



# Far North District Council

## Annual Report 2010/11



# Vision & Mission



*He mea Kite...He mea Mahi*

## The Far North:

*Te Taitokerau ki te Raki*

### Frontier of Opportunity

*Te Huarahi Whakapuare o nga Moemoea*

### Far North District Council's Mission:

*Nga Mahi Whakahiahia o te Kauhihera*

- To provide effective leadership and responsive, affordable services

*Kia tika te mahi arahi i te iwi; horo rawa te tuku, iti rawa te utu*

- To value our diverse lifestyles and unique environment

*Whakanuitia nga mea o te rangi, o te whenua, tae atu ki tena, ki tena o tatou*

- To build trust within stronger and safer communities

*Kia hanga ai te whakapono, te kaha me te rangimarie, i waenganui i nga iwi*

- To promote economic, social and cultural advancement of the Far North

*Kia haere mua ai Te Taitokerau i nga kaupapa e pa ana ki te oranga tangata*



# Introduction



The purpose of the Annual Report is to look at Council's accomplishments in the financial year from 1 July 2010 to 30 June 2011. The Annual Report is the primary means of advising the Far North Community of Council's financial and non financial performance during the 2010/11 financial year against the objectives set out in the Council's Long Term Community Plan and the 2010/11 Annual Plan budget. The Annual Report also outlines challenges which the Far North Community has faced.

This Annual Report 2010/11 is the second in the series to be produced in the measurement against our Ten Year Plan 2009/19 (otherwise now known as the Long Term Plan). For this reason, we have branded this report the "Second year into our footprint on the future".

Council has taken the decision to reduce its impact on the environment by not printing the full Annual Report document. Instead a compact disk (CD) version is available and the full printed Annual Report is available online at [www.fndc.govt.nz](http://www.fndc.govt.nz). Both are available by request.

## Activity Groups at a Glance

The council core services are categorised into activity groups. These groups and the primary services associated with each are as follows:

### Roads and Stormwater

- Road Network
- Stormwater

### District Facilities

- Airports and Maritime
- Cemeteries, Public Toilets and Town Maintenance
- Community Centres, Halls, Museums & Pensioner Housing
- Community and Economic Development
- i-SITEs
- Libraries
- Lighting, Carparks and Footpaths
- Motor Camps
- Community Activities – Recreation

### Sustainable Environment and Consents

- Development Consents
- District Plan and Structure Planning

### Governance and Corporate

- Customer Services
- Field Services
- Finance and Business Performance
- Governance
- Human Resources
- Māori Development

### Water and Waste Management

- Water Supply
- Wastewater
- Refuse and Recycling

More details about these activity groups are on pages 83-158.



# Message from the Mayor



Kia ora tatou

A slow recovery from the global recession meant another tough year for Council and the district. Regional unemployment of 8.5% was slightly lower than in 2009/10 on the back of modest job growth, but remained the highest in New Zealand. The building industry - a reliable bellwether of the economy and source of revenue for the council - fared worse. Council issued only 163 building consents for new dwellings during the year, 67 fewer than in 2009/10. But there were plenty of reasons to be cheerful in 2010/11.

Two big Council projects got underway, providing much-needed employment in the Kaitiāia and mid-north areas. Construction of the Te Ahu Centre in Kaitiāia started late in 2010 after a major refurbishment of the Far North Community Centre, creating work for builders and trades people. 50 contractors had been employed on the project at the end of June 2011, with 33 of these based in Kaitiāia or other Far North centres. Te Ahu Trust had paid contractors a total of \$8.4 million at the end of June 2011. This represents a massive boost to the economy at a time when jobs are scarce. I am thrilled that my Council and Te Ahu Trust have got this exciting project to this stage and I look forward to seeing the Centre open and invigorate the Kaitiāia community later this year.

It was also great to see the Pou Herenga Tai - Twin Coast Cycle Trail finally come off the drawing board, thanks to a \$4 million grant allocated under the National Cycleway Project. Construction of the 72km Trail got underway in July 2010 and it was a real pleasure to cycle the 13km Okaihau-Kaikōhe section of the trail with hundreds of

others when it was finished last May. Riding the Cycle Trail offered local people an exciting glimpse of the recreational and job opportunities the Trail will offer when it is finished. The project has already created jobs for dozens of young, unemployed people under Work & Income's Community Max scheme.

