
<b>Fixed Rate</b>	Uniform Annual General Charge (UAGC)	<30%	21.4%	24.5%

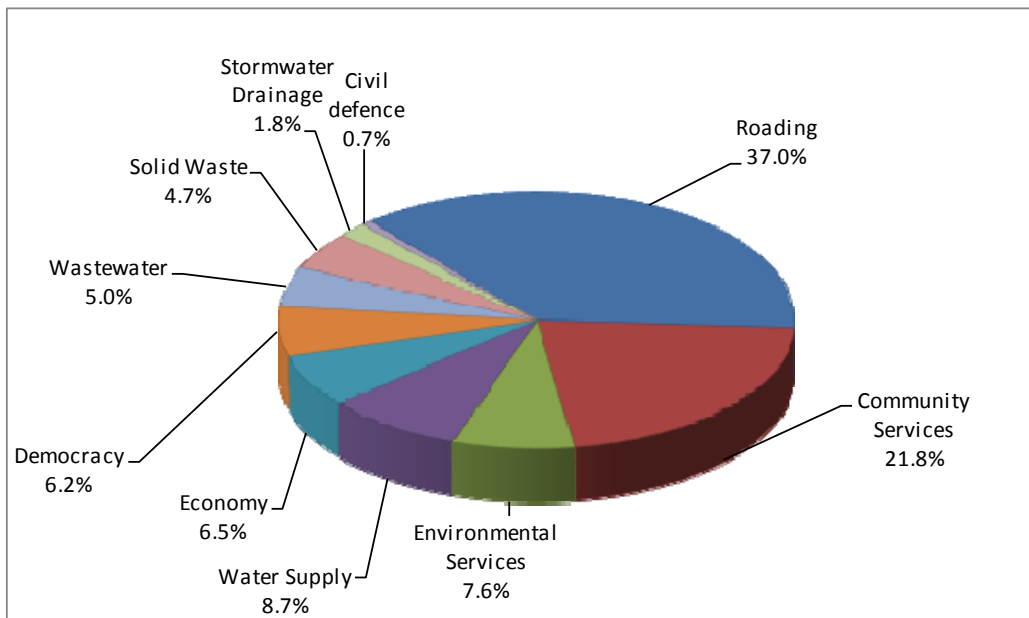
Net debt levels are within the targeted limits. Council has gross borrowings of \$15.5 million at interest rates ranging from 1.31% to 3.65%.

## Financial Overview

### SOURCE OF REVENUE – COUNCIL ONLY



### OPERATING EXPENDITURE (WHERE THE MONEY IS SPENT) - COUNCIL ONLY



## Variations to the Long Term Plan

The following table shows the variances to the Long Term Plan for the year ended 30 June 2020.

	Actual \$000	Budget \$000	Variance \$000	Variance %
<b>Net Operating Cost</b>				
Community Services	3,583	3,378	(207)	(6.127%)
Democracy	1,068	1,074	6	0.58%
Economy	579	612	33	5.44%
Environmental Services	862	849	(13)	(1.59%)
Civil Defence and Emergency Management	124	136	12	8.61%
Roading	2,997	2,592	(405)	(15.62%)
Stormwater Drainage	336	354	18	5.09%
Wastewater	834	916	82	8.94%
Solid Waste	755	797	42	5.22%
Water Supply	1,261	1,479	218	14.72%
<b>Total</b>	<b>12,399</b>	<b>12,186</b>	<b>(214)</b>	<b>(1.75%)</b>
<b>Capital Expenditure</b>				
Roading	2,903	3,199	296	9.25%
Stormwater	498	285	(214)	(75.00%)
Water Supply	152	758	606	79.95%
Wastewater	209	1,530	1,321	86.32%
Solid waste	-	41	41	100.00%
Parks and Reserves and Cemeteries	96	201	105	52.18%
Property	275	379	104	27.51%
Council Projects	580	794	214	26.97%
Other	210	280	70	24.87%
<b>Total</b>	<b>4,923</b>	<b>7,466</b>	<b>2,542</b>	<b>34.05%</b>

### Net Operating Costs

#### Community Services

- Civic Amenities is over budget due to the unbudgeted depreciation on the TET Multi Sports Centre that was vested in Council on 1 July 2019.
- Community Development expenditure is above budget as a result of external funding received. The increase in expenditure is matched by an increase in income.
- Net costs for the pool are higher than budget due to the reduced revenue from the COVID-19 closure.

#### Economy

- Information Centre expenditure was over budget due to a delay in the relocation of the iSITE to the Library complex.

#### Roading

- Depreciation was higher than budget as a result of the roading revaluation in 2018/19 year.

#### Water Supply

- Net costs are less than budget due to the saving in the operations of the plant.

### Capital Expenditure

#### Parks and Reserves and Cemeteries

- Discovery Trail – this was not spent as a final decision is still to be made on branding.

#### Stormwater

- Expenditure was over budget as projects from 2018/19 were carried over to be undertaken as one larger project.

#### Water Supply

- Expenditure was under budget as various projects were reviewed, and will be carried forward to 2020/21 to be undertaken as one larger project.

#### Waste Water

- Expenditure was under budget as a consent has been received for a trial period of 3 years. At the end of this period the scope of the project will then be determined.



## Statement of Compliance

### COMPLIANCE

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



His Worship the Mayor  
N C Volzke  
13 October 2020



Chief Executive  
S Hanne  
13 October 2020

# OVERVIEW

9

**Message from the Mayor and Chief Executive**

**Our Council**

**Highlights**

**Variations from Long Term Plan**

**Statement of Compliance**

## Council Services

### GROUPS OF ACTIVITIES

As required by the Local Government Act 2002, Council has grouped the services it provides into the following groups of activities:

GROUP	ACTIVITY	SERVICES
<i>Community Services</i>	Aerodrome	
	Civic Amenities	Civic Amenities & Toilets Pensioner Housing
	Community Development Library Parks, Reserves & Cemeteries TSB Pool Complex	
<i>Democracy</i>		Democracy Corporate Support
<i>Economy</i>	Economic Development Information Centre	
	Rental & Investment Properties	Farm Holiday Park Rental Properties
<i>Environmental Services</i>	Building Services	
	Planning And Bylaws	District Plan Resource Consents
	Community Health And Safety	Food and Health Alcohol Licensing Parking and other Bylaw compliance Animal Control
<i>Civil Defence and Emergency Management</i>		Civil Defence and Emergency Management
<i>Roading</i>	Roading	Construction, maintenance and renewal of roads, footpaths and associated infrastructure.
<i>Stormwater</i>	Stormwater	Construction and renewal of stormwater infrastructure.
<i>Wastewater (Sewerage)</i>	Wastewater	Construction, maintenance and renewal of waste water network and treatment facilities.
<i>Solid Waste</i>	Waste Management	Kerbside collection of refuse and recycling and operation of the transfer station.
<i>Water Supply</i>	Water Supply	Construction, maintenance and renewal of water treatment plants and water reticulation network.

## Performance Reporting

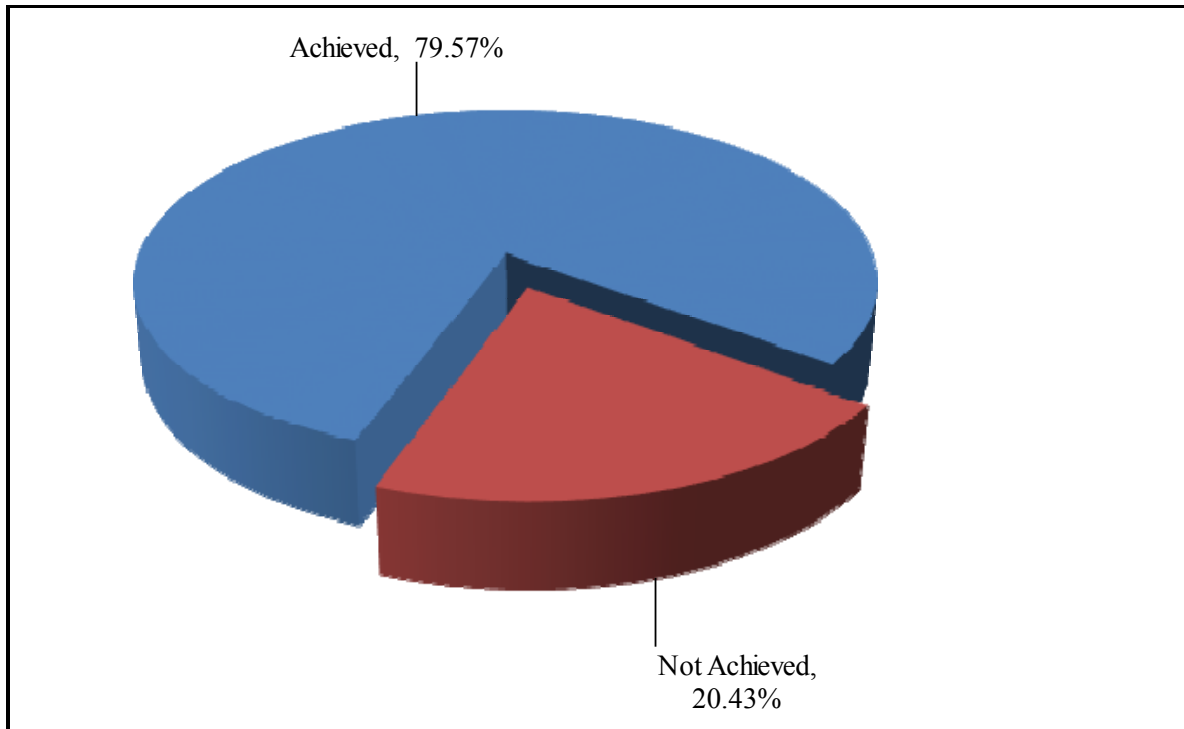
In the activities that follow, performance reporting against the **Targets** will be detailed as follows:

**Achieved** Required actions have been completed and the intended level of service has been achieved.

**Not Achieved** None of the required actions have been undertaken, or Where the performance measure was not met.

**Not Applicable** No action was required during the year.

### Performance Measures Pie Chart



## Performance Measures Not Achieved

Activity	Reason
<b>Civic Amenities</b>	
Annual Bookings of War Memorial Centre.	Due to COVID-19 lockdown, the War Memorial Centre was closed from 19 March 2020 to 31 May 2020. This measure would have been achieved as there were more than 100 bookings during this period that were cancelled due to COVID-19.
<b>Library</b>	
Number of people visiting the library is measured.	Partly due to Covid-19 lockdown, and also declining visitors numbers at the library over the years. This LTP 2018 performance measure has never been achieved.
The number of sessions accessing the people's network is measured.	Again, this performance measure has never been achieved and will be reviewed for the LTP 2021.
<b>TSB Pool</b>	
Number of pool admissions per annum.	Due to COVID-19 lockdown the pool closed from 23 March 2020 and reopened on 19 May 2020 at limited capacity. At the rate of 4,778 per month, it is likely that this measure would have been achieved if not for the COVID-19 lockdown.
<b>Economic Development</b>	
The Community is satisfied with how Council keeps them informed.	In the 2020 Customer Satisfaction Survey, residents expressed a concern about lack of consultation on significant projects.
<b>Information Centre</b>	
Number of people to the Information Centre is measured.	Partly due to Covid-19 lockdown and declining visitor numbers.
Number of users of AA Agency is measured.	Due to COVID-19 lockdown. At 8,842 actual visitors (target 10,000), it is unlikely that this measure would have been achieved.
<b>Building Control</b>	
% of LIMs processed within timeframes.	One LIM was not released within the timeframes as the electronic payment did not appear to have been received – the issue has now been resolved.
<b>Planning</b>	
To undertake a comprehensive review of the district plan, with notification no later than 2018/19.	Work on the review of the district plan has begun and a draft framework for a proposed district plan has been prepared.
To undertake a systematic review of bylaws and related policies as they reach their statutory review dates.	Policies and bylaws for review have been identified and are currently under a systematic review. The Executive Administrator maintains a policy and bylaw register.
<b>Community Health &amp; Safety</b>	
Percentage of licensed premises inspected.	Three premises are seasonal and were unable to be inspected during lockdown or at any other time during the year.
Percentage of known dogs registered.	This figure is very close to the target of 98%. The non-compliance is despite an extensive advertising campaign, reminder letters and the issue of infringement notices to the owners of known dogs that are not registered.

<b>Roading</b>	
The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number.	In 2019/20 there were 5 fatalities and serious injury crashes recorded. The previous year (2018/19) there were 4. Whilst this may indicate we have achieved our target i.e. a change of 1, it is thought the target should be -1 each year. This is captured through NZTA's Crash Analysis System database.
Road Condition – the average quality of ride on sealed road network, measured by smooth travel exposure.	Rural Roughness - This is a bi-annual survey undertaken by a third party consultant and the results entered into Roding Asset Maintenance Management (RAMM). The increase in the roughness on the rural roads is a reflection of the number of Heavy Count Vehicles (HCV's) using our rural roading network.
Footpaths - The percentage of footpaths within a territorial authority district that fall within the level of service or service standard for the condition of footpaths that is set out in the territorial authority's relevant document (annual plan, activity management plan, asset management plan, annual works programme or long term plan)	This is due to the footpath repair and replacement programme being on hold for two years whilst Ultrafast Fibre Broadband was installed in Stratford. The previous year we reported 42% of our footpaths meet our Level of Service. There has been a 20% increase in the Level of Service during the year as we intend to catch up over the next two to three years.
% of residents who are satisfied with:	
Roding networks	General complaints are about the number of potholes and uneven surfaces. Also the safety of the roundabouts on Broadway, rush hour traffic, the state highways.
Footpaths	Footpath width is a recurring complaint. Overhanging private trees encroaching making footpaths unusable. Uneven and slippery surfaces.
<b>Solid Waste</b>	
% (by weight) of council controlled waste stream that is recycled (municipal kerbside collection only)	Due to recycling being landfilled during COVID-19 lockdown. This also increased the waste to the landfill per household.
<b>Water Supply</b>	
Number of unplanned disruptions – minor	Rollout of Ultrafast Broadband throughout town resulted in contractors drilling through the ground hitting pipes as the accuracy of data on pipe location is within a range of 20cm.
<b>Percy Thomson Trust</b>	
Number of visitors to the Gallery to be not less than 20,000 per year	There were 19,262 visitors for the year, with the reduced numbers a direct result of the closure of the gallery due to COVID-19. Up to the COVID-19 lockdown, there was a total of 17,360 visitors, so the targeted number of visitors would have been achieved had the gallery not been forced to close.
Deliver proposed art exhibitions which will include local, regional and at least 1 National.	Exhibitions that were unable to be delivered due to COVID-19: <ul style="list-style-type: none"> <li>• Taranaki Arts Trail</li> <li>• Stratford Art Society</li> </ul>
Operate within “break-even” budget	The trust did not break even, as a result of the reduction in revenue due to COVID-19, when the gallery and leased premises were closed. “Break even” is defined by the Trust as a cash surplus only, excluding depreciation, and receiving external funding to make up any shortfall in cash and the gain on sale of investments.
Delivery of Herbarium	The trust still looking at an alternative arrangement to deliver the herbarium via a third party, and will be done in conjunction with a review of the arboretum, which will be completed during the 2020/21 year



## COMMUNITY SERVICES

### Aerodrome

#### 1.1 What We Do

Council owns the aerodrome to make provision for local air transport, recreation and light commercial needs. The aerodrome is situated at Flint Road and has two grassed runways.

#### 1.2 Why We Do It

This activity contributes to the community outcomes of:

- Outstanding Leadership
- Affordable, Quality Services and Infrastructure
- Strong Community
- Smart, Vibrant and Prosperous District
- Stratford District as a unique destination
- Financial Strength
- Growth

#### 1.3 Significant Negative Effects

This activity does not create any negative effects apart from noise around the aerodrome. The aerodrome is located in the rural area and Council owns the farm surrounding the aerodrome which serves as a buffer zone.

#### 1.4 Statement of Service Provision

Level of Service	Performance Measure	Year 2 – 2019/20		How Measured
		Target	Actual	
The aerodrome meets the needs of users	A high level of satisfaction amongst the users with the condition and maintenance of the aerodrome.	>70%	<b>Achieved – 71.5%</b> (2018/19 Achieved – 79.6%)	Annual Aerodrome user survey

#### 1.5 Projects and Other Programmes

Project	Category	Budget 2019/20	Actual 2019/20	Notes
Level operational area	Level of Service	\$0	\$3,020	Required

## 1.6 Cost of Services Statement

The detailed financial summary for the Aerodrome is shown below.

### Aerodrome

Actual 2018/19 \$000		Actual 2019/20 \$000	Budget 2019/20 \$000
82	<b>Operating Expenditure</b>	96	95
23	<b>Revenue</b>	23	22
<b>59</b>	<b>Net Cost of Service</b>	<b>73</b>	<b>74</b>
	<b>EXPENDITURE</b>		
54	Operating Costs	70	67
6	Depreciation	6	7
23	Allocated Overheads	20	22
<b>82</b>	<b>Total Operating Expenditure</b>	<b>96</b>	<b>95</b>
-	Capital Expenditure	3	-
<b>82</b>	<b>Total Expenditure</b>	<b>99</b>	<b>95</b>
	<b>FUNDED BY:</b>		
23	Charges for Services	23	22
<b>23</b>	<b>Total Revenue</b>	<b>23</b>	<b>22</b>
72	General Rates	74	74
-	Transfer from Depreciation Reserve	3	-
-	Other Funding	-	-
<b>95</b>	<b>Total Funding</b>	<b>99</b>	<b>95</b>



## **Civic Amenities**

### **1.1 What We Do**

Council's Civic Amenities include a range of facilities that are fairly typical of a rural area and service town:

- Council Office (Miranda Street)
- Centennial Library Building
- War Memorial Centre
- TET Multisports Centre
- Pensioner Housing
- Centennial Rest Rooms
- Clock Tower (Glockenspiel)
- Bell Tower
- Bus Shelters
- Hall of Remembrance
- Public Toilets
- Rural Halls
- Security Cameras
- Structures/Beautification

### **1.2 Why We Do It**

Council owns Civic Amenities to provide a community good or core civic functions, some of these are provided by Council because no other agencies are able or willing to provide them.

This activity contributes to the achievement of the District's civic, congregational and leisure needs.

This activity contributes to the community outcomes of:

- Outstanding Leadership
- Affordable, Quality Services and Infrastructure
- Strong Community
- Smart, Vibrant and Prosperous District
- Stratford District as a unique destination
- Financial Strength
- Growth

### **1.3 Significant Negative Effects**

There are no significant negative effects associated with the Civic Amenities activity.

## 1.4 Statement of Service Provision

Level of Service	Performance Measure	Year 2 – 2019/20		How Measured
		Target	Actual	
To provide facilities that are well maintained and utilised.	Buildings legally requiring a Building WoF have a current Building WoF at all times.	100%	<b>Achieved – 100%</b> (2018/19 Achieved - 100%)	Building WoF records
	Annual booking of War Memorial Centre.	>500	<b>Not Achieved – 376</b> – see explanation on page 19 (2018/19 Achieved – 566)	Booking records
	Annual booking of Centennial Restrooms.	>200	<b>Achieved – 205</b> (2018/19 Achieved – 283)	Booking records
To provide suitable housing for the elderly.	Percentage of Customer satisfaction.	>89%	<b>Achieved – 92.8%</b> (2018/19 Achieved – 100%)	Annual User Survey
	Annual Occupancy rate.	>95%	<b>Achieved – 100%</b> (2018/19 Achieved – 100%)	Tenancy records.
To provide clean, well maintained toilet facilities.	Percentage of Stratford District residents satisfied with overall level of service of toilets.	>75%	<b>Achieved – 83%</b> (2018/19 Achieved – 83.66%)	Annual Residents Survey

## 1.5 Projects and Other Programmes

Project	Category	Budget 2019/20	Actual 2019/20	Notes
Building demolitions	Level of Service	\$76,000	\$61,185	Complete
Broadway/Prospero Place upgrade	Level of Service	\$112,300	\$31,671	On-going as the design was dependent on the outcome of the neighbouring development, which was delayed.
LED sign at town entrance	Level of Service	\$0	\$35,902	Complete
<b>Pensioner Housing</b>				
Conservatories	Level of Service	\$12,500	\$5,970	Complete
Appliance replacements	Replacements	\$22,460	\$21,732	Complete

## 1.6 Cost of Services Statement

The detailed financial summary for the Civic Amenities and Pensioner Housing activities are shown below. The costs of operating the Miranda Street Office are not shown here because they are allocated to the various Council functions as overheads.

### Civic Amenities

Actual 2018/19 \$000		Actual 2019/20 \$000	Budget 2019/20 \$000
727	<b>Operating Expenditure</b>	924	854
47	<b>Revenue</b>	28	53
<b>680</b>	<b>Net Cost of Service</b>	<b>896</b>	<b>801</b>
	<b>EXPENDITURE</b>		
334	Operating Costs	365	429
7	Interest	8	12
270	Depreciation	442	296
116	Allocated Overheads	109	116
<b>727</b>	<b>Total Operating Expenditure</b>	<b>924</b>	<b>854</b>
10	Principal Loan Repayments	13	14
67	Capital Expenditure	131	191
<b>804</b>	<b>Total Expenditure</b>	<b>1,068</b>	<b>1,059</b>
	<b>FUNDED BY:</b>		
47	Charges for Services	28	53
<b>47</b>	<b>Total Revenue</b>	<b>28</b>	<b>53</b>
636	General Rates	740	736
16	Targeted Rates	16	14
39	Depreciation Funded from Reserves	41	49
13	Transfers from Depreciation Reserves	15	189
42	Grants - Capital	17	-
22	Loan Funding - Capital	114	16
-	Other Funding	-	-
<b>815</b>	<b>Total Funding</b>	<b>970</b>	<b>1,059</b>

### Pensioner Housing

Actual 2018/19 \$000		Actual 2019/20 \$000	Budget 2019/20 \$000
103	<b>Operating Expenditure</b>	103	113
66	<b>Revenue</b>	67	64
<b>37</b>	<b>Net Cost of Service</b>	<b>36</b>	<b>50</b>
	<b>EXPENDITURE</b>		
25	Operating Costs	26	34
-	Interest	1	1
28	Depreciation	30	31
49	Allocated Overheads	47	48
<b>103</b>	<b>Total Operating Expenditure</b>	<b>103</b>	<b>113</b>
-	Principal Loan Repayments	1	1
21	Capital Expenditure	28	35
<b>124</b>	<b>Total Expenditure</b>	<b>132</b>	<b>149</b>
	<b>FUNDED BY:</b>		
66	Charges for Services	67	64
<b>66</b>	<b>Total Revenue</b>	<b>67</b>	<b>64</b>
21	General Rates	24	24
-	Transfers from Depreciation Reserves	22	27
16	Balance From Reserves	13	22
21	Loan Funding - capital	6	12
-	Other Funding	-	-
<b>124</b>	<b>Total Funding</b>	<b>132</b>	<b>149</b>

## **Community Development**

### **1.1 What We Do**

Community development encourages and supports groups and individuals in the District to achieve their own goals and outcomes in a way that sustainably benefits the community. It does this by providing information, advice, and support to groups and individuals, through activities such as networking, facilitation, administration support, promotion, advocacy, and event facilitation.

Examples of current community development activities include:

- Administration support for a number of community groups including the Positive Ageing Group and Central Taranaki Safe Trust
- Coordinating the promotion of school holiday activities
- Administration of the Sport NZ Rural Travel Fund and Creative New Zealand Funding Scheme
- Working with community groups to identify the outcomes they want for the community
- Working in partnership with regional agencies to support the well-being of the community
- Providing community events such as Summer Nights and War Memorial commemorations.

### **1.2 Why We Do It**

This activity contributes to the District's well-being by the Council maintaining a general overview of trends in the social well-being of the District and initiating, usually in conjunction with others, action for enhancement whenever it considers that to be necessary, appropriate and practical.

This activity contributes to the community outcomes of:

- Outstanding Leadership
- Affordable, Quality Services and Infrastructure
- Strong Community
- Smart, Vibrant and Prosperous District
- Stratford District as a unique destination
- Financial Strength
- Growth

### **1.3 Significant Negative Effects**

There are no negative effects associated with the Community Development activity.

## 1.4 Statement of Service Provision

Level of Service	Performance Measure	Year 2 2019/20		How Measured
		Target	Actual	
To provide a number of community events and provide support that encourages involvement of the community	Number of Community events organised.	2	<b>Achieved – 7</b> <b>Events included:</b> - Chunuk Bair commemorations - Trade Graduation Celebration - Scarecrow Trail - Mayoral Gifts - Summer Nights Concert - Summer Nights Movies - Children’s Day (2018/19 Achieved – 15)	Number of events held are recorded
	Percentage of residents feeling a sense of community.	>75%	<b>Achieved – 94 %</b> (2018/19 Achieved – 94.54%)	Annual Residents Survey
Youth are supported to participate in their community through developing and implementing their own projects	Number of projects successfully developed and implemented by youth with support from community development	4	<b>Achieved - 4</b> (2018/19 Achieved – 4)	Number of projects developed are recorded
Council will provide, encourage and/or support events within the district	Events Council has provided or supported are measured	2	<b>Achieved - 9</b> (2018/19 Achieved - 5)	Number of supported events are recorded

## 1.5 Projects and Other Programmes

There were no projects associated with the Community Development activity.

## 1.6 Cost of Services Statement

The detailed financial summary for the community development activity is shown below.

### Community Development

Actual 2018/19 \$000		Actual 2019/20 \$000	Budget 2019/20 \$000
373	<b>Operating Expenditure</b>	467	379
22	<b>Revenue</b>	29	21
<b>351</b>	<b>Net Cost of Service</b>	<b>438</b>	<b>358</b>
	<b>EXPENDITURE</b>		
296	Operating Costs	382	294
76	Allocated Overheads	85	84
<b>373</b>	<b>Total Operating Expenditure</b>	<b>467</b>	<b>379</b>
	<b>FUNDED BY:</b>		
22	Grants	29	21
<b>22</b>	<b>Total Revenue</b>	<b>29</b>	<b>21</b>
308	UAGC	360	358
33	Grants	16	-
-	Other Funding	0	1
<b>363</b>	<b>Total Funding</b>	<b>406</b>	<b>379</b>

## Library

### 1.1 What We Do

The Stratford and District Centennial Library provides physical and digital access to a collection of lending material and information resources in a safe and welcoming environment intended for community activities, leisure, social interaction, and study. It promotes creativity and learning through the delivery of public programmes and the provision of support facilities such as the Wi-Fi network and access to equipment and technology.

### 1.2 Why We Do It

This activity contributes to the district's overall well-being by providing access to reading material, databases and internet services that individuals are unlikely to be able to provide for themselves.

This activity contributes to the community outcomes of:

- Outstanding Leadership
- Affordable, Quality Services and Infrastructure
- Strong Community
- Smart, Vibrant and Prosperous District
- Stratford District as a unique destination
- Financial Strength

### 1.3 Significant Negative Effects

There are no negative effects associated with the Library activity.

### 1.4 Statement of Service Provision

Level of Service	Performance Measure	Year 2 – 2019/20		How Measured
		Target	Actual	
To provide a library service which meets the needs of and is being used by Stratford District residents	Number of people visiting the library is measured.	>90,000	<b>Not Achieved</b> – 52,554 – <i>see explanation on page 19</i> (2018/19 Not Achieved – 63,224)	Door count
	% of library users satisfied with library services.	>80%	<b>Achieved</b> – 98% (2018/19 Achieved – 99.02%)	Annual Residents Survey
Library services will be accessible to the community	The number of visitors accessing the Wi-Fi service is measured.	>15,000	<b>Achieved</b> – 25,995 (2018/19 Achieved – 27,459)	Internal records
	The number of sessions accessing the People's Network is measured.	>10,000	<b>Not Achieved</b> – 6,441 – <i>see explanation on page 19</i> (2018/19 Not Achieved – 9,624)	Internal records

## 1.5 Projects and Other Programmes

There were no projects associated with the Library activity.

## 1.6 Cost of Services Statement

The detailed financial summary for the Library's activities is shown below.

### Library

Actual 2018/19 \$000		Actual 2019/20 \$000	Budget 2019/20 \$000
656	<b>Operating Expenditure</b>	649	682
20	<b>Revenue</b>	15	18
<b>636</b>	<b>Net Cost of Service</b>	<b>634</b>	<b>664</b>
	<b>EXPENDITURE</b>		
331	Operating Costs	325	338
25	Interest	22	28
94	Depreciation	82	97
206	Allocated Overheads	220	219
<b>656</b>	<b>Total Operating Expenditure</b>	<b>649</b>	<b>682</b>
34	Principal Loan Repayments	33	33
2	Capital Expenditure	-	-
<b>692</b>	<b>Total Expenditure</b>	<b>682</b>	<b>715</b>
	<b>FUNDED BY:</b>		
20	Charges for Services	15	18
<b>20</b>	<b>Total Revenue</b>	<b>15</b>	<b>18</b>
613	General Rates	625	622
43	Depreciation Funded from Reserves	40	41
-	Loan Funding - Capital	-	-
-	Grants and Donations	-	-
36	Transfer from Depreciation Reserves	36	33
-	Other Funding	-	1
<b>712</b>	<b>Total Funding</b>	<b>716</b>	<b>715</b>

## **Parks, Reserves & Cemeteries**

### **1.1 What We Do**

Council provides a range of active and passive recreation opportunities that benefit the community's physical, social and personal quality of life. Parks assets include:

- (i) 36.7 hectares of passive reserves:
  - Gardens, lawns, trees, and amenity street plantings
  - 2 neighbourhood parks and 3 playgrounds
- (ii) 10 hectares of urban active reserves comprising:
  - 2 croquet greens
  - 6 netball/tennis courts
  - 5 rugby fields
  - 3 cricket wickets
  - 2 soccer fields
  - 2 hockey fields
- (iii) 9.4 hectares of cemeteries
  - 5.1 hectares in 2 operating cemeteries
  - 4.3 hectares in 5 closed cemeteries
- (iv) 14km of walkway including 9 foot bridges.
- (v) 5.4 hectares in 19 esplanade reserves.
- (vi) Accessory structures and buildings:
  - Grandstand at Victoria Park
  - Toilet block at Victoria Park
  - Croquet pavilion at Victoria Park
  - Memorial gates at Victoria Park
  - Malone Gates at King Edward Park
  - Netball shelters at King Edward Park
  - Stratford Gateway Structures (2)
  - Skate park at Victoria Park
- (vii) 34.3 hectares in rural domains and reserves.

### **1.2 Why We Do It**

The provision of an adequate network of parks and reserves, encompassing passive, active and scenic open space is a significant contributor to its desirability and attractiveness.

The Parks and Reserves activity creates and provides a sense of belonging and pride, comprehensive social, recreational and cultural facilities accessible to all.

This activity contributes to the community outcomes of:

- Outstanding Leadership
- Affordable, Quality Services and Infrastructure
- Strong Community
- Smart, Vibrant and Prosperous District
- Stratford District as a unique destination
- Financial Strength
- Growth

### **1.3 Significant Negative Effects**

There are no significant negative effects associated with the Parks activity.



