

ANNUAL REPORT 2017-18



WE ARE LOCAL GOVERNMENT
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MAYOR'S FOREWORD

Kōrero Whakataki a te Koromatua

E ngā iwi, e ngā karangataha, te iti me te rahi,
tēnā koutou, tēnā tātou.

I am pleased to introduce the Masterton District Council / Te Kaunihera ā-rohe o Whakaoriori Annual Report for the 2017-18 financial year. This report provides information about our performance against targets set for Year Three of the 2015-25 Long-Term Plan.

During the year we had robust discussion around whether the three Wairarapa Councils should amalgamate. While I personally saw merit in amalgamation, I respect the views of the majority of voters who did not support the proposal.

We are still working closely on a number of projects with Carterton and South Wairarapa District Councils, as well as Greater Wellington Regional Council, and will continue to do so. One of the projects we are working on is the development of a Wairarapa Economic Development Strategy.

We were proud to adopt our Well-being Strategy *He Hiringa Tangata, He Hiringa Whenua* in February of this year – once again bringing community well-being back into the key priorities for Local Government. We are currently working on how to implement the strategy, with a number of projects already underway to make the strategy's vision and priorities a reality. This work coincides with the Local Government (Community Well-being) Amendment Bill that is at Select Committee. It intends to restore the purpose of local government to a focus on the social, economic, environmental and cultural well-being of our communities. Budget 2019 is also gearing up to be our first "Well-being Budget" which is exciting for us with our renewed focus on the Well-beings.

We have seen tremendous growth in our district over the past year, with the GDP increasing 4.5% in the year to 30 June 2018. New home building activity is at its highest level since 2011-12. New subdivisions, both approved and in the planning stages, are providing exciting opportunities for new and existing residents. On the infrastructure front, the Council has been working on ways to make further improvements to our Homebush Wastewater Treatment Plant – we've committed to a 25-year strategy to guide its future development.

Our new Chief Executive, Kathryn Ross, joined us in August 2018. She brings with her more than



20 years' experience in local government, across both district and regional councils. Kath's most recent leadership role was General Manager Strategic Planning and Policy for the Far North District Council.

Kath's experience in strategic planning and policy and engaging with local Iwi and Hapū makes her a great fit for the Chief Executive role here at Masterton District Council. We welcome Kath and her whānau to Masterton District Council and the Masterton district.

Our outgoing Chief Executive Pim Borren showed great dedication and commitment to the role during his four years with us at Masterton District Council and is acknowledged for his service.

The 2017-18 year has brought us a mix of growth, exciting changes, and certainty, and I believe this bodes well for the year ahead.

Ngā mihi, nā

Lyn Patterson
Mayor

A handwritten signature in black ink, appearing to read 'Lyn Patterson'.

GOVERNANCE HIGHLIGHTS FOR 2017-18

Mana Whakahaere Kaupapa Miramira 2017-18



"I was so proud of MDC getting our CEMARS certification and officially being recognised as actively working to measure and manage our carbon footprint."

LYN PATTERSON
Mayor

"One of my highlights was community engagement during our Long-Term Plan 2018-28 consultation period, especially our visit to the Power Shop and speaking with all of the employees about our key issues."

FRAZER MAILMAN
At Large



GRAHAM MCCLYMONT
Deputy Mayor - Rural Ward



JONATHAN HOOKER
At Large



JOHN DALZIELL
At Large



"It was great to see our Council playing a part on the regional stage in promoting the establishment of a Regional Climate Change Forum and for a resolution to the recent LGNZ Conference to encourage councils' Banks to divest from fossil fuels."

CHRIS PETERSON

At Large



"Council has worked hard to improve the level of communication with ratepayers and I believe we are now making very positive steps in that direction."

GARY CAFFELL

Urban Ward



"My highlight was the adoption of our Well-being Strategy He Hiringa Tangata, He Hiringa Whenua and our focus on social, cultural, environmental and economic development areas."

DEBORAH DAVIDSON

At Large



"I have enjoyed seeing ideas and proposals turn into action plans. Many exciting projects have been approved and work started. I look forward to seeing the positive difference these projects make to our community."

BEX JOHNSON

Urban Ward



SIMON O'DONOGHUE

Urban Ward



BRENT GOODWIN

Urban Ward



RONALD KARAITIANA

Rangitāne o Wairarapa



RA SMITH

Kahungunu ki Wairarapa

OUR COMMUNITY OUTCOMES

Ko ngā hua mō te hāpori

The community outcomes that we aspired to as part of the 2015-25 Long-Term Plan were:



A STRONG, RESILIENT ECONOMY

We want Masterton to be a desirable place to do business and for our people to benefit from a strong economy

A SUSTAINABLE, HEALTHY ENVIRONMENT

We will look after our green spaces and waterways, reduce waste to landfill and reduce our energy consumption



AN ACTIVE, INVOLVED AND CARING COMMUNITY

We want all residents to participate fully in our strong, vibrant community; to be able to access social services and support as needed; to pursue their own personal sporting, recreational and cultural goals and to support others to achieve theirs

A KNOWLEDGEABLE, LEARNING COMMUNITY

We want people in the Masterton district to have access to the knowledge they need, underpinned by quality educational opportunities



AN EASY PLACE TO MOVE AROUND

We want our transport links to be efficient, reliable, convenient and safe

A RELIABLE AND WELL MAINTAINED INFRASTRUCTURE

We want to provide water supply, stormwater and wastewater systems in a cost-effective way to address the present and future needs of the district



OUR YEAR IN REVIEW

Arotakenga o te Tau



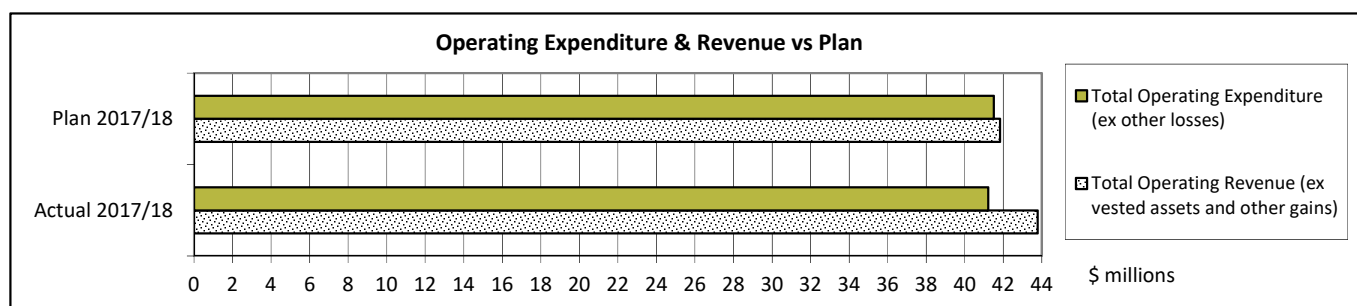
FINANCIAL HIGHLIGHTS

The financial result for the Council is a very good one. The accounting surplus reported in the financial statements is \$6.48 million versus the planned figure of \$0.35 million. One-off gains from vested assets account for a large proportion of this surplus. After excluding those and other valuation gains and losses, the surplus is \$2.57 million or 6.1% of turnover.

The graph below shows the surplus is generated from receiving more revenue than expected. Extra revenue of close to \$2.0 million has been generated from higher financial contributions, building consent fees and solid waste fee income. Operating expenditure meanwhile was very close to the level planned.

The Council had an operating expenditure budget of \$41.52 million. Actual operating expenditure (excluding valuation losses) was \$41.22 million, a saving of 0.7%.

Overall, operating expenditure was 99.3% of the Plan and operating revenue was 104.7% of the Plan.



The capital expenditure Plan totaled \$20.8 million. Actual spend, excluding vested assets, was \$9.4 million or 45% of the sum planned. Significant work was achieved including the majority of the subsidised roading programme, the upgrade of the streetlights to LED lights, the renewal of water and sewer mains and the Council's contribution to the new Netball facility.

There are many reasons why the capital expenditure programme was underspent. These include:

- The budget provision to strengthen the district building and town hall (\$4.5m) was not spent as options were explored and an alternate building purchased (albeit with settlement still to be made);
- The water trunk main renewal (\$1.45m) was not required;
- Urban footpaths, cycleways and streetscape work (\$1.28m) were not able to be completed due to contractor availability;
- The Queen Elizabeth Park upgrade project (\$0.62m) had similar issues;
- Delays related to the consent for the upgrade of the Henley Lake intake (\$0.48m) meant that project could not proceed as planned;
- Upgrading work at the solid waste transfer station (\$0.64m) was not progressed as priorities were reassessed.
- Community Facilities projects for recreational trails and sportsfield buildings did not make the progress expected, while the Library learning centre project and Archive extension were also not progressed enough to expend the capital project budgets;
- The CBD upgrade included some consultation and design work but the detailed design and start of the physical works will be progressed in 2018-19;
- The plan allowed for development of further land disposal areas at the Homebush sewerage treatment plant. The work has commenced but at a lower scale than anticipated in the plan;
- The Airport runway reseal and lights renewal were deferred as the assets were assessed as having a longer life.

The Council has revalued its land and buildings as at 30 June 2018 resulting in an upward revaluation adjustment of \$13.3 million. Included in the surplus (as noted above) was \$4.266 million worth of vested infrastructural assets. These include roading assets, land under roads, water and sewer mains and stormwater infrastructure that the Council has taken over from five separate subdivision developments that were vested in the Council in the last year.

SETTING OUR LONG-TERM DIRECTION

Long-Term Plan 2018-28

Developing the Long-Term Plan was a major focus for the organisation throughout the financial year. The Long-Term Plan 2018-28 was adopted by Council on 27 June 2018. This Plan outlines our direction for the activities we will deliver throughout the Masterton district over the next ten years.

The consultation period for the draft Long-Term Plan ran over 29 March-30 April 2018. Five 'out and about' sessions were held at different locations in town, and 21 targeted engagement meetings were held throughout the district with a range of community groups. In total, 339 submissions were received. Hearings were held from 29-31 May 2018, with 66 submitters taking the opportunity to present their submission verbally.

A number of key decisions were made by Council through the Long-Term Plan:

- We are proceeding with building a new civic centre, allocating \$15.5 million for this project
- A provision of \$3.63 million was confirmed to develop our town centre
- An allocation of up to \$5 million was allowed to develop our library
- We chose to invest \$500,000 per annum into wellbeing projects to enable the wellbeing strategy *He Hiringa Tangata, He Hiringa Whenua* to be implemented
- We will be installing smart water meters
- An additional \$600,000 per annum (inflated) has been allowed to increase the rate of water pipe renewals
- We will be introducing kerbside wheelie bins for recycling
- Establishing an e-waste drop off service
- Establishing a recycling/recovery centre.

Wastewater Strategy

Council adopted a long-term (25 year) strategy to guide the future development of the Homebush Wastewater Treatment Plant. The strategy looks to increase the beneficial reuse of treated water in productive ways by partnering with landowners. An initial proof of concept is planned to commence in the 2018-19 year along with a public awareness campaign.

Well-Being Strategy

The My Masterton Our People Our Land Strategy *He Hiringa Tangata, He Hiringa Whenua* and Education Strategy *Te Hiringa i te Mahara* were adopted by Council in February 2018.

He Hiringa Tangata, He Hiringa Whenua sets out MDC's long-term strategic direction for the Masterton/Whakaoriori district across four key focus areas: Social Development, Cultural Development, Environmental Development, and Economic Development.

Education Strategy

Te Hiringa i te Mahara focuses on the areas of education that will have the most significant and positive impacts on our Masterton community and its people. It also considers how MDC might best support these areas of education.

The draft strategies were endorsed for public consultation and recommended for adoption for consultation by the Community Wellbeing Committee in November 2017. Consultation with the community was undertaken in December 2017 alongside pre engagement relating to the draft 2018-28 Long-Term Plan.

CREATING A THRIVING AND VIBRANT TOWN CENTRE

In April 2018, we shared ideas on shaping the Town Centre alongside our wider public consultation on the 2018-28 Long-Term Plan consultation document. We received feedback from 159 members of the community on the Town Centre. Boffa Miskall are working with MDC on the design phase of this project, with a Town Centre Strategy scheduled to be adopted by Council in 2018-19.