For some of these people, being part of the Cycle Trail project could lead to a new career and prove to be a life-changing experience. Work & Income and Council have highlighted the long term job opportunities the Trail will offer. These include providing accommodation, food, coffee, cycle hire, transport and tour guide services to cyclists and trail walkers. Cyclists from across Northland are already using the trail and more will come from further afield when they are able to cycle from Horeke to Opuā, according to Cycle Trail expert, Jonathan Kennett. The Trail also has the potential to become part of a network of cycle and walkways that encourage visitors to spend longer in the district, delivering economic benefits to communities across a bigger area. People using the Trail



will have the option of doing a full circle Bay of Islands walk from Opuia using ferries and public walkways between Okiato and Russell and Paihia and Opuia. There is also talk of eventually extending the trail from Horeke to Rawene. This is exciting stuff!

Another project with potential to create huge wealth for the district is work the Northland Mineral Development Group is undertaking to assess the economic value of the region's mineral resources. An aeromagnetic survey commissioned by the group with \$2 million of government funds began at the start of 2011 and was completed a few months ago. I hope the survey report, which will be available in February 2012, will confirm optimistic studies by GNS Science and the New Zealand Institute of Economic Research about Northland's mineral wealth. These estimate that mining the region's mineral deposits would increase the region's gross domestic product by about \$280 million a year and create 2,700 full-time jobs. The data will also provide valuable geological and natural resource information that will assist the planning of infrastructure and improve land suitability assessments for agriculture, forestry and horticulture. I am especially pleased that the council has played a leading role in getting this survey off the ground and I look forward to making the most of this opportunity for the district.

In our last Annual Report, I mentioned that the district suffered the worst drought on record in 2009/10. Months of dry weather resulted in public water supplies falling to critically low levels, especially in Kaitiaki where the Awanui River was reduced to a trickle. I am pleased to report that Council has negotiated an agreement with a landowner to pipe water from the Sweetwater aquifer and is awaiting the outcome of a resource consent application to the Regional Council.

Kaitiaki residents could be drinking high quality water that requires little chemical treatment at no extra cost if the Regional Council approves the application. In our last Annual Report, I mentioned that the district suffered the worst drought on record in 2009/10. Months of dry weather resulted in public water supplies falling to critically low levels, especially in Kaitiaki where the Awanui River was reduced to a trickle. I am pleased to report that Council has negotiated an agreement with a landowner

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Ratepayers will also be pleased to hear that Council is investigating ways of making our rating system more equitable. A working group of Councillors and staff have been meeting to consider how rating policies can be improved so that people contribute to the funding of services and infrastructure on a fairer basis. We look forward to publicising the group's proposals when we seek public feedback as part of consultation of next year's Long Term Plan. We also look forward to rolling out a new Council vision, which promotes the district as a top place for talent to live, work and invest. New values adopted by Council require staff to bring a can-do attitude to work and task them with developing innovative, low-cost, high-value approaches to problems.

I can't finish without mentioning the Rugby World Cup which may or may not be over when this report rolls off the printing presses. Our Council played a leading role during the last financial year in preparing the district to host teams from Canada, Japan and Tonga during pool play. It has also encouraged businesses and communities to make the most of this rare opportunity to showcase the best the district has to offer to a worldwide audience.

We hope this work pays dividends in years to come when friends and relatives of world cup spectators visit the Far North to see why so many of us choose to call this beautiful place home.

This is all good stuff!

Mayor Wayne Brown



# Message from the Chief Executive



The council continued to make gains in terms of its business performance and relationships with communities it serves in 2010/11. Much of this was due to outcomes from Project Opportunity which the council initiated two years ago to overhaul all aspects of the way it does business. Better interaction with community groups and organisations - aimed at maximising levels of investment the council is able to make in a tough economic climate - also helped. The council also started one of the final phases of organisational restructuring. This involves a complete revamp of infrastructural services and will come into full effect before the end of 2011.

The main thrust of these changes is to provide for a number of external services to be brought back 'in house' to improve the level of supervision and performance and to achieve an overall reduction in costs.

Council also achieved improvements in response times for consents, with 99% of building consents now meeting statutory deadlines and 97% of resource consents issued on time.

It maintained concentrated debt recovery efforts and set parameters for a comprehensive review of rating policy and practices.

A working group of elected members and management has been established to complete the review which is largely prompted by inequalities that emerged from the 2010 district revaluations. The group will also review funding streams such as water and wastewater charges in a bid to find more equitable solutions.

Council made progress in obtaining a rethink of the way government agencies, such as the New Zealand Transport

Agency, set priorities for funding assistance. But there is still some way to go before rural roads receive an equitable share of agency subsidies. Council rehabilitated 11 km of roads during the year, resealed 68 km's of road and completed 3 km's of seal extensions. Restrictions in access to subsidies and the extremely difficult financial climate meant that Council was only able to complete two of the following three capital roading projects. These were the final stage of the Waipapa Road reconstruction and a 2.1 km seal extension on Rawhiti Road. A further 2 km's of work on Waimate North Road was completed but the full programme of work is due for completion before the end of 2011.