## 1.4 Statement of Service Provision

Level of Service	Performance Measure	Year 2 2019/20		How Measured
		Target	Actual	
To provide parks, sports fields and other open spaces that meet community demand	Number of complaints and requests for service.	<40	<b>Achieved – 21</b> (2018/19 Not Achieved – 106)	Reporting against corporate CRM system.
	Percentage of Stratford residents satisfied with:			Annual Residents Survey
	• Parks;	>80%	<b>Achieved – 95%</b> (2018/19 Achieved – 94.15%)	
	• Sports fields; and	>80%	<b>Achieved – 94%</b> (2018/19 Achieved – 95.96%)	
	• Cemeteries.	>80%	<b>Achieved – 81%</b> (2018/19 Not Achieved – 78.02%)	
Safe playgrounds are provided	All playgrounds meet NZ Safety Standards.	100%	<b>Achieved – 100%</b> - the inspection was completed in 2018/19 (June 2018) (2018/19 Achieved – 100%)	Biennial playground inspection report and records provided from weekly and quarterly compliance checks by contractor.
Foot Bridges are safe.	All foot bridges meet NZ Safety standards.	100%	<b>Achieved – 100%</b> (2018/19 Achieved – 100%)	Biennial bridge inspection Report

## 1.5 Projects and Other Programmes

Project	Category	Budget 2019/20	Actual 2019/20	Notes
Walkway Signage Development	Level of Service	\$25,000	\$18,636	Project on hold until a Council-wide template is designed.
Trail Development and Art Work	Level of Service	\$102,400	\$3,320	This project is 100% grant funded, however has been carried over to 2020/21 pending a decision on branding.
Park Development	Level of Service	\$15,300	\$15,299	Complete
King Edward Park – access path	Level of Service	\$46,500	\$45,640	Complete
Victoria Park – Children’s Bike Park	Level of Service	\$0	\$13,302	For design costs only

## 1.6 Cost of Services Statement

The detailed financial summary for the Parks and Reserves and Cemeteries activities are shown below:

### Parks and Reserves

Actual 2018/19 \$000		Actual 2019/20 \$000	Budget 2019/20 \$000
647	<b>Operating Expenditure</b>	642	668
8	<b>Revenue</b>	9	9
<b>638</b>	<b>Net Cost of Service</b>	<b>633</b>	<b>659</b>
	<b>EXPENDITURE</b>		
416	Operating Costs	429	426
3	Interest	4	13
88	Depreciation	89	97
140	Allocated Overheads	120	132
<b>647</b>	<b>Total Operating Expenditure</b>	<b>642</b>	<b>668</b>
4	Principal Loan Repayments	6	15
77	Capital Expenditure	96	201
<b>728</b>	<b>Total Expenditure</b>	<b>745</b>	<b>885</b>
	<b>FUNDED BY:</b>		
10	Charges for Services	9	9
<b>8</b>	<b>Total Revenue</b>	<b>9</b>	<b>9</b>
658	General Rates	673	669
6	Transfer (to) from Reserves	6	27
66	Loan Funding - Capital	80	87
(10)	Transfer (to) Turf Replacement Reserve	(10)	(10)
-	Grants and Donations	16	102
-	Other Funding	0	-
<b>729</b>	<b>Total Funding</b>	<b>774</b>	<b>885</b>

**Cemeteries**

<b>Actual 2018/19 \$000</b>		<b>Actual 2019/20 \$000</b>	<b>Budget 2019/20 \$000</b>
193	<b>Operating Expenditure</b>	214	232
108	<b>Revenue</b>	89	122
<b>85</b>	<b>Net Cost of Service</b>	<b>125</b>	<b>109</b>
	<b>EXPENDITURE</b>		
99	Operating Costs	126	140
8	Depreciation	8	9
85	Allocated Overheads	80	83
<b>193</b>	<b>Total Operating Expenditure</b>	<b>214</b>	<b>232</b>
-	Capital Expenditure	-	-
<b>193</b>	<b>Total Expenditure</b>	<b>214</b>	<b>232</b>
	<b>FUNDED BY:</b>		
108	Charges for Services	89	122
<b>108</b>	<b>Total Revenue</b>	<b>89</b>	<b>122</b>
90	General Rates	110	109
-	Transfer from Depreciation Reserves	-	-
-	Other Funding	-	1
<b>198</b>	<b>Total Funding</b>	<b>198</b>	<b>232</b>

## TSB Pool Complex

### 1.1 What We Do

The TSB Pool Complex is a community swimming pool owned and operated by the Stratford District Council. This facility has three indoor pools that cater year-round for casual as well as organised swimming, including learn-to-swim, as well as an outdoor toddler's pool which is open during the summer months. As part of the operation the pool provides a range of fitness programmes, coaching and events.

### 1.2 Why We Do It

Council owns the pool to provide aquatic recreation for its residents.

Council has traditionally adopted the role of provider of a swimming pool complex for the District as there has been no alternative provider.

The Pool makes a valuable contribution to the health of residents and visitors providing diverse recreational activities and enhances the attractiveness of the district.

This activity contributes to the community outcomes of:

- Outstanding Leadership
- Affordable, Quality Services and Infrastructure
- Strong Community
- Smart, Vibrant and Prosperous District
- Stratford District as a unique destination
- Financial Strength
- Growth

### 1.3 Significant Negative Effects

**Public Health** - The potential threat to public health is recognised. The control of Cryptosporidia and other water pathogens is a critical part of the treatment processes at the Pool Complex, and the risk is mitigated by the type of filtration system in use.

**Odours (Chlorine)** - The current Purefibre vacuum type of water filtration minimises the level of chlorine used, and therefore the chlorine odour of the pool water can be kept at low levels.

**Environmental** - The environmental impact on the Patea River is managed under resource consent discharge conditions.

## 1.4 Statement of Service Provision

Level of Service	Performance Measure	Year 2 2019/20		How Measured
		Target	Actual	
The pool complex will be a safe place to swim.	Number of reported accidents, possible accidents and similar incidents pa.	<80	<b>Achieved - 63</b> (2018/19 Achieved -61)	Accident register – also reported monthly to Council.
	Compliance with NZS5826:2010 NZ Pool Water Quality Standards.	100%	<b>Achieved – 100%</b> (2018/19 Achieved – 100%)	Water quality register.
That the pool facilities meet demand.	Percentage of pool users are satisfied with the pool.	>80%	<b>Achieved – 91%</b> (2018/19 Achieved – 89.95%)	Annual customer survey.
	Number of pool admissions per annum.	>55,000	<b>Not Achieved – 47,779</b> – see explanation on page 19 (2018/19 Achieved – 56,143)	Ticketing system – also reported monthly to council.

## 1.5 Projects and Other Programmes

Project	Category	Budget 2019/20	Actual 2019/20	Notes
Various items of equipment	Level of Service	\$44,000	\$14,848	Complete
Pool Development	Level of Service	\$0	\$16,409	Initial design work on the proposed development has commenced however, was not budgeted until the 2020/21 year in the LTP.

## 1.6 Cost of Services Statement

The detailed financial summary for the TSB Pool Complex activities is shown below:

### TSB Pool Complex

Actual 2018/19 \$000		Actual 2019/20 \$000	Budget 2019/20 \$000
859	<b>Operating Expenditure</b>	936	896
224	<b>Revenue</b>	188	233
<b>635</b>	<b>Net Cost of Service</b>	<b>748</b>	<b>663</b>
	<b>EXPENDITURE</b>		
591	Operating Costs	650	620
92	Depreciation	108	102
175	Allocated Overheads	177	174
<b>859</b>	<b>Total Operating Expenditure</b>	<b>936</b>	<b>896</b>
22	Capital Expenditure	31	44
<b>881</b>	<b>Total Expenditure</b>	<b>967</b>	<b>940</b>
	<b>FUNDED BY:</b>		
224	Charges for Services	188	233
<b>224</b>	<b>Total Revenue</b>	<b>188</b>	<b>233</b>
645	General Rates	665	661
-	Loan funding - capital	16	-
-	Grants and Donations	-	22
22	Transfers from Depreciation Reserves	15	22
-	Other Funding	-	1
<b>890</b>	<b>Total Funding</b>	<b>884</b>	<b>940</b>



## **1.1 What We Do**

### **Democracy**

Democracy includes the formal meeting processes, elections and the means for community involvement in the democratic process. The Democracy activity supports the elected members in these roles and ensures the purposes of the Local Government Act 2002 are met.

The Stratford District Council comprises a District Mayor and ten Councillors. The District Mayor is elected by the whole community, with the Councillors elected on a ward system, with four from the Rural Ward and six from the Urban Ward. Council sets the policy and standards for the management and delivery of Council activities and services.

### **Corporate Support**

Corporate Support provides a range of professional support services to the Council and to agencies closely associated with Council. These services include financial planning, reporting, analysis and advice, the provision of accounting services, secretarial and administrative support and the development and maintenance of management information systems.

## **1.2 Why We Do It**

Council is required by the Local Government Act 2002 to provide a democratic process and manage its funding and administrative services efficiently and responsibly on behalf of the district.

The Democracy activity, by its nature, contributes to all of the desired district well-beings, and community outcomes that Council aims to achieve.

Corporate Support is an internal support function that provides services to other areas of Council to assist them in the delivery of activities. The total costs are allocated to other activity areas.

This activity contributes to the community outcomes of:

- Outstanding Leadership
- Affordable, Quality Services and Infrastructure
- Strong Community
- Smart, Vibrant and Prosperous District
- Stratford District as a unique destination
- Financial Strength
- Growth

## **1.3 Significant Negative Effects**

No negative effects are generated by these activities.

#### 1.4 Statement of Service Provision

Level of Service	Performance Measure	Year 2 2019/20		How Measured
		Target	Actual	
To provide Democracy services in accordance with statutory deadlines.	Agendas and associated reports for all scheduled meetings are available to interested parties in accordance with statutory timeframes.	100%	<b>Achieved – 100%</b> (2018/19 Achieved – 100%)	Meeting Register.
	All Council meetings are publicly notified in accordance with statutory timeframes.	100%	<b>Achieved – 100%</b> (2018/19 Achieved – 100%)	Meeting Register.
To ensure that the Health and Safety manual is reviewed.	Complete an annual review of the Health and Safety Manual.	Achieved	<b>Achieved – June 2020</b> (2018/19 Not Achieved)	Review Date.
Ensure accountability documents are prepared and meet statutory requirements.	The Annual Report, Annual Plan and Long Term Plan meet statutory deadlines and receive an unqualified audit opinion where relevant,	Achieved	<b>Achieved</b> (2018/19 Achieved)	Audit Opinion.

Project	Category	Budget 2019/20	Actual 2019/20	Notes
Website redevelopment	Replacement	\$0	\$450	Funds were carried forward from 2017/18 and the project will be completed in 2020/21.
Computers and peripherals	Replacement	\$140,000	\$148,623	Complete
Telephone System	Replacement	\$50,000	\$0	This has been carried forward to 2020/21
Vehicle replacements	Replacement	\$54,500	\$55,125	Complete
Miscellaneous Equipment	Replacement	\$20,000	\$5,790	Complete



## 1.6 Cost of Services Statement

The detailed financial summary for Governance and Corporate Support's activities are shown below:

### Corporate Support

Actual 2018/19 \$000		Actual 2019/20 \$000	Budget 2019/20 \$000
-	<b>Operating Expenditure</b>	-	-
54	<b>Revenue</b>	86	60
<b>(54)</b>	<b>Net Cost of Service</b>	<b>(86)</b>	<b>(60)</b>
	<b>EXPENDITURE</b>		
	Operating Costs		
387	- Chief Executive's Department	430	351
1,015	- Corporate Services Department	932	869
(1,402)	Allocated Overheads	(1,362)	(1,220)
-	<b>Total Operating Expenditure</b>	-	-
158	Capital Expenditure	219	283
<b>158</b>	<b>Total Expenditure</b>	<b>219</b>	<b>283</b>
	<b>FUNDED BY:</b>		
54	Charges for Services	86	60
<b>54</b>	<b>Total Revenue</b>	<b>86</b>	<b>60</b>
(60)	UAGC	(60)	(60)
158	Transfer from Depreciation Reserves	219	283
-	Other Funding	-	-
<b>152</b>	<b>Total Funding</b>	<b>246</b>	<b>283</b>

### Democracy

Actual 2018/19 \$000		Actual 2019/20 \$000	Budget 2019/20 \$000
1,037	<b>Operating Expenditure</b>	1,154	1,134
-	<b>Revenue</b>	-	-
<b>1,037</b>	<b>Net Cost of Service</b>	<b>1,154</b>	<b>1,134</b>
	<b>EXPENDITURE</b>		
	Operating Costs		
427		474	503
611	Allocated Overheads	680	631
<b>1,037</b>	<b>Total Operating Expenditure</b>	<b>1,154</b>	<b>1,134</b>
	<b>FUNDED BY:</b>		
1,022	UAGC	1,128	1,130
-	Other Funding	-	4
<b>1,022</b>	<b>Total Funding</b>	<b>1,128</b>	<b>1,134</b>



## **Economic Development**

### **1.1 What We Do**

Council has a leadership role in economic development. This activity supports the growth of the District by:

- Encouraging and assisting the establishment, retention and development of sustainable, new and existing businesses.
- Promoting business opportunities, events that benefit the local economy
- Promoting the district as a great place to live.
- Supporting the Stratford Business Association
- Working in partnership with Venture Taranaki Trust to support the economic growth of the District.

### **1.2 Why We Do It**

Council provides this service to enable growth in population, increased employment opportunities, and promotion of the district as a destination for business and visitors.

This activity contributes to the community outcomes of:

- Outstanding Leadership
- Affordable, Quality Services and Infrastructure
- Strong Community
- Smart, Vibrant and Prosperous District
- Stratford District as a unique destination
- Financial Strength
- Growth

### **1.3 Significant Negative Effects**

The Economic Development activity does not create any negative effects.

#### 1.4 Statement of Service Provision

Level of Service	Performance Measure	Year 2 – 2019/20		How Measured
		Target	Actual	
To support and promote the economic growth of the district.	Business mentoring and economic development support is available.	Report received	<b>Achieved – 4 reports</b> (2018/19 Achieved)	Venture Taranaki Quarterly reports
To support the business community.	Provide administration support to the Stratford Business Association meetings	11	<b>Achieved - 11</b> (2018/19 Not Achieved – 10)	Minutes and agendas completed
The website is a valuable resource for the community to access Council information	The number of visitors accessing Council information and services via the internet is measured.	Not less than previous year	<b>Achieved – 50,411</b> (2018/19 Not Achieved – 40,978)	Website statistics
Opportunities for the community to participate in decision making is widely publicised	The community is satisfied with how Council keeps them informed.	>85%	<b>Not Achieved – 79%</b> – see explanation on page 19 (2018/19 Not Achieved – 81.07%)	Annual Residents Survey

#### 1.5 Projects and Other Programmes

Project	Category	Budget 2019/20	Actual 2019/20	Notes
Further Development for Council-led subdivision at Pembroke Road.	Level of Service	\$794,000	\$579,607	To be completed in the 2020/21 year.

## 1.6 Cost of Services Statement

The detailed financial summary for Economic Development's activities is shown below:

### Economic Development

Actual 2018/19 \$000		Actual 2019/20 \$000	Budget 2019/20 \$000
398	<b>Operating Expenditure</b>	368	402
-	<b>Revenue</b>	-	-
<b>398</b>	<b>Net Cost of Service</b>	<b>368</b>	<b>402</b>
<b>EXPENDITURE</b>			
300	Operating Costs	259	302
98	Allocated Overheads	108	100
<b>398</b>	<b>Total Operating Expenditure</b>	<b>368</b>	<b>402</b>
<b>FUNDED BY:</b>			
210	General Rates	205	201
-	Subsidies / Grants	105	-
210	UAGC	205	201
-	Other Funding	-	1
<b>420</b>	<b>Total Funding</b>	<b>515</b>	<b>402</b>

### Council Projects

Actual 2018/19 \$000		Actual 2019/20 \$000	Budget 2019/20 \$000
67	<b>Operating Expenditure</b>	89	118
-	<b>Revenue</b>	-	-
<b>67</b>	<b>Net Cost of Service</b>	<b>89</b>	<b>118</b>
<b>EXPENDITURE</b>			
-	Operating Costs	-	-
67	Interest	89	118
<b>67</b>	<b>Total Operating Expenditure</b>	<b>89</b>	<b>118</b>
-	Principal Loan Repayments	-	4,239
1,525	Capital Expenditure	580	794
<b>1,592</b>	<b>Total Expenditure</b>	<b>669</b>	<b>5,150</b>
<b>FUNDED BY:</b>			
42	General Rates	(3)	(3)
-	Sale of sections - capital	1,292	4,360
1,525	Loan Funding - Capital	-	794
<b>1,567</b>	<b>Total Funding</b>	<b>1,289</b>	<b>5,150</b>

## Information Centre

### 1.1 What We Do

Council owns and manages the Stratford Visitor Information Centre (i-SITE). The i-SITE promotes local attractions and events and provides local knowledge, a booking service and souvenirs for tourists and residents. An AA service is also provided at the i-SITE.

### 1.2 Why We Do It

This activity contributes to the promotion of businesses in the district by providing information services for tourists to the District and provides local residents with an AA service that otherwise might not have been available.

This activity contributes to the community outcomes of:

- Outstanding Leadership
- Affordable, Quality Services and Infrastructure
- Strong Community
- Smart, Vibrant and Prosperous District
- Stratford District as a unique destination
- Financial Strength

### 1.3 Significant Negative Effects

There are no negative effects associated with the Information Centre activity.

### 1.4 Statement of Service Provision

Level of Service	Performance Measure	Year 2 – 2019/20		How Measured
		Target	Actual	
To provide an Information Centre for visitors, incorporating Automobile Association Agency services that meets the needs of and is being used by the community.	Number of people to the Information Centre service is measured.	>40,000	<b>Not Achieved – 33,008</b> – see explanation on page 19 (2018/19 Not Achieved – 38,216)	Door Count
	Number of users of AA Agency Service is measured.	>10,000	<b>Not Achieved – 8,842</b> – see explanation on page 19 (2018/19 Achieved – 11,128)	AA customer count records
	Percentage customers are satisfied.	>80%	<b>Achieved – 96%</b> (2018/19 Achieved – 97.55%)	Annual Residents Survey

### 1.5 Projects and Other Programmes

There were no projects associated with the Information Centre activity.

## 1.6 Cost of Services Statement

The detailed financial summary for the Information Centre's activities is shown below:

### Information Centre

<b>Actual 2018/19 \$000</b>		<b>Actual 2019/20 \$000</b>	<b>Budget 2019/20 \$000</b>
353	<b>Operating Expenditure</b>	338	293
102	<b>Revenue</b>	74	112
<b>251</b>	<b>Net Cost of Service</b>	<b>264</b>	<b>181</b>
<b>EXPENDITURE</b>			
251	Operating Costs	231	191
5	Depreciation	5	1
97	Allocated Overheads	103	101
<b>353</b>	<b>Total Expenditure</b>	<b>338</b>	<b>293</b>
<b>FUNDED BY:</b>			
102	Charges for Services	74	112
<b>102</b>	<b>Total Revenue</b>	<b>74</b>	<b>112</b>
190	General Rates	182	181
-	Other Funding	-	1
<b>291</b>	<b>Total Funding</b>	<b>256</b>	<b>293</b>

## Rental & Investment Properties

### 1.1 What We Do

The Rental and Investment Properties activity manages properties council owns for strategic or commercial purposes.

Under this activity Council staff performs common landlord roles, such as the day-to-day maintenance of grounds and buildings as well as the long term planning for purchase, disposal, renewal, upgrades and redevelopment of properties.

This activity covers the following:

**Farm** - manage 160 hectares of land (132 hectares milkable) on a 50/50 share milking basis. This was increased from 106 hectares (96 hectares milkable) through the purchase of a neighbouring farm in the 2015/16 financial year.

**Holiday Park** - operate a formal lease for the land.

**Rental Properties** - Council manages urban and rural land and commercial properties under this activity.

- Land with a Council function that generally has limited potential for any other use or is strategically important to Council.
- Land that has commercial potential and its legal status permits its availability for sale.
- Land that is currently vacant or occupied informally by an adjoining owner and has limited options for sale.

### 1.2 Why We Do It

The prudent management of Council owned properties not used in the day-to-day functions of Council ensure these do not become a nuisance and maximises commercial return for Council.

Each property is held for specific reasons and the property portfolio is regularly reviewed to ensure any properties surplus to requirements are disposed of. The key properties and the reason for Council's ownership are described below.

**Farm** - The farm is considered to be an economic investment that was purchased for the purposes of providing a financial contribution to ease the burden of rates on the community. In 2015 the farm expanded by 54 hectares when the Council purchased the neighbouring farm for the purposes of increasing economies of scale, and returns to the ratepayer. The farm contributes to the economic well-being of the district by providing rates mitigation for ratepayers.

The farm surrounds the aerodrome, therefore providing a buffer zone to allow for smooth operations of the aerodrome.

**Holiday Park** - Council has traditionally adopted the role of provider of the holiday park as there has been no alternative provider in Stratford.

**Rental Properties** - most properties have been purchased for a strategic purpose because of their location, either for Council's future use or for on selling at a later date.

This activity contributes to the community outcomes of:

- Outstanding Leadership
- Affordable, Quality Services and Infrastructure
- Strong Community
- Smart, Vibrant and Prosperous District
- Stratford District as a unique destination
- Financial Strength

### 1.3 Significant Negative Effects

There are no significant effects from any of these activities.

The most likely negative effect that could result from these activities is contamination of streams that cross or border the council farm, from runoff from paddocks, effluent ponds or animals gaining access to the river. This is mitigated by good farming practices and significant investment made in fencing and riparian planting of stream edges as well as effluent management.

### 1.4 Statement of Service Provision

Level of Service	Performance Measure	Year 2 – 2019/20		How Measured
		Target	Actual	
Maximum profits from the farm are returned to Council.	Milk production is maximised	>150,000kg	<b>Achieved – 154,177.7kgs</b> (2018/19 Achieved – 151,464kgs)	Milk Supplier's Statements issued by milk collector (currently Fonterra).
Leased property is safe and fit for purpose.	Number of complaints from tenants.	<5	<b>Achieved – 3</b> (2018/19 Achieved – 0)	Reporting against corporate CRM system.

### 1.5 Projects and Other Programmes

Project	Category	Budget 2019/20	Actual 2019/20	Notes
<b>Farm</b>				
House Components	Replacements	\$0	\$3,683	Complete
Landscaping & Riparian Planting	Level of Service	\$15,300	\$10,626	Complete
Water tank	Level of Service	\$0	\$2,911	Complete
Emergency Generator	Level of Service	\$30,000	\$0	Not required

### 1.6 Cost of Services Statement

The detailed financial summaries for the Farm, Holiday Park and Rental Properties activities are shown below:

#### Holiday Park

Actual 2018/19 \$000		Actual 2019/20 \$000	Budget 2019/20 \$000
18	<b>Operating Expenditure</b>	17	16
3	<b>Revenue</b>	3	3
<b>15</b>	<b>Net Cost of Service</b>	<b>14</b>	<b>13</b>
<b>EXPENDITURE</b>			
-	Operating Costs	-	-
18	Allocated Overheads	17	16
<b>18</b>	<b>Total Expenditure</b>	<b>17</b>	<b>16</b>
<b>FUNDED BY:</b>			
3	Charges for Services	3	3
<b>3</b>	<b>Total Revenue</b>	<b>3</b>	<b>3</b>
15	General Rates	13	13
<b>18</b>	<b>Total Funding</b>	<b>16</b>	<b>16</b>



**Farm**

Actual 2018/19 \$000		Actual 2019/20 \$000	Budget 2019/20 \$000
374	<b>Operating Expenditure</b>	322	366
479	<b>Revenue</b>	518	505
<b>(104)</b>	<b>Net Cost of Service</b>	<b>(197)</b>	<b>(139)</b>
<b>EXPENDITURE</b>			
204	Operating Costs	188	183
78	Interest	63	88
54	Depreciation	38	57
38	Allocated Overheads	32	37
<b>374</b>	<b>Total Operating Expenditure</b>	<b>322</b>	<b>366</b>
65	Principal Loan Repayments	828	103
296	Capital Expenditure	17	45
<b>735</b>	<b>Total Expenditure</b>	<b>1,167</b>	<b>514</b>
<b>FUNDED BY:</b>			
479	Charges for Services	518	505
<b>479</b>	<b>Total Revenue</b>	<b>518</b>	<b>505</b>
(41)	General Rates	(50)	(36)
296	Loan Funding - Capital	17	15
-	Sale of Assets	682	-
65	Transfer from Depreciation Reserve	-	30
(64)	Transfer (to) from Reserves	-	-
-	Other Funding	-	-
<b>735</b>	<b>Total Funding</b>	<b>1,167</b>	<b>514</b>

**Rental Properties**

Actual 2018/19 \$000		Actual 2019/20 \$000	Budget 2019/20 \$000
85	<b>Operating Expenditure</b>	71	71
55	<b>Revenue</b>	31	34
<b>30</b>	<b>Net Cost of Service</b>	<b>40</b>	<b>37</b>
<b>EXPENDITURE</b>			
8	Operating Costs	9	11
35	Depreciation	22	19
42	Allocated Overheads	40	41
<b>85</b>	<b>Total Operating Expenditure</b>	<b>71</b>	<b>71</b>
-	Capital Expenditure	-	-
<b>85</b>	<b>Total Expenditure</b>	<b>71</b>	<b>71</b>
<b>FUNDED BY:</b>			
55	Charges for Services	31	34
<b>55</b>	<b>Total Revenue</b>	<b>31</b>	<b>34</b>
26	General Rates	37	36
<b>81</b>	<b>Total Funding</b>	<b>68</b>	<b>71</b>



## **BUILDING SERVICES**

### **1.1 What We Do**

Council is registered as a building consent authority (BCA), as required by the Building Act 2004. The BCA receives and processes applications for building consents. It also involves monitoring and compliance, to ensure that all building, plumbing and drainage work in the District is undertaken in a safe, secure and proper manner. The Building Control Team also leads the preparation of Land Information Memorandums.

### **1.2 Why We Do It**

Council has a legal responsibility to ensure buildings are fit for purpose and comply with legislation.

This activity contributes to the community outcomes of:

- Outstanding Leadership
- Affordable, Quality Services and Infrastructure
- Strong Community
- Smart, Vibrant and Prosperous District
- Stratford District as a unique destination
- Financial Strength
- Growth

### **1.3 Significant Negative Effects**

Council is mindful of the potential for regulations around the construction of buildings to have a time and cost impact on investment decisions. Performance indicators have been designed to strike a balance between legal requirements and efficiency from a customer service perspective.

The most significant negative effects are predicted to accrue if council gets it wrong. Maintenance of a quality management system and a structured approach to continual improvement are two measures to ensure the purpose of the Building Act is upheld.

## 1.4 Statement of Service Provision

Level of Service	Performance Measure	Year 2 – 2019/20		How Measured
		Target	Actual	
To process applications within statutory timeframes.	Percentage of building consent applications processed within 20 days.	100%	<b>Achieved – 100%, 242 out of 242</b> (2018/19 Not Achieved 99%, 242 out of 244 building consents)	Council Records
	Percentage of inspection requests completed within 24 hours of request	100%	<b>Achieved – 100%</b> (2018/19 Achieved – 100%)	Council Records
	Percentage of code compliance certificate applications determined within 20 working days	100%	<b>Achieved – 100%, 213 out of 213</b> (2018/19 Achieved – 100% 238 out of 238)	Council Records
To retain registration as a Building Consent Authority.	Current registration.	Confirmed	<b>Achieved – expires July 2020</b> (2018/19 Achieved – expires July 2020)	Current IANZ Certification
To process LIMs within statutory timeframes	% of LIMs processed within timeframes.	100%	<b>Not Achieved – 98% 53 of 54 – see explanation on page 19</b> (2018/19 Not Achieved – 95%, 55 of 56)	Council Records
Service meets customer expectations.	Percentage of customers using building consent processes are satisfied with the service provided	>80%	<b>Achieved – 83%</b> (2018/19 Not Achieved – 79%)	Council Records

## 1.5 Projects and Other Programmes

There were no future projects associated with the Building Services activity.

## 1.6 Cost of Services Statement

The detailed financial summary for Building Services' activities is below:

### **Building Control**

<b>Actual 2018/19 \$000</b>		<b>Actual 2019/20 \$000</b>	<b>Budget 2019/20 \$000</b>
443	<b>Operating Expenditure</b>	468	416
220	<b>Revenue</b>	284	262
<b>223</b>	<b>Net Cost of Service</b>	<b>184</b>	<b>155</b>
<b>EXPENDITURE</b>			
277	Operating Costs	279	228
166	Allocated Overheads	189	189
<b>443</b>	<b>Total Operating Expenditure</b>	<b>468</b>	<b>416</b>
<b>FUNDED BY:</b>			
220	Charges for Services	284	262
<b>220</b>	<b>Total Revenue</b>	<b>284</b>	<b>262</b>
275	UAGC	153	153
-	Other Funding	-	1
<b>495</b>	<b>Total Funding</b>	<b>437</b>	<b>416</b>

## **Planning and Bylaws**

### **1.1 What We Do**

This activity covers:

- The development and administration of the Stratford District Plan
- Maintaining a set of bylaws that integrate with the District Plan provisions
- The processing of resource consents required under the District Plan.
- Monitoring of the district to ensure that the District Plan and bylaws are relevant and complied with.

### **1.2 Why We Do It**

All of the above functions are required by legislation.

This activity contributes to the community outcomes of:

- Outstanding Leadership
- Affordable, Quality Services and Infrastructure
- Strong Community
- Smart, Vibrant and Prosperous District
- Stratford District as a unique destination
- Financial Strength

### **1.3 Significant Negative Effects**

Council is mindful of the potential for regulations around land use and subdivision to have a time and cost impact on short and long term investment decisions. Performance indicators have been designed to strike a balance between legal requirements and efficiency from a customer service perspective.

There is greater significant risk if the district plan review is not completed and the district plan not updated to reflect best practice and community expectations. The same also applies to the suite of bylaws that sit alongside the district plan. There is only a significant negative effect if Council gets it wrong.

## 1.4 Statement of Service Provision

Level of Service	Performance Measure	Year 2 – 2019/20		How Measured
		Target	Actual	
To promote the sustainable management and use of land and public spaces.	To undertake a comprehensive review of the district plan, with notification no later than 2018/19.	Notification hearings and settlement of appeals	<b>Not Achieved</b> – see explanation on page 19 (2018/19 Not Achieved – process underway)	Reports to Council
	To undertake a systematic review of bylaws and related policies as they reach their statutory review dates.	Drafting notification/hearings	<b>Not Achieved</b> – see explanation on page 19 (2018/19 Achieved)	Reports to Council
To process resource consents within statutory timeframes.	% of non notified applications processed within 20 working days.	100%	<b>Achieved – 100% 72 of 72 applications.</b> (2018/19 Not Achieved – 98%, 51 of 52 applications)	Council records
	% of notified applications processed within legislated timeframes for notification, hearings and decisions.	100%	<b>Achieved – 0 notified consent applications</b> (2018/19 Achieved – 1 notified consent)	Council records
	% of s223 and s224 applications processed within 10 working days.	100%	<b>Achieved – 100% 36 of 36 applications.</b> (2018/19 Achieved – 100% 28 of 28 applications)	Council records
Service meets customer expectations.	Percentage of customers using resource consent processes are satisfied with the service provided	>80%	<b>Achieved – 84%</b> (2018/19 Achieved – 80.1%)	Council Records

## 1.5 Projects and Other Programmes

There were no projects associated with the Planning and Bylaw activity.

## 1.6 Cost of Services Statement

The detailed financial summary for Planning and Bylaw's activities is below:

### District Plan and Bylaws

Actual 2018/19 \$000		Actual 2019/20 \$000	Budget 2019/20 \$000
106	<b>Operating Expenditure</b>	116	147
-	<b>Revenue</b>	-	-
<b>106</b>	<b>Net Cost of Service</b>	<b>116</b>	<b>147</b>
<b>EXPENDITURE</b>			
38	Operating Costs	44	75
67	Allocated Overheads	72	71
<b>106</b>	<b>Total Operating Expenditure</b>	<b>116</b>	<b>147</b>
<b>FUNDED BY:</b>			
163	UAGC	146	146
-	Other Funding	-	-
<b>163</b>	<b>Total Funding</b>	<b>146</b>	<b>147</b>

### Resource Consents

Actual 2018/19 \$000		Actual 2019/20 \$000	Budget 2019/20 \$000
149	<b>Operating Expenditure</b>	195	165
57	<b>Revenue</b>	59	32
<b>92</b>	<b>Net Cost of Service</b>	<b>136</b>	<b>134</b>
<b>EXPENDITURE</b>			
70	Operating Costs	102	74
80	Allocated Overheads	93	91
<b>149</b>	<b>Total Operating Expenditure</b>	<b>195</b>	<b>165</b>
<b>FUNDED BY:</b>			
57	Charges for Services	59	32
<b>57</b>	<b>Total Revenue</b>	<b>59</b>	<b>32</b>
135	UAGC	133	133
-	Other Funding	-	1
<b>192</b>	<b>Total Funding</b>	<b>192</b>	<b>165</b>

## **Community Health & Safety**

### **1.1 What We Do**

The activities broadly cover the regulation and enforcement of various statutes and bylaws relating to health, food, alcohol, animal control, and general nuisance arising from inappropriate parking of motor vehicles and/or use of public places.

#### **Health Act and Food Act**

Council:

- provides a uniform system of control to ensure the sale of food is fit for consumption and safe
- carries out premises registration, education, monitoring and enforcement activities, including complaint resolution, to avoid and mitigate actual and potential adverse effects on public health.

From time to time this activity also has to review and respond to legislative changes. Overall its main role is licensing, compliance and enforcement.

#### **Sale and Supply of Alcohol Act**

Council carries out licensing, monitoring and enforcement activities, to ensure that a reasonable system of control is in place over the sale and supply of liquor to the public, with the aim of contributing to the reduction of liquor abuse in the community.

#### **Parking and other Bylaw compliance**

Bylaws provide an enforcement tool where specific local regulation is required. In some instances bylaws are required to give a specific local interpretation of national legislation. Others, such as the Public Places Bylaw, are passed under the Local Government Act but simply reflect a set of local expectations.

Council receives an average of 300 complaints concerning infringements of the various bylaws each year. In addition approximately 200 to 300 parking infringement notices are issued each year, with almost all being in respect of time limits. Council has, since 2010, also issued infringement notices for other stationary vehicle offences related to warrants of fitness and vehicle registration.

#### **Animal Control**

Council exercises its responsibilities under the Dog Control Act 1996 and Council's Dog Control Bylaw. Council controls dogs as required by legislation to avoid nuisance and minimise risk to the community.

This covers:

- registration of dogs
- timely response to all complaints concerning dogs, particularly in regard to instances involving aggressive behaviour by dogs
- Enforcing obligations on dog owners designed to ensure that dogs do not cause a nuisance to any person, and do not injure, endanger or cause distress to any person or cause distress to any stock, poultry, domestic animal or protected wildlife.

Council operates a dog pound which has a capacity for six dogs. The demand for services is relatively consistent.

Under the general bylaw this activity also manages wandering stock on road reserves.