SUPPORTING A SUSTAINABLE, HEALTHY ENVIRONMENT

MDC is now certified under the internationally-recognised Enviro-Mark's Certified Emissions Measurement and Reduction Scheme (CEMARS). The certification means MDC is officially recognised as actively working to measure and manage its carbon footprint.

At the time of our certification, only six local authorities in New Zealand had achieved this certification.

COMMUNITY LED, COUNCIL SUPPORTED PROJECTS

Two community-led, Council supported projects were completed during the year.

Netball players and supporters have had their first season utilising the upgraded netball facility at Colombo Road. A Facilities Manager was appointed to manage the facility. Artificial surfaces will be laid at the end of the netball season.

MDC and Rathkeale College worked together to establish an edible food corridor at the Lansdowne Recreational Trails, planting over 120 fruit and nut trees for the community to enjoy.

MDC continues to work with the Eastside Community group in further developing McJorow Park. Projects completed in 2017-18 included the installation of a BBQ area, lighting and a water fountain.

TAKING CARE OF OUR PEOPLE

Health and Safety

We value our people and aim to provide a safe, inclusive and healthy environment for employees.

Health and Safety is a big part of this commitment and we recognise our responsibilities under the Health and Safety at Work Act 2015.

During the year, we have continued our emphasis on building a strong health and safety culture across all aspects of the organisation. We also completed an initial review after one year of our Child Protection Policy to ensure effectiveness.

A Diverse Workplace

In addition, we have continued to improve our policies and processes to ensure we support and continue to develop a diverse and inclusive workplace, across all aspects of our business.

We support the principles and practices of equal employment opportunities (EEO) to ensure all applicants and employees have an equal opportunity to achieve their potential and feel safe and valued. We actively seek to enhance employee skills and ensure appointments and promotion opportunities are based on relevant merit.

We are a member of Diversity Works, the national organisation that supports businesses to develop diverse and inclusive workplaces. We believe that the organisation will benefit from a diverse workforce and are committed to recognising and valuing the different skills, talents, experiences and perspectives of its employees. In particular we recognise the aims, aspirations and employment requirements of Māori and acknowledge the need for greater involvement of Māori in local government employment.

We are committed to ensuring all employees have an equal opportunity and reject unfair discrimination on any ground including gender, marital status, religious or ethical belief, race or colour, ethnic or national origins, disability, age, political opinion, employment status, family status, sexual orientation and involvement in union activities.



A COLLABORATIVE APPROACH

Engagement with Iwi and Māori Communities

We are committed to developing and maintaining positive working relationships with tangata whenua, taura here and Māori communities in the Masterton district.

MDC worked with a local Hapū, Ngāti Te Korou, regarding the re-naming and rededication of a reserve located off Fourth Street in Masterton. A dawn unveiling/rededication ceremony was led by the Hapū on 14 October 2017. A number of people attended including Ngāti Te Korou, Iwi representatives, MDC staff and elected members, as well as members of the community neighbouring the reserve. A member of Ngāti Te Korou commented that the process of working together with Council had been positive, and was an example of treaty partnerships working well.

Iwi contribute to decision making through MDC's Iwi Governance Forum and Iwi representatives appointed to council and committee meetings.

The Iwi Governance Forum provides advice and support that enhances the way in which we work with Iwi and Māori communities in the Masterton district. The forum includes representatives from Rangitāne o Wairarapa and Kahungunu ki Wairarapa, elected members (including the Mayor) and our Chief Executive. Marama Tuuta joined the Iwi Governance Forum during the year as the new Chair of Kahungunu ki Wairarapa. The forum met twice during 2017-18 (8 September 2017 and 4 May 2018).

A representative from Kahungunu ki Wairarapa and Rangitāne o Wairarapa were appointed to the Infrastructural Services Committee, Community Wellbeing Committee and the Strategic Planning and Policy Committee with full speaking and voting rights.

Collaboration with other Local Authorities and Bodies

We have continued to work collaboratively with the Carterton and South Wairarapa District Councils, as well as the Greater Wellington Regional Council throughout the year. The three Wairarapa Councils hold quarterly combined Council meetings to discuss joint projects and matters of common interest.

We have shared services for GIS Services, Civil Defence, and managing the joint solid waste contract. These have continued to be undertaken and operated in an effective manner.

We have also participated in a number of cross-council committees including:

- Civil Defence Emergency Management Committee
- Ruamahanga Whaitua Committee
- Remutaka Hill Road Committee
- Te Kauru Upper Ruamāhanga River Floodplain Management Committee
- Wellington Regional Transport Committee
- Wellington Regional Strategy Committee
- Wellington Region Climate Change Working Group
- Wellington Region Waste Management and Minimisation Joint Committee.

DEVELOPMENT AND FINANCIAL CONTRIBUTIONS

In accordance with our Development and Financial Contributions Policy, MDC levies financial contributions using the provisions of the Resource Management Act 1991 and the Wairarapa Combined District Plan.

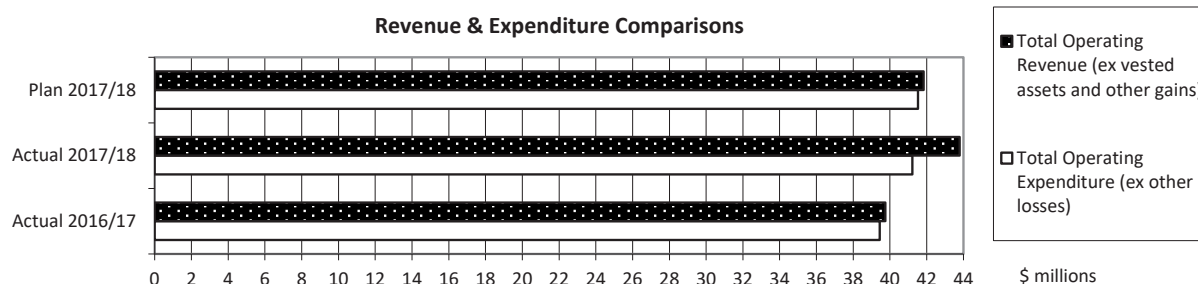
The financial contributions levied and/or collected during the year totalled \$2.185 million, which has been recognised as revenue in the period to 30 June 2018. The amount collected in the previous financial year was \$0.555 million.

Financial contributions have been set aside as part of special funds and reserves designated for parks and reserves, infrastructure, parking, development and roading upgrades. The majority of these contributions are not specifically to be spent on one locality or project, so have no residual liability associated with them.

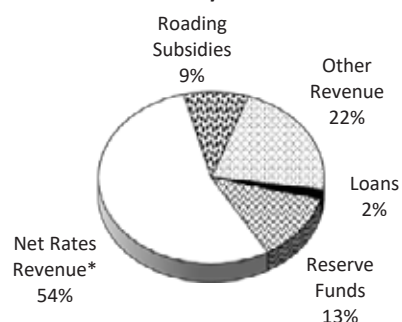
FINANCIAL STATISTICS

Last Year Actual 2016/17		Actual 2017/18		Plan 2017/18	
\$ 49,173,027	Total Expenditure (incl Capital items)	\$ 51,183,783		\$ 59,594,940	
\$ 27,080,694	Funded by: Net Rates Revenue*	\$ 27,842,012	54%	\$ 27,832,383	47%
\$ 3,880,660	Roading Subsidies	\$ 4,736,141	9%	\$ 4,813,291	8%
\$ 8,783,611	Other Revenue	\$ 11,211,446	22%	\$ 9,183,858	15%
\$ 4,810,544	Loans	\$ 936,018	2%	\$ 8,000,064	13%
\$ 4,617,518	Reserve Funds	\$ 6,458,166	13%	\$ 9,765,344	16%
\$ 49,173,027		\$ 51,183,783		\$ 59,594,940	

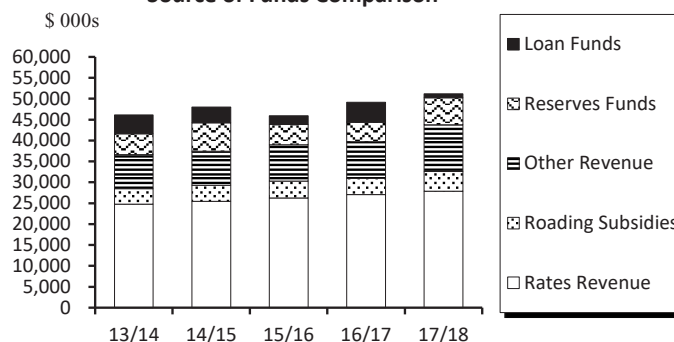
*Includes Riversdale Beach sewerage scheme capital contributions



Source of Funds 2017/18

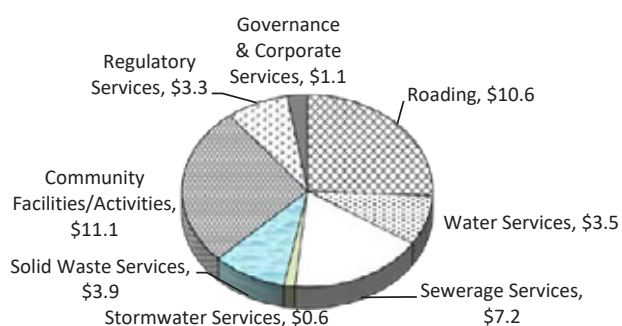


Source of Funds Comparison

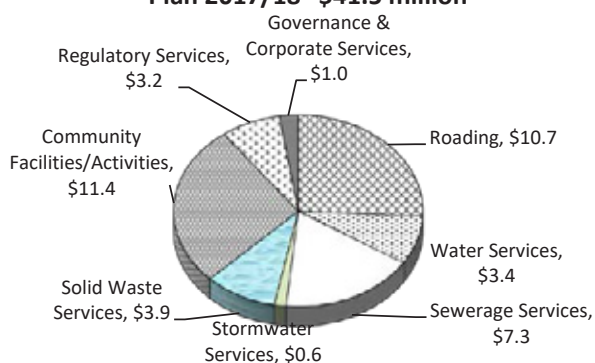


Operating Expenditure by Activity

Actual 2017/18 \$41.2 million



Plan 2017/18 \$41.5 million

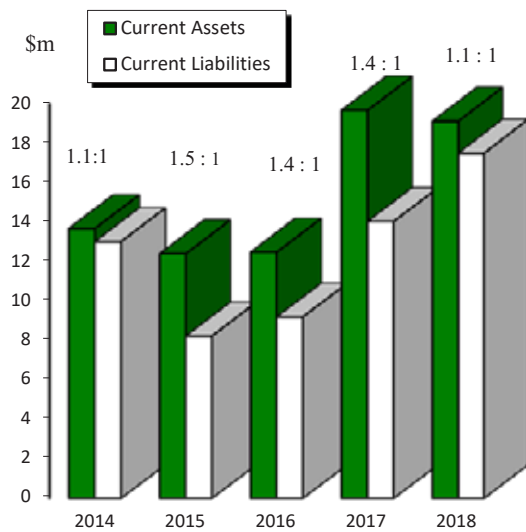


Financial Ratios

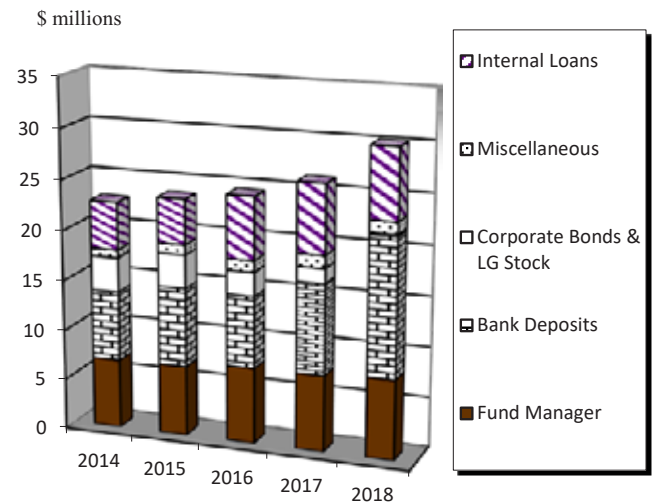
	2015/16	2016/17	2017/18	Plan 17/18
Current Ratio	1.5	1.4	1.1	1.3
Liquidity Ratio	1.5	1.4	1.1	1.2
Long Term Debt (external) per rateable property	\$4,281	\$4,387	\$4,181	\$4,885
Long Term Debt (external) per capita	\$2,144	\$2,198	\$2,063	\$2,410
Interest costs as % of rates revenue	10.9%	9.7%	9.4%	10.4%
Debt servicing costs as % of rates revenue	18.5%	17.2%	34.7%	17.2%
Reserve Funds as % of rates revenue	83.9%	88.8%	97.4%	74.6%
Investments (external) as % of rates revenue	73.8%	97.3%	83.4%	69.5%
Rates receivable as % of rates levied	1.6%	1.5%	1.5%	1.6%
Net External Debt as % of operating revenue	83.6%	82.6%	66.0%	99.2%