Our Council lodged a Resource Consent application to take water from the Sweetwater aquifer for its Kaitaia water supply which was severely threatened in previous years. It also reached an arrangement with a private company to supply water from the aquifer. Council completed an upgrade of the Kerikeri Water Treatment Plant and a new Ngawha wastewater project. An upgrade of the Kaeo wastewater scheme is well-advanced.





A financial breakthrough was reached with the Ministry of Health which agreed to make a subsidy of up to \$7.2 million available for the Bay of Islands Wastewater Scheme. The scheme will reticulate all major urban areas in Kerikeri and Waipapa when completed. Council hopes to be in a position to start construction before the end of 2011, having received Resource Consent in August 2011.

However, there remain some outstanding issues to work through in the design of the project to satisfy both the subsidy conditions and issues of community affordability.

In solid waste, Council is on target to halve the volume of waste from transfer stations going to landfills for final disposal by 2013. It passed the 50% recycling mark and continued a waste minimisation campaign to ensure the momentum is maintained. We also opened new recycling facilities at Rawene, Whangaroa, Maromaku, Motatau, Okaihau and Horeke. Peak season facilities are also now available at Te Uenga Bay near Rawhiti and at Opuā.

Rural fire administration was this year passed over to the Northern Rural Fire Authority with savings anticipated from the merger.

In recreational areas, Council reached an agreement with the Russell community, which will lead to a major upgrade of wharf facilities at Russell. We also completed the Kerikeri Sports Complex by adding netball courts and sealed parking. A small grandstand was built at the Kerikeri Domain and cosmetic improvements made to the pavilion, enhancing that facility. Bledisloe Domain was

upgraded for use as a training venue by Rugby World Cup teams. Progress was made on measures to improve public use of Lindvart Park at Kaikohe. Council enhanced Parkdale Reserve in Kaitaia by adding netball courts in a collaborative project with the local community.

We also improved stadium amenities and a carpark at Bay Sport in Waipapa in a collaborative project with the facility's administrators. The major recreational achievement of the year was the opening to public use of the first 13 km's (Okaihau to Kaikohe) of the Pou Herenga Tai -Twin Coast Cycle Trail from Horeke to Opuā. Substantial progress was also made on trail formation between Kaikohe and Kawakawa.

It has been a year of significant achievement in spite of the economic recession and the rapidly mounting cost of services. Despite this climate, the 2010/11 result was well above average in comparison to our peers.

However, the worst may be yet to come and there is absolutely no room for complacency moving forward.

David Edmunds – Chief Executive



# Our District



The Far North is the northernmost district in New Zealand, sharing its southern boundaries with Kaipara and Whangarei Districts.

Together, the three districts make up the Northern Region. With 7,324 square km's, the Far North District is the largest of the three districts, contributing 54% of the land area and 38% of the region's population. This land area includes a significant amount of unrateable land belonging to Department of Conservation and Māori. The number of rateable properties is 35,373. The Far North District Council is the second largest local authority in terms of land area in the North Island after the new Auckland super city.

The district also has 2,347 km's of coastline which includes offshore islands and 9 major harbours. Most of the land is rural, resulting in 15 widely dispersed small urban settlements with populations of between 500 and 6,000 people. The three service towns of Kerikeri, Kaikohe and Kaitiāia have the largest permanent populations. Home ownership in the Far North is higher than the average for New Zealand and rental costs are lower compared with the national average.

The district in 2011 had an 18,180-strong labour force with a varied skill base, in part mirroring the district's diverse heritage, culture and knowledge. This diversity gives the district's people the opportunity to make lifestyle choices. The district was serviced by 7,626 local businesses. The retail sector employs the largest percentage of workers at 14%.

The 2006 census put the usual resident population of the Far North District at 55,845. Because of the Christchurch earthquake the new census has been postponed to 2012. However, the population for the district is predicted to currently be 59,100 by Statistics New Zealand. In the 2006 census, 39.6% of the district's population indicated that they belonged to the New Zealand Māori ethnicity group. This compares with a national average for Māori ethnicity of 14%.

Between 2001 and 2006, the Far North's population grew by 2.3% with substantially higher levels of growth in many settlements on the eastern seaboard. In addition, the Far North receives a large influx of visitors during the summer season with population conservatively estimated at 110,000 at any one time. Drawn by the region's beautiful beaches and harbours, these visitors more than treble the population of some coastal settlements at peak times.

At the last census there were about 16,000 families in the district of which approximately half have children. The average household size was about 2.7 people, which equates with the national average.

Major revenue earning industries for the Far North are agriculture (including forestry and horticulture), tourism, aquaculture and fishing. Tourism and agriculture continue to be real growth industries as the attractions of the district and its environmental values become more widely recognised internationally.