## 1.2 Why We Do It

These services are either required by statute or bylaws produced by the Council in response to either public expectations or legal requirements.

This activity contributes to the community outcomes of:

- Outstanding Leadership
- Affordable, Quality Services and Infrastructure
- Strong Community
- Smart, Vibrant and Prosperous District
- Stratford District as a unique destination
- Financial Strength

## 1.3 Significant Negative Effects

These activities are in place to avoid or offset significant negative effects of an environmental, or community health and safety nature.

## 1.4 Statement of Service Provision

Level of Service	Performance Measure	Year 2 – 2019/20		How Measured
		Target	Actual	
To fulfil obligations to improve, promote and protect public health.	Percentage of premises registered under the Food Act, Health Act, Beauty and Tattoo Bylaw, to be inspected for compliance.	100%	<b>Achieved – 100%</b> (2018/19 Achieved – 100%)	Council Records
	Health nuisance and premise complaints are responded to within 1 working day.	100%	<b>Achieved – 100% 22 out of 22 complaints</b> (2018/19 Achieved – 100%, 12 complaints)	Council Records
To fulfil obligations as a District Licensing Committee.	Percentage of licensed premises inspected.	100%	<b>Not Achieved – 91% 30 of 33 inspected</b> – see explanation on page 19 (2018/19 Achieved – 100% 31 of 31 inspected)	Council Records
	Percentage of applications processed within 25 working days (excluding hearings).	100%	<b>Achieved – 100% 81 of 81 applications</b> (2018/19 – Achieved 100% 89 of 89 applications)	Council Records
To monitor and enforce bylaws.	Percentage of complaints responded to within 2 hours.	100%	<b>Achieved – 100% 322 of 322 complaints.</b> (2018/19 Achieved – 100%, 293 of 293 complaints)	Council Records
To ensure dogs are controlled.	Percentage of known dogs registered.	98%	<b>Not Achieved – 97% 2,072 of 2,132 dogs</b> – see explanation on page 19 (2018/19 Not Achieved – 97.5%, 2,095 of 2,133 dogs)	Council Records
	Percentage of dog attack/wandering dog complaints responded to within an hour.	100%	<b>Achieved – 100% 278 of 278 complaints.</b> (2018/19 Achieved – 100%, 295 of 295 complaints)	Council Records

## 1.5 Projects and Other Programmes

Project	Category	Budget 2019/20	Actual 2019/20	Notes
Construct new Dog Pound	Level of Service	\$61,300	\$56,352	Complete

## 1.6 Cost of Services Statement

The detailed financial summaries for Food and Health, Alcohol Licensing, Parking and other Bylaws and Animal Control activities are below:

### Environmental Health

Actual 2018/19 \$000		Actual 2019/20 \$000	Budget 2019/20 \$000
93	Operating Expenditure	125	87
32	Revenue	31	15
<b>61</b>	<b>Net Cost of Service</b>	<b>94</b>	<b>73</b>
<b>EXPENDITURE</b>			
52	Operating Costs	86	50
41	Allocated Overheads	38	37
<b>93</b>	<b>Total Operating Expenditure</b>	<b>125</b>	<b>87</b>
<b>FUNDED BY:</b>			
32	Charges for Services	31	15
<b>32</b>	<b>Total Revenue</b>	<b>31</b>	<b>15</b>
73	UAGC	73	73
-	Other Funding	-	-
<b>105</b>	<b>Total Funding</b>	<b>104</b>	<b>87</b>

### Liquor Licensing

Actual 2018/19 \$000		Actual 2019/20 \$000	Budget 2019/20 \$000
133	Operating Expenditure	149	157
34	Revenue	34	35
<b>100</b>	<b>Net Cost of Service</b>	<b>115</b>	<b>122</b>
<b>EXPENDITURE</b>			
47	Operating Costs (see note 30)	54	63
86	Allocated Overheads	95	94
<b>133</b>	<b>Total Operating Expenditure</b>	<b>149</b>	<b>157</b>
<b>FUNDED BY:</b>			
34	Charges for Services (see note 30)	34	35
<b>34</b>	<b>Total Revenue</b>	<b>34</b>	<b>35</b>
121	UAGC	121	122
-	Other Funding	-	1
<b>154</b>	<b>Total Funding</b>	<b>155</b>	<b>157</b>

**Parking and other Bylaws**

Actual 2018/19 \$000		Actual 2019/20 \$000	Budget 2019/20 \$000
168	<b>Operating Expenditure</b>	164	187
(5)	<b>Revenue</b>	(0)	27
<b>172</b>	<b>Net Cost of Service</b>	<b>165</b>	<b>160</b>
<b>EXPENDITURE</b>			
65	Operating Costs	54	78
103	Allocated Overheads	111	108
<b>168</b>	<b>Total Operating Expenditure</b>	<b>164</b>	<b>186</b>
<b>FUNDED BY:</b>			
(5)	Charges for Services	(0)	27
<b>(5)</b>	<b>Total Revenue</b>	<b>(0)</b>	<b>27</b>
156	UAGC	159	160
-	Other Funding	-	1
<b>151</b>	<b>Total Funding</b>	<b>159</b>	<b>186</b>

**Animal Control**

Actual 2018/19 \$000		Actual 2019/20 \$000	Budget 2019/20 \$000
204	<b>Operating Expenditure</b>	194	189
147	<b>Revenue</b>	141	128
<b>57</b>	<b>Net Cost of Service</b>	<b>53</b>	<b>60</b>
<b>EXPENDITURE</b>			
122	Operating Costs	112	110
-	Interest	1	-
7	Depreciation	7	8
75	Allocated Overheads	74	71
<b>204</b>	<b>Total Operating Expenditure</b>	<b>194</b>	<b>189</b>
-	Principal Loan Repayments	-	-
-	Capital Expenditure	56	61
<b>204</b>	<b>Total Expenditure</b>	<b>250</b>	<b>250</b>
<b>FUNDED BY:</b>			
147	Charges for Services	141	128
<b>147</b>	<b>Total Revenue</b>	<b>141</b>	<b>128</b>
58	UAGC	60	60
-	Loan funding	56	61
-	Other Funding	-	-
<b>205</b>	<b>Total Funding</b>	<b>257</b>	<b>250</b>

# CIVIL DEFENCE AND EMERGENCY MANAGEMENT

## 1.1 What We Do

Council is involved in Civil Defence and Emergency Management to contribute to the social, economic, cultural, and environmental wellbeing of the District and to provide for the safety of the public and also the protection of property in Stratford.

The overriding principle for Civil Defence and Emergency Management delivery across the Taranaki Civil Defence and Emergency Management (CDEM) Group is that it is a regionally coordinated and locally delivered approach. The Taranaki Region operates a CDEM Group Office, called the Taranaki Emergency Management Office (TEMO). TEMO is a shared service between all four councils in Taranaki that delivers Civil Defence and Emergency Management coordination throughout Taranaki on behalf of the councils in the region. The Council is obligated to plan and provide for Civil Defence and Emergency Management within the Stratford District and to ensure that it can function at the fullest possible extent during an emergency.

To achieve this, the Council has established an Emergency Operations Centre and is responsible for local emergency management delivery during response, readiness activities to increase the resilience of the community, long term recovery and risk reduction to reduce exposure to hazards.”

## 1.2 Why We Do It

Council has legal requirements to play a direct role in the prevention and management of natural hazards.

This activity contributes to the community outcomes of:

- Outstanding Leadership
- Affordable, Quality Services and Infrastructure
- Strong Community
- Smart, Vibrant and Prosperous District
- Stratford District as a unique destination
- Financial Strength

## 1.3 Significant Negative Effects

There are no significant negative effects associated with the Civil Defence and Emergency Management activities.

## 1.4 Statement of Service Provision

Level of Service	Performance Measure	Year 2 – 2019/20		How Measured
		Target	Actual	
To maintain effective emergency capability	Operative Taranaki Civil Defence and Emergency Management Plan.	Achieved	Achieved (2018/19 Achieved)	Annual CDEMG Report

## 1.5 Projects and Other Programmes

There were no projects associated with the Civil Defence and Emergency Management activity.

## 1.6 Cost of Services Statement

The detailed financial summaries for Civil Defence and Emergency Management's activities are below:

### Civil Defence and Emergency Management

Actual 2018/19 \$000		Actual 2019/20 \$000	Budget 2019/20 \$000
128	<b>Operating Expenditure</b>	124	136
-	<b>Revenue</b>	-	-
<b>128</b>	<b>Net Cost of Service</b>	<b>124</b>	<b>136</b>
<b>EXPENDITURE</b>			
91	Operating Costs	86	100
37	Allocated Overheads	38	36
<b>128</b>	<b>Total Operating Expenditure</b>	<b>124</b>	<b>136</b>
<b>FUNDED BY:</b>			
124	UAGC	135	136
-	Other Funding	-	-
<b>124</b>	<b>Total Funding</b>	<b>135</b>	<b>136</b>



## 1.1 What We Do

The Roding activity encompasses the management, construction, maintenance and renewal of rural and urban roads, footpaths, kerb and channel, street lighting and associated infrastructure for the District excluding State Highways. The Roding network managed by the Stratford District Council totals 597.8km, made up of 556.1km of rural roads and 41.6km of urban streets. State Highways 3 and 43 are maintained by the New Zealand Transport Agency (NZTA). In addition there are over 700km of unformed legal road and a number of bridges 'beyond the maintenance peg' that are not maintained by Council.

The Roding asset includes all pavements from the sub base to, and including, the top sealed or metal surface, traffic services (lighting, street and safety signage, footpaths, kerb & channel), bridges, culverts and side drains.

	Rural	Urban	Total
Sealed km	349.4	41.6	391.1
Unsealed km	<u>206.7</u>	<u>0.01</u>	<u>206.7</u>
	<b>556.1</b>	<b>41.6</b>	<b>597.8</b>

The physical works carried out on the District roads are undertaken by private contractors. Most of the work, including all routine maintenance and most renewals and planned work such as reseals and unsealed roads metal replacement, is carried out under the Roding Facilities Management Contract.

## 1.2 Why We Do It

Council is the road controlling authority under the Local Government Act 1974 with responsibility for all local roads in the area. It provides an integrated, safe, responsive and sustainable local land transport system for the District. This is a fundamental requirement for every District.

The main users of the network are residents, industries (particularly dairy, forestry and oil), a small commercial sector, and visitors.

This activity contributes to the community outcomes of:

- Affordable, Quality Services and Infrastructure
- Smart, Vibrant and Prosperous District
- Stratford District as a unique destination
- Financial Strength
- Growth

## 1.3 Significant Negative Effects

The Roding activity can have negative effects on the social, economic, environmental and cultural wellbeing of the District. The potential significant negative effects of the Roding network, and the ways in which Council tries to mitigate these effects are:

**Traffic Hazards/Accidents** - Council is actively involved in regional road safety strategies such as 'Roadsafe Taranaki', and the 'Community Road Safety Programme'. Its minor safety improvements include regionally co-ordinated activities such as road safety education, and improvements in signage, pavement marking, safety structures and speed limiting. It investigates injury accidents with the Police to address any roading issues that may be involved.

**Dust** - The District has a large proportion of unsealed roads. Council is working with the rural community, and has a seal extension programme to mitigate the effects of dust.

**Noise** - The State Highways are subject to the largest traffic volumes and a high percentage of heavy vehicles, particularly in Central Broadway where the impact of noise is most obvious. The rural roads also carry a high percentage of heavy traffic, but generally the noise impact is not significant because of the low traffic volumes.

**Road Closures** - Unscheduled road closures, usually as the result of flood damage, can be of concern, particularly for isolated rural communities. When this happens, every effort is made to have the road or alternative routes open as soon as possible.

Planned closures are always well notified to affected parties and usually these are not a significant problem, except for some organised motor sports that tended to target the same sections of roads on a regular basis. Council has discussed this with event organisers and it no longer appears to be such an issue.

**Environment** - All major project works are carried out under resource consents. General works are undertaken to avoid major impacts on stormwater run-off and drainage management.

#### 1.4 Statement of Service Provision

Level of Service	Performance Measure	Year 2 – 2019/20		How Measured
		Target	Actual	
To provide a safe roading network.	<b>Road safety</b> - The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number.	1	<b>Not Achieved</b> – Increase of 1 (5 Fatalities and serious injury crashes) – <i>see explanation on page 20</i> (2018/19 – Achieved, Change was -3 (0 Deaths, 4 Serious Injury))	Police Database CAS
To provide a well maintained roading network.	<b>Road Condition</b> – The average quality of ride on sealed road network, measured by smooth travel exposure.	Urban – ≥83% Rural – ≥91%	<b>Achieved</b> – Urban – 88% <b>Not Achieved</b> – Rural – 78% – <i>see explanation on page 20</i> (2018/19 – Achieved – Urban 89%, Rural 96%)	RAMM Rating Report
	<b>Road maintenance</b> – The percentage of the sealed road network that is resurfaced.	≥5%	<b>Achieved</b> – <b>5.4%</b> (2018/19 Achieved – 5.7%)	RAMM Rating Report
	<b>Road maintenance</b> – The percentage of the unsealed road network that has been metal dressed.	≥7%	<b>Achieved</b> – <b>14.4%</b> (2018/19 – Achieved – 25.2%)	RAMM Report
	<b>Footpaths</b> - The percentage of footpaths within a territorial authority district that fall within the level of service or service standard for the condition of footpaths that is set out in the territorial authority's relevant document (annual plan, activity management plan, asset management plan, annual works programme or long term plan)	>83%	<b>Not Achieved</b> – <b>62%</b> – <i>see explanation on page 20</i> (2018/19 Not Achieved – 41.70% - target was >82%)	RAMM Report
	<b>Response to service requests</b> - The percentage of customer service requests relating to roads and footpaths to which the territorial authority responds within the time frame specified in the long term plan (note: this information is actually held in the asset management plan not the long term plan).	>87%	<b>Achieved</b> – <b>100%</b> (2018/19 Achieved – 100%)	RAMM Report. Spreadsheet until connectivity is established between RAMM and Customer Service Requests

Level of Service	Performance Measure	Year 2 – 2019/20		How Measured
		Target	Actual	
To provide a well maintained roading network.	Percentage of residents who are satisfied with:			Annual Customer Survey
	<ul style="list-style-type: none"> <li>Roading Networks</li> </ul>	>77%	<b>Not Achieved – 75%</b> – see explanation on page 20 (2018/19 – Not Achieved – 72.03%)	
	<ul style="list-style-type: none"> <li>Footpaths</li> </ul>	>78%	<b>Not Achieved – 73%</b> – see explanation on page 20 (2018/19 – Achieved – 71.40%)	

### 1.5 Projects and Other Programmes

Project	Category	Budget 2019/20	Actual 2019/20	Notes
Unsealed Road Metalling	Replacements	\$844,600	\$422,732	Complete
Sealed Road Resurfacing	Replacements	\$800,000	\$773,858	Complete
Drainage Renewals	Replacements	\$568,300	\$429,640	Complete
Pavement Rehabilitation	Replacements	\$762,100	\$871,484	Complete
Structure Component Replacement	Replacements	\$96,100	\$181,315	Complete
Traffic Services	Replacements	\$63,100	\$100,740	Complete
Sealed Road Resurfacing – Special Purpose Roads	Replacements	\$52,000	\$8,211	This has been carried forward to 2020/21
Provincial Growth Fund	Level of Service	\$0	\$18,066	
Underverandah Lighting	Replacements	\$12,300	\$161	Complete
Kerb and Chanel extension	Level of Service	\$0	\$25,408	Complete
LED Lighting Upgrade	Level of Service	\$0	\$44,461	Complete
Traffic counters	Replacements	\$0	\$26,459	Complete



## 1.6 Cost of Services Statement

The detailed financial summary for Roothing activities is below:

### Roothing

Actual 2018/19 \$000		Actual 2019/20 \$000	Budget 2019/20 \$000
7,319	<b>Operating Expenditure</b>	6,651	6,474
5,185	<b>Revenue</b>	3,660	3,875
<b>2,133</b>	<b>Net Cost of Service</b>	<b>2,992</b>	<b>2,599</b>
<b>EXPENDITURE</b>			
4,262	Operating Costs	3,546	3,493
2,801	Depreciation	2,804	2,700
256	Allocated Overheads	302	281
<b>7,319</b>	<b>Total Operating Expenditure</b>	<b>6,651</b>	<b>6,474</b>
3,644	Capital Expenditure	2,903	3,199
<b>10,962</b>	<b>Total Expenditure</b>	<b>9,553</b>	<b>9,672</b>
<b>FUNDED BY:</b>			
187	Charges for Services	195	134
4,999	NZTA Financial Assistance	3,465	3,741
<b>5,185</b>	<b>Total Revenue</b>	<b>3,660</b>	<b>3,875</b>
2,915	Targeted Rates	3,049	3,039
1,482	Depreciation funded from Reserves	1,482	1,398
2,059	Transfers from Reserves - Capital	1,289	1,360
-	Grants - Provincial Growth Fund - Capital	18	-
(679)	Transfer from (to) reserves	55	(1)
-	Other Funding	-	2
<b>10,962</b>	<b>Total Funding</b>	<b>9,553</b>	<b>9,672</b>

### Business Unit

Actual 2018/19 \$000		Actual 2019/20 \$000	Budget 2019/20 \$000
139	<b>Operating Expenditure</b>	204	190
151	<b>Revenue</b>	198	196
<b>(12)</b>	<b>Net Cost of Service</b>	<b>6</b>	<b>(6)</b>
<b>EXPENDITURE</b>			
98	Operating Costs	160	142
3	Depreciation	4	9
38	Allocated Overheads	39	39
<b>139</b>	<b>Total Operating Expenditure</b>	<b>204</b>	<b>190</b>
<b>FUNDED BY:</b>			
151	In-house Services - NZTA Assisted	196	196
-	Charges for Services	2	-
<b>151</b>	<b>Total Revenue</b>	<b>198</b>	<b>196</b>
(8)	General Rates	(6)	(6)
-	Other Funding	0	-
<b>143</b>	<b>Total Funding</b>	<b>192</b>	<b>190</b>



### 1.1 What We Do

Stormwater reticulation and collection services are provided and managed by Stratford District Council:

- To collect and disperse any excess water from a major rainfall event.
- To provide a system for the normal drainage of stormwater and groundwater, thereby enhancing the life of other infrastructure e.g. roads and protecting private property (to the defined level of service).

The Stormwater reticulation system is a network of pipes and open drains that collects stormwater from developed urban areas. Collection from roads and public areas is usually via sumps and directed to reticulation. Collection from commercial and industrial properties is via reticulation manholes. Residential area stormwater is discharged to ground mainly by soak holes, although if soil or other conditions are not suitable for soak holes, discharge is carried out via runoff through sumps and reticulation.

There are 6.7km of stormwater pipes, and 14km of open drains in the Stratford urban area. Council is also responsible for approximately 70 metres of 450mm culvert in Midhirst.

### 1.2 Why We Do It

Stormwater assets are critical for the protection of properties and infrastructure

This activity contributes to the community outcomes of:

- Affordable, Quality Services and Infrastructure
- Strong Community
- Financial Strength
- Growth

### 1.3 Significant Negative Effects

**Health** - The stormwater system has the potential to affect community health if it is inadequate and results in flooded houses and properties, and causes sewerage system overflows.

Council is aware of the areas where surface flooding occurs and is progressively working towards eliminating these events. However, there will always be localised storm events that will exceed the capacity of any system and some surface flooding will occur. Council recognises this potential and endeavours to take all steps to ensure the risk is minimised.

**Environment** - Council operates under its resource consent requirements for stormwater discharge.

Monitoring of discharge points will continue to ensure that there are no negative effects on rivers or streams at these locations.

## 1.4 Statement of Service Provision

Level of Service	Performance Measure	Year 2 – 2019/20		How Measured
		Target	Actual	
Stormwater system protects property from impacts of flooding.	<b>System adequacy</b>			Reporting against corporate CRM system. Note: specific category to be set up for flooding – to separate between residential & commercial buildings and include count of habitable floors flooded (residential only).
	<ul style="list-style-type: none"> <li>The number of flooding events that occur in a territorial authority district. “Flooding” in this context means stormwater entering a habitable floor</li> </ul>	0	<b>Achieved – 0 – No flooding events meeting the criteria</b> (2018/19 Achieved – 0 - No flooding events meeting the criteria)	
	<ul style="list-style-type: none"> <li>For each flooding event, the number of habitable floors affected. (Expressed per 1000 properties connected to the territorial authority’s stormwater system.)</li> </ul>	0	<b>Achieved – 0 – No flooding events meeting the criteria</b> (2018/19 Achieved – 0 - No flooding events meeting the criteria)	
	<ul style="list-style-type: none"> <li>For each flooding event, the number of buildings in the central business zone affected by flooding.</li> </ul>	0	<b>Achieved – 0 – No flooding events meeting the criteria</b> (2018/19 Achieved – 0 - No flooding events meeting the criteria)	
Discharge Compliance	Compliance with the territorial authority’s resource consents for discharge from its stormwater system, measured by the number of: <ul style="list-style-type: none"> <li>Abatement notices</li> <li>Infringement notices</li> <li>Enforcement orders, and</li> <li>Convictions</li> </ul> received by the territorial authority in relation to those resource consents.	N/A	<b>Not Applicable</b> (2018/19 Not Applicable)	Council does not hold discharge consents for discharge from its stormwater system.
Response Times	The median response time to attend a flooding event, measured from the time that the territorial authority receives notification to the time that service personnel reach the site.	1 hour	<b>Achieved – 0 – No flooding events meeting the criteria</b> (2018/19 Achieved – 0 – No flooding events meeting the criteria)	Work order tracking/reporting through Council’s Infrastructure asset management system.
Customer Satisfaction	The number of complaints received by a territorial authority about the performance of its stormwater system, expressed per 1000 properties connected to the territorial authority’s stormwater system.	<8	<b>Achieved – 0</b> (2018/19 – Not Applicable – see note below)	Reporting against corporate CRM system.

*Note: The Department of Internal Affairs’ mandatory non-financial performance measure on customer satisfaction is a count of ALL complaints received by a territorial authority about the performance of its stormwater system. These are to be expressed per 1000 properties connected to the territorial authority’s stormwater system. While council set its target of less than 8 per thousand properties connected correctly, the recording of complaints was not undertaken in accordance with DIA guidance as only the first complaint for any one event was formally recorded, rather than every complaint. This is now being rectified for the future.*

## 1.5 Projects and Other Programmes

Project	Category	Budget 2019/20	Actual 2019/20	Notes
Pipework Capacity Increase	Level of Service	\$108,000	\$357,616	Complete. This overspend was funded by the use of the safety improvements budget below, together with funds brought forward from 2018/19.
Safety Improvements	Level of Service	\$120,000	\$0	Combined with above
Reticulation Renewals	Replacements	\$54,300	\$138,145	Complete
Weather events emergency fund	Replacements	\$2,500	\$2,560	Complete

## 1.6 Cost of Services Statement

The detailed financial summary for the Stormwater activity is shown below.

### Stormwater

Actual 2018/19 \$000		Actual 2019/20 \$000	Budget 2019/20 \$000
358	<b>Operating Expenditure</b>	336	354
-	<b>Revenue</b>	-	-
<b>358</b>	<b>Net Cost of Service</b>	<b>336</b>	<b>354</b>
	<b>EXPENDITURE</b>		
106	Operating Costs	51	105
10	Interest	14	25
138	Depreciation	141	116
104	Allocated Overheads	130	108
<b>358</b>	<b>Total Operating Expenditure</b>	<b>336</b>	<b>354</b>
14	Principal Loan Repayments	21	29
24	Capital Expenditure	498	285
<b>396</b>	<b>Total Expenditure</b>	<b>856</b>	<b>669</b>
	<b>FUNDED BY:</b>		
329	UAGC	353	354
23	Transfer from Depreciation Reserves	162	86
15	Loan Funding - Capital	357	229
-	Other Funding	-	1
<b>367</b>	<b>Total Funding</b>	<b>872</b>	<b>669</b>



### 1.1 What We Do

The Wastewater activity encompasses the planning, provision, operation, maintenance and renewal of wastewater, reticulation and treatment and disposal, and associated infrastructure for the Stratford urban area.

### 1.2 Why We Do It

Council has obligations under the Local Government Act 2002, the Health Act 1956 and the Building Act 2004 that outline general duties of a local authority to improve, promote and protect public health through the sanitary and responsible treatment and disposal of wastewater.

This activity contributes to the community outcomes of:

- Affordable, Quality Services and Infrastructure
- Strong Community
- Financial Strength
- Growth

### 1.3 Significant Negative Effects

#### Impact on Water Quality:

#### Negative Effects

The potential significant negative effects of the Wastewater activity on the social, environmental and cultural well-being of the District, and the ways in which Council tries to mitigate these effects are:

**Health** - The Wastewater system has the potential to affect community health if it fails to operate according to the required performance standards. As standards are improved, the system is upgraded to suit.

Periodic failures in the system, such as discharge overflows in domestic reticulation systems and through street manholes, are of concern and are being addressed as a priority by Council.

Currently there are no indications that community health has been or could be significantly affected by the performance of the wastewater system.

**Odour** - Odour is managed through the resource consent process. The upgrade of the oxidation pond treatment system through increased aeration and screening will further minimise the possibility of odour problems.

**Environment** - Council is working with the Regional Council on a review of its resource consent requirements. This has resulted in planned improvements to the treatment system, the quality of discharge from the ponds and the method of discharge to the receiving waters. Continued efforts will be made to ensure that environmental effects are minimised.

**Culture** - The treatment and disposal of wastewater into the Patea River highlighted some cultural issues. Council dealt with these issues as part of the consent consultation process. One such issue was the direct disposal of the discharge from the treatment plant. Council modified the outlet structure to meet cultural and environmental concerns.

## Climate Change

The projected effects of climate change would have direct impacts on the Wastewater activity. It is predicted that western areas of New Zealand are likely to experience an increasing number of high intensity rain events. The sewer network could be affected by infiltration from increased ground water levels and this could result in a greater number of wastewater overflows.

The direct effects of climate change on the Wastewater activity have not been assessed in detail in this Plan because it was felt that the effects of climate change were unlikely to become significant during the 2018-28 planning period.

### 1.4 Statement of Service Provision

Level of Service	Performance Measure	Year 2 - 2019/20		How Measured
		Target	Actual	
Wastewater is managed without risk to public health.	<p><b>System and adequacy</b> - The number of dry weather sewerage overflows from the territorial authority's sewerage system, expressed per 1000 sewerage connections to that sewerage system.</p>	<5	<b>Achieved</b> – 0 (2018/19 Achieved – 1.59)	Reporting against corporate CRM system.
	<p><b>Discharge compliance</b> - Compliance with the territorial authority's resource consents for discharge from its sewerage system measured by the number of</p> <ul style="list-style-type: none"> <li>• Abatement notices</li> <li>• Infringement notices</li> <li>• Enforcement orders; and</li> <li>• Convictions,</li> </ul> <p>Received by the territorial authority in relation to those resource consents.</p>	0	<b>Achieved</b> - 0 (2018/19 Achieved – 0)	Consent & compliance documentation.
<b>Fault response times</b>	<p>Where the territorial authority attends to sewerage overflows resulting from a blockage or other fault in the territorial authority's sewerage system, the following median response times measured:</p>			Work order tracking/reporting through Council's Infrastructure asset management system.
	<ul style="list-style-type: none"> <li>• Attendance time: from the time that the territorial authority receives notification to the time that service personnel reach the site; and</li> </ul>	1 hour	<b>Achieved</b> – 42 <b>minutes</b> (2018/19 Achieved – 23 minutes)	
	<ul style="list-style-type: none"> <li>• Resolution time: from the time that the territorial authority receives notification to the time that service personnel confirm resolution of the blockage or other fault.</li> </ul>	8 hours	<b>Achieved</b> – 4 <b>hours 34 minutes</b> (2018/19 Achieved – 2 hours 50 minutes)	

Level of Service	Performance Measure	Year 2 - 2019/20		How Measured
		Target	Actual	
<b>Customer satisfaction</b>	<p>The total number of complaints received by the territorial authority about any of the following:</p> <ul style="list-style-type: none"> <li>• Sewage odour</li> <li>• Sewerage system faults</li> <li>• Sewerage system blockages, and</li> <li>• The territorial authority's response to issues with its sewerage system,</li> </ul> <p>Expressed per 1000 connections to the territorial authority's sewerage system.</p>	<5	<b>Achieved – 0</b> (2018/19 – Not Applicable – see note below)	Reporting against corporate CRM system.

*Note: The Department of Internal Affairs' mandatory non-financial performance measure on customer satisfaction is a count of ALL complaints received by the local authority about any of the following: sewage odour, sewerage system faults, sewerage system blockages, and the territorial authority's response to issues with its sewerage system. These are to be expressed per 1000 connections. While council set its target of less than 5 per thousand connections correctly, the recording of complaints was not undertaken in accordance with DIA guidance as only the first complaint for any one event was formally recorded, rather than every complaint. This is now being rectified for the future.*

### 1.5 Projects and Other Programmes

Project	Category	Budget 2019/20	Actual 2019/20	Notes
Resource Consents	Level of Service	\$769,000	\$31,514	Expenditure was under budget as a consent has been received for a trial period of 3 years. At the end of this period the scope of the project will then be determined.
Safety Improvements	Level of Service	\$33,000	\$0	No longer required.
Pipework Capacity Increase	Level of Service	\$103,000	\$32,589	This has been carried forward to 2020/21
Bulk Discharge	Level of Service	\$51,300	\$0	This has been carried forward to 2020/21
Step/aerate treatment renewals	Replacements	\$30,700	\$10,666	Not required
Infiltration renewals	Replacements	\$410,000	\$143,080	This has been carried forward to 2020/21

## 1.6 Cost of Services Statement

The detailed financial summary for Wastewater activity is shown below.

### Wastewater (Sewerage)

Actual 2018/19 \$000		Actual 2019/20 \$000	Budget 2019/20 \$000
840	<b>Operating Expenditure</b>	923	987
53	<b>Revenue</b>	89	71
<b>787</b>	<b>Net Cost of Service</b>	<b>834</b>	<b>916</b>
	<b>EXPENDITURE</b>		
357	Operating Costs	376	441
27	Interest	29	58
288	Depreciation	296	309
168	Allocated Overheads	221	180
<b>840</b>	<b>Total Operating Expenditure</b>	<b>923</b>	<b>987</b>
38	Principal Loan Repayments	43	67
499	Capital Expenditure	209	1,530
<b>1,377</b>	<b>Total Expenditure</b>	<b>1,175</b>	<b>2,584</b>
	<b>FUNDED BY:</b>		
53	Charges for Services	89	71
<b>53</b>	<b>Total Revenue</b>	<b>89</b>	<b>71</b>
730	Targeted Rates	878	878
-	Transfer from (to) Reserves	(52)	-
-	Transfers from Reserves - Capital	-	-
316	Transfer (to) from Depreciation Reserves	196	595
278	Loan Funding - Capital	64	1,038
-	Other Funding	0	1
<b>1,377</b>	<b>Total Funding</b>	<b>1,175</b>	<b>2,584</b>





### 1.1 What We Do

Council provides a domestic refuse and recycling service to the households in the urban areas of Stratford and Midhirst. In addition it operates a transfer station in Stratford which allows for the disposal of general waste, recycling and green waste. All services are provided by a contractor and all waste is taken to the regional landfill. With the closure of the regional landfill scheduled for 2019, the three Taranaki Councils have jointly entered agreements to facilitate the transport and disposal of the waste collected by the three Councils to a privately operated landfill outside the region.

### 1.2 Why We Do It

This activity contributes to the community outcomes of:

- Affordable, Quality Services and Infrastructure
- Strong Community
- Financial Strength
- Growth

### 1.3 Significant Negative Effects

The Solid Waste activity, by its nature, has the potential to create a range of significant negative effects on the environment including the adverse effects of leachate from landfills, odour, litter and noxious materials. These effects are controlled by resource consents and management practices.

### 1.4 Statement of Service Provision

Level of Service	Performance Measure	Year 2 - 2019/20		How Measured
		Target	Actual	
The levels of waste generated are reducing.	Waste to landfill per household (municipal kerbside collection only)	<700kg	<b>Achieved – 634kg</b> – see note below (2018/19 Achieved – 463kg)	Landfill invoices & transactions.
	Percentage (by weight) of council controlled waste stream that is recycled (municipal kerbside collection only).	>25%	<b>Not Achieved – 11%</b> – see explanation on page 20 (2018/19 Not Achieved - 25%)	Recycling facility invoices & transactions.
The waste collection service meets the needs of the community.	Percentage of customers satisfied with the service provided.	>90%	<b>Achieved – 96%</b> (2018/19 Achieved – 96.28%)	Annual Residents Survey

*Note: The level of service is that the waste generated is reducing, however the result is significantly greater than the previous year, although it still meets the target. The higher waste volume was due to COVID-19 as the sorting plant at the recycling centre was not operating so all recycling went to the landfill.*

## 1.5 Projects and Other Programmes

Project	Category	Budget 2019/20	Actual 2019/20	Notes
Transfer Station building upgrade	Replacements	\$40,800	\$0	This has been carried forward to 2020/21- pending building report.

## 1.6 Cost of Services Statement

The detailed financial summary for the Solid Waste activity is shown below.