FINANCIAL STATISTICS

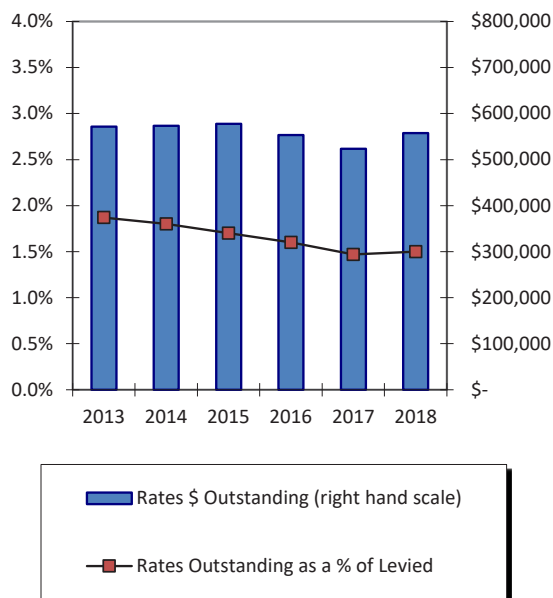
CURRENT ASSETS TO CURRENT LIABILITIES



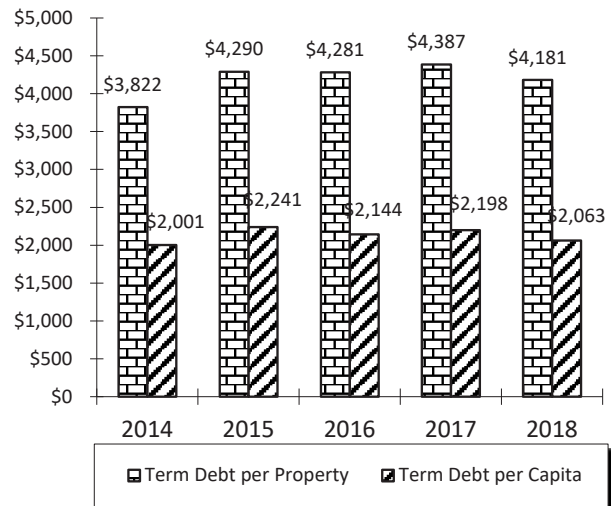
INVESTMENTS



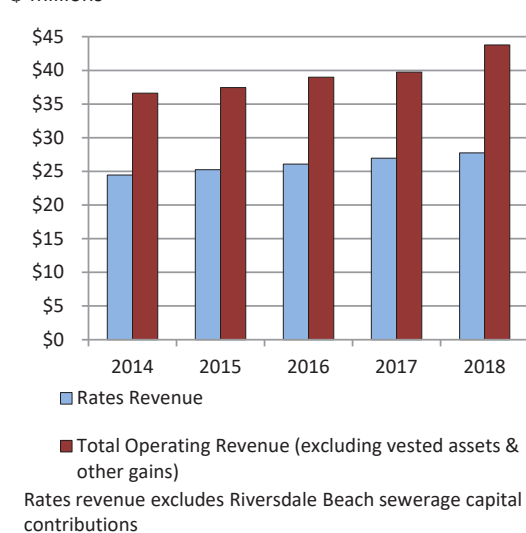
RATES ARREARS



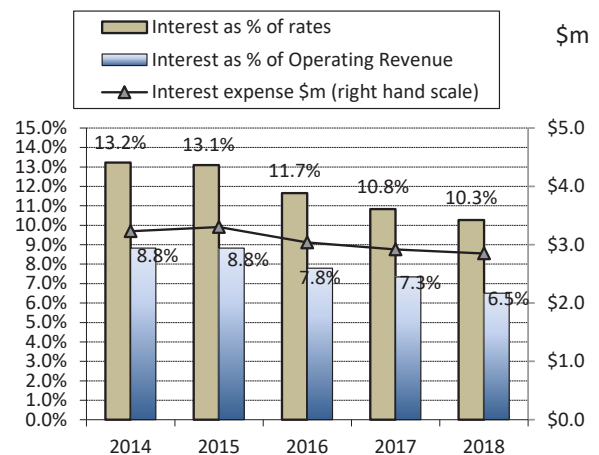
TERM LIABILITIES (external) per Ratepayer and per Capita



RATES & TOTAL REVENUE



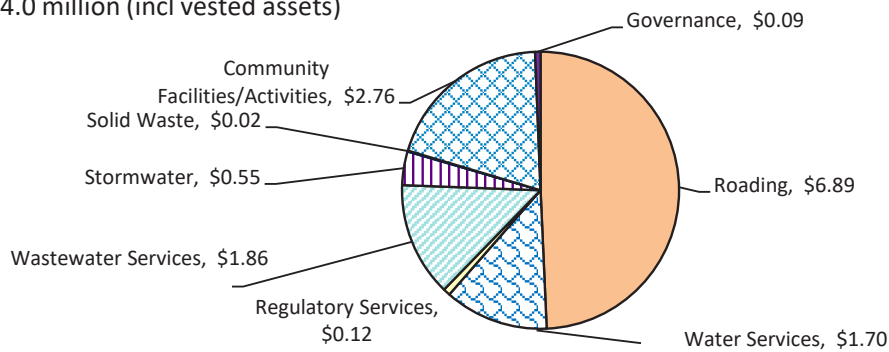
INTEREST (external & internal) as a % of Rates Revenue & Operating Revenue



Capital Expenditure by Activity - Actual 2017/18

Total Value \$14.0 million (incl vested assets)

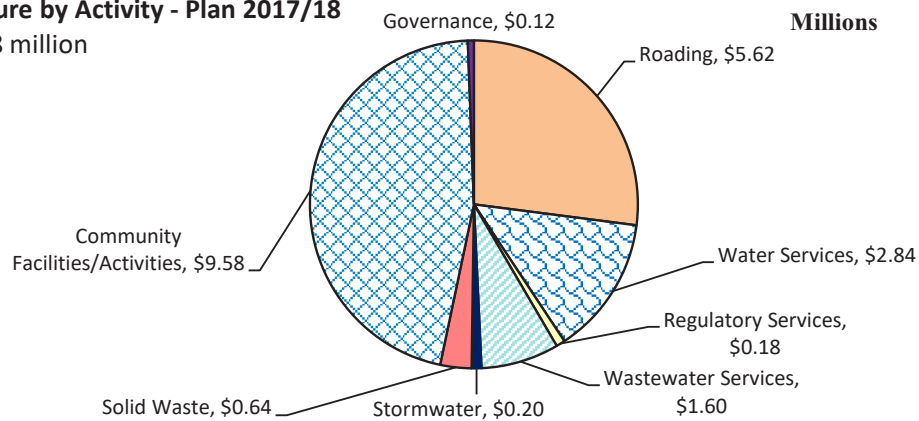
Millions



Capital Expenditure by Activity - Plan 2017/18

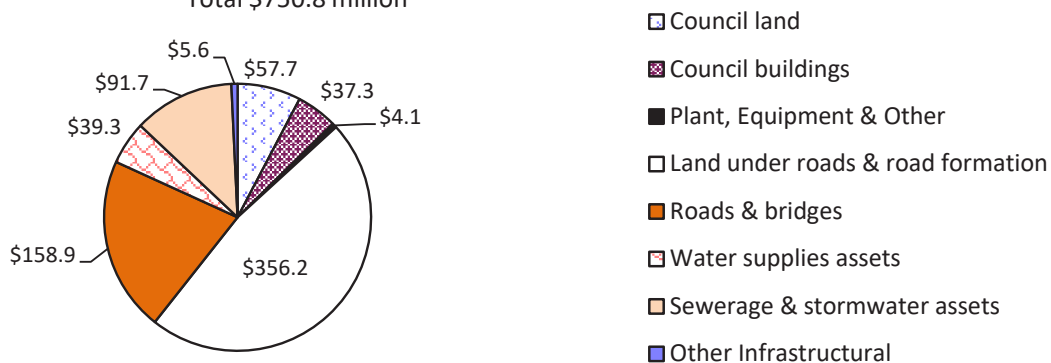
Total Value \$20.8 million

Millions



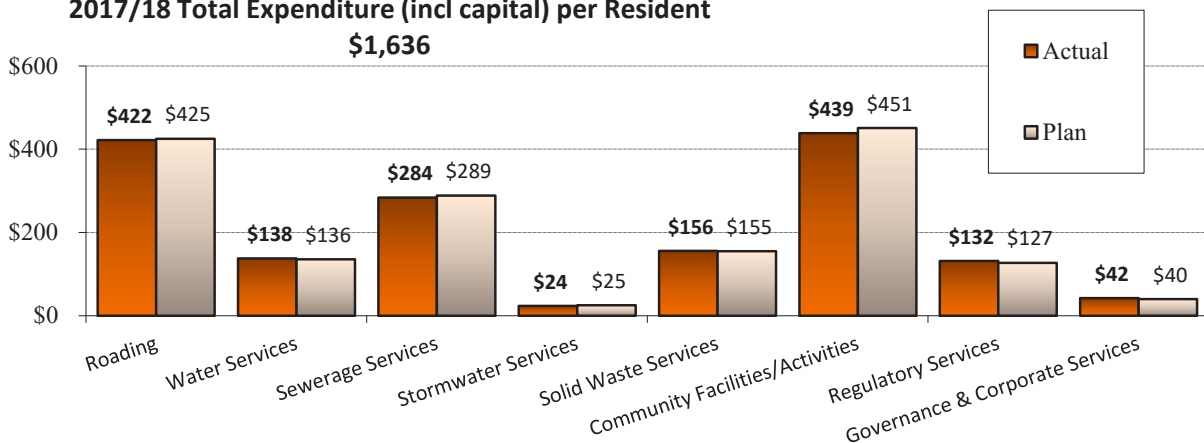
Composition of Council Property, Plant & Equipment

Total \$750.8 million



2017/18 Total Expenditure (incl capital) per Resident

\$1,636



STATEMENTS OF SERVICE PERFORMANCE

Tauāki Paearu Mahi

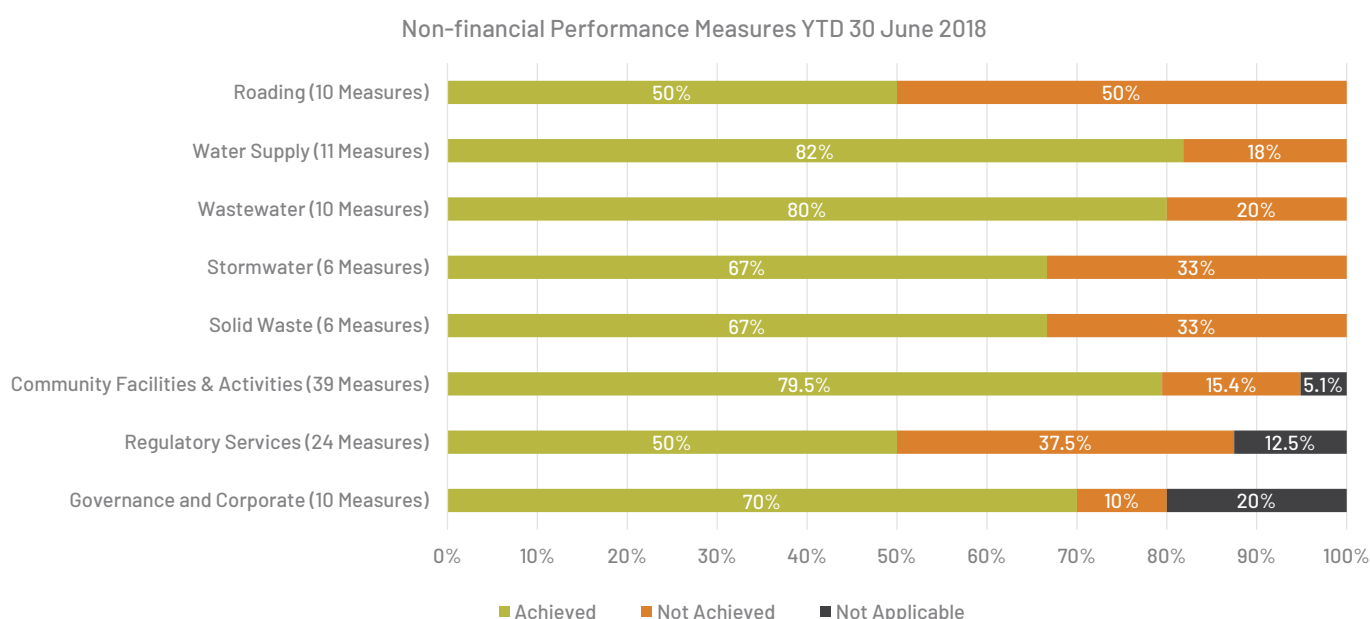


OVERVIEW OF NON-FINANCIAL PERFORMANCE

Paearu Mahi Pirekore

In our 2015-25 Long-Term Plan we define the level of service we aim to achieve for each of our eight activity areas and set performance targets that allow us to measure how well we are delivering that level of service.