# Representation - Council

as at 30 June 2011



## Back Row - Left to right:

Fran Mikulicic - General Manager Environmental Management, David Penny - General Manager Infrastructure and Asset Management, Cr Colin Kitchen, Cr Tom Baker, Cr Steve McNally, Bernard Murphy - General Manager Corporate Services, David Edmunds - Chief Executive

## Front Row - Left to right:

Cr Di Maxwell, Cr Monty Knight, Cr Ann Court, His Worship the Mayor Wayne Brown, Cr Tracy Dalton, Cr Mate Radich, Cr Sally Macauley

## Portfolios

### Mayor Brown

LGNZ / Area / Rural Representatives  
LGNZ Zone / Executive  
Economic Development / Business Associations  
Sewerage / Water Working Party  
Rates / Development Contributions  
Sister Cities Representatives  
Kerikeri Civic Trust ('The Douglas Turner Centre')  
NRC / Mayoral Forum  
Te Ahu Charitable Trust

### Councillor Court

Environmental Management (Resource Consents /  
Town Planning / District Plan)  
Sewerage / Water Working Party  
National Marine Park for Northland Working Group  
Kerikeri Domain Trust  
Northern Regional Policy Statement Committee Monitoring  
NRC / Mayoral Forum

### Councillor Maxwell

Rates Postponement Project Joint Committee  
Genetically Modified Organisms (GMO) Inter Council  
Working Party  
Audit and Finance (Chairperson)  
NRC Environmental Management Committee  
and Subcommittee (Regional Water and  
Soil Plan for Northland Working Group)  
Communities for Climate Protection NZ



### Councillor Kitchen

Northland Civil Defence Emergency Management Group  
Northland Conservation Board / DOC liaison person

### Councillor Baker

Northland Road Safety Forum  
Building Consents  
Roading – South  
Sewerage / Water Working Party  
Pensioner Housing

### Councillor McNally

District Facilities  
Far North Holdings Limited  
Kerikeri Waipapa River Liaison Group  
Sewerage / Water Working Party  
Kerikeri Domain Trust  
Rates / Development Contributions  
Cycleway  
Rates Postponement Project Joint Committee  
Sport Northland / Regional Physical Activity Strategy  
and other sporting activities / Northland Sport  
and Physical Activity

### Councillor Knight

District Facilities  
Sister Cities Representatives  
Enterprise Northland / Destination Northland  
Te Ahu Charitable Trust

### Councillor Dalton

District Facilities  
Cycleway  
Māori Representation Task Group

### Councillor Radich

Roading - North

### Councillor Macauley

Kaikohe Pioneer Village  
Kerikeri Civic Trust ('The Douglas Turner Centre')  
Enterprise Northland / Destination Northland  
Creative Communities Funding Assessment Committee  
(Chairperson)  
Kerikeri Domain Trust

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## Outgoing Council

(October 2010)

Wayne Brown – Mayor (re-elected October 2010)

Sally Macauley – Deputy Mayor and Councillor Kaikohe-Hokianga – (re-elected Kaikohe-Hokianga October 2010)

Laurie Byers – Councillor Kaikohe-Hokianga – (not re-elected)

Ian Bamber – Councillor Te Hiku – (not re-elected)

Colin Kitchen – Councillor Te Hiku – (re-elected Te Hiku October 2010)

Dennis Bowman – Councillor Te Hiku (re-elected as Te Hiku Community Board Member October 2010)

Tom Baker – Councillor Bay of Islands-Whangaroa – (re-elected Bay of Islands-Whangaroa October 2010)

Di Maxwell – Councillor Bay of Islands-Whangaroa – (re-elected Bay of Islands-Whangaroa October 2010)

Ann Court – Councillor Bay of Islands-Whangaroa – (re-elected Deputy Mayor, Bay of Islands-Whangaroa October 2010)

Steve McNally – Councillor Bay of Islands-Whangaroa – (re-elected Bay of Islands-Whangaroa October 2010)



# Bay of Islands – Whangaroa Community Board

As at 30 June 2011



## Back Row - Left to right:

Johnson Davis (Elected: October 2010), Terry Greening (Elected: October 2010), Harko Brown (Elected: October 2010), Bruce Mills (Elected: October 2010)

## Front Row – Left to right:

Marcia Wendelborn (Advisory Services Officer), Belinda Ward (Elected: October 2010), Florence Annison (Elected: October 2007), Doug Turner (Elected: October 2010)

## Appointments

Harko Brown - National Community Board Executive Committee

Harko Brown - Māori Representation Task Group

Florence Annison - Kerikeri Civic Trust ('The Douglas Turner Centre')

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## Outgoing Bay of Islands – Whangaroa Community Board (October 2010)

Paul Goringe – Chair (not re-elected)