### Solid Waste

Actual 2018/19 \$000		Actual 2019/20 \$000	Budget 2019/20 \$000
870	<b>Operating Expenditure</b>	876	878
115	<b>Revenue</b>	121	81
<b>755</b>	<b>Net Cost of Service</b>	<b>756</b>	<b>797</b>
	<b>EXPENDITURE</b>		
671	Operating Costs	657	668
29	Interest	26	34
27	Depreciation	28	30
143	Allocated Overheads	165	146
<b>870</b>	<b>Total Operating Expenditure</b>	<b>876</b>	<b>878</b>
-	Landfill Aftercare Costs	7	12
41	Principal Loan Repayments	39	39
-	Capital Expenditure	-	41
<b>911</b>	<b>Total Expenditure</b>	<b>922</b>	<b>970</b>
	<b>FUNDED BY:</b>		
115	Charges for Services	121	81
<b>115</b>	<b>Total Revenue</b>	<b>121</b>	<b>81</b>
703	Targeted Rates	702	698
19	UAGC	19	19
73	Transfer (to) from Depreciation Reserves	39	171
-	Transfers from (to) Reserves	41	-
-	Other Funding	-	-
<b>911</b>	<b>Total Funding</b>	<b>922</b>	<b>970</b>



### **1.1 What We Do**

The Water Supply activity encompasses the planning, provision, operation, maintenance and renewal of water treatment and reticulation systems, and all associated infrastructure.

Council operates three urban water supplies servicing the Stratford, Toko and Midhirst townships, with river fed sources for Stratford and Midhirst and a bore supply for Toko.

### **1.2 Why We Do It**

Council has assumed the role of provider of Water Supply to provide all properties in the water supply zones with a constant, safe and sustainable water supply.

This activity contributes to the community outcomes of:

- Affordable, Quality Services and Infrastructure
- Strong Community
- Financial Strength
- Growth

### **1.3 Significant Negative Effects**

The water supplies have the potential to affect community health if they fail to be operated according to required standards of performance.

There are no indications that community health has been, or could be, significantly affected by the performance of the Water Supply system, but this will be an on-going monitored performance measure.

## 1.4 Statement of Service Provision

Level of Service	Performance Measure	Year 2 - 2019/20		How Measured
		Target	Actual	
Water is safe to drink.	The extent to which the local authority's drinking water supply complies with:			
	<ul style="list-style-type: none"> <li>Part 4 of the drinking water standards (bacterial compliance criteria), and</li> </ul>	100% for all plants	<b>Results are Provisional Only</b> <b>Stratford – Achieved -100%</b> <b>Midhurst – Achieved – 100%</b> <b>Toko – Achieved – 100%</b> (2018/19 Stratford – Achieved Midhurst – Achieved Toko – Achieved)	Plant & reticulation performance records in water outlook. Includes water quality sampling programme records as well as any plant non-performances.
	<ul style="list-style-type: none"> <li>Part 5 of the drinking water standards (protozoal compliance criteria).</li> </ul>	100%	<b>Results are Provisional Only</b> <b>Stratford – Achieved – 100%</b> <b>Midhurst – Achieved – 100%</b> <b>Toko – Achieved – 100%</b> (2018/19 Stratford – Achieved 100% Midhurst – Achieved 100% Toko – Achieved 100%)	
<b>Maintenance of the reticulation network</b> - The percentage of real water loss from the local authority's networked reticulation system (including a description of the methodology used to calculate this).	<25%	<b>Achieved</b> <b>Stratford – 21.4%</b> <b>Midhurst – 10.1%</b> <b>Toko – 12.0%</b> (2018/19 Stratford – Achieved 21.5% Midhurst – Not Achieved 39.1% Toko – Achieved 16.7%)	Calculated annually as per NZWWA Water Loss Guidelines.	
A reliable water supply is provided.	<b>Fault Response Times</b> – Where the local authority attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times are measured:			
	<ul style="list-style-type: none"> <li>Attendance for urgent call-outs: from the time that council receives notification to the time that service personnel reach the site.</li> </ul>	1 hour	<b>Achieved – 33 minutes</b> (2018/19 Achieved – 44 minutes)	Work order tracking/reporting through Council's Infrastructure asset management system.
<ul style="list-style-type: none"> <li>Resolution of urgent call-outs: from the time that council receives notification to the time the service personnel confirm resolution of the fault or interruption.</li> </ul>	8 hours	<b>Achieved – 2 hours 41 minutes</b> (2018/19 Achieved – 3 hours 26 minutes)		

Level of Service	Performance Measure	Year 2 - 2019/20		How Measured
		Target	Actual	
A reliable water supply is provided.	<ul style="list-style-type: none"> <li>Attendance for non-urgent call-outs: from the time that council receives notification to the time that service personnel confirm resolution of the fault or interruption</li> </ul>	2 working days	<b>Achieved – 8 hours 1 minute</b> (2018/19 Achieved – 5 hours 38 minutes)	Work order tracking/reporting through Council's Infrastructure asset management system. Affected property numbers provided via GIS/Asset Management System
	<ul style="list-style-type: none"> <li>Resolution of non-urgent call-outs: from the time that council receives notification to the time the service personnel confirm resolution of the fault or interruption</li> </ul>	5 working days	<b>Achieved – 11 hours 29 minutes</b> (2018/19 Achieved- 8 hours 52 minutes)	
	Number of unplanned disruptions:			
	<ul style="list-style-type: none"> <li>Minor * (between 5 and 50 connections affected)</li> <li>Major * (more than 50 connections affected)</li> </ul>	<5	<b>Not Achieved – 5</b> – see explanation on page 20 (2018/19 Not Achieved - 8)	Work order tracking/reporting through Council's Infrastructure asset management system. Affected property numbers provided via GIS/Asset Management System
Water has a pleasant taste and odour.	<p><b>Customer Satisfaction</b> - Total number of complaints received for:</p> <ul style="list-style-type: none"> <li>Drinking water clarity</li> <li>Drinking water taste</li> <li>Drinking water odour</li> <li>Drinking water pressure or flow</li> <li>Continuity of supply</li> <li>Council's response to any of these issues</li> </ul> <p>expressed per 1000 connections to council's networked reticulation system.</p>	<32	<b>Achieved: - 2.6</b> (2018/19 – Not Applicable – see note below)	Reporting against corporate CRM system.
Water has a pleasant taste and odour.	<p><b>Demand management</b> - The average consumption of drinking water per day per resident within the district (in litres).</p>	<275	<b>Achieved: Stratford - 248.1</b> <b>Achieved: Midhurst - 262.1</b> <b>Achieved: Toko - 157.8</b> (2018/19 Achieved Stratford – 239.8 litres Midhurst – 210.4 litres Toko – 115.2litres)	Calculated from production records ex SCADA/Water Outlook, deducting commercial users as per water meter records as well as any other non-residential use and losses (as per bench loss), divided by number of residential connections and average number of residents per property.

*Note: The Department of Internal Affairs' mandatory non-financial performance measure on customer satisfaction is a count of ALL complaints received by the local authority about any of the following: drinking water clarity, drinking water taste, drinking water odour, drinking water pressure or flow, continuity of supply, and the local authority's response to any of these issues. These are to be expressed per 1000 connections. While council set its target of less than 32 per thousand connections correctly, the recording of complaints was not undertaken in accordance with DIA guidance as only the first complaint for any one event was formally recorded, rather than every complaint. This is now being rectified for the future.*

Level of Service	Performance Measure	Year 2 - 2019/20		How Measured
		Target	Actual	
Water flow and pressure is appropriate for its intended use.	Water pressure at 50 properties within the water supply zone, including any that have complained about pressure and or flow meets council specifications (flow>10l/min & pressure>350kpa)	100%	<b>Achieved – 52 properties tested for water pressure and flow - all passed – 100%</b> (2018/19 51 properties tested for water pressure and flow - all passed – 100%)	Pressure and flow to be measured at a minimum of 50 properties per annum. Test results recorded by handheld device directly into asset management system against property's point of supply. Where test at tap inside property fails, test will be repeated at point of supply (toby/meter box) to isolate problems with private pipework from public network. Customer is advised if problem with internal plumbing.
Water supply meets fire fighting requirements.	Fire hydrants meet NZFS Code of Practice conditions regarding supply.	100%	<b>Achieved – 31 hydrants were tested and all 31 passed the test – 100%.</b> (2018.19 Achieved – 31 hydrants were tested and all 31 passed the test – 100%.)	Flow & pressure testing carried out by council contractor and or NZ Fire Service to NZ Fire Fighting Code of Practice standards.

## 1.5 Projects and Other Programmes

Project	Category	Budget 2018/19	Actual 2018/19	Notes
Toko Reservoir	Level of Service	\$51,200	\$2,782	This has been carried forward to 2020/21
Water Metering	Level of Service	\$30,700	\$31,299	This has been carried forward to 2020/21
Pressure Reducing and Zone Valves	Level of Service	\$307,500	\$19,508	This has been carried forward to 2020/21
Laterals	Replacements	\$31,300	\$4,259	Complete
Stratford Street work rider mains	Replacements	\$210,000	\$7,913	Complete and will be carried forward to 2020/21 for work to be done in conjunction with the Broadway upgrade led by NZTA.
Reticulation renewals	Replacements	\$0	\$17,929	Complete
Infrastructure general – Stratford	Replacements	\$25,600	\$0	Not commenced
Infrastructure general – Midhirst	Replacements	\$3,070	\$0	Not commenced
Infrastructure general – Toko	Replacements	\$1,600	\$0	Not commenced
Treatment plant	Replacements	\$0	\$30,127	This was funds carried over from 2017/18
Grit tank replacement	Replacements	\$0	\$6,505	This has been carried forward to 2020/21
Meter replacements	Replacements	\$51,260	\$7,646	This has been carried forward to 2020/21
Hydrants	Replacements	\$15,170	\$23,373	Complete.

## 1.6 Cost of Services Statement

The detailed financial summary for the Water Supply activity is shown below.

### Water Supply

Actual 2018/19 \$000		Actual 2019/20 \$000	Budget 2019/20 \$000
1,860	<b>Operating Expenditure</b>	1,611	1,941
350	<b>Revenue</b>	350	462
<b>1,510</b>	<b>Net Cost of Service</b>	<b>1,261</b>	<b>1,479</b>
	<b>EXPENDITURE</b>		
984	Operating Costs	642	953
197	Interest	187	264
384	Depreciation	421	420
296	Allocated Overheads	360	304
<b>1,860</b>	<b>Total Operating Expenditure</b>	<b>1,611</b>	<b>1,941</b>
290	Principal Loan Repayments	301	328
862	Capital Expenditure	152	758
<b>3,012</b>	<b>Total Expenditure</b>	<b>2,064</b>	<b>3,027</b>
	<b>FUNDED BY:</b>		
350	Charges for Water Usage	350	462
<b>350</b>	<b>Total Revenue</b>	<b>350</b>	<b>462</b>
1,441	Targeted Rates	1,482	1,477
358	Transfer from Depreciation Reserves	301	328
-	Transfers (to) from Reserves	(221)	-
862	Loan Funding - Capital	152	758
-	Other Funding	-	2
<b>3,012</b>	<b>Total Funding</b>	<b>2,064</b>	<b>3,027</b>



## COUNCIL CONTROLLED ORGANISATION

### Percy Thomson Trust

#### 1.1 Background

The Local Government Act 2002 defines entities in which Council has more than a 50% shareholding, or the ability to appoint more than 50% of the directors, as Council Controlled Organisations. The Stratford District Council has one organisation that meets these criteria and is therefore a Council Controlled Organisation; the Percy Thomson Trust.

The Trust was established to fulfil the wishes and bequest of the late Percy Thomson to provide an art gallery, arboretum and herbarium. There are to be a minimum of six trustees and a maximum of seven on the trust and less than 50% of the trustees can come from elected representatives.

#### 1.2 Nature and Scope of Activities

The Percy Thomson Gallery is located in Prospero Place and provides a total display area of 178m<sup>2</sup>. The arboretum has been established at Cloten Road, and the herbarium is a 'virtual' asset that can be found at [www.taranakiplants.net.nz](http://www.taranakiplants.net.nz).

The Trust Deed sets out the objectives of the Trust and the key points are:

- to manage and promote the facilities.
- to establish exhibition programmes and education policies.
- encouraging public enjoyment and utilisation of Trust facilities and collections.
- to care for any art collections loaned.
- to look at ways of raising revenue.

Council provides administration services to the Trust and leases the Information Centre area from the Trust.

#### 1.3 Why We Do It

The Percy Thomson Trust contributes to the community outcomes by providing for the cultural requirements of the District.



## 1.4 Statement of Service Provision

Level of Service	Performance Measure	Year 2 - 2019/20		How Measured
		Target	Actual	
Delivery of art exhibitions	Deliver proposed art exhibitions which will include local, regional and at least 1 National:	Deliver proposed art exhibitions which will include local, regional and at least 1 National.	<p><b>Not Achieved:</b> Exhibitions that were unable to be delivered due to COVID-19:</p> <ul style="list-style-type: none"> <li>Taranaki Arts Trail</li> <li>Stratford Art Society</li> </ul> <p>Art exhibitions that were delivered throughout the year included the following:</p> <p><b>National</b></p> <ol style="list-style-type: none"> <li>Remembering Rodin</li> <li>Angles of Perception – Woven Form</li> <li>The Crescent Moon</li> </ol> <p><b>Regional</b></p> <ol style="list-style-type: none"> <li>Taranaki Artocracy</li> <li>Hidden Realms</li> <li>Bellringer Bellringer Warehoka Smith</li> <li>Regional Embroiders Exhibition</li> </ol> <p><b>Local</b></p> <ol style="list-style-type: none"> <li>State of the Art – Hanging with Rodin</li> <li>ENGRAM – Memory Trace</li> <li>Tell it Again: repetitions from the Archive</li> </ol> <p>(2018/19 Achieved – 3 national, 3 regional, 4 local)</p>	Art Gallery Records
	Number of visitors to the Gallery to be not less than 20,000 per year	>20,000	<b>Not Achieved: 19,433</b> – see explanation on page 20 (2018/19 Achieved – 26,656)	Door Count
	To operate to a “break-even” balance	Operate within “break-even” budget	<b>Not Achieved</b> – see explanation on page 20 (2018/19 Achieved) <b>Note:</b> Break-even is defined by the Trust as a cash surplus only, excluding depreciation, and receiving external funding to make up any shortfall in cash, and the gain on sale of investments.	Annual Report
Development and maintenance of arboretum	Develop and maintain the arboretum to the standards in the Facilities Management Contract.	Develop and maintain the arboretum to the standards in the Facilities Management Contract.	<b>Achieved</b> (2018/19 Achieved) <b>Note:</b> The arboretum has been maintained by Stratford District Council on behalf of the Trust, and meets the standards as set out in the Facilities Management Contract. The planting programme was also maintained, and continued on in conjunction with the plantings/replacement of native trees.	Council Records
Delivery of Herbarium	Deliver the herbarium via the internet.	Deliver the herbarium via the internet.	<b>Not Achieved:</b> – see explanation on page 20 (2018/19 Not Achieved)	Internet Detail Available

## 1.5 Cost of Services Statement

The Council has agreed to provide an annual grant of no more than one percent of rates to the Trust.

### Percy Thomson Trust

Actual 2018/19 \$000		Actual 2019/20 \$000	Budget 2019/20 \$000
289	<b>Operating Expenditure</b>	281	286
111	<b>Revenue</b>	94	107
<b>178</b>	<b>Net Cost of Service</b>	<b>187</b>	<b>179</b>
	<b>-</b>		
	<b>EXPENDITURE</b>		
217	Operating Costs	205	211
72	Depreciation	76	75
<b>289</b>	<b>Total Operating Expenditure</b>	<b>281</b>	<b>286</b>
	<b>-</b>		
	<b>FUNDED BY:</b>		
111	User Charges	94	107
<b>111</b>	<b>Total Revenue</b>	<b>94</b>	<b>107</b>
50	Council Grant	50	50
53	Investment Interest	52	54
24	Gain on revaluation of bonds	-	-
-	Gain on revaluation of property, plant and equipment	190	-
51	Transfer from (to) Accumulated Surplus	(105)	75
<b>289</b>	<b>Total Funding</b>	<b>281</b>	<b>286</b>



# FINANCIAL STATEMENTS

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**Statement of Financial Position**

**Statement of Changes in Equity**

**Statement of Cashflows**

**Notes to Financial Statements**

**Funding Impact Statements**

**Annual Report Disclosure Statement**

**Audit Report**

# FINANCIAL STATEMENTS

## STRATFORD DISTRICT COUNCIL - Statement of Comprehensive Revenue and Expense for the year ended 30 June 2020

	Note	Council			Group	
		Actual 2019/20 \$000	Budget 2019/20 \$000	Actual 2018/19 \$000	Actual 2019/20 \$000	Actual 2018/19 \$000
<b>Revenue</b>						
Rates	4	12,750	12,807	12,256	12,750	12,256
Subsidies and Grants	5	3,695	3,865	5,096	3,731	5,135
Development and Financial Contributions		47	-	62	47	62
Fees and Charges		2,086	2,249	2,007	2,107	2,039
Finance Revenue	9	97	126	109	149	162
Other revenue - residential sections sales		1,292	4,360	-	1,292	-
Other revenue - sale of property		615	-	-	615	-
Gains on property, plant and equipment	6	260	-	-	260	-
Vested Assets		6,786	-	-	6,786	-
Sundry Revenue	5	134	41	92	134	116
<b>Total Revenue</b>	5	<b>27,762</b>	<b>23,449</b>	<b>19,622</b>	<b>27,870</b>	<b>19,771</b>
<b>Expenses</b>						
Personnel Costs	7	4,099	3,573	3,511	4,201	3,612
Depreciation and Amortisation	15 & 16	4,784	4,594	4,588	4,860	4,659
Other expenses	8	10,436	9,818	10,257	10,451	10,284
Landfill impairment	31	23	-	536	23	536
Finance Costs	9	398	640	456	398	456
<b>Total Expenses</b>		<b>19,740</b>	<b>18,626</b>	<b>19,347</b>	<b>19,933</b>	<b>19,547</b>
<b>SURPLUS/(DEFICIT) BEFORE TAX</b>		<b>8,022</b>	<b>4,822</b>	<b>275</b>	<b>7,937</b>	<b>224</b>
Income Tax Expense	10	-	-	-	-	-
<b>SURPLUS/(DEFICIT) AFTER TAX</b>		<b>8,022</b>	<b>4,822</b>	<b>275</b>	<b>7,937</b>	<b>224</b>
<b>Other Comprehensive Revenue and Expense</b>						
Revaluation of financial assets at fair value through other comprehensive revenue and expense	21	(61)	-	(249)	(61)	(249)
Gains/(Losses) on Property, Plant and Equipment Revaluation	21	1,154	19,588	(5,304)	1,344	(5,304)
<b>Total Other Comprehensive Revenue and Expense</b>		<b>1,093</b>	<b>19,588</b>	<b>(5,553)</b>	<b>1,283</b>	<b>(5,553)</b>
<b>Total Comprehensive Revenue and Expense</b>		<b>9,115</b>	<b>24,410</b>	<b>(5,277)</b>	<b>9,220</b>	<b>(5,329)</b>
Note: The net surplus of \$8,022,000 is primarily due to the vesting of the TET Multisports Centre, and the sale of 11 residential sections in the Pembroke Road development.						
<i>The accompanying notes form part of these financial statements. Explanations of significant variances against budget are provided in note 29.</i>						

**STRATFORD DISTRICT COUNCIL - Reconciliation between Cost of Service Statements and Statement of Comprehensive Revenue and Expense For the Year Ended 30 June 2020**

	<b>Council</b>		
	<b>Actual 2019/20 \$000</b>	<b>Budget 2019/20 \$000</b>	<b>Actual 2018/19 \$000</b>
<b>Total Operating Revenue (Activity Cost of Service Statements)</b>			
Community Services	448	556	520
Democracy	86	60	54
Economy	626	654	638
Environmental Services	549	499	485
Roading	3,858	4,071	5336
Stormwater Drainage	0	0	0
Wastewater (Sewerage)	89	71	53.3
Solid Waste	121	81	115
Water Supply	350	462	350.3
<b>Total Operating Revenue</b>	<b>6,127</b>	<b>6,454</b>	<b>7,552</b>
<b>Total Operating Revenue (Statement of Comprehensive Revenue and Expense)</b>	<b>27,762</b>	<b>23449</b>	<b>19622</b>
<b>VARIANCE</b>	<b>(21,635)</b>	<b>(16,996)</b>	<b>(12,070)</b>
<b>Reconciling Items</b>			
Rates Revenue	12,416	12,345	11,905
Development and Financial Contributions	47	0	62
Sundry Revenue	134	41	55
Sales of land	1292	4,360	0
Gains on asset disposals	260	0	0
Vested assets	6786	0	0
Less Internal Revenue from the Business Unit	(196)	0	(151)
Other Grants	231	124	98
Low Interest Loan Revenue	2	0	5
Finance Revenue	97	126	109
<b>Total Reconciling Items</b>	<b>21,070</b>	<b>16,996</b>	<b>12,083</b>
<b>Total Operating Expenditure (Activity Cost of Service Statements)</b>			
Community Services	4,031	3,919	3,639
Democracy	1,154	1,134	1,037
Economy	1,205	1,266	1,296
Environmental Services	1,411	1,348	1,423
Civil Defence and Emergency Management	124	136	128
Roading	6,855	6,664	7,458
Stormwater Drainage	336	354	358
Wastewater (Sewerage)	923	987	840
Solid Waste	876	878	870
Water Supply	1,611	1,941	1,860
<b>Total Operating Expenditure</b>	<b>18,526</b>	<b>18,626</b>	<b>18,908</b>
<b>Total Operating Expenditure (Statement of Comprehensive Revenue and Expense)</b>	<b>19,740</b>	<b>18,626</b>	<b>19,347</b>
<b>VARIANCE</b>	<b>(1,213)</b>	<b>0</b>	<b>(439)</b>
<b>Reconciling Item</b>			
Net Losses on Disposals and Other Sundry Expenses	524	0	214
Less Internal Expenditure from the Business Unit	(196)	0	(151)
Other Expenditure	(45)	0	(45)
Interest on Loan Funds Unallocated	(30)	0	(30)
Landfill Aftercare Expenses	7	0	-
<b>Total Reconciling Items</b>	<b>261</b>	<b>0</b>	<b>(13)</b>
<b>Net Surplus (Deficit) per Statement of Comprehensive Revenue and Expense</b>	<b>8,022</b>	<b>4,822</b>	<b>275</b>

**STRATFORD DISTRICT COUNCIL - Statement of Financial Position as at 30 June 2020**

	Note	Council			Group	
		Actual 2019/20 \$000	Budget 2019/20 \$000	Actual 2018/19 \$000	Actual 2019/20 \$000	Actual 2018/19 \$000
<b>Assets</b>						
<b>Current Assets</b>						
Cash and Cash Equivalents	11	5,082	4,862	2,822	5,123	3,017
Short Term Deposits	11	3,000	-	-	3,250	250
Receivables	12	904	2,137	999	907	1,008
Inventory - assets held for sale	13	610	-	1,328	610	1,328
Prepayments	32	11	-	511	11	511
Other Financial Assets	14	56	-	67	106	67
<b>Total Current Assets</b>		<b>9,664</b>	<b>6,999</b>	<b>5,727</b>	<b>10,008</b>	<b>6,181</b>
<b>Non-Current Assets</b>						
Receivables	12	23	-	47	23	47
Property, Plant and Equipment	15	328,722	352,664	321,621	330,694	323,432
Intangible Assets	16	565	-	581	565	581
Investment in Percy Thomson Trust (CCO)		0	0	0	-	-
Other Financial Assets	14	865	1,090	921	1,542	1,576
<b>Total Non-Current Assets</b>		<b>330,175</b>	<b>353,754</b>	<b>323,170</b>	<b>332,825</b>	<b>325,635</b>
<b>Total Assets</b>		<b>339,838</b>	<b>360,753</b>	<b>328,897</b>	<b>342,832</b>	<b>331,816</b>
<b>Liabilities</b>						
<b>Current Liabilities</b>						
Payables and deferred revenue	17	2,823	2,462	2,067	2,843	2,120
Provisions	18	11	11	11	11	11
Employee entitlements	19	183	167	117	190	124
Borrowings	20	3,500	5,500	4,000	3,500	4,000
<b>Total Current Liabilities</b>		<b>6,517</b>	<b>8,140</b>	<b>6,194</b>	<b>6,544</b>	<b>6,254</b>
<b>Non-Current Liabilities</b>						
Provisions	18	45	40	44	45	44
Employee entitlements	19	49	46	47	49	47
Borrowings	20	12,000	11,209	10,500	12,000	10,500
<b>Total Non-Current Liabilities</b>		<b>12,094</b>	<b>11,294</b>	<b>10,591</b>	<b>12,094</b>	<b>10,591</b>
<b>Total Liabilities</b>		<b>18,611</b>	<b>19,434</b>	<b>16,785</b>	<b>18,638</b>	<b>16,846</b>
<b>Equity</b>						
Accumulated Funds	21	181,353	183,589	174,920	183,109	176,761
Reserves	21	139,878	157,729	137,194	141,084	138,211
<b>Total Equity Attributable to Stratford District Council</b>		<b>321,230</b>	<b>341,318</b>	<b>312,114</b>	<b>324,193</b>	<b>314,972</b>
<b>Total Liabilities &amp; Equity</b>		<b>339,838</b>	<b>360,753</b>	<b>328,897</b>	<b>342,832</b>	<b>331,816</b>
<i>The accompanying notes form part of these financial statements.</i>						
<i>Explanations of significant variances against budget are provided in note 29.</i>						

**STRATFORD DISTRICT COUNCIL - Statement in Changes of Equity For the Year Ended 30 June 2020**

	Council			Group	
	Actual 2019/20 \$000	Budget 2019/20 \$000	Actual 2018/19 \$000	Actual 2019/20 \$000	Actual 2018/19 \$000
<b>Balance at 1 July</b>					
Accumulated Funds	174,920	174,262	175,497	176,761	177,377
Revaluation of financial assets at fair value through other comprehensive revenue and expense	(349)	-	(100)	(349)	(90)
Reserves / Special Funds	4,706	4,505	3,853	4,706	3,853
Asset Revaluation Reserves	132,837	138,141	138,141	133,854	139,158
<b>Total Equity - Opening Balance</b>	<b>312,114</b>	<b>316,908</b>	<b>317,391</b>	<b>314,972</b>	<b>320,302</b>
<b>Changes in Equity</b>					
Accumulated Funds	6,346	3,982	(577)	6,261	(629)
Revaluation of financial assets at fair value through Other Comprehensive Revenue and Expense	(61)	-	(249)	(61)	(249)
Reserves / Special Funds	1,677	840	853	1,677	853
Revaluation reversal of buildings disposed of during year	-	-	-	-	-
Asset Revaluation Reserves	1,154	19,588	(5,304)	1,344	(5,304)
<b>Total Comprehensive Revenue and Expense</b>	<b>9,115</b>	<b>24,410</b>	<b>(5,277)</b>	<b>9,221</b>	<b>(5,329)</b>
<b>Closing Balance</b>					
Accumulated Funds	181,353	178,244	174,920	183,109	176,748
Revaluation of financial assets at fair value through other comprehensive revenue and expense	(410)	-	(349)	(410)	(339)
Reserves / Special Funds	6,383	5,345	4,706	6,383	4,706
Asset Revaluation Reserves	133,904	157,729	132,837	135,111	133,854
<b>Total Equity - Closing Balance</b>	<b>321,230</b>	<b>341,318</b>	<b>312,114</b>	<b>324,193</b>	<b>314,972</b>
<i>The accompanying notes form part of these financial statements.</i>					

**STRATFORD DISTRICT COUNCIL - Statement of Cashflows For the Year Ended 30 June 2020**

	Note	Council			Group	
		Actual 2019/20 \$000	Budget 2019/20 \$000	Actual 2018/19 \$000	Actual 2019/20 \$000	Actual 2018/19 \$000
<b>Cash Flows from Operating Activities</b>						
Rates Revenue		12,767	12,807	12,285	12,767	12,285
Interest Received		97	126	109	152	163
Dividends Received		54	-	-	54	-
Development and Financial Contributions		47	-	62	47	62
Subsidies, Grants and Donations		4,472	3,865	5,283	4,507	5,322
Residential section sales and sale of house		1,913	-	-	1,913	-
User Charges and Sundry Revenue		2,198	2,291	2,358	2,228	2,389
Regional Council Rates		923	-	681	923	681
Payments to Suppliers and Employees		(13,011)	(13,403)	(14,154)	(13,166)	(14,286)
Interest Paid		(398)	(640)	(456)	(398)	(456)
Goods and Services Tax (net)		314	-	(183)	315	(178)
Regional Council Rates		(923)	-	(681)	(923)	(681)
<b>Net Cash from Operating Activities</b>		<b>8,453</b>	<b>5,046</b>	<b>5,304</b>	<b>8,419</b>	<b>5,301</b>
<b>Cash Flows from Investing Activities</b>						
Proceeds from Sale of Property, Plant and Equipment		638	4,380	-	638	-
Proceeds from Sale of Investments		-	-	53	-	757
Purchase of Property, Plant & Equipment		(4,831)	(7,467)	(6,919)	(4,879)	(6,934)
Prepayment for Joint landfill		-	-	(19)	-	(19)
Acquisition of Investments		(3,000)	-	(144)	(3,072)	(769)
<b>Net Cash from Investing Activities</b>		<b>(7,193)</b>	<b>(3,087)</b>	<b>(7,029)</b>	<b>(7,313)</b>	<b>(6,965)</b>
<b>Cash Flows from Financing Activities</b>						
Proceeds from Borrowings		4,000	3,198	13,000	4,000	13,000
Repayment of Borrowings (Loans)		(3,000)	(4,789)	(12,560)	(3,000)	(12,560)
<b>Net Cash from Financing Activities</b>		<b>1,000</b>	<b>(1,591)</b>	<b>440</b>	<b>1,000</b>	<b>440</b>
<b>Net (Decrease)/Increase in Cash, Cash Equivalents and Bank Overdrafts</b>						
Cash, Cash Equivalents and Bank Overdrafts at the Beginning of the Year		2,260	367	(1,285)	2,106	(1,224)
<b>Cash, Cash Equivalents and Bank Overdrafts at the End of the Year</b>	11	<b>5,082</b>	<b>4,862</b>	<b>2,822</b>	<b>5,123</b>	<b>3,017</b>
<p>The GST (net) component of operating activities reflects the net GST paid and received with the Inland Revenue Department. The GST (net) component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes.</p> <p><i>The accompanying notes form part of these financial statements.</i></p>						





## Note 1

### Reporting Entity

The financial statements of the Stratford District Council are for the year ended 30 June 2020.

The Stratford District Council (Council) is a territorial local authority governed by the provisions of the Local Government Act 2002 (the Act) and is domiciled in New Zealand.

The primary objective of Council is to provide services or goods for the community for social benefit rather than making a financial return. Accordingly, having regard to the criteria set out in the PBE IPSAS, as a defined public entity under the Public Audit Act 2001, the Council is audited by the Auditor-General and is classed as a Public Sector Benefit Entity (PBE) for financial reporting purposes. Council has designated itself as a Tier 2 entity.

The operations of Council have been divided into the following activities:

- Community Services.
- Democracy.
- Economy.
- Environmental Services.
- Civil Defence and Emergency Management.
- Roding.
- Stormwater.
- Wastewater (Sewerage)
- Solid waste.
- Water Supply.

The group consists of the ultimate parent (Council) and its subsidiary Percy Thomson Trust. The Council group has been designated a public benefit entity for financial reporting purposes and the Percy Thomson Trust is also designated as a public benefit entity.

The financial statements of the Council and Group are for the year ended 30 June 2020 and were authorised for issue by Council on 13 October 2020.

### Measurement Base

The measurement base adopted is that of historical cost, modified by the revaluation of certain assets.

## **Note 2 Statement of Accounting Policies for the year ending 30 June 2020**

The following accounting policies which materially affect the measurement of results and financial position have been applied consistently to the year ended 30 June 2020 unless otherwise stated.

### **BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS**

The financial statements have been prepared in accordance with the requirements of the Local Government Act 2002: Part 6, Section 98 and Part 3 of Schedule 10, 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 generally accepted accounting practice in New Zealand and have been prepared in accordance with Public Benefit Entity Standards Reduced Disclosure Regime. Council is a tier 2 reporting entity using the public sector Public Benefit Entity Accounting Standards, as it has expenses between \$2.0m and \$30.00m, and is not publicly accountable.

In order to meet its obligations of public accountability, Council has also included a separate Cost of Services Statement for each significant activity.

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000). The functional currency of Council is New Zealand dollars. The investment in subsidiary is at cost in the Council's parent entity financial statement.

The financial statements have been prepared on a going concern basis and the accounting policies have been applied consistently throughout the period.

#### **Basis of Consolidation**

The consolidated financial statements are prepared by adding together like items of assets, liabilities, equity, revenue, and expenses of entities in the group on a line-by-line basis. All intragroup balances, transactions, revenues and expenses are eliminated on consolidation. The Council consolidates in the Group financial statement all entities being only the Percy Thomson Trust.