For 2017-18, we have reported against 116 performance measures¹. The graph below shows that we achieved the target for 80 or 69% of our measures (93 or 75% in 2016-17) and did not achieve for 29 or 25% of the measures (21 or 19% in 2016-17). A further seven (6%) were reported as not applicable (8 or 6% in 2016-17) due to either no longer being measured or not relevant in this financial year.



Full details of performance targets are provided in the following activity reports.

RESIDENT SATISFACTION SURVEY

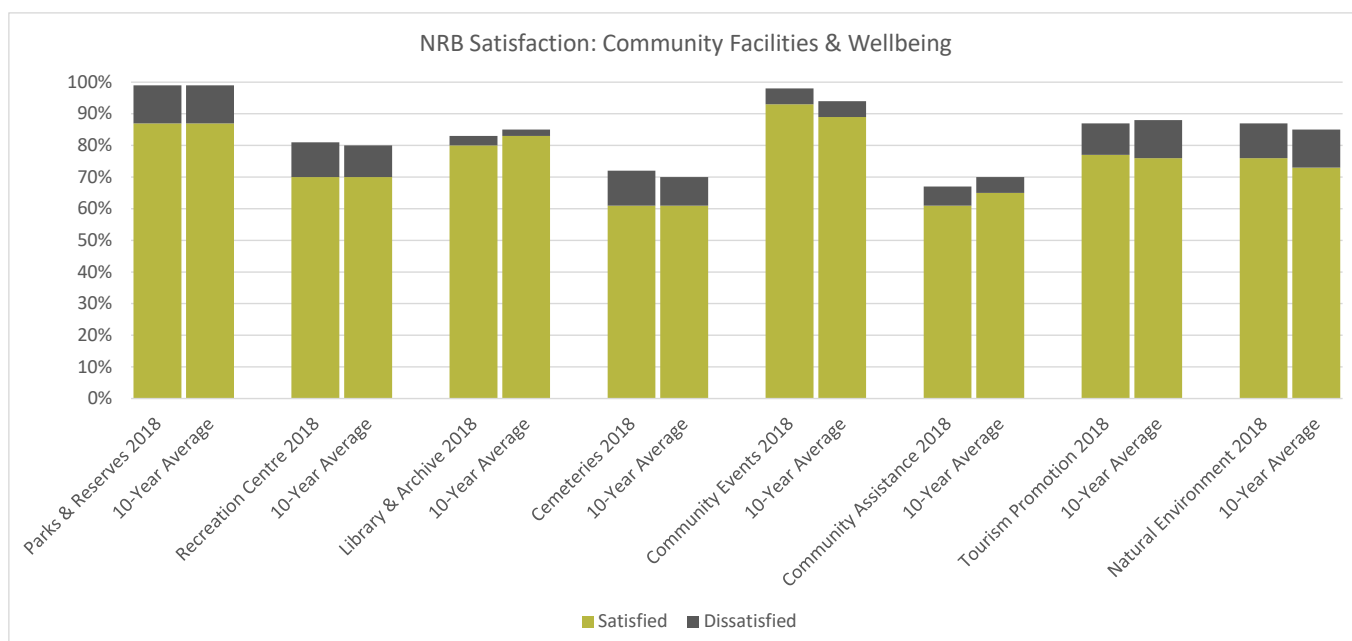
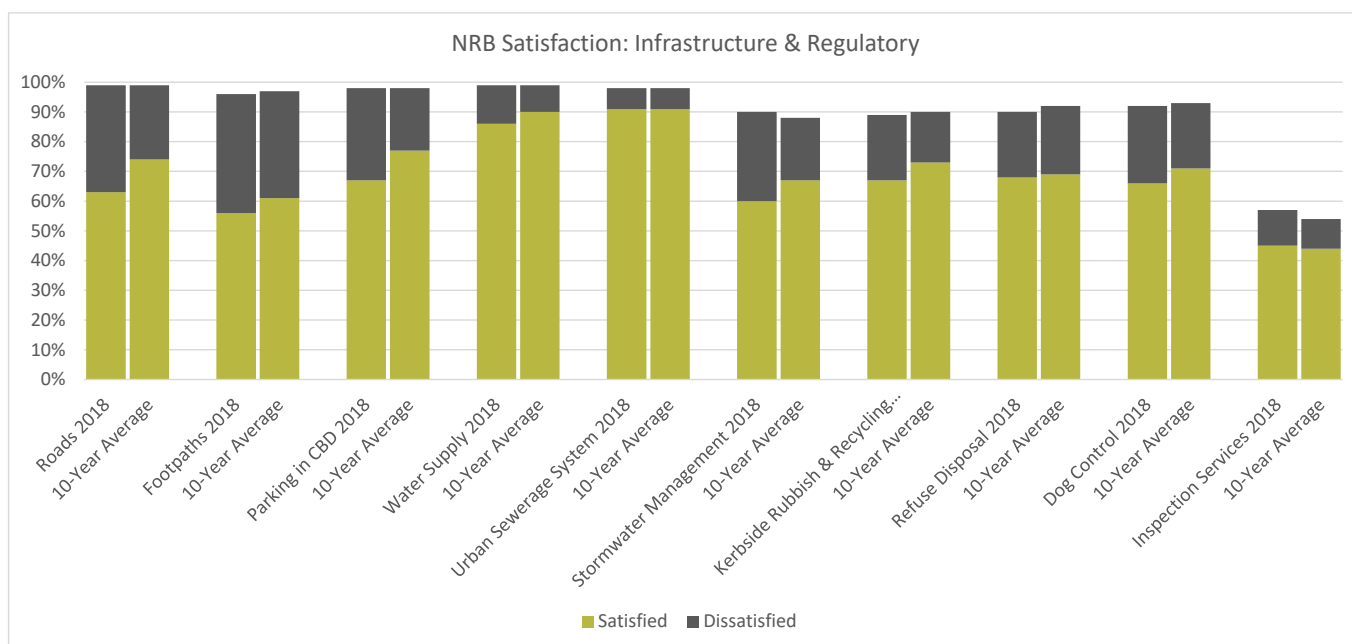
The National Research Bureau (NRB) undertakes a survey of Masterton district residents on our behalf, to help gauge how satisfied the community is with our services. Performance is also measured against peer group (based on similarly constituted Local Authorities) and national averages. The NRB survey has been conducted annually since 2002, with the exception of 2013 when no survey was undertaken.

A telephone survey of a random sample of 402 residents (300 urban / 102 rural) was undertaken in February-March 2018. The NRB report states the margin for error of 402 people is plus or minus 5% while the significant difference is 7% for a 95% level of confidence. This means that a shift of 7% or more would indicate a shift in public perception.

Survey results are broken down further within the relevant activity reports that follow. Where customer satisfaction is a performance target, if the satisfaction level was within 5% of the target, it has been reported as achieved in accordance with the NRB margin of error.

¹ We reported on 124 performance measures in 2016-17. The change from 124 to 116 performance measures was due to consolidating the number of performance measures for water supply and wastewater.

The graphs below provide an overall summary of the survey results and ten year average.



SERVICE LEVELS

Service levels have been maintained as per the 2015-25 Long-Term Plan for all activity areas. The Long-Term Plan did not provide for any significant increase in service levels.



ROADS, STREETS, FOOTPATHS AND PARKING AREAS

Ngā Rori, Tiriti, Ara-hikoī me ngā Papawaka

WHAT WE DO

MDC constructs, manages and maintains the road, street and footpath networks including pavements, bridges, traffic services and streetlights throughout the Masterton district. MDC also owns and maintains off-street car park spaces and on-street metered time-limit spaces.

Roads, Streets, Footpaths and Parking Areas primarily contributes to the following community outcomes:

- An Easy Place to Move Around
- A Strong Resilient Economy

WHAT WE ACHIEVED IN 2017-18

During the year we have continued to focus on delivering projects and ongoing maintenance that improve our road network. Highlights and key activities from 2017-18 include:

- Installation of LED street lighting in the Masterton urban area (excluding SH2)²
- Resealing 24km of roadway.
- Rehabilitation of 2.3km of sealed road pavement.
- Flood damage work undertaken in the Masterton rural area (Eparaima Bridge, Jennings Bridge, Blairlogie-Langdale Road).
- Completion of sight line improvements were made at West Bush Road.
- Work commenced on a new shared path on Upper Plain Road.

² SH2 is the responsibility of the New Zealand Transport Agency

HOW WELL WE PERFORMED

Five (50%) of the 10 performance measures for this activity were achieved in 2017-18.

Road resurfacing and quality of ride performance targets across MDC's network were achieved, however resident satisfaction with roads is declining. Similarly, while almost all of the district's footpaths meet the level of service defined in the Asset Management Plan, resident satisfaction with footpaths has remained below the 64% baseline.

In 2017-18, the number of fatalities and serious crashes on Masterton local road network increased compared to the previous year.

The table on the following page reflects the number of fatalities and serious crashes on the Masterton local road network over the past five years.

Masterton District Council has an ongoing commitment to road safety and ensuring that our road network is safe for everyone to use. Road crashes involve many factors. The Council has a role to play in many of those factors but does not have ultimate control over them.

The number of deaths and serious injury crashes is rising nationally and that has been reflected in Masterton's latest results. We will continue to focus our efforts on activities which aim to reduce the deaths and serious injury crashes on our network including minor traffic improvements (e.g. crash reduction studies, intersection and pedestrian safety improvements, safer speeds) along with our education programme run by the road safety council in schools and with the wider community.

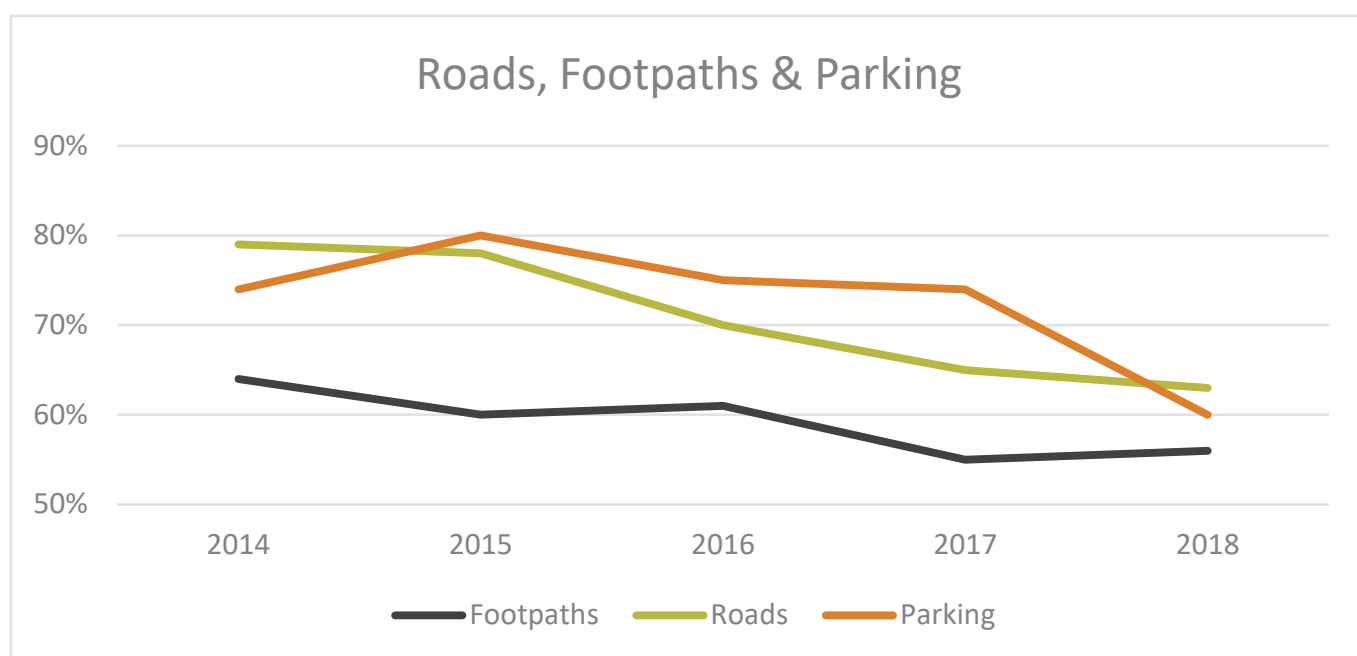
Year	2013-14	2014-15	2015-16	2016-17	2017-18
Fatalities	3	0	3	1	4
Serious Crashes	3	6	6	5	14
Total	6	6	9	6	18

The extensive and ongoing programme of sewerage and water reticulation service renewals around the district is a likely contributor to declining satisfaction with both roads and footpaths.