Florence Annison – Deputy Chair (re-elected 2010)

Craig Fountain (not re-elected)

Gray Phillips (not re-elected)

Stephen Timmings (not re-elected)

Margaret Wikaire (not re-elected)

If you need to contact a Community Board Member, then either refer to the contact details on page 163 of this document or [www.fndc.govt.nz/contact-us](http://www.fndc.govt.nz/contact-us)



# Kaikohe – Hokianga Community Board

As at 30 June 2011



## Back Row - Left to right:

James Hikurangi (Hiku) Cherrington (Elected: October 2007), Mark Anderson (Elected: October 2010), John Schollum (Elected: May 2008 (By Election)), Warren Gundry (Elected: October 2010), Win Stephens (Elected: October 2007), Leif Pakai (Elected October 2010)

## Front Row:

Aisha Huriwai (Council Advisory Officer)

## Appointments

Hiku Cherrington - Māori Representation Task Group

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## Outgoing Kaikohe – Hokianga Community Board

(October 2010)

*Tracy Dalton* – Chair (re-elected Councillor 2010)

*Emma Davis* – Deputy Chair (not re-elected)

*James Hikurangi (Hiku) Cherrington* (re-elected 2010)

*Win Stephens* (re-elected 2010)

*John Schollum* (re-elected 2010)

If you need to contact a Community Board Member, then either refer to the contact details on page 163 of this document or [www.fndc.govt.nz/contact-us](http://www.fndc.govt.nz/contact-us)



# Te Hiku Community Board

As at 30 June 2011



## Left to right:

Wilhelmus (Willy) Van Der Sluis (Elected: October 2007), Clara Lugnet (Elected: October 2010), Sydney Lawrence (Lawrie) Atkinson (Elected: October 2007), Dennis Bowman (Elected: October 2010), Yvonne Smith (Elected: October 2010), David Senior (Elected: October 2007), Sheryl Bainbridge (Advisory Services Officer)

## Appointments

Dennis Bowman – Refuse

David Senior – Disability Action Group

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## Outgoing Te Hiku Community Board

(October 2010)

Fiona King – Chair (not re-elected)

Phil Cross – Deputy Chair (not re-elected)

Sydney Lawrence (Lawrie) Atkinson (re-elected 2010)

David Senior (re-elected 2010)

Wilhelmus (Willy) Van Der Sluis (re-elected 2010)

If you need to contact a Community Board Member, then either refer to the contact details on page 163 of this document or [www.fndc.govt.nz/contact-us](http://www.fndc.govt.nz/contact-us)



# The Organisation

As at 30 June 2011

## The Organisation Structure

The Senior Management Group (SMG) includes the General Management Team and all department managers. SMG is characterised by a broad & diverse skill set. The group includes gender, age, sector and geographical diversity, all contributing to the strength of the administration underpinning the directions of Council. There are twenty four (24) department managers within the SMG.



# General Management Team



**David Edmunds**  
Chief Executive



**David Penny**  
GM-Infrastructure and  
Asset Management



**Bernard Murphy**  
GM-Corporate Services  
(commenced November 2010)



**Fran Mikulicic**  
GM-Environmental Management



**Trevor Norton**  
GM-Strategic Development  
and Governance  
(resigned September 2010)



# Planning & Reporting Framework

Far North District Council has a tiered structure of strategies, plans and reports which set out our long term vision, and provide for ongoing review of progress toward that vision. This planning and reporting framework is shown in the diagram above.

The two most important aspects of this framework are the community aspirations linked to each plan, that sit below and the continuous monitoring and review at the side, which is undertaken at every level.

At the top of this framework are **Community Aspirations**. In preparing the 2006 Far North Future Plan, Council undertook a wide range consultation processes with the Far North community to identify issues and outcomes of importance to local people. In 2009 the "Far North Futures Report" explained to the community the progress made towards community outcomes from 2006 to 2009, please visit our website <http://www.fndc.govt.nz/your-council/strategic-planning/annual-report-20082009/Far-North-Futures-Reporting-2009.pdf> to view a copy of this report. Council will carry out outcomes determination as part of the Long Term Plan 2012/22 process.

Underneath is the **Long Term Council Community Plan (LTCCP)**. All councils in New Zealand are required to review and refresh the LTCCP every three years. This document builds on the direction set in 2009 and tells you what Council has achieved since then. It also takes into account international and national trends and the new issues and challenges facing our district three years on. Council will conduct a consultation process for the LTP 2012/22 in March/April 2012 to encourage community input.

Following that is the **Annual Plan**. All councils in New Zealand are required to produce an annual plan. The plan is effectively a one year slice of the LTP. It identifies what Council sees as the big issues and challenges facing the Far North over the next year and how it aims to address them. It tells you about Council's activities and what it is planning to do next, how much it will all cost and how you will be able to judge what has been achieved. Council will conduct



a community consultation process for the next Annual Plan 2013/14 in March/April 2013.