The Council and group has adopted the new group financial standards, PBE IPSAS 34 to PBE IPSAS 38. The adoption of these standards has not had a significant impact on the financial statements and there are no changes to accounting policies or comparative information.

#### **Presentation Currency and Rounding**

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000), other than the remuneration and the severance payment disclosures in Notes 25 and 26. The remuneration and severance payment disclosures are rounded to the nearest dollar.

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

All items in the financial statements are exclusive of GST, with the exception of receivables and payables which are stated as GST inclusive. When GST is not recoverable as an input tax, 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 cashflow in the Statement of Cashflows.

Commitments and contingencies are disclosed exclusive of GST.

## **Budget Figures**

The budget figures were those approved by the Council in the 2019/20 Annual Plan.

The budget figures have been prepared in accordance with NZ GAAP and comply with NZ PBE IPSAS, and other applicable Financial Reporting Standards, using accounting policies that are consistent with those adopted in preparing these financial statements.

## **Critical Accounting Estimates and Assumptions**

In preparing these financial statements Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors that are believed to be reasonable under the circumstances.

As operator of the urban and rural landfills in the district, Council has a legal obligation to provide ongoing maintenance and monitoring services at the landfill sites after closure.

To provide for the estimated cost of aftercare, a provision has been created, and a charge is made each year based on the estimated value of restoration works over the number of years Council is required to maintain these sites.

A number of assumptions and estimates are used when performing depreciated replacement cost valuations over infrastructural assets. These include:

- The physical condition of the asset. 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 physical inspections and condition modelling assessments of underground assets.
- Estimating any obsolescence or surplus capacity of any asset.
- The remaining useful life over which the asset will be depreciated. These estimates can be impacted by local conditions, for example weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, Council could be over or underestimating the depreciation charge recognised in the Statement of Comprehensive Revenue and Expense. To minimise this risk useful lives are determined with reference to the NZ Infrastructural Asset Valuation and Depreciation guidelines published by the National Asset Management Steering Group. Asset inspections and condition modelling are also carried out regularly as part of Council's asset management planning activities.

The replacement cost of an asset is based on recent construction contracts in the region for modern equivalent assets, from which unit rates are determined. Unit rates have been applied to components of the network based on size, material, depth and location.

## **Critical Judgement**

Management has exercised the following critical judgements in applying accounting policies for the year ended 30 June 2020:

### Classification of property

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

**New Accounting Standards and Interpretations Not Yet Adopted**

PBE Standards and Interpretations that have recently been issued or amended but are not yet effective and have not been adopted by the group for the annual reporting period ending 30 June 2020, are outlined below:

<b><u>New Pronouncement</u></b>	<b><u>Effective for annual reporting periods beginning on or after:</u></b>	<b><u>Expected to be initially applied in the financial year ending:</u></b>
PBE FRS 48 Service Performance Reporting	1 January 2021	30 June 2022
PBE IPSAS 40 PBE Combinations	1 January 2021	30 June 2022
PBE IFRS 9 Financial Instruments	1 January 2022	30 June 2023
PBE IFRS 17 Insurance Contracts	1 January 2022	30 June 2023
PBE IPSAS 41 Financial Instruments	1 January 2022	30 June 2023

**Changes in Accounting Policies**

There have been no changes in accounting policies from the previous year.

**Note 3 Summary of Cost of Services****Accounting Policy**

*The Cost of Service Statements report the net cost of services for significant activities of Council, and are represented by the costs of providing the service less all revenue that can be allocated to these activities.*

**Cost Allocation**

*The Cost of Service Statements reflect the full cost of significant activities, by including direct costs, internal transfers, depreciation and indirect costs (overheads) allocated on the 'step' method, based on hours of service supplied to each activity.*

*'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.*

FUNCTION	Revenue		Expenditure		Actual	Budget	Actual
	Actual \$000	Budget \$000	Actual \$000	Budget \$000	2019/20 \$000	2019/20 \$000	2018/19 \$000
<b>Community Services</b>							
Aerodrome	23	22	96	95	73	73	59
Civic Amenities	28	53	924	854	896	801	680
Pensioner Housing	67	64	103	113	36	48	37
Community Development	29	21	467	379	438	360	351
Library	15	18	649	682	634	664	636
Parks and Reserves	9	9	642	668	633	659	638
Cemeteries	89	122	214	232	125	110	85
TSB Pool Complex	188	233	936	896	748	663	635
<b>Sub-Total</b>	<b>448</b>	<b>542</b>	<b>4,031</b>	<b>3,919</b>	<b>3,583</b>	<b>3,378</b>	<b>3,120</b>
<b>Democracy</b>							
Democracy	-	-	1,154	1,134	1,154	1,134	1,037
Corporate Support	86	60	-	-	(86)	(60)	(54)
<b>Sub-Total</b>	<b>86</b>	<b>60</b>	<b>1,154</b>	<b>1,134</b>	<b>1,068</b>	<b>1,074</b>	<b>983</b>
<b>Economy</b>							
Economic Development	-	-	368	402	368	402	398
Council Projects	-	-	89	118	89	118	67
Information Centre	74	112	338	293	264	181	251
Farm Investment	518	505	322	366	(196)	(139)	(104)
Holiday Park	3	3	17	16	14	13	15
Rental Properties	31	34	71	71	40	37	30
<b>Sub-Total</b>	<b>626</b>	<b>654</b>	<b>1,205</b>	<b>1,266</b>	<b>579</b>	<b>612</b>	<b>658</b>
<b>Environmental Services</b>							
Building Control	284	262	468	416	184	154	223
Dog Control	141	128	194	189	53	61	57
District Plan	-	-	116	147	116	147	106
Resource Consents	59	32	195	165	136	133	92
Bylaws	(0)	27	164	187	165	160	172
Environmental Health	31	15	125	87	94	72	61
Liquor Licensing	34	35	149	157	115	122	100
<b>Sub-Total</b>	<b>549</b>	<b>499</b>	<b>1,411</b>	<b>1,348</b>	<b>862</b>	<b>849</b>	<b>810</b>
<b>Civil Defence and Emergency Management</b>							
Civil defence and emergency management	-	-	124	136	124	136	128
<b>Sub-Total</b>	<b>-</b>	<b>-</b>	<b>124</b>	<b>136</b>	<b>124</b>	<b>136</b>	<b>128</b>
Roading	3,660	3,875	6,651	6,474	2,991	2,598	2,134
Business Unit	198	196	204	190	6	(6)	(12)
<b>Sub-Total</b>	<b>3,858</b>	<b>4,071</b>	<b>6,855</b>	<b>6,664</b>	<b>2,997</b>	<b>2,592</b>	<b>2,122</b>
<b>Stormwater</b>							
Stormwater	-	-	336	354	336	354	358
<b>Sub-Total</b>	<b>-</b>	<b>-</b>	<b>336</b>	<b>354</b>	<b>336</b>	<b>354</b>	<b>358</b>
<b>Wastewater (Sewerage)</b>							
Wastewater (Sewerage)	89	71	923	987	834	916	787
<b>Sub-Total</b>	<b>89</b>	<b>71</b>	<b>923</b>	<b>987</b>	<b>834</b>	<b>916</b>	<b>787</b>
<b>Solid Waste</b>							
Solid Waste	121	81	876	878	755	797	754
<b>Sub-Total</b>	<b>121</b>	<b>81</b>	<b>876</b>	<b>878</b>	<b>755</b>	<b>797</b>	<b>754</b>
<b>Water Supply</b>							
Water Supply	350	462	1,611	1,941	1,261	1,479	1,510
<b>Sub-Total</b>	<b>350</b>	<b>462</b>	<b>1,611</b>	<b>1,941</b>	<b>1,261</b>	<b>1,479</b>	<b>1,510</b>
<b>Total Activity Revenue &amp; Expenditure</b>	<b>6,127</b>	<b>6,440</b>	<b>18,526</b>	<b>18,624</b>	<b>12,399</b>	<b>12,186</b>	<b>11,230</b>
Plus: General Rates & UAGC	6,274	6,253	-	-	(6,274)	(6,253)	(6,101)
Plus: Targeted Rates	6,126	6,092	-	-	(6,126)	(6,092)	(5,789)
<b>Total Revenue and Operating Expenditure</b>	<b>18,527</b>	<b>18,785</b>	<b>18,526</b>	<b>18,624</b>	<b>(1)</b>	<b>(159)</b>	<b>(660)</b>
Each significant activity is stated gross of internal costs and revenues and excludes general and targeted rates attributable to activities (refer to note 4).							
In order to fairly reflect the total external operations for the Council in the Statement of Comprehensive Revenue and Expense, these transactions are eliminated as shown above.							
Operating Expenditure			18,436.3	18,509.0			

## Note 4 Rates Revenue

### Accounting Policy

The following policies for rates have been applied:

- General rates, targeted rates (excluding water-by-meter), and uniform annual general charges are recognised at the start of the financial year to which the rates resolution relates. They are recognised at the amounts due. The Council considers the effect of payment of rates by instalments is not sufficient to require discounting of rates receivables and subsequent recognition of interest revenue.
- Rates arising from late payment penalties are recognised as revenue when rates become overdue
- Revenue from water-by-meter rates is recognised on an accrual basis based on usage. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis.
- Rate remissions are recognised as a reduction of rates revenue when the Council has received an application that satisfies its rates remission policy.
- Rates collected on behalf of the Taranaki Regional Council (TRC) are not recognised in the financial statements, as the Council is acting as an agent for the TRC.

	Council Actual 2019/20 \$000	Council Actual 2018/19 \$000
<b>Total Rates</b>	<b>12,787</b>	<b>12,337</b>
<i>Add penalties</i>	86	54
<i>Less rates remissions</i>		
Community, Sporting and Other Organisations	(40)	(43)
Council Owned Properties	(57)	(61)
Economic Development	(2)	(2)
Maori Free-hold Land	(26)	(29)
<b>Total remissions and penalties</b>	<b>(37)</b>	<b>(81)</b>
<b>Total revenue from rates after remissions and penalties</b>	<b>12,750</b>	<b>12,256</b>
<b>Comprising the following:</b>		
<b>General Rates &amp; UAGC</b>	6,274	6,101
<b>Targeted Rates Attributable to Activities</b>		
- Roading	3,049	2,915
-Wastewater - uniform annual charge	877	730
-Solid Waste - uniform annual charge	702	703
-Water Supply - uniform annual charge	1,482	1,441
-Water Supply - targeted metered rates	350	350
-Community Halls	16	16
<b>Rates revenue</b>	<b>12,750</b>	<b>12,256</b>

Council is required by the LGFA Guarantee and Indemnity Deed to disclose in its financial statements (or notes) its annual rates revenue. That Deed defines annual rates revenue as an amount equal to the total revenue from any funding mechanism authorised by the Local Government (Rating) Act 2002 together with any revenue received by Council from other local authorities for services provided by Council for which those other local authorities rate. Annual rates revenue by this definition is as disclosed in the table above.

### **Non-Rateable Land**

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

## Note 5 Other Revenue

### Accounting Policy

Revenue is measured at fair value. The specific accounting policies for significant revenue items are explained below:

### Development and Financial 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 as the Council provides, or is able to provide, the service.

### New Zealand Transport Agency roading subsidies

The Council receives funding assistance from the New Zealand Transport Agency, which subsidises part of the costs of maintenance and capital expenditure on the local roading infrastructure. The subsidies are recognised as revenue upon entitlement, as conditions pertaining to eligible expenditure have been fulfilled.

### Other grants received

Other grants are recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

### Building and Resource Consent revenue

Fees and charges for building and resource consent services are recognised on a percentage completion basis with reference to the recoverable costs incurred at balance date.

### Entrance Fees

Entrance fees are fees charged to users of the Council's local facilities, such as the pool. Revenue from entrance fees is recognised upon entry to such facilities.

### Landfill Fees

Fees for disposing of waste at the Council's landfill are recognised as waste is disposed by users.

### Sales of Goods

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

### Infringement Fees and Fines

Infringement fees and fines mostly relate to traffic and parking infringements and are recognised when the infringement notice is issued. The Council recognises revenue at an amount based on the probability of collecting fines, which is estimated by considering the collection history of fines over the preceding 2 year period.

### Vested or Donated Physical Assets

For assets received for no or nominal consideration, the asset is recognised at its fair value when the Council obtains control of the asset. The fair value of the asset is recognised as revenue, unless there is a use or return condition attached to the asset.

For long-lived assets that must be used for a specific use (e.g. land must be used as a recreation reserve), the Council immediately recognises the fair value of the asset as revenue. A liability is recognised only if the Council expects it will need to return or pass the asset to another party.

### Interest and Dividends

Interest revenue is recognised using the effective interest method. Interest revenue on an impaired financial asset is recognised using the original effective interest rate.

Dividends are recognised when the right to receive payment has been established. When dividends are declared from pre-acquisition surpluses, the dividend is deducted from the cost of the investment

**Sale of Land**

Revenue from the Sale of Land is recognised in full when the sale and purchase agreement becomes legally enforceable, as at the date the contract becomes unconditional.

<b>Subsidies and Grants</b>				
	<b>Council</b>		<b>Group</b>	
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>
	<b>2019/20</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2018/19</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Grants - TSB Community Trust	16	33	26	57
Grants - Taranaki Electricity Trust	195	64	198	79
Wages subsidies	1	-	24	-
Provincial Growth Fund	18	-	18	-
NZ Transport Agency Roading Subsidies	3,465	4,999	3,465	4,999
<b>Total Subsidies and Grants</b>	<b>3,695</b>	<b>5,096</b>	<b>3,731</b>	<b>5,135</b>
There are no unfulfilled conditions and other contingences attached to New Zealand Transport Agency				
<b>Sundry Revenue</b>				
	<b>Council</b>		<b>Group</b>	
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>
	<b>2019/20</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2018/19</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Petrol Tax	77	87	77	87
Low Interest Loan Revenue	2	5	2	5
Dividends received	55	-	55	-
Gain from sale of investments	-	-	-	24
<b>Total Revenue</b>	<b>134</b>	<b>92</b>	<b>134</b>	<b>116</b>
<b>Revenue from Exchange and Non-Exchange Transactions</b>				
	<b>Council</b>		<b>Group</b>	
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>
	<b>2019/20</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2018/19</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Exchange transactions	3,253	1,053	3,305	1,106
Non-exchange transactions	24,508	18,569	24,564	18,664
<b>Total Revenue</b>	<b>27,762</b>	<b>19,622</b>	<b>27,870</b>	<b>19,771</b>

**Note 6 Other Gains**

	<b>Council</b>		<b>Group</b>	
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>
	<b>2019/20</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2018/19</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Gain on Disposal of Property, Plant and Equipment	260	-	260	-
<b>Total Gains</b>	<b>260</b>	<b>-</b>	<b>260</b>	<b>-</b>



**Note 7 Personnel Costs**

	Council		Group	
	Actual	Actual	Actual	Actual
	2019/20	2018/19	2019/20	2018/19
	\$000	\$000	\$000	\$000
Salaries and Wages	4,031	3,560	4,133	3,660
Increase/(Decrease) in Employee Entitlements	68	(49)	68	(48)
<b>Total Personnel Costs</b>	<b>4,099</b>	<b>3,511</b>	<b>4,201</b>	<b>3,612</b>

The total paid for defined contribution plan employer contributions was \$149,637 (2018/19: \$117,001), and is included in note 8, under operating expenses.

**Note 8 Other Expenses****Accounting Policy****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 the Council has no obligation to award on receipt of the grant application and are recognised as expenditure when approved by the Council and the approval has been communicated to the applicant. The Council's grants awarded have no substantive conditions attached.*

	Council		Group	
	Actual	Actual	Actual	Actual
	2019/20	2018/19	2019/20	2018/19
	\$000	\$000	\$000	\$000
Net Losses on Disposal and other sundry expenses	524	214	524	214
Insurance premiums	135	121	142	129
Landfill Aftercare Expenses	7	-	7	-
Cost of sales - residential property	615	-	615	-
Cost of sales - subdivision	329	-	329	-
Operating Expenses	8,826	9,922	8,834	9,941
<b>Total Other Expenses</b>	<b>10,436</b>	<b>10,257</b>	<b>10,451</b>	<b>10,284</b>

**Note 9 Interest Revenue and Finance Costs****Accounting Policy**

*Borrowing costs are recognised as an expense in the period in which they are incurred.*

	Council		Group	
	Actual	Actual	Actual	Actual
	2019/20	2018/19	2019/20	2018/19
	\$000	\$000	\$000	\$000
<b>Interest Revenue</b>				
Interest on term deposits	97	109	149	162
<b>Total Finance Income</b>	<b>97</b>	<b>109</b>	<b>149</b>	<b>162</b>
<b>Finance costs</b>				
Interest on bank borrowings	398	456	398	456
<b>Total finance costs</b>	<b>398</b>	<b>456</b>	<b>398</b>	<b>456</b>
<b>Net finance costs</b>	<b>(300)</b>	<b>(347)</b>	<b>(248)</b>	<b>(294)</b>

## Note 10 Tax

### Accounting Policy

Income tax expense includes current tax and deferred tax.

Current tax is the amount of tax payable based on the taxable profit for the current year, and any adjustments to income tax payable in respect of 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 tax rates that are expected to apply when the asset is realised or the liability is settled, based on tax rates 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 profits will be available against which the deductible temporary differences or tax losses can be utilised.

Current and deferred tax is recognised against the profit or loss for the period, except to the extent that it relates to items recognised in other comprehensive revenue and expenses or directly in equity.

In general, local authorities are only subject to income tax on income derived from a council-controlled organisation and income derived as a port operator.

Both Council and its subsidiary, the Percy Thomson Trust, are exempt from income tax.				
	Council		Group	
	Actual 2019/20 \$000	Actual 2018/19 \$000	Actual 2019/20 \$000	Actual 2018/19 \$000
<b>Components of Tax Expense</b>				
Current Tax Expense	-	-	-	-
Adjustments to Current Tax in Prior Years	-	-	-	-
Deferred Tax Expense	-	-	-	-
<b>Tax Expense</b>	-	-	-	-
<b>Relationship Between Tax Expense and Accounting Surplus</b>				
Surplus/(Deficit) Before Tax	8,022	275	7,937	224
Tax at 28%	2,246	77	2,222	63
Non-deductible Expenses	(2,246)	(77)	(2,222)	(63)
Non-taxable Revenue	-	-	-	-
<b>Tax Expense</b>	-	-	-	-

## Note 11 Cash and Cash Equivalents and Short Term Deposits

### Accounting Policy

Cash and cash equivalents includes cash on hand, deposits held with banks and other short term investments with maturities of three months or less, and bank overdrafts. Bank overdrafts are shown as a current liability in the statement of financial position.

	Council		Group	
	Actual 2019/20 \$000	Actual 2018/19 \$000	Actual 2019/20 \$000	Actual 2018/19 \$000
Cash at Bank and on Hand	4,082	822	4,123	1,017
Term Deposits Maturing Three Months or Less from Date of Acquisition	1,000	2,000	1,000	2,000
<b>Sub-total Cash and Cash Equivalents</b>	<b>5,082</b>	<b>2,822</b>	<b>5,123</b>	<b>3,017</b>
Term Deposits Maturing More than Three Months from Date of Acquisition	3,000	-	3,250	250
<b>Total Cash and Cash Equivalents and Short Term Deposits</b>	<b>8,082</b>	<b>2,822</b>	<b>8,373</b>	<b>3,267</b>

Refer to note 14 for weighted average effective interest rate for term deposits

Cash, cash equivalents and bank overdrafts include the following for the purpose of the cash flow statement:

	Council		Group	
	Actual 2019/20 \$000	Actual 2018/19 \$000	Actual 2019/20 \$000	Actual 2018/19 \$000
Cash at Bank and on Hand	4,082	822	4,123	1,017
Term Deposits Maturing Three Months or Less from Date of Acquisition	1,000	2,000	1,000	2,000
<b>Sub-total</b>	<b>5,082</b>	<b>2,822</b>	<b>5,123</b>	<b>3,017</b>
Investments Maturing More that Three Months from Date of Acquisition	3,000	-	3,250	250
<b>Total</b>	<b>8,082</b>	<b>2,822</b>	<b>8,373</b>	<b>3,267</b>

## Note 12 Receivables

### Accounting Policy

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

	Council		Group	
	Actual 2019/20 \$000	Actual 2018/19 \$000	Actual 2019/20 \$000	Actual 2018/19 \$000
<b>Current Portion</b>				
Rates Receivables	236	240	236	240
Other Receivables	668	759	671	768
<b>Receivable prior to impairment</b>	<b>904</b>	<b>999</b>	<b>907</b>	<b>1,008</b>
Less Provision for Impairment	-	-	-	-
<b>Total Current Portion of Receivables</b>	<b>904</b>	<b>999</b>	<b>907</b>	<b>1,008</b>
<b>Non-Current Portion</b>				
Other Receivables	23	47	23	47
<b>Total Non-Current Portion of Receivables</b>	<b>23</b>	<b>47</b>	<b>23</b>	<b>47</b>
<b>Total Receivables</b>	<b>927</b>	<b>1,046</b>	<b>930</b>	<b>1,055</b>
<b>Total Receivables Comprise:</b>				
Receivables from non-exchange transactions - this includes outstanding amounts for rates, grants, infringements and fees and charges that are partly subsidised by rates	827	894	830	903
Receivables from exchange transactions - this includes outstanding amounts for fees and charges that have not been subsidised by rates	100	152	100	152

## Note 13 Inventories

### Accounting Policy

Inventories are held for distribution or for use in the provision of goods and services. The measurement of inventories held for commercial distribution, are measured at the lower of cost and net realisable value.

Council inventory is made up of land held for development and future resale.

When land held for development and future resale is transferred from investment property/property, plant, and equipment to inventory, the fair value of the land at the date of the transfer is its deemed cost.

	Council		Group	
	Actual 2019/20 \$000	Actual 2018/19 \$000	Actual 2019/20 \$000	Actual 2018/19 \$000
Assets held for resale	610	1,328	610	1,328
<b>Total Inventories</b>	<b>610</b>	<b>1,328</b>	<b>610</b>	<b>1,328</b>

The write-down of inventory during the year was NIL (2018/19: NIL). There have been no reversals of write-downs (2019: NIL). No inventory is pledged as security for liabilities.

## Note 14 Other Financial Assets

### Accounting Policy

#### Other 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 the Council and group 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 Council and group have transferred substantially all the risks and rewards of ownership.*

*Financial assets are classified into the following categories for the purpose of measurement:*

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

*The classification of a financial asset depends on the purpose for which the instrument was acquired.*

#### 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 or it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of short-term profit-taking. Derivatives are also categorised as held for trading unless they are designated into a hedge accounting relationship for which hedge accounting is applied.*

*Financial assets acquired principally for the purpose of selling in the short-term or part of a portfolio classified as held for trading are classified as a current asset. The current/non-current classification of derivatives is explained in the derivatives accounting policy above*

*After initial recognition, financial assets in this category are measured at their fair values with gains or losses on re-measurement recognised in the surplus or deficit.*

#### Loans and receivables

*Loans and receivables 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.*

*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 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 the 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 and there is the positive intention and ability to hold to maturity. They are included in current assets, except for maturities greater than 12 months after balance date, which are included in non-current assets.*

*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 revenue and expense**

*Financial assets at fair value through other comprehensive revenue and expense are those that are designated into the category at initial recognition or are not classified in any of the other categories above. They are included in non-current assets unless management intends to dispose of, or realise, the investment within 12 months of balance date. The Council and group 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.*

*These investments are measured at their fair value, with gains and losses recognised in other comprehensive revenue and expense, except for impairment losses, which are recognised in the surplus or deficit.*

*On de-recognition, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is reclassified from equity to the surplus or deficit.*

**Impairment of Financial Assets**

*Financial assets are assessed for evidence of impairment at each balance date. Impairment losses are recognised in the surplus or deficit.*

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

*Impairment is established when there is evidence that the Council and group will not be able to collect amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership, or liquidation 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 (that is, not past due). Impairment in term deposits, local authority stock, government bonds, and community loans, are recognised directly against the instrument's carrying amount.*

**Financial assets at fair value through other Comprehensive Revenue and Expense**

*For equity investments, a significant or prolonged decline in the fair value of the investment below its cost is considered objective evidence of impairment.*

*For debt investments, significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, and default in payments are considered objective indicators that the asset is impaired.*

*If impairment evidence exists for investments at fair value through other comprehensive revenue and expense, 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 revenue and expense is reclassified from equity to the surplus or deficit.*

*Equity instrument 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.*

	Interest Rate	Council		Group	
		Actual 2019/20 \$000	Actual 2018/19 \$000	Actual 2019/20 \$000	Actual 2018/19 \$000
<b>Current Portion</b>					
<i>Loans and Receivables</i>					
Financial Assets Available for Sale		-	-	50	-
LGFA Borrowers Notes					
Maturity April 2020	2.01%	-	48	-	48
Maturity April 2021	0.91%	32	-	32	-
Maturity May 2021	2.22%	24	-	24	-
Community Loan - Stratford Health Trust		-	19	-	19
<b>Total Current Portion</b>		<b>56</b>	<b>67</b>	<b>106</b>	<b>67</b>
<b>Non-current Portion</b>					
Community Loan - Stratford Health Trust		-	19	-	19
Financial Assets Available for Sale		-	-	677	655
LGFA Borrowers Notes					
Maturity May 2021	2.22%	-	24	-	24
Maturity April 2022	2.41%	32	32	32	32
Maturity April 2023	1.15%	16	-	16	-
Maturity May 2023	3.06%	24	24	24	24
Maturity May 2024	2.13%	32	32	32	32
Maturity April 2025	2.98%	32	32	32	32
Maturity April 2026	1.62%	16	-	16	-
Maturity April 2027	3.25%	24	24	24	24
Maturity April 2027	0.98%	16	-	16	-
Listed Shares		673	733	673	733
<b>Total Non-current Portion</b>		<b>865</b>	<b>920</b>	<b>1,542</b>	<b>1,575</b>
<b>Total Other Financial Assets</b>		<b>921</b>	<b>987</b>	<b>1,648</b>	<b>1,642</b>
<i>Impairment</i>					
There were no impairment provisions for other financial assets. At balance date, none of these financial assets are either past due or impaired.					
<i>Community Loan</i>					
The fair value of the community loan is \$Nil (2019 \$37,993). The purpose of the loan was to assist the Stratford Health Trust construct new premises in the town. The loan was for a term of 10 years, and has now been repaid in full.					
The face value of the community loan is \$Nil (2019 - \$40,000).					
<i>Listed Shares</i>					
Listed shares are recognised at fair value. The fair values of listed shares are determined by reference to published current bid price quotations in an active market.					
<b>Maturity Analysis and Effective Interest Rates</b>					
The maturity dates for all other financial assets with the exception of equity investments and advances to subsidiaries and associates are as follows:					
		Council		Group	
		Actual 2019/20 \$000	Actual 2018/19 \$000	Actual 2019/20 \$000	Actual 2018/19 \$000
<b>Short Term Deposits</b>					
Short term deposits with maturities of 3 months or less		1,000	2,000	1,000	2,000
<i>Average maturity</i>		66 days	90 days	66 days	90 days
<i>Weighted average Effective Interest Rate</i>		1.52%	2.93%	1.52%	2.93%
Short term deposits with maturities of more than 3 months but less than 12 months		3,000	-	3,250	250
<i>Average maturity</i>		116 days		132 days	180 days
<i>Weighted average Effective Interest Rate</i>		1.81%	-	1.81%	2.60%
<b>Total</b>		<b>4,000</b>	<b>2,000</b>	<b>4,250</b>	<b>2,250</b>

## Note 15 Property, Plant and Equipment

### Accounting Policy

Items of a capital nature over \$2,000 are treated as property, plant and equipment. Property, plant and equipment are classified into two categories:

**Unrestricted** Council is able to sell these assets without restrictions.

**Restricted** The disposal of these assets is limited by legislation, or in the manner in which they were vested, or cannot be physically uplifted and sold.

In most instances, an item of property, plant or 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.

Property, plant and equipment classes of assets whose fair value can be measured reliably shall be carried at a revalued amount (except land under roads), being its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the balance sheet date.

If there is no market-based evidence of fair value because of the specialised nature of the item of property, plant or equipment, Council will carry those classes of assets at its cost less any accumulated depreciation and any accumulated impairment losses value.

Property, plant and equipment are valued as follows:

<b>Class</b>	<b>Method of Valuation</b>
Land	Fair Value
Buildings	Optimised Depreciated Replacement Cost
Roads, Bridges and Footpaths	Depreciated Replacement Cost
Water Supply reticulation	Optimised Depreciated Replacement Cost
Water Supply treatment	Optimised Depreciated Replacement Cost
Wastewater reticulation	Optimised Depreciated Replacement Cost
Wastewater treatment	Optimised Depreciated Replacement Cost
Stormwater system	Optimised Depreciated Replacement Cost

### Valuation

Unless stated valuations are carried out or reviewed by independent qualified valuers and are carried out at least on three yearly cycles. Valuations will be undertaken more regularly if necessary to ensure no individual item of property, plant or equipment within a class has a carrying value that is materially different from its fair value.

Council's land and building assets have been revalued by Telfer Young (Taranaki) Limited, independent valuers, as at 1 January 2020 at fair value as determined from market-based evidence. Telfer Young have advised that COVID-19 had no impact on these valuations.

Council's infrastructure assets consisting of Stormwater, Waste Water and Water Supply were revalued by Infrastructure Associates Ltd, independent valuers, as at 1 July 2018 in accordance with Financial Reporting Standard (PBE IPSAS 17) and the New Zealand Infrastructure Asset Valuation and Depreciation Guidelines.

Roading assets (except land under roads) have been revalued by the independent valuers, Calibre Consultants Ltd, as at 1 July 2018.

Roading Corridor Land is valued on the fair value of adjacent land. This assumes land in its bare state without the benefit of roading, water supply, sewer etc. The valuation takes into consideration the sale of vacant land in the area which is suitably adjusted to reflect an unimproved state.

Land under roads was valued based on fair value provided by previous valuations in 2016 of the Roding Network. This valuation was carried out by Calibre Consultants Ltd. Council elected to use the fair value of Land under Roads as at 1 July 2016 as the deemed cost. Land under roads is no longer revalued.



**Public Benefit Entity Revaluation**

*Revaluation increases and decreases relating to individual assets within a class of assets are offset. Revaluation increases and decreases in respect of assets in different classes are not offset. Where the carrying amount of a class of assets is increased as a result of a revaluation, the net revaluation increase is credited to the revaluation reserve. The net revaluation increase shall be recognised in the Statement of Comprehensive Revenue and Expenses to the extent that it reverses a net revaluation decrease of the same class of assets previously recognised in the Statement of Comprehensive Revenue and Expense. A net revaluation decrease for a class of assets is recognised in the Statement of Comprehensive Revenue and Expense, except to the extent that it reverses a revaluation increase previously recognised in the revaluation reserve to the extent of any credit balance existing in the revaluation reserve in respect of the same class of asset.*

**Impairment**

*The carrying amount of Council's non-financial assets, other than investment property are reviewed at each Statement of Financial Position date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, Council estimates the recoverable amount of the cash-generating unit to which the asset belongs.*

*Where the future economic benefits of an asset are not primarily dependant on the asset's ability to generate net cash flows, and where Council, if deprived of the asset, replaces its remaining future economic benefits, value in use shall be determined as the depreciated replacement cost of the asset.*

*Where Council accounts for revaluations of property, plant and equipment on a class of asset basis, an impairment loss on a revalued asset is recognised directly against any revaluation reserve in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation reserve for that same class of asset.*

*Where Council accounts for revaluations of property, plant and equipment on a class of asset basis, a reversal of an impairment loss on a revalued asset is credited directly to the revaluation reserve. However, to the extent that an impairment loss on the same class of asset was previously recognised in the Statement of Comprehensive Revenue and Expense, a reversal of that impairment loss is also recognised in the Statement of Comprehensive Revenue and Expense.*

**Disposals**

*Gains and losses on disposals are determined by comparing the disposal 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.*

**Subsequent Costs**

*Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably.*

**Security**

*Council do not have any Property, Plant and Equipment pledged as security.*

*The costs of day-to-day servicing of property, plant and equipment are recognised in the surplus or deficit as they are incurred.*

**Additions**

The cost of an item of property, plant and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to the Council and group 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 initially recognised at its cost. Where an asset is acquired through a non-exchange transaction, it is recognised at its fair value as at the date of acquisition.

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits for service potential associated with the item will flow to the Council and group and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant and equipment are recognised in the surplus or deficit as they are incurred.

**Depreciation**

Depreciation is calculated on a straight line basis on all property, plant and equipment, excluding land, at rates that will write off the value of the assets, less their estimated residual values, over their useful lives.