The Roding activity operating costs were \$10.6 million which is 0.7% less than was budgeted in the 2017-18 Annual Plan. The renewals programme of \$4.0 million was underspent by 19%. A number of contracts were not able to be completed by year end due to contractor availability. The project to upgrade our streetlights to LEDs (cost \$0.75 million) was nearly completed by year end.

WHAT OUR COMMUNITY HAD TO SAY

Resident satisfaction with roads, footpaths and parking has continued to decline, as shown in the graph below.



In the 2018 NRB survey, footpaths and roads had the highest levels of dissatisfaction at 40% (41% in 2017) and 36% (34% in 2017) respectively while dissatisfaction with parking in the CBD was 31% (25% in 2017). The main reasons for dissatisfaction included uneven and poor condition of footpaths, poor condition and upgrading/sealing required for roads, and the lack of, and difficulty in finding, parking in the CBD.

"Since Council extended the Upper Plain Road walking track, I have observed an increase in residents out walking their dogs, more families going for walks, more children biking to school, more effort being made to landscape and tidy property frontage, and more neighbours talking and connecting. The track is 'ticking the box on so many fronts'. Thank you to the Council for extending the track. I would also like to commend those who carried out the work. The staff on the ground were also friendly, approachable and accommodating."

Masterton Resident, 2018

PERFORMANCE MEASURES

What we do: We provide a safe and well-maintained roading network

Measure	2016-17 Result	2017-18 Target	2017-18 Result
Percentage of customers satisfied with the condition of the roading network	71% average over the last three surveys (65% in 2017, 70% in 2016, 78% in 2015)	Maintain baseline (79%) over an average of the three latest surveys and within 10% of peer group average (69%)	Not Achieved 66% satisfaction average over the last three surveys (63% in 2018, 65% in 2017, 70% in 2016). Result is within 10% of the peer group average (69%). The extensive and ongoing renewal programme of sewerage and water reticulation services have likely impacted satisfaction.
<i>Mandatory Measure</i> Average quality of ride on a sealed local road network, measured by smooth travel exposure	94%	At least 90%	Achieved 92% network smooth travel exposure (as at 9 July 2018).
<i>Mandatory Measure</i> The change from the previous financial year on the number of fatalities and serious injury crashes on the local road network	In 2016-17, compared to 2015-16, there were 3 less serious injury crashes but 3 more fatalities	Reduction on 2015-16 figures	Not Achieved In 2017-18, compared to 2016-17, there were 8 more serious crash injuries and 3 more fatalities . (Refer to 'How well we performed' section on page 18).
Cycle usage at key sites is monitored to assess demand for cycle facilities	4 sites surveyed	Survey 4 monitor sites	Achieved Cycle usage surveys were undertaken between 9-16 November 2017 at four monitor sites (High/Intermediate Streets, Te Ore Ore/Colombo Roads, Church/Dixon Streets and Pownall/Renall Streets).
<i>Mandatory Measure</i> Percentage of sealed local road network that is resurfaced	6.4%	5-6% (The Asset Management Plan anticipates 5-6% resurfacing completed in an average year).	Achieved 5.9% 57.8 lane km of the total sealed local road network (984.2 lane km) was resurfaced.

What we do: We provide safe, well-maintained and accessible footpaths

Measure	2016-17 Result	2017-18 Target	2017-18 Result
Percentage of customers satisfied with the condition of the footpath network	59% satisfaction average	Maintain baseline (64%) over an average of the three latest surveys and within 10% of peer group average (67%)	<p>Not Achieved</p> <p>57% satisfaction average over the last three surveys (56% in 2018, 55% in 2017, 61% in 2016). Within 10% of the peer group average (67%).</p> <p>The extensive and ongoing renewal programme of sewerage and water reticulation services have likely impacted satisfaction.</p>
<p><i>Mandatory Measure</i></p> <p>Percentage of footpaths where the condition falls within the level of service defined in Council's Asset Management Plan</p>	99%	95%	<p>Achieved</p> <p>96% of footpaths meet or exceed the defined level of service (Grade 3), based on condition rating surveys of nearly half the network (94.4km) in December 2016 and November 2017.</p> <p>58% of the footpaths were Grade 1-2 (excellent/ good condition), 38% were Grade 3 (worn but with residual life) and 4% were Grade 4-5 (require immediate attention.)</p>
<p><i>Mandatory Measure</i></p> <p>Percentage of urgent customer service requests relating to roads and footpaths responded to within 2 days</p>	98%	95%	<p>Achieved</p> <p>99%</p> <p>420 of the 424 urgent requests were responded to within 2 days.</p>
<p><i>Mandatory Measure</i></p> <p>Percentage of non-urgent customer service requests relating to roads and footpaths acknowledged within 10 days and placed on appropriate maintenance programme</p>	78%	95%	<p>Not Achieved</p> <p>76%</p> <p>513 of the 676 requests were responded to within 10 days.</p> <p>Many non-urgent matters need further investigation to clarify the request before a meaningful response can be given, resulting in delays to response times.</p>

What we do: We provide a range of on and off-street parking opportunities

Measure	2016-17 Result	2017-18 Target	2017-18 Result
Customer satisfaction with parking services	74% satisfaction	Maintain baseline satisfaction levels (74%)	Not Achieved 67% satisfaction 60% of concerns relate to a perceived need for more parking spaces.

COST OF SERVICE STATEMENT

Roads, Streets, Footpaths & Parking Areas				
2016/17 Actual \$		2017/18 Actual \$	2017/18 Plan \$	
	Operating Costs			
3,757,985	Subsidised roading programme - maintenance	4,066,360	4,106,435	
1,170,328	Non-subsidised maintenance	1,264,004	1,205,506	
0	Flood damage expenditure	555,546	527,000	
4,551,220	Depreciation	4,748,141	4,874,465	
9,479,533		10,634,052	10,713,407	
	Operating Revenue			
1,846,557	NZ Transport Agency subsidy (on maint.)*	2,276,048	2,267,671	
192,581	Local authority petrol tax	206,095	185,000	
94,859	Roading contributions (ex developers)	475,123	80,000	
62,107	Other recoveries	106,637	85,247	
2,196,104		3,063,902	2,617,918	
	Appropriations			
100,000	Net transfer to/(from) flood damage fund	-	-	
573,439	Transfers to reserves	832,323	80,000	
-125,000	Transfers from reserves	(75,000)	(85,000)	
21,480	Provision for loan repayments	31,130	35,327	
(3,676,993)	Depreciation not rates funded**	(3,872,060)	(3,935,360)	
4,176,354	Rates Requirement (Operational)	4,486,543	4,190,456	

* Further subsidy revenue is shown in the Capital Expenditure Summary.

** Most depreciation is reversed in lieu of renewals expenditure which is shown in the Capital Expenditure Summary. It is funded by rates revenue and NZTA subsidies.



Roads, Streets, Footpaths & Parking Areas			
Rates Requirement Summary			
2016/17 Actual \$	Activity	2017/18 Actual \$	2017/18 Plan \$
3,979,016	Subsidised roading	4,132,333	4,251,177
1,312,536	Non-subsidised roading (urban)	1,214,541	1,173,273
215,651	Non-subsidised roading (rural)	231,272	205,456
100,000	Flood damage	238,885	226,610
\$5,607,202	Rates Requirement	\$5,817,031	\$5,856,516

Roads, Streets, Footpaths & Parking Areas			
Capital Expenditure Summary			
2016/17 Actual \$	Roadings	2017/18 Actual \$	2017/18 Plan \$
2,152,344	Asset renewals - Rural roading programme	2,105,412	2,472,000
971,785	Asset renewals - Urban roading programme	654,772	755,000
40,628	Asset renewals - Bridges	0	0
456,947	Urban footpath upgrades & reseals	52,470	309,000
5,005	Land purchase for roading strip	4,500	-
9,000	Upgrade to LED streetlighting	752,262	724,000
23,415	Car park renewals & signage	6,847	80,000
390,424	Roadings minor improvements	433,974	390,000
71,292	Town Centre renewal project	179,498	593,000
169,534	Castlepoint safety improvements	0	-
0	Cycleways	0	125,000
214,937	Streetscape & neighbourhood design	0	172,100
0	Vested roading assets ex subdivision	1,760,688	-
0	Vested assets - land under roads	937,620	-
4,505,312		6,888,043	5,620,100
	Capital Funding		
(2,034,103)	NZ Transport Agency subsidy (on renewals)	(2,460,093)	(2,545,620)
(696,109)	Transfers from reserves	(399,154)	(1,408,420)
(522)	External contrib.		-
-	Vested assets (ex developers)	(2,698,308)	
(343,730)	Loan funds	-	-
(3,074,464)		(5,557,555)	(3,954,040)
\$1,430,848	Rates Requirement (Capital)	1,330,488	\$1,666,060





WATER SUPPLIES (URBAN AND RURAL)

Hoatutanga Wai (Tāone me te Taiwhenua)

WHAT WE DO

The Council provides appropriately treated water to the urban reticulation system and to the Waingawa industrial area, and provides and maintains an effective, economic and secure distribution system for drinkable water. It also supports the provision of non-drinking and water race supplies in rural areas.

This activity primarily contributes to the following community outcomes:

- A Reliable and Well-Maintained Infrastructure
- A Sustainable Healthy Environment
- A Strong Resilient Economy

WHAT WE ACHIEVED IN 2017-18

Key achievements in 2017-18 include:

- The supply of 4.7 million metre³ of safe drinking water to the community
- Successfully carrying out the Summer Water Conservation Programme
- The renewal of 2.9km of water mains in Masterton

HOW WELL WE PERFORMED

Nine (82%) of the 11 performance measures for this activity were achieved in 2017-18.

Despite our resident satisfaction levels for water supply being one of our services/functions with the highest rates of satisfaction, we have not achieved our performance measure target of maintaining our baseline levels of satisfaction (refer sections on the following pages). One of the ways we plan to further increase satisfaction levels with water supply is through additional funding of \$600,000 per annum (inflated) to increase the rate of water pipe renewals as part of the 2018-28 Long-Term Plan. Renewing our water pipes is one way we can decrease the amount of water lost through leakage.

The measure regarding the percentage of real water loss from our reticulation system will be addressed as part of the installation of smart water meters. A provision of \$5.2 million has been allocated as part of the 2018-28 Long-Term Plan. Smart water meters will assist in locating and repairing leaks.