Lastly, an important aspect of the framework is to measure and report on Council's progress against the LTCCP 2009/19 in the **Annual Report**. Council is required to publish an Annual Report at the end of the financial year to provide audited information on service performance and financial operations.

This planning and reporting framework ensures that all Council activities and resources are directed to achieving the LTCCP 2009/19 and ensures a high level of accountability at each level so that all actions are carried out and are consistent with Council's key strategic direction.

*Legislation amendment: The Long Term Council Community Plan (LTCCP) will be renamed the Long Term Plan (LTP), change will take effect for 2012/22 LTP.*





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Independent Auditor's Report  
**To the readers of  
Far North District Council and Group's  
Annual Report  
For the year ended 30 June 2011**

The Auditor General is the auditor of Far North District Council (the District Council) and group. The Auditor General has appointed me, John Scott, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements, service performance information and compliance with the other requirements of schedule 10 of the Local Government Act 2002 that apply to the annual report of the District Council and group on her behalf.

We have audited:

- the financial statements of the District Council and group on *pages 37-69* that comprise the statement of financial position as at 30 June 2011, the statement of financial performance, statement of comprehensive income, statement of changes in equity 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;
- the service performance information of the District Council and group on *pages 72-158*; and
- the District Council's compliance with the other requirements of schedule 10 of the Local Government Act 2002 that apply to the annual report (other schedule 10 information).


## **Opinion on the financial statements, service performance information and other schedule 10 information**

In our opinion:

- The financial statements of the District Council and group on *pages 37-69*:
  - comply with generally accepted accounting practice in New Zealand; and
  - fairly reflect:
    - the District Council and group's financial position as at 30 June 2011; and
    - the financial performance and cash flows for the year ended on that date.
- The service performance information of the District Council and group on *pages 72-158*:
  - complies with generally accepted accounting practice in New Zealand; and
  - fairly reflects the District Council and group's levels of service for the year ended 30 June 2011, including:
    - the levels of service as measured against the intended levels of service adopted in the long-term council community plan; and
    - the reasons for any significant variances between the actual service and the expected service.
- The District Council has complied with the other requirements of Schedule 10 of the Local Government Act 2002 that apply to the annual report.

Our audit was completed on 27 October 2011. This is the date at which our opinion is expressed.





The basis of our opinion is explained below. In addition, we outline the responsibilities of the Council and our responsibilities, and explain our independence.

## **Basis of opinion**

We carried out our audit in accordance with the Auditor General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the financial statements, service performance information and other schedule 10 information are free from material misstatement.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements, service performance information and other schedule 10 information. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements, service performance information and other schedule 10 information. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements, service performance information and other schedule 10 information whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the preparation of the District Council and group's financial statements, service performance information and other schedule 10 information that fairly reflect the matters to which they relate. We consider internal control 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 District Council and group's internal control.

An audit also involves evaluating:

- the appropriateness of accounting policies used and whether they have been consistently applied;
- the reasonableness of the significant accounting estimates and judgements made by the Council;
- the adequacy of all disclosures in the financial statements and service performance information;
- determining the appropriateness of the reported service performance information within the Council's framework for reporting performance; and
- the overall presentation of the financial statements, service performance information and other schedule 10 information.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements, service performance information and other schedule 10 information. We have obtained all the information and explanations we have required and we believe we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

## **Responsibilities of the Council**

The Council is responsible for preparing:

- financial statements and service performance information that:
  - comply with generally accepted accounting practice in New Zealand;
  - fairly reflect the District Council and group's financial position, financial performance and cash flows;
  - fairly reflect its service performance, including achievements compared to its forecast; and
- other information required by schedule 10 of the Local Government Act 2002.



# Audit Report

The Council is responsible for such internal control as it determines is necessary to enable the preparation of financial statements, service performance information and other schedule 10 information that are free from material misstatement, whether due to fraud or error.

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

## **Responsibilities of the Auditor**

We are responsible for expressing an independent opinion on the financial statements, service performance information and compliance with the other schedule 10 information and reporting that opinion to you based on our audit. Our responsibility arises from section 15 of the Public Audit Act 2001 and section 99 of the Local Government Act 2002.

## **Independence**

When carrying out the audit, we followed the independence requirements of the Auditor General, which incorporate the independence requirements of the New Zealand Institute of Chartered Accountants.

Other than the audit and the audits of the group subsidiaries, we have no relationship with or interests in the District Council or any of its subsidiaries.