The useful lives of the classes of assets have been estimated as follows:

	<u>Years</u>
Buildings	10-100
Plant	5-10
Motor Vehicles	5
Fixtures and Fittings	5-10
Office Equipment	4-10
Roading Base course	15-80
Roading Seal	2-16
Roading Culverts	20-80
Roading Sumps	80
Signs	10
Bridges (including Tunnels)	60-100
Footpaths	20-80
Streetlights	30
Stormwater	20-80
Water Supply Treatment	20-120
Water Supply Reticulation	20-120
Wastewater Treatment	40-80
Wastewater Reticulation	40-80
Street Beautification	10-100

**Insurance of Assets**

The following information relates to the insurance of Council assets as at 30 June:		
	2020	2019
	\$000	\$000
The total book value of all Council assets covered by insurance contracts	21,156	16,438
The maximum amount to which insured assets are insured	51,317	40,086
The total book value of all Council assets covered by financial risk-sharing arrangements	32,320	31,357
The total replacement cost of all Council assets covered by financial risk-sharing arrangements	55,249	51,647
Maximum amount available to the Council under financial risk-sharing arrangements	22,100	20,659
Total value of assets that are self-insured	-	-
Value of funds maintained for self-insurance	-	-
In the event of natural disaster, central government may contribute up to 60% towards the restoration of water, drainage, and wastewater assets, and provide a subsidy towards the restoration of roads.		

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	Cost /	Accumulated	Carrying	Assets	Assets	Disposals /	Transfers	Depreciation	Depreciation	Depreciation	Revaluation	Cost /	Accumulated	Carrying
	Valuation	Depreciation and	Amount	constructed by	transferred to	Impairment			Reversed on	Reversed on	Surplus (incl	Valuation	Depreciation and	Amount
		Impairment		Council	Council				Revaluation	Disposal	of depreciation		Impairment	
	1 July 2019			Current Year								30 June 2020		
2020	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Council Operational Assets</b>														
Land	8,742	-	8,742	18	-	(95)	-	-	-	-	333	8,998	-	8,998
Buildings	10,823	1,283	9,540	94	-	(675)	1,283	416	(1,132)	(177)	(173)	8,937	390	8,547
Surplus Properties	119	-	119	-	-	-	-	-	-	-	49	168	-	168
Plant	540	274	266	68	-	(8)	-	40	-	(8)	-	601	306	295
Motor Vehicles	312	160	152	55	-	(25)	-	19	-	(20)	-	342	159	183
Furniture/Fittings	491	267	224	11	-	-	-	19	-	-	-	502	286	216
Office Equipment	1,200	772	429	78	-	(61)	-	73	-	(61)	-	1,217	784	433
Library Books	662	320	342	40	-	-	-	40	-	-	-	702	360	342
Work In Progress - Buildings	-	-	-	1	-	-	-	-	-	-	-	1	-	1
Work in progress - plant and equipment	22	-	22	-	-	-	(22)	-	-	-	-	-	-	-
Work In Progress - Land	378	-	378	-	-	-	(361)	-	-	-	-	17	-	17
<b>Total Operational Assets</b>	<b>23,289</b>	<b>3,076</b>	<b>20,214</b>	<b>365</b>	<b>-</b>	<b>(864)</b>	<b>(383)</b>	<b>607</b>	<b>(1,132)</b>	<b>(266)</b>	<b>208</b>	<b>21,484</b>	<b>2,285</b>	<b>19,200</b>
<b>Council Restricted Assets</b>														
Land	7,235	-	7,235	16	-	(77)	-	-	-	-	1,738	8,912	-	8,912
Buildings	5,134	692	4,442	94	6,786	-	-	416	(693)	-	(878)	10,443	415	10,028
Street Beautification	1,604	219	1,385	90	-	-	-	20	-	-	-	1,694	239	1,455
Rubbish Bins	203	-	203	-	-	-	-	-	-	-	-	203	-	203
Work In Progress - Street Beautification	90	-	90	-	-	-	(22)	-	-	-	-	68	-	68
Work In Progress - Buildings	15	-	15	34	-	-	(15)	-	-	-	-	34	-	34
<b>Total Restricted Assets</b>	<b>14,281</b>	<b>911</b>	<b>13,370</b>	<b>233</b>	<b>6,786</b>	<b>(77)</b>	<b>(37)</b>	<b>436</b>	<b>(693)</b>	<b>-</b>	<b>860</b>	<b>21,353</b>	<b>654</b>	<b>20,699</b>
<b>Council Infrastructure Assets</b>														
Water Supply														
- Reticulation and other assets	11,625	226	11,401	370	-	(191)	-	243	-	(8)	-	11,808	458	11,350
- Treatment plants and facilities	4,044	158	3,886	30	-	(3)	-	170	-	(1)	-	4,065	327	3,738
Wastewater System														
- Reticulation and other assets	6,990	244	6,746	546	-	(8)	-	250	-	-	-	7,528	494	7,033
- Treatment plants and facilities	1,496	44	1,452	601	-	-	-	46	-	-	-	2,097	90	2,007
Stormwater System	8,009	138	7,872	496	-	(36)	-	141	-	(2)	-	8,469	278	8,192
Roading Network	190,979	2,449	188,531	4,044	-	-	-	2,452	-	-	-	195,023	4,901	190,123
Land Under Roads	53,639	-	53,639	745	-	-	-	-	-	-	-	54,384	-	54,384
Bridges	12,348	352	11,996	181	-	-	-	352	-	-	-	12,529	704	11,826
Work In Progress - Roading	-	-	-	18	-	-	-	-	-	-	-	18	-	18
Work In Progress - Subdivision - Land under roads	745	-	745	-	-	-	(745)	-	-	-	-	-	-	-
Work in Progress - Subdivision - 3 waters	1,090	-	1,090	-	-	-	(1,090)	-	-	-	-	-	-	-
Work In Progress - Wastewater Treatment	564	-	564	-	-	-	(564)	-	-	-	-	-	-	-
Work In Progress - Water Reticulation	116	-	116	37	-	-	-	-	-	-	-	153	-	153
<b>Total Infrastructure Assets</b>	<b>291,646</b>	<b>3,610</b>	<b>288,038</b>	<b>7,068</b>	<b>-</b>	<b>(238)</b>	<b>(2,399)</b>	<b>3,655</b>	<b>-</b>	<b>(11)</b>	<b>-</b>	<b>296,074</b>	<b>7,252</b>	<b>288,823</b>
<b>Total Council</b>	<b>329,215</b>	<b>7,598</b>	<b>321,621</b>	<b>7,666</b>	<b>6,786</b>	<b>(1,179)</b>	<b>(2,819)</b>	<b>4,697</b>	<b>(1,825)</b>	<b>(277)</b>	<b>1,067</b>	<b>338,911</b>	<b>10,191</b>	<b>328,722</b>
<b>Subsidiaries</b>														
Buildings	1,649	197	1,452	94	-	-	-	69	(197)	-	141	1,687	70	1,618
Land	193	-	193	-	-	-	-	-	-	-	42	235	-	235
Furniture & Fittings	104	35	71	-	-	-	-	5	-	-	-	104	40	66
Office Equipment	7	5	2	4	-	-	-	1	-	-	-	11	6	5
Work in Progress - buildings	50	-	50	-	-	-	(50)	-	-	-	-	-	-	-
Arboretum	45	3	42	-	-	-	-	1	(4)	-	8	49	0	48
<b>Total Subsidiaries</b>	<b>2,049</b>	<b>240</b>	<b>1,810</b>	<b>98</b>	<b>-</b>	<b>-</b>	<b>(50)</b>	<b>76</b>	<b>(200)</b>	<b>-</b>	<b>190</b>	<b>2,088</b>	<b>116</b>	<b>1,972</b>
<b>Total Group</b>	<b>331,264</b>	<b>7,839</b>	<b>323,432</b>	<b>7,764</b>	<b>6,786</b>	<b>(1,179)</b>	<b>(2,869)</b>	<b>4,773</b>	<b>(2,025)</b>	<b>(277)</b>	<b>1,257</b>	<b>340,998</b>	<b>10,307</b>	<b>330,694</b>

The figures included under assets constructed by council for work in progress is the net of new work in progress additions and those capitalised during the year.

2020 - Ordinary - October - Decision Report - Adopt Annual Report for the Year Ended 30 June 2020

	Cost /	Accumulated	Carrying	Assets	Assets	Disposals /	Transfers	Depreciation	Depreciation	Depreciation	Revaluation	Cost /	Accumulated	Carrying
	Valuation	Depreciation and	Amount	constructed by	transferred to	Impairment			Reversed on	Reversed on	Surplus (incl of	Valuation	Depreciation and	Amount
		Impairment		Council	Council				Revaluation	Disposal	depreciation		Impairment	
	1 July 2018			Current Year								30 June 2019		
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>2019</b>														
<b>Council Operational Assets</b>														
Land	8,742	-	8,742	-	-	-	-	-	-	-	-	8,742	-	8,742
Buildings	10,535	862	9,673	348	-	(60)	-	432	-	(11)	-	10,823	1,283	9,540
Surplus Properties	119	-	119	-	-	-	-	-	-	-	-	119	-	119
Plant	537	238	299	3	-	-	-	36	-	-	-	540	274	266
Motor Vehicles	275	145	130	37	-	-	-	15	-	-	-	312	160	152
Furniture/Fittings	449	251	198	42	-	-	-	16	-	-	-	491	267	224
Office Equipment	1,409	978	431	53	-	(262)	-	55	-	(261)	-	1,200	772	429
Library Books	619	277	342	43	-	-	-	43	-	-	-	662	320	342
Work In Progress - Buildings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Work in progress - plant and equipment	-	-	-	22	-	-	-	-	-	-	-	22	-	22
Work In Progress - Share of joint land	477	-	477	-	-	(477)	-	-	-	-	-	-	-	-
Work In Progress - Land	1,933	-	1,933	68	-	-	(1,623)	-	-	-	-	378	-	378
<b>Total Operational Assets</b>	<b>25,094</b>	<b>2,751</b>	<b>22,344</b>	<b>616</b>	<b>-</b>	<b>(799)</b>	<b>(1,623)</b>	<b>597</b>	<b>-</b>	<b>(272)</b>	<b>-</b>	<b>23,289</b>	<b>3,076</b>	<b>20,214</b>
<b>Council Restricted Assets</b>														
Land	7,224	-	7,224	11	-	-	-	-	-	-	-	7,235	-	7,235
Buildings	5,012	452	4,560	122	-	-	-	240	-	-	-	5,134	692	4,442
Street Beautification	1,604	202	1,402	-	-	-	-	17	-	-	-	1,604	219	1,385
Rubbish Bins	203	-	203	-	-	-	-	-	-	-	-	203	-	203
Work In Progress - Street Beautification	109	-	109	(19)	-	-	-	-	-	-	-	90	-	90
Work In Progress - Buildings	-	-	-	15	-	-	-	-	-	-	-	15	-	15
<b>Total Restricted Assets</b>	<b>14,153</b>	<b>653</b>	<b>13,499</b>	<b>129</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>257</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,281</b>	<b>911</b>	<b>13,370</b>
<b>Council Infrastructure Assets</b>														
Water Supply														
- Reticulation and other assets	9,861	409	9,453	1,224	-	(115)	-	226	(409)	-	1,065	11,625	226	11,401
- Treatment plants and facilities	5,409	318	5,091	27	-	(3)	-	158	(318)	-	(1,071)	4,044	158	3,885
Wastewater System														
- Reticulation and other assets	6,779	471	6,308	247	-	(15)	232	244	(471)	-	219	6,990	244	6,746
- Treatment plants and facilities	1,731	82	1,649	48	-	-	(232)	44	(82)	-	30	1,496	44	1,452
Stormwater System	6,385	203	6,184	34	-	(26)	-	138	(203)	-	1,820	8,009	138	7,872
Roading Network	200,341	4,581	195,760	3,411	-	-	-	2,449	(4,581)	-	(8,191)	190,979	2,449	188,530
Land Under Roads	53,639	-	53,639	-	-	-	-	-	-	-	-	53,639	-	53,639
Bridges	11,936	651	11,285	233	-	-	-	352	(651)	-	829	12,348	352	11,996
Work In Progress - Subdivision - Land under roads	-	-	-	313	-	-	432	-	-	-	-	745	-	745
Work in Progress - Subdivision - 3 waters	-	-	-	1,090	-	-	-	-	-	-	-	1,090	-	1,090
Work In Progress - Wastewater Treatment	360	-	360	204	-	-	-	-	-	-	-	564	-	564
Work In Progress - Stormwater	10	-	10	(10)	-	-	-	-	-	-	-	-	-	-
Work In Progress - Water Reticulation	505	-	505	(389)	-	-	-	-	-	-	-	116	-	116
Work In Progress - Water Treatment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Infrastructure Assets</b>	<b>296,956</b>	<b>6,715</b>	<b>290,245</b>	<b>6,432</b>	<b>-</b>	<b>(159)</b>	<b>432</b>	<b>3,611</b>	<b>(6,715)</b>	<b>-</b>	<b>(5,300)</b>	<b>291,646</b>	<b>3,610</b>	<b>288,038</b>
<b>Total Council</b>	<b>336,203</b>	<b>10,117</b>	<b>326,089</b>	<b>7,176</b>	<b>-</b>	<b>(958)</b>	<b>(1,191)</b>	<b>4,465</b>	<b>(6,715)</b>	<b>(272)</b>	<b>(5,300)</b>	<b>329,215</b>	<b>7,598</b>	<b>321,621</b>
<b>Subsidiaries</b>														
Buildings	1,647	132	1,515	2	-	-	-	65	-	-	-	1,649	197	1,452
Land	193	-	193	-	-	-	-	-	-	-	-	193	-	193
Furniture & Fittings	102	30	74	2	-	-	-	5	-	-	-	104	35	72
Office Equipment	7	4	3	-	-	-	-	1	-	-	-	7	5	2
Work in Progress - buildings	-	-	-	50	-	-	-	-	-	-	-	50	-	50
Arboretum	45	2	43	-	-	-	-	1	-	-	-	45	3	42
<b>Total Subsidiaries Assets</b>	<b>1,994</b>	<b>167</b>	<b>1,828</b>	<b>54</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>72</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,049</b>	<b>240</b>	<b>1,810</b>
<b>Total Group</b>	<b>338,197</b>	<b>10,285</b>	<b>327,917</b>	<b>7,230</b>	<b>-</b>	<b>(958)</b>	<b>(1,191)</b>	<b>4,536</b>	<b>(6,715)</b>	<b>(272)</b>	<b>(5,300)</b>	<b>331,264</b>	<b>7,839</b>	<b>323,432</b>

The figures included under assets constructed by council for work in progress is the net of new work in progress additions and those capitalised during the year.

## Estimate of Replacement Cost

	Council	
	Most recent estimate of replacement cost 2019/20	Date of Estimate
<b>2020</b>		
Water Supply		
- Reticulation and other assets	19,774	30 June 2020
- Treatment plants and facilities	5,889	30 June 2020
Wastewater System		
- Reticulation and other assets	22,961	30 June 2020
- Treatment plants and facilities	3,339	30 June 2020
Stormwater System	14,616	30 June 2020
Roads and Footpaths	345,970	30 June 2020
<b>2019</b>		
Water Supply		
- Reticulation and other assets	19,307	30 June 2019
- Treatment plants and facilities	5,830	30 June 2019
Wastewater System		
- Reticulation and other assets	22,304	30 June 2019
- Treatment plants and facilities	2,725	30 June 2019
Stormwater System	14,050	30 June 2019
Roads and Footpaths	339,286	30 June 2019

## Depreciation and Amortisation Expense by Group of Activity

	Council	
	Actual 2019/20 \$000	Actual 2018/19 \$000
<b>Directly attributable depreciation and amortisation by group of activity</b>		
Community Services	758	581
Democracy	-	-
Economy	65	95
Environmental Services	7	7
Roading	2,804	2,801
Stormwater Drainage	141	138
Wastewater (Sewerage)	296	288
Solid Waste	28	27
Water Supply	421	384
<b>Total directly attributable depreciation and amortisation by group of activity</b>	<b>4,521</b>	<b>4,320</b>
Depreciation and amortisation not directly related to group of activities	263	268
<b>Total depreciation and amortisation for the whole of Council</b>	<b>4,784</b>	<b>4,588</b>

## Note 16 Intangible Assets – Council and Group

### Accounting Policy

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

The carrying value of an intangible asset with a finite life is amortised on a straight line basis. The amortisation charge is recognised in the Statement of Comprehensive Revenue and Expense. The useful lives of intangible assets have been estimated as follows:

- Software 3-10 years.

2020	Cost / Valuation	Accumulated Amortisation and Impairment	Carrying Amount	Additions	Disposals	Current Year Impairment Charges	Depreciation Reversed on Disposal	Current Year Amortisation	Cost / Valuation	Accumulated Amortisation and Impairment	Carrying Amount
	1/07/2019			Current Year					30 June 2020		
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Work in Progress	5	-	5	-	-	-	-	-	5	-	5
Computer Software	1,436	860	576	71	(3)	-	(3)	87	1,504	944	560
<b>Total</b>	<b>1,441</b>	<b>860</b>	<b>581</b>	<b>71</b>	<b>(3)</b>	<b>-</b>	<b>(3)</b>	<b>87</b>	<b>1,509</b>	<b>944</b>	<b>565</b>

2019	Accumulated Amortisation and Impairment	Carrying Amount	Additions	Disposals	Current Year Impairment Charges	Depreciation Reversed on Disposal	Current Year Amortisation	Cost / Valuation	Accumulated Amortisation and Impairment	Carrying Amount	
	1/07/2018		Current Year					30 June 2019			
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	
Work in progress	2	0	2	3	-	0	-	0	5	-	5
Computer Software	1420	737	683	16	-	0	-	123	1436	860	576
<b>Total</b>	<b>1422</b>	<b>737</b>	<b>685</b>	<b>19</b>	<b>-</b>	<b>0</b>	<b>-</b>	<b>123</b>	<b>1441</b>	<b>860</b>	<b>581</b>

All intangible assets referring to above are computer software.  
There are no restrictions over intangible assets. No intangible assets have been pledged as security for liabilities.

## Note 17 Payables and Deferred Revenue

Short-term creditors and other payables are recorded at their face value.

	Council		Group	
	Actual 2019/20 \$000	Actual 2018/19 \$000	Actual 2019/20 \$000	Actual 2018/19 \$000
<b>Current Portion</b>				
<i>Payables and deferred revenue under exchange transactions</i>				
Trade Payables and Accrued Expenses	1,191	1,528	1,201	1,581
Deposits and Bonds	118	85	118	85
Revenue Received in Advance	83	125	93	125
<b>Total</b>	<b>1,392</b>	<b>1,738</b>	<b>1,412</b>	<b>1,791</b>
<i>Payables and deferred revenue under non-exchange transactions</i>				
Other Taxes Payable (GST)	401	63	401	63
Revenue received in advance - PGF funding	752	-	752	-
Rates in Advance	278	265	278	265
<b>Total</b>	<b>1,431</b>	<b>328</b>	<b>1,431</b>	<b>328</b>
<b>Total Current Portion</b>	<b>2,823</b>	<b>2,067</b>	<b>2,843</b>	<b>2,120</b>

## Note 18 Provisions

### Accounting Policy

Council recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

	Council		Group	
	Actual 2019/20 \$000	Actual 2018/19 \$000	Actual 2019/20 \$000	Actual 2018/19 \$000
<b>Current Portion</b>				
Landfill Aftercare Provision	11	11	11	11
<b>Total Current Portion</b>	<b>11</b>	<b>11</b>	<b>11</b>	<b>11</b>
<b>Non-current Portion</b>				
Landfill Aftercare Provision	45	44	45	44
<b>Total Non-Current Portion</b>	<b>45</b>	<b>44</b>	<b>45</b>	<b>44</b>
<b>Total Provisions</b>	<b>56</b>	<b>55</b>	<b>56</b>	<b>55</b>
<b>Movements for the Landfill Aftercare provision are as follows:</b>				
	Council		Group	
	Actual 2019/20 \$000	Actual 2018/19 \$000	Actual 2019/20 \$000	Actual 2018/19 \$000
Opening Balance	55	62	55	62
Additional Provision Made	-	-	-	-
Amounts used	1	(7)	1	(7)
<b>Closing Balance 30 June</b>	<b>56</b>	<b>55</b>	<b>56</b>	<b>55</b>

### **Rural Landfills**

In February 1998 Stratford District Council renewed its aftercare consents for the Pukengahu and Huiroa landfills which were closed in 1990 and 1991 respectively.

New consents have been granted by Taranaki Regional Council for the management of Council's closed landfills. These consents are valid until 2034 and set monitoring parameters with requirements for remedial action depending on the outcomes of the monitoring.

### **Stratford Landfill**

In March 1999 Stratford District Council renewed its consent for the Swansea Road landfill. While the consent required the site to be closed by June 2005 it was actually closed on 18 March 2002.

Council has an ongoing liability to ensure the site continues to be managed in a manner that least affects the environment and the work is expected to include the following major components:

- Environmental Monitoring (surface and groundwater)
- Surface groundwater controls (drainage maintenance)
- Earthworks (in the initial years the land is expected to sink due to the refuse decomposition and filling will be required to avoid ponding).

These liabilities are expected to continue to the 2025 year following the closure of the landfill however the financial impact is expected to be greatest for the first five years.

The long term nature of the liability means that there are inherent uncertainties in estimating costs that will be incurred. The provision has been estimated taking in to account existing technology and is discounted using a discount rate of 5.0% (2019:7.5%).

The management of the landfill will influence the timing of recognition of some liabilities.



## Note 19 Employee Entitlements

Provision is made in respect of Council's liability for annual leave, and retirement gratuities. Annual leave has been calculated on an actual entitlement basis at current rates of pay while the other provisions have been calculated on an actuarial basis.

### Accounting Policy

#### Short-term employee entitlements

Employee benefits expected to be settled within 12 months after the end of the period in which the employee renders the related service are measured 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, and sick leave.

A liability and an expense are recognised for bonuses where the Council or group has a contractual obligation 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 entitlement information; and
- the present value of the estimated future cash flows.

#### Presentation of employee entitlements

Annual leave is classified as a current liability. Retirement gratuities expected to be settled within 12 months of balance date are classified as a current liability. All other employee entitlements are classified as a non-current liability.

	Council		Group	
	Actual 2019/20 \$000	Actual 2018/19 \$000	Actual 2019/20 \$000	Actual 2018/19 \$000
<b>Current Portion</b>				
Annual Leave	183	117	190	124
<b>Total Current Portion</b>	<b>183</b>	<b>117</b>	<b>190</b>	<b>124</b>
<b>Non-Current Portion</b>				
Retirement Gratuities	49	47	49	47
<b>Total Non-Current Portion</b>	<b>49</b>	<b>47</b>	<b>49</b>	<b>47</b>
<b>Total Employee Entitlements</b>	<b>232</b>	<b>164</b>	<b>239</b>	<b>171</b>

## Note 20 Borrowings

### Accounting Policy

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

*Borrowings are classified as current liabilities unless the Council or group has an unconditional right to defer settlement of the liability for at least 12 months after balance date.*

	Council		Group	
	Actual 2019/20 \$000	Actual 2018/19 \$000	Actual 2019/20 \$000	Actual 2018/19 \$000
<b>Current Portion</b>				
Committed cash advance facility	-	-	-	-
Secured Loans	3,500	4,000	3,500	4,000
<b>Total Current Portion</b>	<b>3,500</b>	<b>4,000</b>	<b>3,500</b>	<b>4,000</b>
<b>Non-Current Portion</b>				
Secured Loans	12,000	10,500	12,000	10,500
<b>Total Non-Current Portion</b>	<b>12,000</b>	<b>10,500</b>	<b>12,000</b>	<b>10,500</b>
<b>Total Borrowings</b>	<b>15,500</b>	<b>14,500</b>	<b>15,500</b>	<b>14,500</b>

### Security

The Council has entered into a Debenture Trust Deed with Trustees Executors Limited.

Under the debenture trust deed the Council has granted security over its rates and rates revenue. Trustees Executors Limited hold this security for the benefit of any holders of Stock (as that term is defined in the Council's debenture trust deed).

The Council has granted security stock (with a floating nominal amount) to each of TSB Bank Ltd and New Zealand Local Government Funding Agency (to secure all of Council's borrowings with those entities).

### Committed cash advance facility

Stratford District Council has a CCAF (Committed Cash Advance Facility) of \$1.0m that has not been included in the financial statements.

### Maturity Analysis and Effective Interest Rates

	Council		Group	
	Actual 2019/20 \$000	Actual 2018/19 \$000	Actual 2019/20 \$000	Actual 2018/19 \$000
Less than one year	3,500	4,000	3,500	4,000
Later than one year but not more than five years	6,500	7,000	6,500	7,000
Later than five years	5,500	3,500	5,500	3,500
<b>Total Borrowings</b>	<b>15,500</b>	<b>14,500</b>	<b>15,500</b>	<b>14,500</b>

The weighted average effective interest rate for 2019/20 is 2.55% (2018/19 2.83%).

During the 2012/13 year Council made an internal loan to the Water Supply activity, towards the capital costs of the new Stratford Water Treatment Plant. The loan was for \$2,000,000. Interest has been calculated on the balance outstanding as at 1 July 2019 of \$1,510,795 at the weighted average interest rate as at 31 December 2019 of 2.66%. The Water Supply activity has been charged the cost of \$40,187. The sum of \$80,000 was repaid at the end of the year. The balance as at 30 June 2020 is \$1,430,795.

<b>Local Government Funding Agency</b>					
	<b>Maturity date</b>	<b>Interest rate 2019/20</b>	<b>Interest rate 2018/19</b>	<b>Actual 2019/20 \$000</b>	<b>Actual 2018/19 \$000</b>
<b>Current</b>					
LGFA Bond issue	Ápril 2020	-	2.33%	\$0	\$3,000
LGFA Bond issue	May 2020	-	1.99%	\$0	\$1,000
LGFA Bond issue	Ápril 2021	1.31%	-	\$2,000	\$0
LGFA Bond issue	May 2021	2.62%	-	\$1,500	\$0
<b>Total Current borrowings</b>				\$3,500	\$4,000
<b>Non-current</b>					
LGFA Bond issue	May 2021		2.62%	\$0	\$1,500
LGFA Bond issue	April 2022	2.81%	2.81%	\$2,000	\$2,000
LGFA Bond issue	April 2023	1.55%	-	\$1,000	\$0
LGFA Bond issue	May 2023	3.47%	3.47%	\$1,500	\$1,500
LGFA Bond issue	May 2024	2.53%	2.53%	\$2,000	\$2,000
LGFA Bond issue	April 2025	3.38%	3.38%	\$2,000	\$2,000
LGFA Bond issue	April 2026	2.02%	-	\$1,000	\$0
LGFA Bond issue	Ápril 2027	1.38%	-	\$1,000	\$0
LGFA Bond issue	Ápril 2027	3.65%	3.65%	\$1,500	\$1,500
<b>Total non-current borrowings</b>				\$12,000	\$10,500
<b>Total Borrowings</b>				\$15,500	\$14,500

## **Note 21     Equity**

### **Accounting Policy**

*Equity is the community's interest in the Council and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components.*

- *accumulated funds;*
- *restricted reserves;*
- *property revaluation reserve; and*
- *fair value through other comprehensive revenue and expense reserve.*

### **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 the Council.*

*Restricted reserves include those subject to specific conditions accepted as binding by the Council and which may not be revised by the Council 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 reference to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Council.*

### **Property revaluation reserve**

*This reserve relates to the revaluation of property, plant, and equipment to fair value.*

### **Fair value through other Comprehensive Revenue and Expense reserve**

*This reserve comprises the cumulative net change in the fair value of assets classified as fair value through other comprehensive revenue and expense.*

	Council		Group	
	Actual	Actual	Actual	Actual
	2019/20	2018/19	2019/20	2018/19
	\$000	\$000	\$000	\$000
<b>Accumulated Funds - 1 July</b>	174,920	175,497	176,761	177,390
Transfers to:				
Restricted Reserves	(97)	(106)	(97)	(106)
Council Created Reserves	(5,567)	(5,513)	(5,567)	(5,513)
Transfers from:				
Council Created Reserves	3,953	4,750	3,953	4,750
Restricted Reserves	35	16	35	16
Revaluation reserve disposal of building	87	-	87	-
Profit / (Loss) for the year	8,022	275	7,937	224
<b>Balance at 30 June</b>	<b>181,353</b>	<b>174,920</b>	<b>183,109</b>	<b>176,761</b>
<b>Restricted Reserves - 1 July</b>	587	497	587	497
Transfers to:				
Accumulated Funds	(35)	(16)	(35)	(16)
Transfers from:				
Accumulated Funds	97	106	97	106
<b>Balance at 30 June</b>	<b>650</b>	<b>587</b>	<b>650</b>	<b>587</b>
<b>Fair Value through other comprehensive revenue and expense - 1 July</b>	(349)	(100)	(349)	(100)
Loss on sale of financial assets at fair value through other comprehensive income	-	-	-	-
Revaluation Gains/(Losses) on Investments Carried at Fair Value	(61)	(249)	(61)	(249)
<b>Balance at 30 June</b>	<b>(410)</b>	<b>(349)</b>	<b>(410)</b>	<b>(349)</b>
<b>Council Created Reserves - 1 July</b>	4,120	3,356	4,120	3,357
Transfers to:				
Accumulated Funds	(3,953)	(4,750)	(3,953)	(4,750)
Transfers from:				
Accumulated Funds	5,567	5,513	5,567	5,513
<b>Balance at 30 June</b>	<b>5,734</b>	<b>4,120</b>	<b>5,734</b>	<b>4,120</b>
<b>Asset Revaluation Reserves - 1 July</b>	132,837	138,141	133,854	139,158
Revaluation reserve disposal of buildings	(87)	-	(87)	-
Revaluation Gains/(Losses)	1,154	(5,304)	1,344	(5,304)
<b>Balance at 30 June</b>	<b>133,904</b>	<b>132,837</b>	<b>135,111</b>	<b>133,854</b>
<b>Total Other Reserves - 30 June</b>	<b>139,878</b>	<b>137,194</b>	<b>141,084</b>	<b>138,211</b>
<b>Asset Revaluation Reserves consist of:</b>				
Operational Assets				
Land	6,577	6,195	6,687	6,263
Buildings	5,150	5,324	6,247	6,273
Restricted Assets				
Wastewater System	5,451	5,451	5,451	5,451
Water System	3,983	3,983	3,983	3,983
Stormwater System	6,081	6,081	6,081	6,081
Roading Network	101,894	101,894	101,894	101,894
Land	3,875	2,137	3,875	2,137
Buildings	895	1,773	895	1,773
<b>Total</b>	<b>133,904</b>	<b>132,837</b>	<b>135,111</b>	<b>133,854</b>

## **EQUITY (CONT)**

### **Purpose of Each Reserve Fund**

Council's reserve funds are classified in to three categories:

- Council Created Reserves
- Restricted Reserves
- Targeted Rate Reserves

The purposes of the reserves are as follows:

#### **Council Created Reserves**

##### General Renewals Reserve

This reserve has been created for the accumulation of depreciation on buildings, plant, vehicles, office equipment and furniture and fittings. The funds are set aside to provide for the ongoing replacement of operational assets in these categories, and also to maintain and enhance existing Council assets. Funds are also provided for new projects where necessary.

##### Roading Renewals Reserve

This reserve has been created for the accumulation of depreciation on roads, bridges and street services assets. The funds are set aside to provide for the ongoing replacement of operational assets in these categories, and also to maintain and enhance existing Council assets. Funds are also provided for new projects where necessary.

##### Contingency Reserve

This reserve has been created to assist in the event of an emergency. Purposes for which funds are currently set aside are such things as natural disasters e.g. floods, earthquakes, volcanic eruptions etc.

##### Asset Sales Proceeds Reserve

The purpose of this reserve is to accumulate the net proceeds from the sale of Council assets that have not been specifically tagged for a particular purpose. These funds can then be used to acquire new capital assets.

##### Staff Gratuities Reserve

These funds are for the payment of gratuities, redundancies, and farewells/recognition of long service of staff or elected members, however there are no other specific restrictions on this reserve.

##### Mayor's Relief Fund

This fund has been in existence since at least 1934 and was originally set up to provide funds for the 'relief of distress' in the Stratford District. In recent years the reserve has been funded by donations and distributions of these monies has been at the Mayor's discretion.

##### Turf Replacement Reserve

This reserve was created to accumulate funds annually to contribute towards the replacement of the hockey turf, when required.

#### **Restricted Reserves**

##### Elsie Fraser Bequest Reserve

These funds came from a bequest from Elsie Fraser in 1985 for the provision of a 'home for the less affluent old people within the Stratford community'. All surpluses from operations of these units are credited to the reserve.

##### RMA/Financial Contributions Reserve

Financial contributions are required by the Stratford District Plan. Council has received these funds from the subdivision of land and various land use activities. The reserve is used to fund growth related capital works and services.

**Targeted Rate Reserves****Water Supply, Solid Waste and Wastewater Reserves**

These reserves represent the balance of funds collected from various targeted rates which have not yet been spent. The funds can only be used for the purpose for which they were originally levied. The reserves include depreciation on infrastructural assets, costs of any capital/renewal expenditure and any surplus/deficit from operations for the year.