Financial performance has seen operating expenditure of \$3.27 million being very close to the planned level. Capital expenditure of \$1.25 million is \$1.6m less than planned due largely

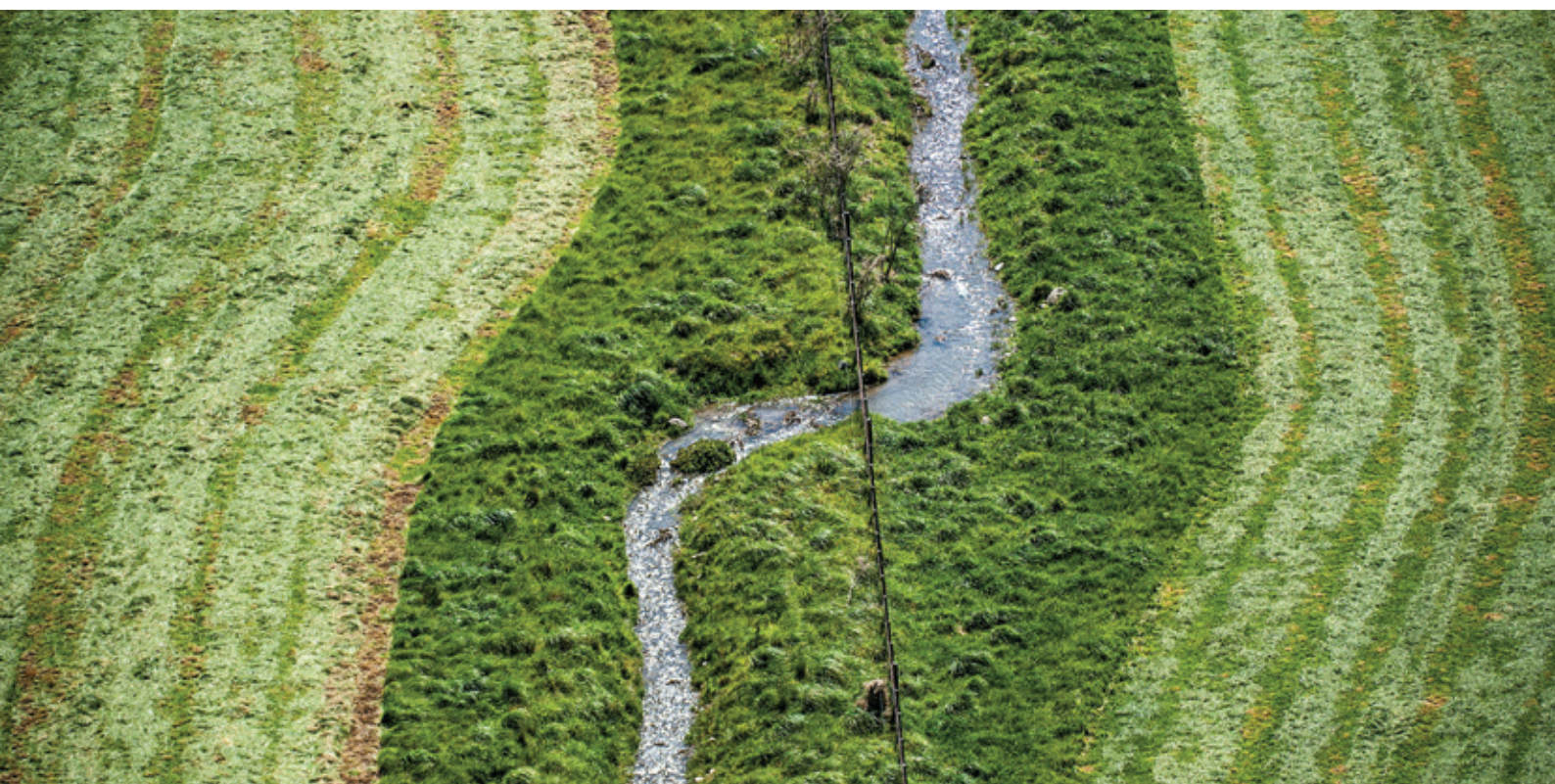
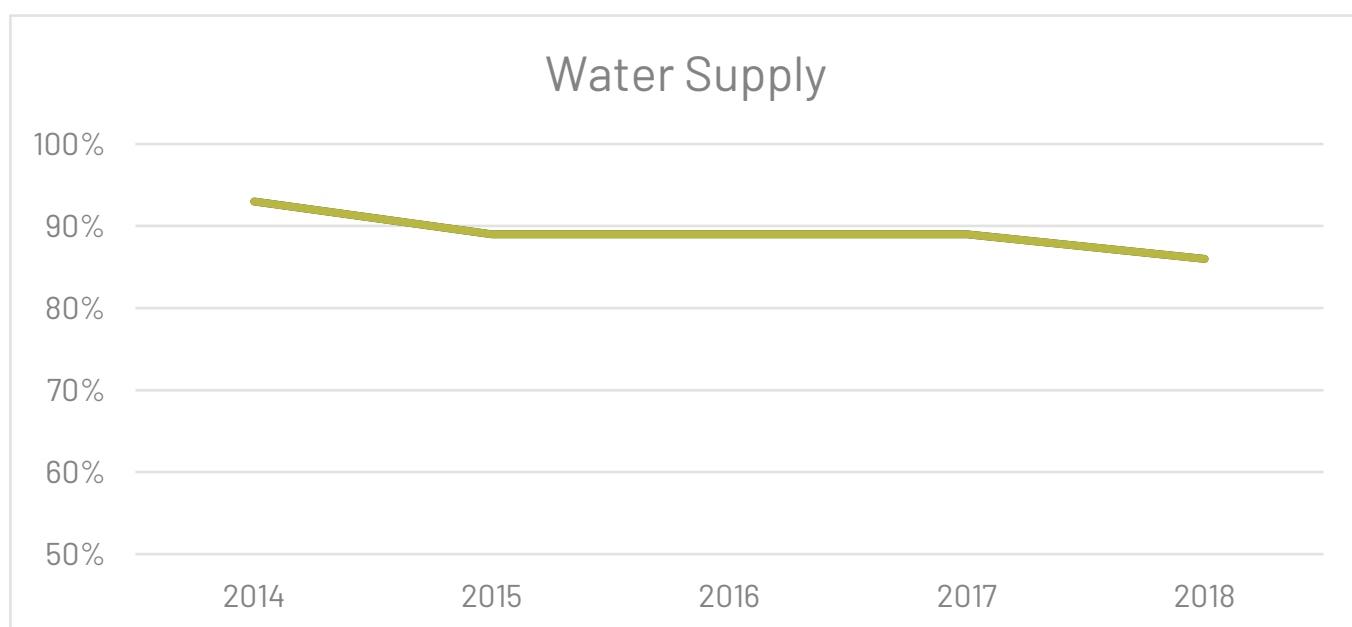
to not progressing the trunk main renewal that was planned (\$1.45m). Water assets vested in the Council from new subdivisions were valued at \$0.44 million. Deferring the trunk main renewal is regarded as prudent while new technologies are developed and the asset continues to perform adequately.

WHAT THE COMMUNITY HAD TO SAY

Resident satisfaction with water supply in 2018 is 86%, and continues to have one of the highest levels of satisfaction across MDC's services and functions. Satisfaction levels have been consistent over the last three years (2015-2017), with a 3% decrease in 2018, as shown in the graph below.

"I contacted Council with a query about our leaking water toby.....I found the Council staff member to be excellent to deal with, responded extremely quickly, and I wanted to advise Council of my positive experience."

Masterton Resident, 2018



PERFORMANCE MEASURES

What we do: We deliver efficient and effective water supply systems

Measure	2016-17 Result	2017-18 Target	2017-18 Result
Customer satisfaction with urban water supply services	89% satisfaction	Maintain baseline satisfaction (93%) and equal or exceed peer group average (87%)	Not Achieved 86% satisfaction is lower than the 93% baseline and the 87% national peer group average. (refer 'How well we performed' section on page 24)
Mandatory Measure Total number of complaints (per 1,000 connections to MDC's networked reticulation system) received about: a) drinking water clarity; b) drinking water taste; c) drinking water odour; d) drinking water pressure or flow; e) continuity of supply; and f) MDC's response to any of these issues.	5.2 complaints per 1000 connections (47 complaints)	Less than or equal to 4.57/1000	Achieved 4 complaints per 1000 connections (35 complaints)
Mandatory Measure Median response time to call outs for faults or unplanned interruptions to the networked reticulation system:			
attendance at urgent call outs (from notification to arrival on site)	30 minutes	Less than or equal to 60 minutes	Achieved 39 minutes
resolution of urgent call outs (from notification to confirmation of resolution)	194 minutes	Less than or equal to 480 minutes	Achieved 152 minutes
attendance at non-urgent call outs (from notification to arrival on site)	2.84 days	Less than or equal to 7 days	Achieved 3 days
resolution of non-urgent call outs (from notification to confirmation of resolution)	6.85 days	Less than or equal to 3 months	Achieved 5 days
Alternative water supply is provided when shutdown exceeds 24 hours	No shutdown exceeded 24 hours	100%	Achieved No shutdown exceeded 24 hours

What we do: We provide a safe water supply with minimal environmental impact

Measure	2016-17 Result	2017-18 Target	2017-18 Result
<i>Mandatory Measure</i>			
Council's drinking water supply complies with:			
part 4 of the Drinking Water Standards (bacteria compliance criteria)	100%	100%	Achieved 100%
part 5 of the Drinking Water Standards (protozoal compliance criteria)	100%	100%	Achieved 100%
<i>Mandatory Measure</i> Percentage of real water loss from Council's reticulation system (calculated using minimum night flow)	31%	Less than 2016-17 (31%)	Not Achieved 36% (refer 'How well we performed' section on page 24)
<i>Mandatory Measure</i> Average consumption of drinking water per day per resident within the district	655 litres/person/day	Less than 2016-17 (655 litres/person/day)	Achieved 646 litres/person/day

COST OF SERVICE STATEMENT

Urban Water Supply				
2016/17		2017/18	2017/18	
Actual		Actual	Plan	
\$	Operating Costs	\$	\$	
1,137,448	Water treatment costs	1,198,066	1,201,883	
751,460	Water reticulation costs	806,730	799,637	
1,217,095	Depreciation	1,268,595	1,273,717	
3,106,003		3,273,391	3,275,237	
	Operating Revenue			
167,056	User charges	185,378	191,300	
81,600	Internal Recoveries	134,300	134,300	
248,656		319,678	325,600	
	Appropriations			
272,921	Provision for loan repayment	76,341	80,184	
(177,258)	Reverse depreciation	(33,745)	(33,745)	
\$2,953,010	Rates Requirement	\$2,996,310	\$2,996,076	

Rural Water Supplies			
2016/17		2017/18	2017/18
Actual		Actual	Plan
\$	Operating Costs	\$	\$
199,985	Rural water supplies & races	266,198	215,685
60,753	Depreciation & decline in service	64,210	60,623
260,737		330,408	276,308
	Operating Revenue		
224,860	Rural water scheme charges	208,879	196,400
	Appropriations		
-	Transfer from reserves	(50,537)	-
60,775	Transfer to reserves	22,599	8,629
3,473	Provision for loan repayment	4,254	4,578
\$100,125	Rates Requirement	\$97,844	\$93,115

WATER SUPPLIES			
Rates Requirement Summary			
2016/17		2017/18	2017/18
Actual		Actual	Plan
\$	Activity	\$	\$
2,953,010	Masterton urban water supply	2,996,310	2,996,076
36,167	Tinui water supply	33,746	34,018
46,094	Opaki water race	46,494	45,742
17,865	Miscellaneous rural water costs	17,604	13,355
\$3,053,135	Rates Requirement	\$3,094,154	\$3,089,192



WATER SUPPLIES

Capital Expenditure Summary

2016/17 Actual \$		2017/18 Actual \$	2017/18 Plan \$
Urban water treatment			
53,074	Water treatment plant & equip. renewals	139,449	173,000
-	Water treatment - buildings & grounds	17,604	30,000
11,171	Flouride-free water access		
45,934	Water take consent renewal	-	-
110,179		157,052	203,000
Urban water reticulation			
805,786	Water mains & trunk main upgrades	839,162	2,300,000
112,758	Water connections renewals	185,893	200,000
-	Assets vested by subdividers	443,792	-
918,544		1,468,847	2,500,000
Rural water reticulation			
25,500	Wainuioru water supply renewals	36,103	20,000
-	Tinui water supply upgrades	11,940	19,000
	Tauweru water supply renewals	3,578	-
-	Opaki water race equipment	-	3,500
21,224	Opaki water race consent renewal	-	60,000
0	Castlepoint water supply	20,004	33,500
46,724		71,625	136,000
1,075,446	Total Water Supplies capital expenditure	1,697,525	2,839,000
Capital Funding			
(395,554)	Loan funds	(262,052)	(1,816,500)
(10,879)	External funds	(10,572)	-
-	Assets vested by subdividers	(443,792)	-
(669,013)	Transfer from reserves	(981,108)	(1,022,500)
(1,075,446)		(1,697,525)	(2,839,000)



WASTEWATER SERVICES

Ratonga Waihawa

WHAT WE DO

Council provides systems to collect and dispose of wastewater from residential, commercial and industrial properties in the urban area, the Waingawa industrial area, and at Riversdale, Castlepoint and Tinui.