John Scott  
Audit New Zealand  
On behalf of the Auditor General  
Auckland, New Zealand

# Statement of Compliance

## Compliance

Council and management of the Far North District Council are responsible for preparing this report and financial statements and confirm that all statutory requirements of the Local Government Act 2002 have been complied with.

In our view this Annual Report fairly reflects the financial position, performance outcomes and operating results of the Council and its subsidiaries for the year ended 30 June 2011.

## Responsibility

The Council and management of the Far North District Council accept responsibility for the preparation of the annual financial statements and the statement of service performance and the judgements used in them.

The Council and management of the Far North District Council accept responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial and non financial reporting.

In the opinion of the Council and management of the Far North District Council, the annual financial statements and statements of service performance for the year ended 30 June 2011 fairly reflect the financial position, performance and operations of the Far North District Council and Group.



Wayne Brown  
MAYOR



David Edmunds  
CHIEF EXECUTIVE



# Our Financial Highlights... *at a Glance*

## Council has recorded a net surplus of \$6.7 million

The net surplus is calculated using the formula: ***total income – total expenses = net surplus***

The main factors contributing to the variance against budget of \$7,717k are detailed in note 33 to the accounts.

Council budgeted for a surplus of \$14.5 million in the 2010/11 Annual Plan. The majority of the reported surplus represents funding received from third parties for capital purposes. As this income is received for specific capital projects, it cannot be used to offset rates.

## Understanding the Council's result for the year ended 30 June 2011

The underlying financial performance outlined below shows an underlying surplus of \$12.5 million versus the budgeted surplus for the year after the exclusion of fair value movements and other items that are not cash expenditure. There were four items which have had a significant impact on the underlying surplus for the year:

The first item was an additional non cash dividend payment made by Far North Holdings Limited (Council's Council Controlled Trading Organisation) in the form of a transfer of assets valued at \$5.2 million. Whilst this is recorded within the accounts as income, no actual cash was received.

The second item was in line with the reduction in rateable values identified within the Quotable Valuations (QV) for the Far North. Land Valuations saw a significant reduction in 2010/11 and this was passed through the accounts as an expense in line with accounting standard requirements. The impact on the accounts was an additional cost of \$6.6 million.

The third item was that Council has increased its provision for bad and doubtful debts by \$3.8 million during the year.

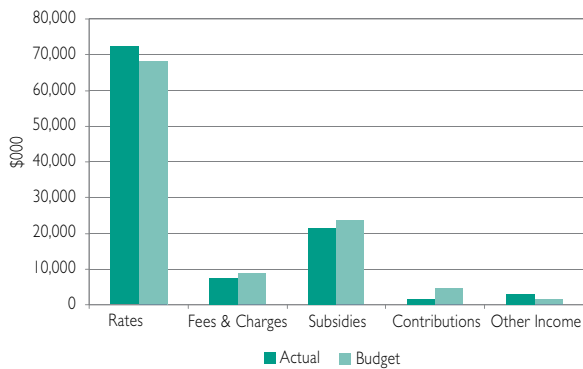
Lastly, additional provisioning for non-weather-tight homes has also been required totaling \$0.5 million. Council does not have a significant exposure to non-weather-tight homes claims but is making suitable provisions to offset potential future costs.

	2011 \$'000's
Reported council surplus	6,765
Asset transfer	(5,201)
Loss on valuation	6,582
Increase in provision bad debt	3,799
Increase in weather-tight homes costs	507
Adjusted surplus	12,452
Planned surplus	14,483
<b>Movement in Surplus</b>	<b>2,031</b>

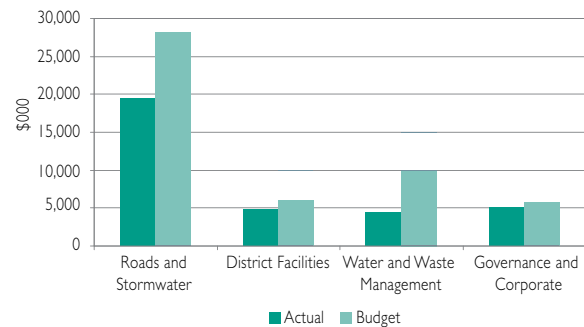
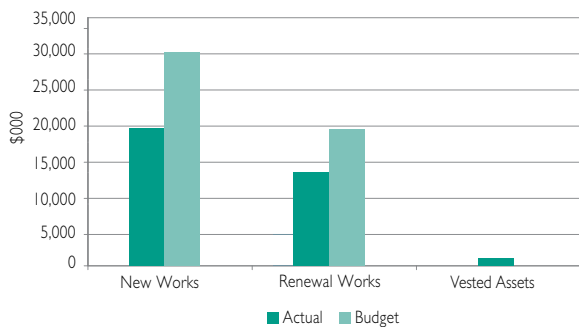




## Where our Funds come from



## Building our Assets (Capital Expenditure)



We spent \$16,731k less on capital projects than was budgeted. Our total expenditure for the year ended 30 June was \$33,414k compared to a budget of \$50,145k.