**RESERVE FUND MOVEMENTS**

		Balance	Transfers	Transfers	Balance
		1 July 2019	into fund	out of fund	30 June 2020
		\$000	\$000	\$000	\$000
2020	Activities to which the reserve relates				
<b>Restricted Reserves</b>					
	Elsie Fraser Bequest Reserve	69	32	(35)	66
	Financial Contributions Reserve	518	65	-	583
	<b>Total</b>	<b>587</b>	<b>97</b>	<b>(35)</b>	<b>649</b>
<b>2020</b>					
		Balance	Transfers	Transfers	Balance
		1 July 2019	into fund	out of fund	30 June 2020
		\$000	\$000	\$000	\$000
2020	Activities to which the reserve relates				
<b>Council Created/Targeted Rate Reserves</b>					
	Asset Renewal Reserve	2,493	1,135	(372)	3,256
	Contingency Reserve	505	14	(14)	505
	Asset Sale Proceeds Reserve	623	401	-	1,024
	Staff Gratuities Reserve	144	4	(1)	147
	Mayor's Relief Fund Reserve	4	1	(1)	4
	Turf Replacement Reserve	10	10	-	20
	Stormwater Reserve	271	149	(162)	258
	Roading Renewals Reserve	746	2,825	(2,826)	745
	Water Supply Reserve	(1,049)	642	(301)	(708)
	Solid Waste Reserve	193	34	(80)	146
	Wastewater Reserve	181	353	(196)	338
	<b>Total</b>	<b>4,120</b>	<b>5,567</b>	<b>(3,953)</b>	<b>5,735</b>
<b>2019</b>					
		Balance	Transfers	Transfers	Balance
		1 July 2018	into fund	out of fund	30 June 2019
		\$000	\$000	\$000	\$000
2019	Activities to which the reserve relates				
<b>Restricted Reserves</b>					
	Elsie Fraser Bequest Reserve	55	30	(16)	69
	Financial Contributions Reserve	442	76	-	518
	<b>Total</b>	<b>497</b>	<b>106</b>	<b>(16)</b>	<b>587</b>
<b>2019</b>					
		Balance	Transfers	Transfers	Balance
		1 July 2018	into fund	out of fund	30 June 2019
		\$000	\$000	\$000	\$000
2019	Activities to which the reserve relates				
<b>Council Created and Targeted Rate Reserves</b>					
	Asset Renewal Reserve	1,785	1,088	(381)	2,493
	Contingency Reserve	505	15	(15)	505
	Asset Sale Proceeds Reserve	624	39	(40)	623
	Staff Gratuities Reserve	144	4	(4)	144
	Mayor's Relief Fund Reserve	5	-	(1)	4
	Turf Replacement Reserve	-	10	-	10
	Stormwater Reserve	152	142	(23)	271
	Roading Renewals Reserve	782	3,503	(3,539)	746
	Water Supply Reserve	(1,075)	384	(358)	(1,049)
	Waste Management Reserve	232	34	(73)	193
	Wastewater Reserve	203	294	(316)	181
	<b>Total</b>	<b>3,356</b>	<b>5,513</b>	<b>(4,750)</b>	<b>4,120</b>

**Note 22 Commitments**

	Council		Group	
	Actual 2019/20 \$000	Actual 2018/19 \$000	Actual 2019/20 \$000	Actual 2018/19 \$000
<b>Financial Commitments</b>				
Not later than one year	6,891	7,278	6,891	7,358
Later than one year and not later than five years	8,009	13,783	8,009	13,783
Later than five years	-	197	-	197
<b>Total</b>	<b>14,900</b>	<b>21,258</b>	<b>14,900</b>	<b>21,338</b>
<b>Operating Leases as a Lessor</b>				
Not later than one year	3	3	18	18
Later than one year and not later than five years	12	12	26	39
Later than five years	72	75	72	75
<b>Total</b>	<b>87</b>	<b>90</b>	<b>116</b>	<b>132</b>
<b>Capital Commitments</b>				
Road network	5,242	8,112	5,242	8,112
Buildings	-	-	-	38
Road network - council subdivision (The amount for the council subdivision relates mainly to the roading network with some other incidental costs related to wastewater, water and stormwater assets)	159	878	159	878
<b>Total</b>	<b>5,401</b>	<b>8,990</b>	<b>5,401</b>	<b>9,028</b>
<b>Non-financial Commitments</b>	<ul style="list-style-type: none"> <li>* Council is committed to a 50/50 sharemilking agreement with the current sharemilker to 31 May 2021.</li> <li>* Council is committed to various leases of rental properties for terms ranging up to 33 years with perpetual rights of renewal in two cases.</li> <li>* Council is committed to a number of leases on reserves to various sports and other community bodies for varying terms.</li> <li>* Council is committed to ground leases for the aerodrome club buildings, and private hangars for terms of up to 20 years.</li> <li>* Quotable Value NZ Ltd will provide valuation services to Council for the period to 30 June 2026.</li> <li>* AA Drivers Licensing have given Council an agency relationship to 30 September 2020.</li> <li>* The Information Centre has various commission agreements with tourism providers.</li> </ul>			



## Note 23 Contingencies

### Contingent Assets

The Council operates a scheme whereby sports clubs are able to construct facilities (e.g. club rooms) on reserve land. The clubs control the use of these facilities and the Council will gain control of the asset only if the club vacates the facility. Until this event occurs, the assets are not recognised as assets in the statement of financial position. As at 30 June 2020 there are 7 properties, having an approximate value of \$1.01 million (2019 - 8 properties - \$5.03 million). The estimate has been based on rating valuations.

### Contingent Liabilities

#### Local Government Funding Agency (LGFA)

The Council is a guarantor of LGFA. The LGFA was incorporated in December 2011 with the purpose of providing debt funding to local authorities in New Zealand. It has a current credit rating from Standard and Poor's of AA+.

As at 30 June 2020, the Council is one of 30 local authority shareholders and 22 local authority guarantors with NZ LGFA. Together with the other shareholders and guarantors, the Council is a guarantor of all NZ LGFA's borrowings. As at 30 June 2020, NZ LGFA had borrowings totalling \$11.9 billion.

PBE Accounting Standards require the council to recognise the guarantee liability at fair value. However, the Council have been unable to determine a sufficiently reliable fair value for the guarantee, and therefore has not recognised a liability. The council consider the risk of the LGFA defaulting on repayment of interest or capital to be very low on the basis that:

- the council is not aware of any local authority debt default events in New Zealand; and
- Local government legislation would enable local authorities to levy a rate to recover sufficient funds to meet any debt obligations if further funds were required.

#### Building Act Claims

The Building Act 2004 imposes certain obligations and liabilities on local authorities relating to the issue of building consents and inspection of work done. At the date of these financial statements, one matter under that Act indicating a potential liability has been brought to the Council's attention.

## Note 24 Related Party Transactions

### Related Party Transactions with Subsidiaries, Associates or Joint Ventures

Council is the ultimate parent of the group and controls one entity, being Percy Thomson Trust and has no significant influence over any other entities. The Percy Thomson Trust building is on council-owned land, and there is no charge to the Trust.

#### Related Party Transactions with Subsidiaries, Associates or Joint Ventures

	Actual 2019/20 \$000	Actual 2018/19 \$000
<b>Percy Thomson Trust</b>		
Grant received from the Council	50	50
Rent received from Council for the Information Centre	18	18
Fees paid to Council for administration services	21	21

#### 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 Council (such as payment of rates, etc).

Gloria Webby (Councillor) is a Trustee of Percy Thomson Trust. Keryn Walsh (Councillor to October 2019) is also a Trustee of Percy Thomson Trust.

#### Payments Made to Related Parties

There were no transactions with related parties at non-arms length.

	Interest Declared	Transaction	\$000	\$000
<b>Jamieson Motors Limited</b>				
- Alan Jamieson, Councillor	Director and Shareholder	Services provided	1	-

#### Key Management Personnel Compensation

	Actual 2019/20 \$000	Actual 2018/19 \$000
Salaries and other short term employee benefits	744	710
<i>(This includes the salaries and superannuation for Senior Management, and is five full time equivalents. Elected Representatives honorariums are included in Note 25)</i>		

## Note 25 Remuneration

	Actual 2019/20 \$	Actual 2018/19 \$
<b>Chief Executive</b>		
The Chief Executive of Stratford District Council was appointed under section 42 of the Local Government Act 2002 as from 5 January 2017 and received the following remuneration for the year ended 30 June 2020:		
Salary	190,000	190,000
Superannuation Subsidy (Kiwisaver)	5,700	5,700
<i>As at 30 June 2020 the annual remuneration package that was being received by the Chief Executive was calculated at \$190,000. This remuneration excludes Kiwisaver contributions.</i>		
<b>Total Chief Executive Remuneration</b>	<b>195,700</b>	<b>195,700</b>
<b>Elected Representatives</b>		
Mayor - N Volzke	83,501	73,498
<b>Councillors</b>		
J Sandford	24,307	19,209
K Squire (to October 2019)	6,532	18,393
A Jamieson	32,094	25,749
J Erwood	23,414	18,393
G Kelly (to October 2019)	6,532	18,393
G Boyde	26,657	21,115
K Walsh (to October 2019)	6,532	18,393
R Coplestone	23,414	18,393
G Webby	23,414	18,393
P Dalziel	23,414	18,393
A Harris (from October 2019)	17,545	0
M McKay (from October 2019)	17,545	0
V Jones (from October 2019)	17,545	0
Full Time Equivalents *	11	11
* Due to the difficulty in determining the full-time equivalent for Councillors, the full-time equivalent figure is taken as the number of Councillors.		
* In addition to the honorarium a total of \$11,015 was paid to the Councillors as a communications allowance for the year.		
No elected representative received any remuneration from Council's CCO, the Percy Thomson Trust.		
<b>Council employees</b>	<b>30 June 2020</b>	<b>30 June 2019</b>
<b>Total annual remuneration by band</b>		
Less than \$60,000	40	44
\$60,000 - \$79,999	15	13
\$80,000 - \$99,999	6	6
\$100,000 - \$159,999	6	4
\$160,000 - \$200,000	1	1
<b>Total Council employee remuneration</b>	<b>68</b>	<b>68</b>
<b>Council Employee Numbers</b>		
	<b>30 June 2020</b>	<b>30 June 2019</b>
<b>Number of employees (at 30 June)</b>	<b>Actual</b>	<b>Actual</b>
Full-time employees	39	40
Part-time employees (including casual employees)	29	28
<b>Total employees</b>	<b>68</b>	<b>68</b>
NB - A full-time employee works 40 hours per week		
<b>Full-time equivalent employees</b>		
Full-time employees	39	40
Part-time employees (in full-time equivalents)	16	15
<b>Total full-time equivalent employees</b>	<b>55</b>	<b>55</b>

**Note 26 Severance Payments**

For the year ended 30 June 2020, the Council made one severance payment to employees (2018/19 - one employee). The value of the severance payment was \$18,000 (2018/19 - \$20,000).

**Note 27 Events After the Balance Date**

There were no significant events after balance date.

**Note 28 Financial Instrument Categories**

The accounting policies for financial instruments have been applied to the line items below:				
	Council		Group	
	Actual 2019/20 \$000	Actual 2018/19 \$000	Actual 2019/20 \$000	Actual 2018/19 \$000
<b>FINANCIAL ASSETS</b>				
<b>Loans and receivables</b>				
Cash and cash equivalents - Cash	5,082	2,822	5,123	3,017
Short Term Deposits	3,000	-	3,250	250
Receivables	904	999	907	1,008
Other financial assets:				
Community loans	-	38	-	38
<b>Total</b>	<b>8,986</b>	<b>3,858</b>	<b>9,280</b>	<b>4,312</b>
<b>Held to maturity</b>				
Other financial assets:				
LGFA Borrower Notes	248	216	248	216
<b>Total</b>	<b>248</b>	<b>216</b>	<b>248</b>	<b>216</b>
<b>Fair value through other comprehensive revenue and expense</b>				
Other financial assets:				
Local authority stock and Bonds	-	-	677	655
Listed shares	673	733	673	733
<b>Total</b>	<b>673</b>	<b>733</b>	<b>1,350</b>	<b>1,388</b>
<b>FINANCIAL LIABILITIES</b>				
<b>Financial liabilities at amortised cost</b>				
Payables and deferred revenue	1,392	1,738	1,412	1,791
Borrowings:				
Secured loans	15,500	14,500	15,500	14,500
<b>Total</b>	<b>16,892</b>	<b>16,238</b>	<b>16,912</b>	<b>16,291</b>

## **Note 29 Explanation of Significant Variances Between Actual and Budget**

Explanations for major variations from Council's estimated figures in the 2019/20 Annual Plan are as follows:

### **Statement of Comprehensive Revenue and Expense**

Income:

- Revenue received from the sale of land in the council led subdivision was less than budget, as only 11 sections were sold as at 30 June 2020.
- As at 1 July 2019 Council was vested the TET Multi Sports Centre, at a value of \$6,786,000. Council has assumed ownership of the Centre following expiry of the lease, however the Society is continuing to occupy the building on a month by month basis pending a Council decision on the future management of the facility.

Expenditure:

- As a result of the vesting of the TET Multi Sports Centre, the building was depreciated, thus increasing the depreciation expense.
- Finance costs were less than budget due to the lower interest rates obtained from LGFA on renewal of the loans that matured during the year.

Other comprehensive revenue and expenditure:

- The gain on the property, plant and equipment is less than budget as the infrastructure assets were revalued as at 1 July 2018 rather than the budgeted 1 July 2019. Therefore only land and buildings were revalued this year.

### **Statement of Financial Position**

- Revaluation Reserves have increased as a result of the land and buildings being revalued as at 1 January 2020, rather than the budgeted date of 1 July 2019, as it was considered the values were materially different to the current book value.
- Inventory - assets held for sale - had no budget, as this was for the Council subdivision, that had not been completed by 30 June 2020, but only 12 of the 33 sections had been sold at that date.
- The budget for Intangible Assets was included in the Property, Plant and Equipment budget.
- There was no budget for Short Term Deposits, as these deposits are primarily dependent on interest rates at the time of the deposit.
- The Current portion of borrowings was higher than budget, as the maturity dates for borrowings are partly dependent on interest rates at the time of the borrowing.

**Note 30 District Licensing Committee Disclosure**

	2019/20	2018/19
<b><u>Income from Fees:</u></b>		
Licence Applications	\$32,085	\$31,370
Liquor Licencing Authority Levies	\$1,508	\$2,345
<b>Total Income</b>	<b>\$33,593</b>	<b>\$33,715</b>
<b><u>Expenditure:</u></b>		
Licencing Inspectors	\$47,767	\$40,255
District Licensing Committee Fees	\$3,009	\$2,144
Liquor Licencing Authority Levies	\$1,330	\$2,345
Other operating Costs Relating to Enforcement	\$1,415	\$2,158
<b>Total Expenditure</b>	<b>\$53,520</b>	<b>\$46,902</b>
<i>This information is provided in accordance with Regulation 19 of the Sale and Supply of Alcohol (Fees) Regulations 2013. This regulation requires Territorial Authorities to prepare a report detailing income from fees, and licencing costs under the Act. This information must be publicly available.</i>		

**Note 31 Joint Committee – Central Landfill**

During the 2017/18 year the Council agreed with South Taranaki District Council (STDC) and New Plymouth District Council (NPDC) tasked with developing a new landfill and operating it following the closure of the Colson Road Landfill. Each Council's share of capital contributions, distribution of any operating surplus or apportionment of any operating deficit has been agreed as follows: NPDC 66.4%, STDC 27.1% and SDC 6.5%. As at 30 June 2020, no additional capital contributions were made (2018/19: \$0 million)

In November 2018, the Joint Committee made the decision to suspend further development of the Central Landfill. Waste is now being disposed of at Bonny Glen, in the Rangitikei District, under a 35 year contract with Midwest Dipsosals Ltd who operate the landfill. As there was no alternative use for the proposed central landfill in Taranaki, all capital costs incurred have been written off to surplus or deficit, of which Council's share of capital costs for the year ended 30 June 2020 was \$23,346, after receiving a refund of a large portion of the original prepayment. As at 30 June 2020 an amount of \$1,950 has been retained by the central Landfill Joint Committee for Stratford District Council's share of future operational costs.

# FUNDING IMPACT STATEMENTS

## Stratford District Council Funding Impact Statement for the year ended 30 June 2020 (Whole of Council)

	Annual Plan 2018/19	Actual 2018/19	Annual Plan 2019/20	Actual 2019/20
	(\$000)	(\$000)	(\$000)	(\$000)
<b>Sources of operating funding</b>				
General rates, uniform annual general charges, rates penalties	6,031	6,101	6,253	6,274
Targeted rates	6,248	6,139	6,555	6,460
Subsidies and grants for operating purposes	1,821	1,864	1,902	2,049
Fees and Charges	2,165	1,871	2,249	1,906
Interest and dividends from investments	192	109	126	97
Local authorities fuel tax, fines, infringement fees, and other receipts	34	87	41	77
<b>Total operating funding (A)</b>	<b>16,491</b>	<b>16,172</b>	<b>17,126</b>	<b>16,864</b>
<b>Applications of operating funding</b>				
Payment to staff and suppliers	12,890	13,283	13,392	13,868
Finance costs	617	456	640	398
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>13,507</b>	<b>13,739</b>	<b>14,032</b>	<b>14,266</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>2,984</b>	<b>2,433</b>	<b>3,095</b>	<b>2,598</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	5,311	3,232	1,963	1,646
Development and financial contributions	-	62	-	47
Increase (decrease) in debt	857	440	(1,591)	1,000
Gross proceeds from sale of assets	3,234	-	4,360	1,907
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	18
<b>Total sources of capital funding (C)</b>	<b>9,401</b>	<b>3,734</b>	<b>4,731</b>	<b>4,618</b>
<b>Applications of capital funding</b>				
Capital expenditure to:				
- To meet additional demand	1,710	1,525	-	580
- To improve the level of service	5,562	1,159	2,240	902
- To replace existing assets	4,733	4,513	5,227	3,442
Increase (decrease) in reserves	380	(1,029)	358	2,292
Increase (decrease) in investments	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>12,385</b>	<b>6,167</b>	<b>7,825</b>	<b>7,216</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(2,984)</b>	<b>(2,433)</b>	<b>(3,094)</b>	<b>(2,598)</b>
<b>Funding balance ((A-B) + (C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### Funding Impact Statement - Note

The funding impact statement is required under the Local Government Act 2002 Schedule and conforms to the Local Government (Financial Reporting) Regulations 2014.

Generally accepted accounting practice does not apply to the preparation of the funding impact statement as stated in Section 111(2) of the Local Government Act.

## Stratford District Council Funding Impact Statement for the year ended 30 June 2020 (Community Services)

	Long Term Plan 2018/19	Actual 2018/19	Long Term Plan 2019/20	Actual 2019/20
	(\$000)	(\$000)	(\$000)	(\$000)
<b>Sources of operating funding</b>				
General rates, uniform annual general charges, rates penalties	3,003	3,043	3,221	3,271
Targeted rates	14	16	14	16
Subsidies and grants for operating purposes	-	36	-	74
Fees and Charges	522	497	527	418
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	6	-	12	0
<b>Total operating funding (A)</b>	<b>3,545</b>	<b>3,591</b>	<b>3,774</b>	<b>3,779</b>
<b>Applications of operating funding</b>				
Payment to staff and suppliers	2,140	2,147	2,255	2,373
Finance costs	59	35	70	35
Internal charges & overheads applied	862	870	885	859
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>3,061</b>	<b>3,052</b>	<b>3,210</b>	<b>3,267</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>484</b>	<b>539</b>	<b>564</b>	<b>512</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	72	-	124	33
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	269	(34)	245	(33)
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>341</b>	<b>(34)</b>	<b>369</b>	<b>(0)</b>
<b>Applications of capital funding</b>				
Capital expenditure to:				
- To meet additional demand	-	-	-	-
- To improve the level of service	430	87	469	265
- To replace existing assets	8	32	3	70
Increase (decrease) in reserves	387	386	462	176
Increase (decrease) in investments	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>825</b>	<b>505</b>	<b>933</b>	<b>512</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(484)</b>	<b>(539)</b>	<b>(564)</b>	<b>(512)</b>
<b>Funding balance ((A-B) + (C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



## Stratford District Council Funding Impact Statement for the year ended 30 June 2020 (Roading)

	Long Term Plan 2018/19	Actual 2018/19	Long Term Plan 2019/20	Actual 2019/20
	(\$000)	(\$000)	(\$000)	(\$000)
<b>Sources of operating funding</b>				
General rates, uniform annual general charges, rates penalties *	(6)	(8)	(7)	(6)
Targeted rates	2,907	2,915	2,990	3,049
Subsidies and grants for operating purposes	1,821	1,829	1,795	1,870
Fees and Charges	283	250	288	316
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	2	88	5	77
<b>Total operating funding (A)</b>	<b>5,006</b>	<b>5,073</b>	<b>5,071</b>	<b>5,305</b>
<b>Applications of operating funding</b>				
Payment to staff and suppliers - see note below	3,521	4,360	3,483	3,706
Finance costs	19	-	32	-
Internal charges & overheads applied	303	293	311	341
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>3,843</b>	<b>4,653</b>	<b>3,827</b>	<b>4,047</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>1,163</b>	<b>420</b>	<b>1,245</b>	<b>1,258</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	5,239	3,170	1,839	1,613
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	582	-	(29)	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	18
<b>Total sources of capital funding (C)</b>	<b>5,821</b>	<b>3,170</b>	<b>1,810</b>	<b>1,631</b>
<b>Applications of capital funding</b>				
Capital expenditure to:				
- To meet additional demand	-	-	-	-
- To improve the level of service	4,000	240	-	88
- To replace existing assets	3,348	3,405	3,353	2,815
Increase (decrease) in reserves	(364)	(55)	(299)	(13)
Increase (decrease) in investments	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>6,984</b>	<b>3,590</b>	<b>3,055</b>	<b>2,890</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(1,163)</b>	<b>(420)</b>	<b>(1,245)</b>	<b>(1,258)</b>
<b>Funding balance ((A-B) + (C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Stratford District Council Funding Impact Statement for the year ended 30 June 2020 (Water Supply)

	Long Term Plan 2018/19	Actual 2018/19	Long Term Plan 2019/20	Actual 2019/20
	(\$000)	(\$000)	(\$000)	(\$000)
<b>Sources of operating funding</b>				
General rates, uniform annual general charges, rates penalties	-	-	-	-
Targeted rates	1,917	1,792	2,064	1,832
Subsidies and grants for operating purposes	-	-	-	-
Fees and Charges	-	-	-	-
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	2	-	5	-
<b>Total operating funding (A)</b>	<b>1,919</b>	<b>1,792</b>	<b>2,068</b>	<b>1,832</b>
<b>Applications of operating funding</b>				
Payment to staff and suppliers	985	984	1,032	642
Finance costs	303	197	337	187
Internal charges & overheads applied	267	296	274	360
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>1,555</b>	<b>1,477</b>	<b>1,643</b>	<b>1,190</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>364</b>	<b>315</b>	<b>425</b>	<b>642</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	921	573	625	(149)
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>921</b>	<b>573</b>	<b>625</b>	<b>(149)</b>
<b>Applications of capital funding</b>				
Capital expenditure to:				
- To meet additional demand	-	-	-	-
- To improve the level of service	330	144	420	62
- To replace existing assets	889	690	538	52
Increase (decrease) in reserves	66	53	92	379
Increase (decrease) in investments	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>1,285</b>	<b>888</b>	<b>1,050</b>	<b>493</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(364)</b>	<b>(315)</b>	<b>(425)</b>	<b>(642)</b>
<b>Funding balance ((A-B) + (C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Stratford District Council Funding Impact Statement for the year ended 30 June 2020 (Waste Water)

	Long Term Plan 2018/19	Actual 2018/19	Long Term Plan 2019/20	Actual 2019/20
	(\$000)	(\$000)	(\$000)	(\$000)
<b>Sources of operating funding</b>				
General rates, uniform annual general charges, rates penalties	-	-	-	-
Targeted rates	725	730	873	877
Subsidies and grants for operating purposes	-	-	-	-
Fees and Charges	70	53	71	89
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	1	-	3	0
<b>Total operating funding (A)</b>	<b>796</b>	<b>783</b>	<b>947</b>	<b>966</b>
<b>Applications of operating funding</b>				
Payment to staff and suppliers	365	357	442	376
Finance costs	41	27	70	29
Internal charges & overheads applied	148	168	152	221
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>554</b>	<b>552</b>	<b>664</b>	<b>627</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>242</b>	<b>231</b>	<b>283</b>	<b>340</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	349	240	972	21
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>349</b>	<b>240</b>	<b>972</b>	<b>21</b>
<b>Applications of capital funding</b>				
Capital expenditure to:				
- To meet additional demand	-	-	-	-
- To improve the level of service	387	278	1,038	56
- To replace existing assets	183	221	492	154
Increase (decrease) in reserves	21	(28)	(274)	151
Increase (decrease) in investments	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>592</b>	<b>471</b>	<b>1,255</b>	<b>360</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(242)</b>	<b>(231)</b>	<b>(283)</b>	<b>(339)</b>
<b>Funding balance ((A-B) + (C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Stratford District Council Funding Impact Statement for the year ended 30 June 2020 (Storm Water)

	Long Term Plan 2018/19	Actual 2018/19	Long Term Plan 2019/20	Actual 2019/20
	(\$000)	(\$000)	(\$000)	(\$000)
<b>Sources of operating funding</b>				
General rates, uniform annual general charges, rates penalties	327	329	355	353
Targeted rates	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-
Fees and Charges	-	-	-	-
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	1	-	2	-
<b>Total operating funding (A)</b>	<b>328</b>	<b>329</b>	<b>357</b>	<b>353</b>
<b>Applications of operating funding</b>				
Payment to staff and suppliers	113	106	115	51
Finance costs	20	10	28	14
Internal charges & overheads applied	92	104	95	130
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>225</b>	<b>220</b>	<b>238</b>	<b>195</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>103</b>	<b>108</b>	<b>119</b>	<b>158</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	204	-	151	336
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>204</b>	<b>-</b>	<b>151</b>	<b>336</b>
<b>Applications of capital funding</b>				
Capital expenditure to:				
- To meet additional demand	-	-	-	-
- To improve the level of service	223	15	228	358
- To replace existing assets	56	9	57	138
Increase (decrease) in reserves	29	85	(15)	(2)
Increase (decrease) in investments	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>308</b>	<b>109</b>	<b>270</b>	<b>494</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(103)</b>	<b>(108)</b>	<b>(119)</b>	<b>(158)</b>
<b>Funding balance ((A-B) + (C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Stratford District Council Funding Impact Statement for the year ended 30 June 2020 (Solid Waste)

	Long Term Plan 2018/19	Actual 2018/19	Long Term Plan 2019/20	Actual 2019/20
	(\$000)	(\$000)	(\$000)	(\$000)
<b>Sources of operating funding</b>				
General rates, uniform annual general charges, rates penalties	19	19	19	19
Targeted rates	698	703	709	702
Subsidies and grants for operating purposes	-	-	-	-
Fees and Charges	80	115	81	121
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	1	-
<b>Total operating funding (A)</b>	<b>797</b>	<b>838</b>	<b>810</b>	<b>841</b>
<b>Applications of operating funding</b>				
Payment to staff and suppliers	641	671	630	657
Finance costs	48	29	47	26
Internal charges & overheads applied	139	143	142	165
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>828</b>	<b>843</b>	<b>819</b>	<b>848</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>(31)</b>	<b>(6)</b>	<b>(9)</b>	<b>(8)</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	(45)	(41)	(43)	(39)
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>(45)</b>	<b>(41)</b>	<b>(43)</b>	<b>(39)</b>
<b>Applications of capital funding</b>				
Capital expenditure to:				
- To meet additional demand	-	-	-	-
- To improve the level of service	-	-	-	-
- To replace existing assets	12	-	52	-
Increase (decrease) in reserves	(87)	(47)	(104)	(47)
Increase (decrease) in investments	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>(76)</b>	<b>(47)</b>	<b>(52)</b>	<b>(47)</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>31</b>	<b>6</b>	<b>9</b>	<b>8</b>
<b>Funding balance ((A-B) + (C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(0)</b>

## Stratford District Council Funding Impact Statement for the year ended 30 June 2020 (Democracy)

	Long Term Plan 2018/19	Actual 2018/19	Long Term Plan 2019/20	Actual 2019/20
	(\$000)	(\$000)	(\$000)	(\$000)
<b>Sources of operating funding</b>				
General rates, uniform annual general charges, rates penalties	957	962	1,003	1,069
Targeted rates	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-
Fees and Charges	60	54	60	86
Internal charges and overheads recovered	1,316	1,402	1,343	1,362
Local authorities fuel tax, fines, infringement fees, and other receipts	5	-	11	-
<b>Total operating funding (A)</b>	<b>2,337</b>	<b>2,418</b>	<b>2,417</b>	<b>2,516</b>
<b>Applications of operating funding</b>				
Payment to staff and suppliers	1,722	1,828	1,784	1,836
Finance costs	-	-	-	-
Internal charges & overheads applied	615	611	633	680
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>2,337</b>	<b>2,439</b>	<b>2,417</b>	<b>2,516</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>-</b>	<b>(21)</b>	<b>-</b>	<b>0</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Applications of capital funding</b>				
Capital expenditure to:				
- To meet additional demand	-	-	-	-
- To improve the level of service	-	-	-	-
- To replace existing assets	271	158	288	219
Increase (decrease) in reserves	(271)	(179)	(288)	(219)
Increase (decrease) in investments	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>-</b>	<b>(21)</b>	<b>-</b>	<b>0</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>-</b>	<b>21</b>	<b>-</b>	<b>(0)</b>
<b>Funding balance ((A-B) + (C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Stratford District Council Funding Impact Statement for the year ended 30 June 2020 (Economy)

	Long Term Plan 2018/19	Actual 2018/19	Long Term Plan 2019/20	Actual 2019/20
	(\$000)	(\$000)	(\$000)	(\$000)
<b>Sources of operating funding</b>				
General rates, uniform annual general charges, rates penalties	644	610	586	591
Targeted rates	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	105
Fees and Charges	681	638	663	626
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	2	-	5	-
<b>Total operating funding (A)</b>	<b>1,327</b>	<b>1,248</b>	<b>1,254</b>	<b>1,322</b>
<b>Applications of operating funding</b>				
Payment to staff and suppliers	686	763	636	687
Finance costs	175	78	108	63
Internal charges & overheads applied	296	292	303	300
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>1,157</b>	<b>1,134</b>	<b>1,048</b>	<b>1,050</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>169</b>	<b>115</b>	<b>206</b>	<b>273</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	(1,503)	1,755	(101)	(1,421)
Gross proceeds from sale of assets	3,234	-	-	1,907
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>1,731</b>	<b>1,755</b>	<b>(101)</b>	<b>486</b>
<b>Applications of capital funding</b>				
Capital expenditure to:				
- To meet additional demand	1,710	1,525	-	580
- To improve the level of service	-	296	-	17
- To replace existing assets	171	-	15	-
Increase (decrease) in reserves	20	49	90	162
Increase (decrease) in investments	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>1,900</b>	<b>1,869</b>	<b>105</b>	<b>759</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(169)</b>	<b>(114)</b>	<b>(206)</b>	<b>(273)</b>
<b>Funding balance ((A-B) + (C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Stratford District Council Funding Impact Statement for the year ended 30 June 2020 (Environmental Services)

	Long Term Plan 2018/19	Actual 2018/19	Long Term Plan 2019/20	Actual 2019/20
	(\$000)	(\$000)	(\$000)	(\$000)
<b>Sources of operating funding</b>				
General rates, uniform annual general charges, rates penalties	1,099	1,105	1,082	981
Targeted rates	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-
Fees and Charges	455	451	464	515
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	5	-	11	-
<b>Total operating funding (A)</b>	<b>1,559</b>	<b>1,556</b>	<b>1,558</b>	<b>1,495</b>
<b>Applications of operating funding</b>				
Payment to staff and suppliers	912	715	891	765
Finance costs	-	-	1	-
Internal charges & overheads applied	640	655	657	709
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>1,552</b>	<b>1,370</b>	<b>1,549</b>	<b>1,475</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>7</b>	<b>186</b>	<b>8</b>	<b>20</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	-	-	60	56
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>-</b>	<b>-</b>	<b>60</b>	<b>56</b>
<b>Applications of capital funding</b>				
Capital expenditure to:				
- To meet additional demand	-	-	-	-
- To improve the level of service	-	-	61	56
- To replace existing assets	-	-	-	-
Increase (decrease) in reserves	7	186	7	20
Increase (decrease) in investments	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>7</b>	<b>186</b>	<b>68</b>	<b>76</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(7)</b>	<b>(186)</b>	<b>(8)</b>	<b>(20)</b>
<b>Funding balance ((A-B) + (C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



# ANNUAL REPORT DISCLOSURE STATEMENT

Annual report disclosure statement for year ending 30 June 2020.