This activity primarily contributes to the following community outcomes:

- A Reliable and Well-Maintained Infrastructure
- A Sustainable Healthy Environment
- A Strong Resilient Economy

WHAT WE ACHIEVED IN 2017-18

Key achievements in 2017-18 includes the renewal of 2.4km of sewer main.

HOW WELL WE PERFORMED

Eight (80%) of the 10 performance measures for this activity were achieved in 2017-18.

One of the measures that was not achieved related to complaints received about sewer overflows during and after significant rain events. In response to the number of complaints we received about wastewater services, Council has committed, as part of the 2018-28 Long-Term Plan, to adopt private

wastewater laterals from the wastewater pipe main to the property boundary. This will assist Council in addressing renewal issues experienced in some areas, and ensure current levels of service are maintained.

The other measure that was not achieved relates to compliance with MDC resource consents for discharge from the sewerage system. An infringement notice was issued in November 2017 for environmental non-compliance. A sewer on railway land was leaking through to Makoura Stream. Land access was negotiated with the landowner and the discharge issue addressed.

The Homebush treatment plant continues to improve and has met the requirements of its resource consent.

Operating costs of the urban wastewater system were 1.7% less than budgeted. As per the Plan, the Council repaid \$1.46 million of the debt that was raised to fund the Homebush plant upgrade.

WHAT THE COMMUNITY HAD TO SAY

Resident satisfaction with wastewater services continues to be high at 91% (91% in 2017) and steady over the last five years, as shown in the graph below. Wastewater services had the second highest level of satisfaction across our services/functions in 2018.



"We appreciate [staff member] coming to our house to discuss our concerns. We appreciate the prompt attention to this issue".

Masterton Resident, 2018

PERFORMANCE MEASURES

What we do: We deliver an efficient and effective wastewater system

Measure	2016-17 Result	2017-18 Target	2017-18 Result
Customer satisfaction with urban wastewater services	91% satisfaction	Maintain baseline satisfaction (93%) and within 10% peer group average (93%)	Achieved 91% satisfaction (within survey margin of error) and within 10% of the peer group average (93%)
Mandatory Measure Total number of complaints (per 1,000 connections to MDC's sewerage system) for: a) sewerage odour b) sewerage system faults c) sewerage system blockages d) MDC's response to issues with its sewerage system	7.32/1000 connections (65 complaints)	Less than or equal to 6.88/1000	Not Achieved 10.44/1000 Actual Complaints: 94 (Refer to 'How well we performed' section on page 30)
Mandatory Measure Median response time to sewerage overflows resulting from a blockage or other fault to Council's sewerage system:			
attendance (from time of notification to the time service personnel arrive onsite)	30 minutes	Less than or equal to 6 hours	Achieved 29 minutes
resolution (from time of notification to the time service personnel confirm resolution)	3.2 hours	Less than or equal to 12 hours	Achieved 85 minutes
Alternative system provided where loss of service exceeds 24 hours	100% of occasions	100% of occasions	Achieved No loss of service exceeded 24 hours

What we do: We provide safe and acceptable wastewater disposal with minimal environmental impact

Measure	2016-17 Result	2017-18 Target	2017-18 Result
Mandatory Measure Compliance with MDC's resource consents for discharge from its sewerage system measured by the number of: a) abatement notices; b) infringement notices; c) enforcement orders or convictions; received by MDC in relation to those consents	No notices, enforcement orders or convictions received in relation to breach of resource consents	No consent breaches	Not Achieved Abatement notices – 0 Enforcement orders or convictions – 0 Infringement notices – 1 One infringement notice was received in November 2017. (Refer to 'How well we performed' section on page 30 for further information about the infringement notice).
Proportion of network failures that have an environmental effect	No environmental effects created by network failures	Less than 1%	Achieved No network failure resulted in environmental effect
Mandatory Measure Number of dry weather sewerage overflows from Council's sewerage system (expressed per 1000 connections to the system)	0.11/1000 (1 overflow)	Less than or equal to 2/1000	Achieved 0.2/1000 Actual overflows: 2
Percentage of time that treated effluent is not discharged to the river	Winter – 65% Summer – 83%	Winter – better than 50% Summer – better than 75%	Achieved Winter – 53% Summer – 86%

What we do: We provide trade waste inspection, monitoring and enforcement services that protect community health and safety

Measure	2016-17 Result	2017-18 Target	2017-18 Result
All registered premises comply with trade waste disposal requirements as evidenced by annual inspection and followed up with further visits for enforcement if necessary	100% of known premises complied	100% of known premises	Achieved 100%

COST OF SERVICE STATEMENT

Wastewater Services - urban			
2016/17 Actual \$		2017/18 Actual \$	2017/18 Plan \$
	Operating Costs		
1,170,557	Sewerage reticulation	1,159,510	1,214,799
3,099,439	Wastewater treatment	3,261,159	3,281,285
2,130,305	Depreciation	2,185,049	2,226,480
6,400,301		6,605,718	6,722,565
	Operating Revenue		
381,852	User charges & other revenue	386,861	398,000
	Appropriations		
-	Transfer to reserves	-	-
(135,000)	Transfer from reserves	(130,000)	(130,000)
1,466,800	Provision for loan repayments	1,463,565	1,426,139
(1,194,099)	Reverse depreciation not rates funded	(1,146,220)	(1,186,220)
\$6,156,150	Rates Requirement	\$6,406,203	\$6,434,484

Wastewater Services - rural schemes			
2016/17 Actual \$		2017/18 Actual \$	2017/18 Plan \$
	Operating Costs		
60,812	Castlepoint sewerage scheme	61,694	61,625
209,990	Riversdale sewerage scheme	200,224	214,540
15,620	Tinui sewerage scheme	10,422	12,985
255,822	Depreciation	286,511	271,504
542,245		558,851	560,654
	Operating Revenue		
37,285	Capital Contribution & other revenue	80,640	100,150
7,150	Internal Recoveries	8,933	8,000
44,435		89,573	108,150
	Appropriations		
(30,000)	Transfer from reserves	(80,580)	(45,000)
122,362	Loan Repayment	162,928	162,014
(225,686)	Reverse depreciation not rates funded	(209,656)	(263,534)
\$364,486	Rates Requirement (Operational)	\$341,970	\$305,984

WASTEWATER SERVICES			
Rates Requirement Summary			
2016/17 Actual \$	Activity	2017/18 Actual \$	2017/18 Plan \$
6,156,150	Urban sewerage system	6,406,203	6,434,484
63,472	Castlepoint sewerage scheme	75,348	60,993
148,296	Riversdale Beach sewerage scheme	160,211	161,125
135,373	Riversdale & Tinui capital contributions	93,830	68,594
17,344	Tinui sewerage scheme	12,581	15,273
\$6,520,637	Rates Requirement	\$6,748,173	\$6,740,468

WASTEWATER SERVICES

Capital Expenditure Summary

2016/17		2017/18	2017/18
Actual		Actual	Plan
\$		\$	\$
Urban Sewerage system			
241,680	Homebush sewerage upgrade project	71,025	240,000
1,288,150	Sewerage reticulation mains renewals	974,108	1,100,000
61,382	Homebush treatment plant upgrade	102,793	250,000
7,987	New sewer connections	39,261	0
0	Assets vested by subdividers	630,173	-
1,599,199		1,817,360	1,590,000
Rural Sewerage schemes			
16,659	Riversdale Beach sewerage scheme	39,325	8,800
-	Castlepoint sewerage scheme	4,408	0
16,659		43,732	8,800
1,615,858	Total	1,861,092	1,598,800
Capital Funding			
(638,281)	Loan funds	(142,118)	(623,800)
(5,786)	External funds	(37,528)	-
(78,902)	Finance lease funding		-
-	Assets vested by subdividers	(630,173)	-
(892,889)	Transfer from reserves	(1,051,273)	(975,000)
(1,615,858)		(1,861,092)	(1,598,800)
\$0	Rates Requirement (Capital Contributions)	\$0	\$0



STORMWATER

Waiparoro

WHAT WE DO

Council provides systems, including use of natural channels and streams, to collect and dispose of stormwater from residential, commercial and industrial properties in the urban area. The stormwater system in the rural area is largely open drains.

This activity primarily contributes to the following community outcomes:

- A Reliable and Well-Maintained Infrastructure
- A Sustainable Healthy Environment
- An Easy Place to Move Around
- A Strong Resilient Economy

WHAT WE ACHIEVED IN 2017-18

Key achievements in 2017-18 include:

- Successfully upgrading stormwater pipes in Jones Place and Alton Grove
- Cleaning out of Kuripuni Stream with support from the community.

HOW WELL WE PERFORMED

Four (67%) of the six performance measures for this activity were achieved in 2017-18. The two measures that were not achieved relate to

resident satisfaction and complaints received about the performance of our stormwater system. Non-achievement of these measures is attributed to a variety of factors including a significant flooding event in July 2017. There was 129mm of rain in July 2017 compared to an average 102mm. We have been undertaking targeted education to promote the need for streams/drains on private property to be maintained to reduce the risk of flooding.

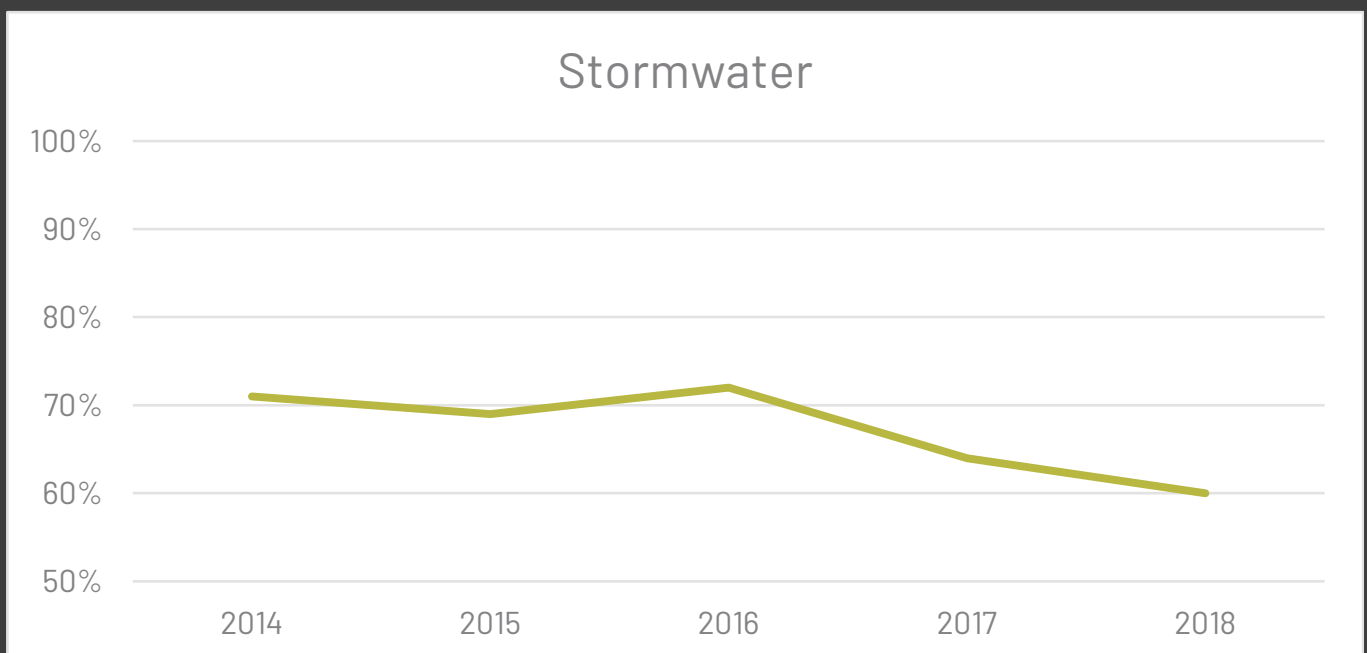
Operating expenditure was 6.3% less than budgeted.