**What is the purpose of this statement?**

The purpose of this statement is to disclose the council's financial performance in relation to various benchmarks to enable the assessment of whether the council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

The council is required to include this statement in its annual report in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

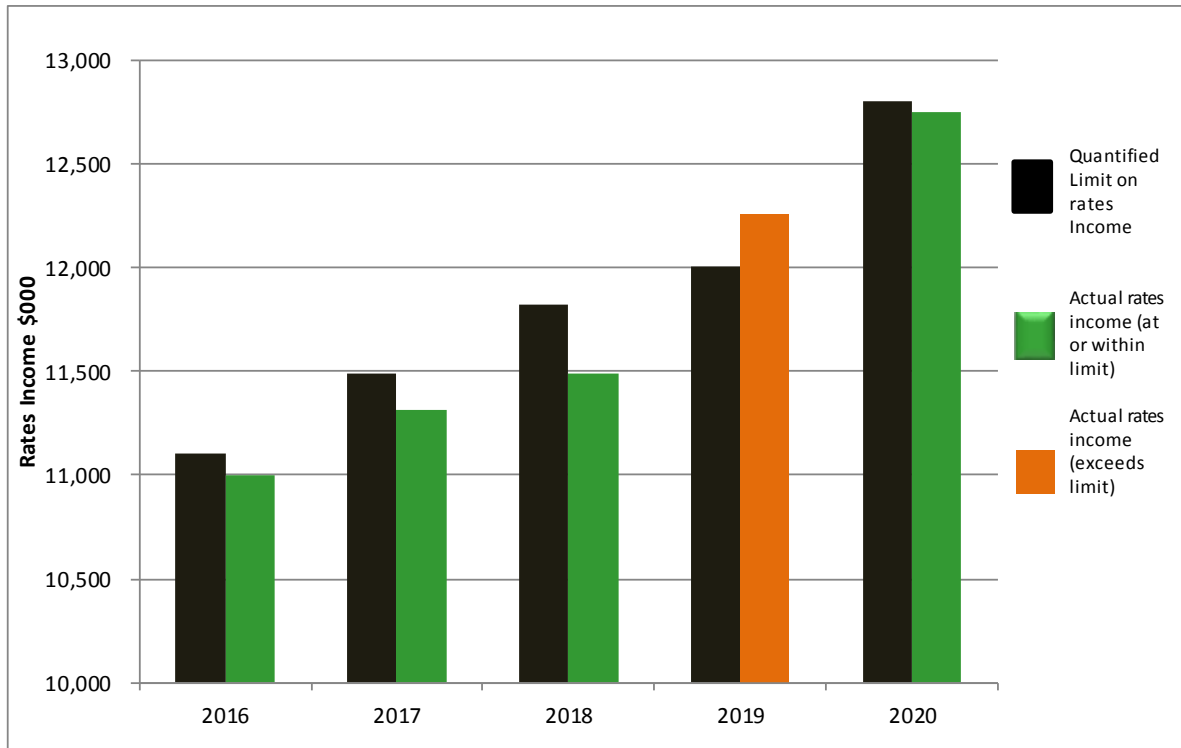
**Rates affordability benchmark**

The council meets the rates affordability benchmark if –

- its actual rates income equals or is less than each quantified limit on rates; and
- its actual rates increases equal or are less than each quantified limit on rates increases.

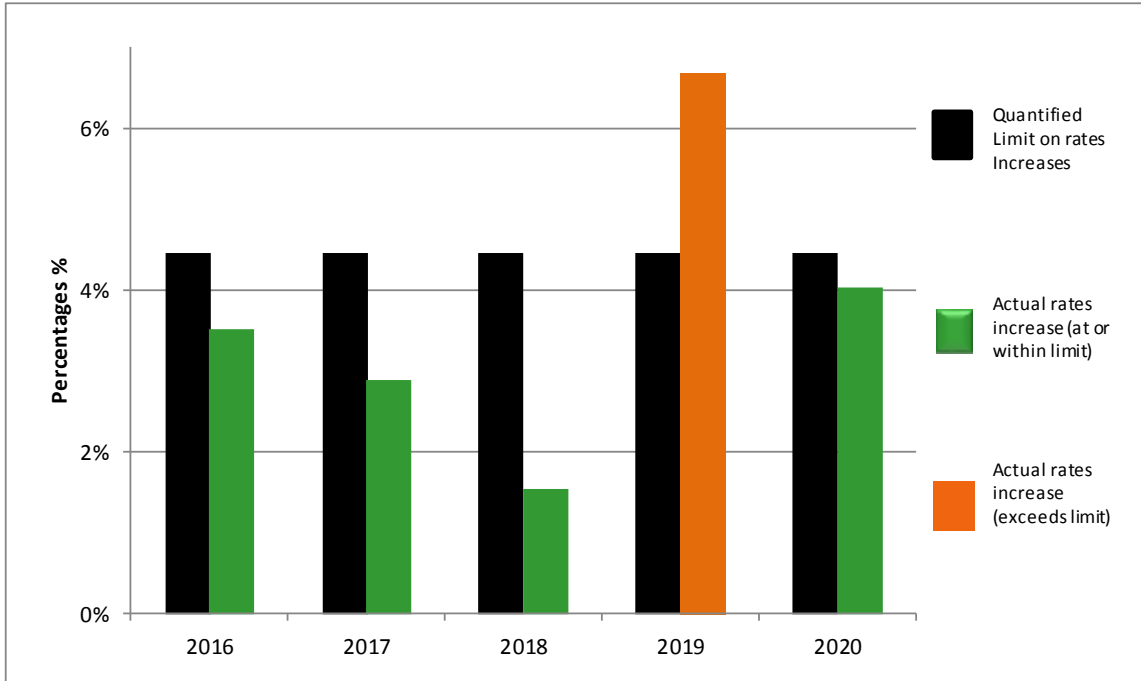
Rates (income) affordability

The following graph compares the Council's actual total rates income with the quantified limit on rates income as per the LTP 2018 which is the previous year's rates plus 4.45%.



Rates (increases) affordability

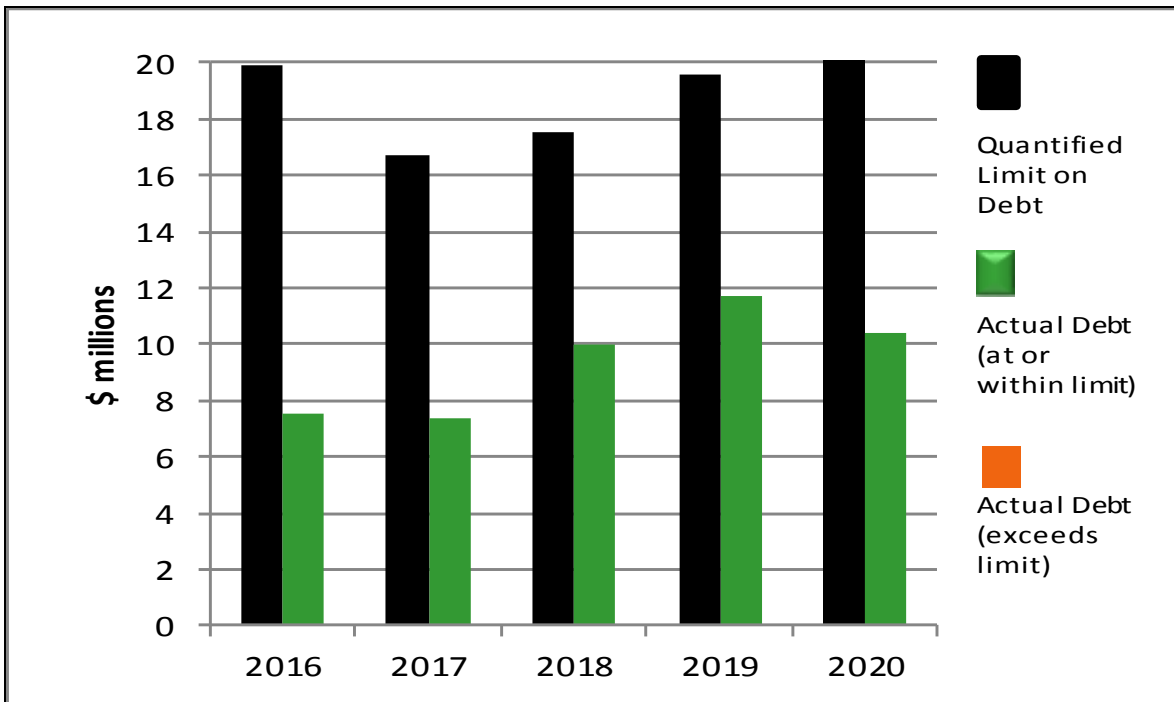
The following graph compares the year-on-year actual, and the LTP limit (4.45%), percentage increase in the Council's total rates income. The percentage increase limit is calculated using the increase in income from the previous year.



9

Debt affordability benchmark

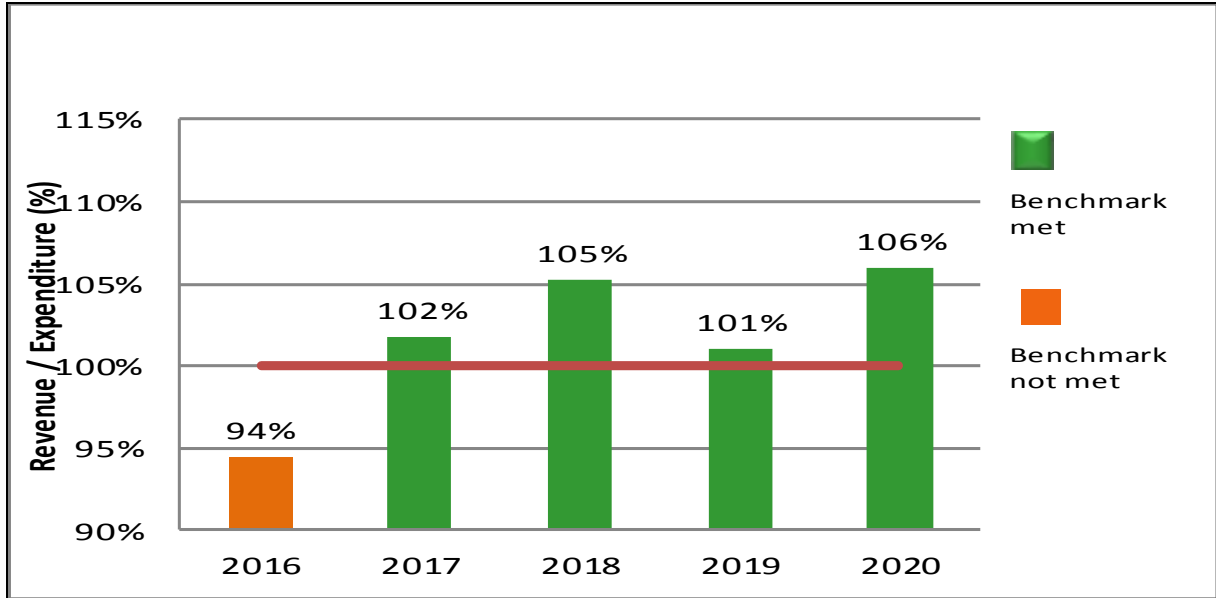
The following graph compares the Council's actual borrowing with a quantified limit on borrowing stated in the financial strategy included in the Council's Long Term Plan. The quantified limit is net debt (total borrowings minus cash holdings) to operating revenue (excludes vested assets) will be less than 100%, expressed in \$ terms.



Balanced budget benchmark

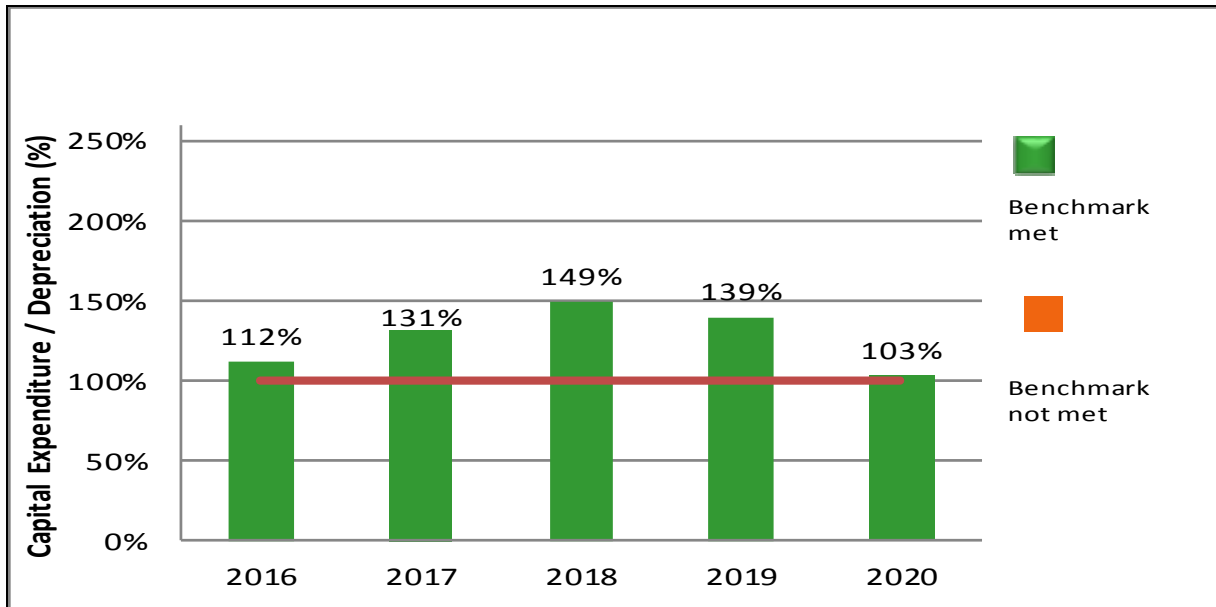
The following graph displays the council's revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment) as a proportion of operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment).

The council meets this benchmark if its revenue equals or is greater than its operating expenses. For 2016 the expenditure exceeded income largely as a result of the costs associated with the June 2015 storm event in Roding.



Essential services benchmark

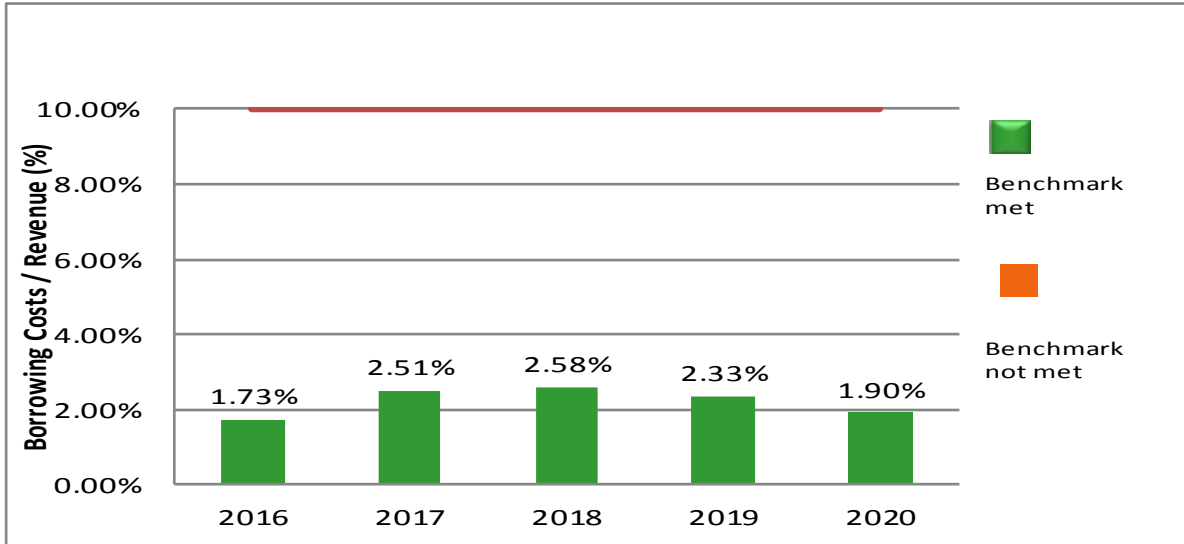
The following graph displays the council's capital expenditure on network services as a proportion of depreciation on network services. The council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services.



Debt servicing benchmark

The following graph displays the council's borrowing costs as a proportion of revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment).

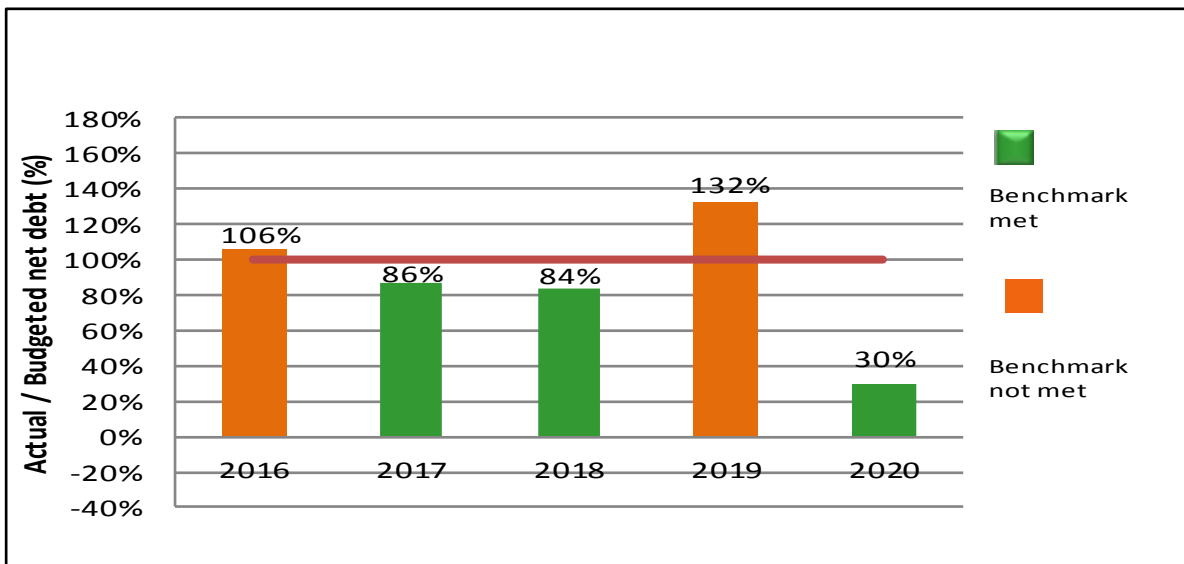
Because Statistics New Zealand projects the council's population will grow more slowly than the national population growth rate, it meets the debt servicing benchmark if it's borrowing costs equal or is less than 10% of its revenue.



Debt control benchmark

The following graph displays the council's actual net debt as a proportion of planned net debt. In this statement, net debt means financial liabilities less financial assets (excluding trade and other receivables). The council meets the debt control benchmark if its actual net debt equals or is less than its planned net debt.

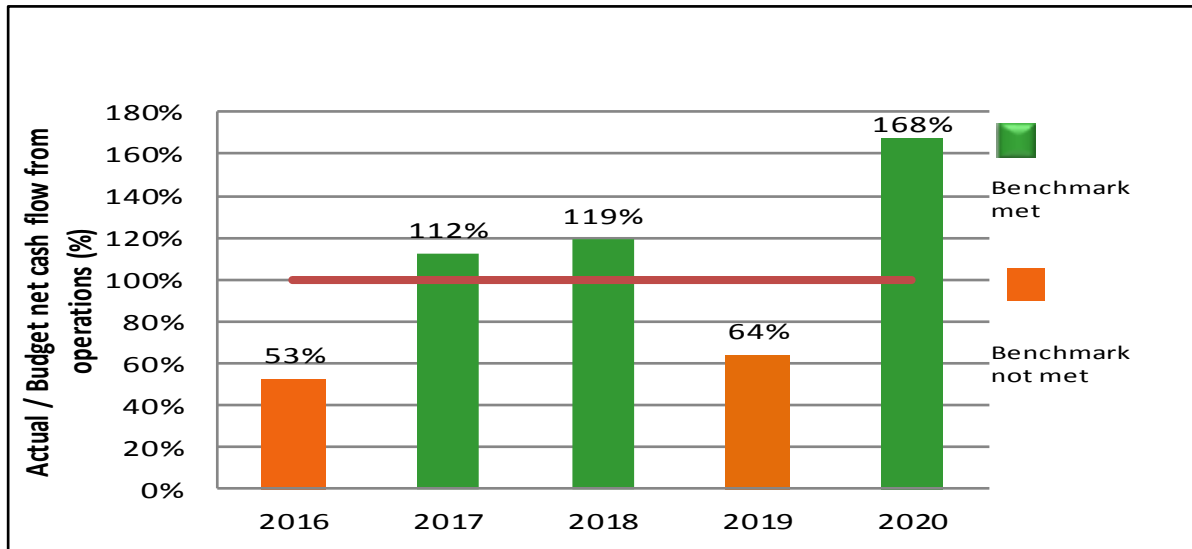
The net debt for 2016 was affected by Council Debt Reserves being used to fund excess Rooding costs associated with the 2015 storm event. In 2018/19, property asset sales, including subdivision sales, were expected to come through but due to delays, the sales receipts are in 2019/20 where it is expected the debt will be repaid.



Operations control benchmark

This graph displays the council's actual *net cash flow from operations* as a proportion of its planned *net cash flow from operations* as per the Statement of Cash Flows. The council meets the operations control benchmark if its actual *net cash flow from operations* **equals or is greater** than its planned *net cash flow from operations*.

In 2019 the Council did not achieve the benchmark due to grants revenue of \$4m relating to a capital expenditure project not materialising. This contributed significantly to net cash from operating activities being \$8.4m for the year, instead of the \$5.0m planned.









**STRATFORD**  
DISTRICT COUNCIL

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# DECISION REPORT



F19/13/04 – D20/27116

**TO:** Council

**FROM:** Special Projects Manager

**DATE:** 13 October 2020

**SUBJECT: BUDGET AND DESIGN SCOPE FOR NEW AQUATIC CENTRE**

10

## RECOMMENDATIONS

1. THAT the report be received.
2. THAT the loan financing contribution to the new aquatic centre budget be retained at \$12 million in accordance with the Long Term Plan, providing a total project budget of \$20 million.
3. THAT the following components of the new aquatic centre be confirmed as included in the design:
  - 8 lane, 25 metre main pool (25 x 20m)
  - 20 x 15m learn to swim pool
  - 20 x 15m hydrotherapy pool
  - Toddler leisure pool and splash pad
  - Changing facilities
  - Clubroom for swimming club
  - Birthday party/meeting room (combined with clubroom if possible)
  - Foyer and retail
  - Administration and staff room
  - Control/first aid room
  - Storage
4. THAT the following potential components of the new aquatic centre be included in the design in the listed priority order if the budget allows:
  1. Gym/group fitness space
  2. Café
  3. Spa pool
5. THAT the guiding vision for the design of the new aquatic centre be in accordance with the objective and outcomes set out in **Appendix 1** to this report.

## Recommended Reason

A decision in this matter is required as a matter of urgency to enable this project to move to the procurement stage.

\_\_\_\_\_  
Moved/Seconded



1. **PURPOSE OF REPORT**

While there has been significant discussion through workshops and formal meetings over the last couple of years Council has not formally confirmed a basic design scope for the new aquatic centre. The purpose of this report is to seek that and also confirm the total budget for the project in the light of the recent COVID-19 recovery funding from the government.

2. **EXECUTIVE SUMMARY**

The government has recently granted Council \$8 million in funding towards the construction of the new aquatic centre, increasing the project budget to \$20 million if Council wishes to retain the level of loan funding approved in May 2018. Such is recommended in view of the preliminary estimates based on concept plans to date.

These concept plans have been based on stated desires from elected members in regard to design components within the facility. A formal resolution is required in regard to these to enable work to commence on the detail design for the facility.

3. **LOCAL GOVERNMENT ACT 2002 – SECTION 10**

Under section 10 of the Local Government Act 2002, the Council’s purpose is to “enable democratic local decision making by and on behalf of communities; as well as promoting the social, economic, environmental, and cultural well-being of communities now and into the future”			
Does the recommended option meet the purpose of the Local Government 4 well-beings? And which:			Yes
<b>Social</b>	<b>Economic</b>	<b>Environmental</b>	<b>Cultural</b>
✓	✓		

4. **BACKGROUND**

4.1 In May 2018 Council resolved:

*That Council significantly refurbish the current, or build a new pool, to the maximum cost of \$15 million (including external funding of \$3 million or more), with plans for this to be developed in the course of Year 1 of the LTP and represented to Council.*

This decision was in the course of considering submissions to the Long term Plan.

- 4.2 Following the consideration of the advantages and disadvantages of the various options and the development of concept designs in this regard, a decision was made to build a new pool rather than refurbish the existing and, on 14 April 2020 Council resolved:

*That following consideration of the four options for the location of the new swimming pool facility, Council adopt Option 2 being the co-location with the TET Multi Sports Centre.*

- 4.3 This decision was duly publically advertised in accordance with the requirements of the Reserves Act 1977 and the Reserve Management Plan for King Edward Park. Following consideration of community submissions on the issue, the majority of which did not favour the preferred location, Council resolved on 25 August 2020:

*That Council rescind its earlier decision and agree to locate the new aquatic centre on the sportsfield to the north of the hockey turf.*

- 4.4 In the meantime, consideration was being given to funding options for the project and application for financial assistance had been made to the COVID-19 Response and Recovery Fund. In July 2020 it was announced by central government that Council had secured \$8 million in “Shovel Ready” funding towards the project. This has just been recently confirmed with the signing of a formal agreement to that effect.

- 4.5 As this external funding is in excess of the \$3 million initially required by Council, the first question to be considered is whether the budget stays at \$15 million with \$7 million to be loan funded or retain the level of loan funding at \$12 million and raise the budget to \$20 million.

As reported to Council in August, preliminary estimates based on Boon Architects concept plans puts the cost of building the complex on the agreed site to a scope “wish list” developed in Council workshops at \$19,444,000, a figure that is now 6 months old with inflation relative to construction industry costs reportedly running at between 3.5% and 4%.

- 4.6 One of the conditions of that funding is the need to commence construction in February next year in order to qualify as “shovel ready”. A traditional design/tender/build process will undoubtedly take longer than this 4 to 5 month timeline available to us. Accordingly, it will be necessary to develop a procurement process that will enable an earlier on-site start date in advance of all the detailed design packages being finalised. This strategy is currently being developed.

4.7 In regard to the aquatic components to be incorporated within the new facility, these have been the subject of earlier workshops and elected members' wish list is reiterated here for reference in this discussion:

- 8 lane, 25 metre main pool (25 x 20m)
- 20 x 15m learn to swim pool
- 20 x 15m hydrotherapy pool
- Toddler leisure pool and splash pad
- Changing facilities
- Clubroom for swimming club
- Birthday party/meeting room (combined with clubroom if possible)
- Foyer and retail
- Administration and staff room
- Control/first aid room
- Storage
- Spa pool or spa functionality incorporated with hydrotherapy pool
- Café
- Gym (group fitness space)

Whether these can all be accommodated within a \$20 million budget is questionable at this stage so it will be necessary for Council to agree a priority list in the event one or more of these facilities needs to be dropped off through the design stage in order to keep the project within budget. Undoubtedly the first eleven components in the list above are “must haves” while the last three could be considered as “nice to haves” that could be dropped off if necessary.

4.8 There are other factors such as energy efficiency (for example is solar heating practical and cost-effective in a pool environment?) that will be considered with expert advice through the design process and reported back to Council in due course before the final seal of approval is given to proceed with construction.

4.9 The draft Guiding vision for the design of the new aquatic centre is attached as **Appendix 1** for Council's information.

## 5. **CONSULTATIVE PROCESS**

### 5.1 **Public Consultation - Section 82**

There has been extensive public consultation in relation to a new pool both through LTP processes and the more recent feedback request referred to above. No further public consultation is considered necessary from here on in.

### 5.2 **Maori Consultation - Section 81**

If Council is of a mind to incorporate some cultural aspect into the design iwi consultation will be necessary to accomplish this.

6. **RISK ANALYSIS**

Please refer to the Consequence and Impact Guidelines at the front of the reports in this agenda.

- Is there a:
  - financial risk;
  - human resources risk;
  - political risks; or
  - other potential risk?
- If there is a risk, consider the probability/likelihood of it occurring.
- Is there a legal opinion needed?

It is imperative a quick decision is made in regard to this matter. Given the recent government funding made available to the project there is now an urgency to get construction underway, failing which there is a serious risk of the funding being withdrawn.

7. **DECISION MAKING PROCESS - SECTION 79**

7.1 **Direction**

	<b>Explain</b>
Is there a strong link to Council’s strategic direction, Long Term Plan/District Plan?	Council resolved to build a new pool in the 2018 – 2028 LTP
What relationship does it have to the communities current and future needs for infrastructure, regulatory functions, or local public services?	This is a strongly supported project by the community that will provide much improved local public services.

7.2 **Data**

- Do we have complete data, and relevant statistics, on the proposal(s)?
- Do we have reasonably reliable data on the proposals?
- What assumptions have had to be built in?

The information provided herein does contain a number of assumptions, assertions and estimations as to financial options but these are considered to be reliable, emanating as they do from sources close to the operation of sports facilities, aquatic centres in particular or building industry professionals.

7.3 **Significance**

	<b>Yes/No</b>	<b>Explain</b>
Is the proposal significant according to the Significance Policy in the Long Term Plan?	Yes	Adopted during the LTP process and thus meets significance and engagement policy
Is it:	Yes	
• considered a strategic asset; or	Yes	
• above the financial thresholds in the Significance Policy; or	No	
• impacting on a CCO stakeholding; or	Yes	
• a change in level of service; or	No	
• creating a high level of controversy; or	Yes	
• possible that it could have a high impact on the community?		

In terms of the Council’s Significance Policy, is this proposal of high, medium, or low significance?		
<b>HIGH</b>	<b>MEDIUM</b>	<b>LOW</b>
	✓	

7.4 **Options**

<p>An assessment of costs and benefits for each option must be completed. Use the criteria below in your assessment.</p> <ol style="list-style-type: none"> <li>1. What options are available?</li> <li>2. For <b>each</b> option: <ul style="list-style-type: none"> <li>• explain what the costs and benefits of each option are in terms of the present and future needs of the district;</li> <li>• outline if there are any sustainability issues; and</li> <li>• explain if the outcomes meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions?</li> </ul> </li> <li>3. After completing these, consider which option you wish to recommend to Council, and explain: <ul style="list-style-type: none"> <li>• how this option is the most cost effective option for households and businesses;</li> <li>• if there are any trade-offs; and</li> <li>• what interdependencies exist.</li> </ul> </li> </ol>
---

Having reached this stage of the project the options are only relative to the budget consideration (covered under 4.5 above and 7.5 below) and in regard to prioritising the component wish list. This is outlined in 4.7 above.

7.5 **Financial**

- Is there an impact on funding and debt levels?
- Will work be undertaken within the current budget?
- What budget has expenditure come from?
- How will the proposal be funded? eg. rates, reserves, grants etc.

The current budget in terms of Council's loan-funded contribution to the project cost stands at \$12 million. The recommendation herein does not impact on that provision.

7.6 **Prioritisation & Trade-off**

- Have you taken into consideration the:
- Council's capacity to deliver;
  - contractor's capacity to deliver; and
  - consequence of deferral?

With the Government funding provided, the capacity to deliver this project is greatly enhanced. The consequence of deferral will undoubtedly delay the start of construction and introduce the risk of this funding being withdrawn.

7.7 **Legal Issues**

- Is there a legal opinion needed?
- Are there legal issues?

No legal opinion is considered necessary in this instance.

7.8 **Policy Issues - Section 80**

- Are there any policy issues?
- Does your recommendation conflict with Council Policies?

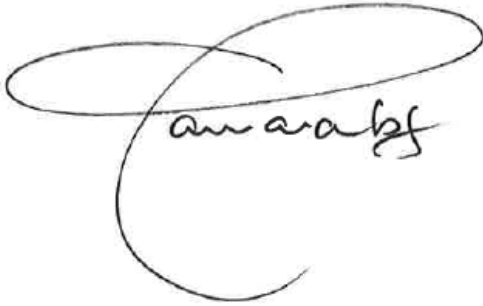
There are no policy issues inherent herein.

**Attachments:**

**Appendix 1** Draft Guiding Vision



N Cooper  
**SPECIAL PROJECTS MANAGER**



[Endorsed by]  
V Araba  
**DIRECTOR ASSETS**



[Approved by]  
K Whareaitu  
**ACTING CHIEF EXECUTIVE**

**DATE**

## APPENDIX 1

### DRAFT Guiding vision for the design of the new aquatic centre

#### Vision

The vision is to build a state of the art, efficient and future-proofed aquatic facility that will serve the needs of the Stratford community and visitors for years to come.

#### Objectives (What does success look like?)

The objectives of this facility are to:

1. Meet the needs of the community
2. Be operationally efficient
3. Be safe for users and staff
4. Be environmentally sustainable, contributing to a low carbon footprint

#### Outcome

The outcome of this project that will be the measure of success is the delivery of an aquatic facility that:

1. Meets the current leisure and recreation needs of the community
2. The community is proud to call its own
3. Is operationally efficient and provides a safe environment for staff and users of the facility
4. Is done so in a timely fashion and within budget
5. Is future-proofed to enable changes or addition to meet any further needs identified in years to come

#### Priority Areas

In developing the design of the new aquatic centre, the following priorities are to guide that process in terms of the community needs to be met. While these are the priorities, every endeavour will be made to accommodate them all to some degree.

Priority	Area	Definition
1	Leisure and Recreation	Activity for enjoyment during free time for community members and visitors of all ages.
2	Wellness	Activity to enable people to gain and/or maintain a state of good health, including rehabilitation.
3	Competitive	Activity or conditioning to be striving to gain or win in the area of competitive swimming.