WHAT THE COMMUNITY HAD TO SAY

Resident satisfaction with stormwater management at 60% has continued to decline, particularly over the last two years, as shown in the graph below.

"[Resident] was very impressed with the prompt and helpful service he had received from the Council regarding an open drain query and was very complimentary".

Customer Service Centre Staff, 2017



PERFORMANCE MEASURES

What we do: We provide an efficient and effective stormwater system that minimises the impact of heavy rainfall and reduces flooding risk

Measure	2016-17 Result	2017-18 Target	2017-18 Result
Percentage of residents satisfied with stormwater services	64% satisfaction	Maintain satisfaction level (71%)	Not Achieved 60% satisfaction (Refer 'How well we performed' section on page 35)
<i>Mandatory Measure</i> Number of complaints received about the performance of Council's stormwater system (expressed per 1000 connections to Council's stormwater system)	1.4/1000 connections (14 complaints)	Less than or equal to 2/1000	Not Achieved 5.11/1000 Actual complaints: 46 (Refer 'How well we performed' section on page 35)
<i>Mandatory Measure</i> Number of flooding events that occur in the district	6 events	Less than or equal to 98 events	Achieved 1 Event
<i>Mandatory Measure</i> For each flooding event, the number of habitable floors affected (expressed per 1000 connections to Council's stormwater system)	0/1000 connections (no houses were flooded)	1/1000	Achieved Nil

What we do: We deliver stormwater services in a safe, acceptable manner that enhances the environment where possible

Measure	2016-17 Result	2017-18 Target	2017-18 Result
<i>Mandatory Measure</i> Compliance with Council's resource consents for discharge from its stormwater system, measured by the number of: a) abatement notices; b) infringement notices; and c) enforcement orders or convictions; received by Council in relation to those consents.	No notices, enforcement orders or convictions received in relation to breach of resource consents.	No consent breaches	Achieved No consent breaches
<i>Mandatory Measure</i> Median response time to attend a flooding event (from time of notification to the time service personnel arrive onsite)	32 minutes	Less than or equal to 60 minutes	Achieved 34 minutes

COST OF SERVICE STATEMENT

Stormwater			
2016/17		2017/18	2017/18
Actual		Actual	Plan
\$	Operating Costs	\$	\$
237,419	Stormwater	301,990	343,418
277,068	Depreciation	293,562	291,861
514,487		595,552	635,279
	Operating Revenue		
-	User charges & other revenue	-	-
	Appropriations		
70,000	Transfer to reserves	-	-
(135,000)	Transfer from reserves	(125,000)	(135,000)
141,302	Provision for loan repayment	150,975	150,977
(141,302)	Reverse depreciation not rates funded	(150,977)	(150,977)
\$449,486	Rates Requirement	\$470,550	\$500,279

STORMWATER			
Capital Expenditure Summary			
2016/17		2017/18	2017/18
Actual		Actual	Plan
\$	Stormwater	\$	\$
37,308	Stormwater renewals & upgrades	115,135	200,000
-	Assets vested by subdividers	432,936	
37,308		548,071	200,000
	Capital Funding		
(37,308)	Transfer from reserves	(115,135)	(200,000)
-	Assets vested by subdividers	(432,936)	-
(37,308)		(548,071)	(200,000)





SOLID WASTE MANAGEMENT

Mana Whakahaere Para

WHAT WE DO

MDC owns, maintains and manages three transfer stations in the Masterton district, with waste transferred to the Bonny Glen landfill near Marton. Former landfill sites are closed and monitored and the Nursery Road landfill has some limited use for cleanfill/cover material.

The current refuse collection and transfer station operations, gate fee collection, composting, and recycling services at both Nursery Road and in the rural areas are carried out under performance-based contracts let by competitive tender to the private sector.

This activity primarily contributes to the following community outcomes:

- A Sustainable Healthy Environment
- A Knowledgeable Community
- A Strong Resilient Economy

"We have just shifted from [town] to [town] and used the Nursery Road Landfill Station for disposal of rubbish and recycling. The staff was helpful and professional and we would like this passed onto her"

Newcomer to Wairarapa Region, 2017

WHAT WE ACHIEVED IN 2017-18

The 2018-28 Long-Term Plan was adopted on 27 June 2018. The plan includes three initiatives that will contribute towards waste minimisation:

- Introducing Kerbside Wheelie Bins for recycling
- Providing e-waste services via a drop off service (with the location to be determined)
- Establishing a Recycling/Recovery Centre, with funding allocated towards building and operating costs.

HOW WELL WE PERFORMED

Four (67%) of the six performance measures for this activity were achieved in 2017-18.

The two measures that were not achieved were associated with resident satisfaction with solid waste collection services, and targets to reduce the community's waste tonnages to landfill.

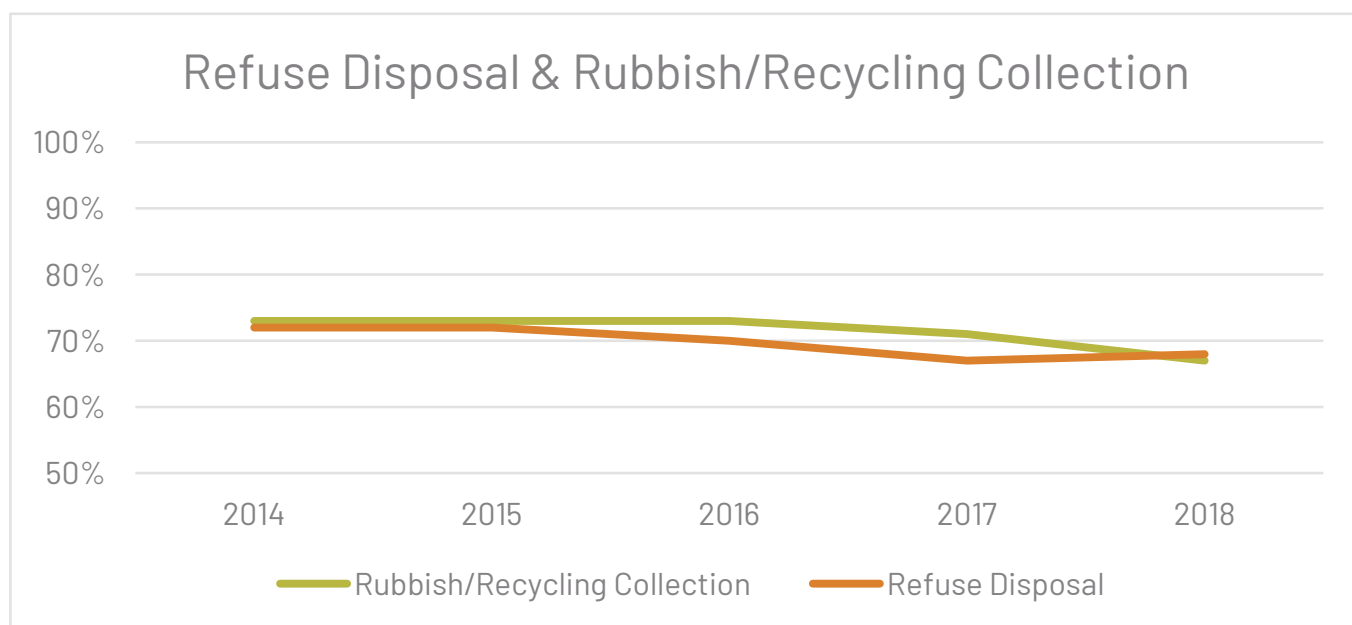
The main reasons residents stated for dissatisfaction with kerbside rubbish and recycling collection is the limit on number of bins; that not all the rubbish/recycling is taken on collection day; and that our council rubbish bags are too expensive.

In relation to tonnage to landfill, there was a 16% increase compared to the previous year. Population growth may be one of the contributing factors in not achieving our target.

Operating revenue of \$3.25 million was 4.9% more than budgeted due to higher volumes of waste resulting in more income. Operating costs of \$4.1 million were close to the budgeted level despite the higher volumes of waste. Modest cost savings were generated through lower contract costs than were budgeted.

WHAT THE COMMUNITY HAD TO SAY

Resident satisfaction with refuse disposal (68%) and rubbish recycling and collection (67%) has remained fairly steady over the last five years, with a 4% decrease in satisfaction for rubbish and recycling collection compared to 2017 (71%), as shown the graph below.



PERFORMANCE MEASURES

What we do: We provide solid waste management facilities and solutions across the district

Measure	2016-17 Result	2017-18 Target	2017-18 Result
Percentage of residents satisfied with the urban and rural transfer stations, recycling and composting facilities	67% satisfaction	Maintain satisfaction (72%) Peer Group Average (72%)	Achieved 68% satisfaction (within survey margin of error) and within the survey margin of error for the peer group average of 72%.
Proportion of advertised hours that transfer stations and recycling centre are open to the public	100%	100%	Achieved 100% Transfer stations were open 100% of hours advertised
Percentage of residents satisfied with solid waste collection services	71% satisfaction	Maintain satisfaction (73%) Peer Group Average (79%)	Not Achieved 67% satisfaction, and 12% below the peer group average of 79%. (Refer 'How well we performed' section on page 38)
Number of call backs due to non-collection of official rubbish bag in each weekly collection	Less than 1/200 connections (20 call-backs)	No more than 1/200 urban households	Achieved 0.29/200 Actual complaints: 13
Tonnage of waste delivered for transfer is reduced annually	13,049 tonne of waste was transferred to landfill, 5% greater than the previous year	Less than 2016-17 result = 13,049 tonne of waste	Not Achieved 15,203 tonne of waste transferred to landfill (Refer 'How well we performed' section on page 38)

What we do: We operate rural and urban transfer, composting and recycling stations in a safe and environmentally sensitive manner

Measure	2016-17 Result	2017-18 Target	2017-18 Result
Urban and rural transfer stations, recycling, composting facilities and landfills operate within approved resource consent conditions	Minor non-compliance. Some test results at the closed landfill were above e-coli limits	100% compliance	Achieved 100% compliance to resource consents

COST OF SERVICE STATEMENT

Solid Waste Services				
2016/17		2017/18	2017/18	
Actual		Actual	Plan	
\$	Operating Costs	\$	\$	
411,016	Urban refuse collection costs	389,232	423,955	
2,194,995	Transfer station operation & refuse disposal	2,329,227	2,334,214	
1,042,046	Waste minimisation (incl recyc.& composting)	1,122,807	1,109,802	
230,252	Rural refuse operations	249,290	237,661	
3,878,309		4,090,555	4,105,632	
	Operating Revenue			
2,421,959	User charges - external	2,608,044	2,423,600	
199,014	User charges - internal	164,437	198,680	
94,712	Recoveries - waste levy	94,910	95,000	
398,853	Recoveries from bag sales	381,856	380,800	
3,114,539		3,249,247	3,098,080	
	Appropriations			
(10,000)	Transfers from reserves	-	(20,000)	
13,157	Transfers to reserves	126,000	-	
91,621	Provision for loan repayment	97,482	96,858	
(70,692)	Reverse depreciation not rates funded	(78,914)	(78,914)	
\$787,856	Rates Requirement	\$985,877	\$1,005,496	

SOLID WASTE SERVICES				
Rates Requirement Summary				
2016/17		2017/18	2017/18	
Actual		Actual	Plan	
\$	Activity	\$	\$	
402,554	Refuse & recycling collections	415,367	414,259	
(107,979)	Refuse transfer station & landfill	21,433	54,370	
288,329	Waste minimisation (recycling & composting)	316,959	314,543	
204,952	Rural refuse services	232,118	222,324	
\$787,857	Rates Requirement	\$985,877	\$1,005,496	

SOLID WASTE SERVICES

Capital Expenditure Summary

2016/17 Actual		2017/18 Actual	2017/18 Plan
\$		\$	\$
-	Reuse Recovery Store	0	240,000
-	Transfer station roof & upgrades	15,580	400,000
20,083	Special waste	0	0
20,083		15,580	640,000
	Capital Funding		
-	Loan funds	0	(200,000)
-	External funds	(11,502)	-
(20,083)	Transfer from reserves	(4,078)	(440,000)
(20,083)		(15,580)	(640,000)