Predominantly this was due to projects being delayed or transferred to a future year.

Groups under spent in capital expenditure were:

- Roothing capital expenditure down by \$8,725k. This was mainly due to a deferral of work.
- District Facilities capital expenditure down by \$1,626k. The projects were delayed pending ownership or strategy resolution.
- Water, Wastewater and Refuse capital expenditure down by \$5,593k. Following the strategic review carried out in 2009/10, some projects continued to be delayed.
- Governance and Corporate capital expenditure down by \$805k, due to a decision to remain with the current fleet of pool vehicles.
- Sustainable Environment capital expenditure up by \$7k.

More information is provided in the appropriate Statement of Service Performance on pages 72-158 of this report.



# Financial Report



## Financial Overview

Council aims to ensure that it is able to maintain infrastructure and assets at the expected levels, while at the same time maintaining costs at an affordable level for the community. To bridge the expenditure gap, rates increased by an average of 3% in 2010/11, to provide ongoing levels of service to the community within the constrained economic climate.

The 2009/19 LTCCP strategy expresses the strategic objectives and strategies of the Council Plan in financial terms. The strategy projects Council's financial commitments for ten years and enables Council to identify and analyse trends of significance and decision making.

## Understanding the Financial Report

### Introduction

The financial report shows how Council performed during the 2010/11 financial year and the overall position at the end of the financial year being 30 June 2011.

Council presents its report in accordance with NZIAS 1 Presentation of Financial Statements (revised 2007).

Particular terms required by the NZIAS may not be familiar to some readers. Council is a Public Benefit Entity and therefore some of the generally recognised terms used in

private sector company reports may not be appropriate to Council's reports.

Council is committed to accountability. It is in the context that this 'plain English guide' has been developed to assist readers understand and analyse the financial report. Further, Council has set out a glossary with a view to assist readers who may not be familiar with reading Financial Statements.

### What is contained in the Annual Report?

Council's Annual Report has one set of statements broken into three parts:

- Consolidated Financial Statements;
- Notes to the Financial Statements;
- Statements of Service Performance reflecting actual service performance for financial and non-financial information and the identified effects on social, economic, environmental or cultural wellbeing.

### Financial Statements

There are five main statements. These statements are prepared by Council staff, and then audited by the Office of the Auditor-General who has appointed Audit New Zealand to audit these statements.

The five main statements are included on the first few pages of the financial report. They are called Statement of Financial Performance, Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and Statement of Cash Flows.





### Statement of Financial Performance

The Statement of Financial Performance (also referred to as Profit & Loss Account) shows all of Council's revenue earned and expenses incurred for the twelve months up to 30 June. Revenue includes income received from rates and other income such as investment income, rent and fees while expenses includes costs such as operating costs, interest payments and depreciation.

This statement shows how the surplus or (deficit) is arrived at. The net surplus or (deficit) recorded in the Statement of Financial Performance is added or subtracted from Council's equity as shown in the Statement of Changes in Equity.

### Statement of Comprehensive Income

The Statement of Comprehensive Income shows the non owner changes in equity (net assets) for Council during the twelve months ending 30 June. This includes the net operating surplus/(deficit) plus movements in reserves. These items would include unrealised gains on asset revaluations and appropriations from the Statement of Financial Performance to restricted reserves.

### Statement of Financial Position

The Statement of Financial Position (also referred to as the Balance Sheet) shows the assets and liabilities of the Council as at 30 June. Assets include cash, accounts receivable (money owed to Council but not yet received), investments, land, buildings, operational and infrastructure assets.

Current assets are amounts owed to Council that are expected to be received within the next twelve months while current liabilities are Council's short term debts that are due to be paid within the next twelve months.

Property, plant and equipment are of a permanent nature and are held for the benefit of the community. Non current liabilities represent money owed by Council that does not need to be paid within the next twelve months.

The total sum of assets and liabilities is referred to as Net Assets. This is the net worth of Council as at 30 June.

Net Assets are represented by Public Equity which is the total accumulation of retained earnings, capital reserves, restricted and other reserves.

### Statement of Changes in Equity

During the course of the year the value of total equity as set out in the Statement of Financial Position changes. The Statement of Changes in Equity shows the values of such changes and how these changes arose.

The main reasons for changes in equity arise from:

- The "profit or loss" from operations;
- The revaluation of fixed assets;
- Movements in other reserves.

### Statement of Cash Flows

The Statement of Cash Flows summarises Council's cash payments and cash receipts for the year. This statement is presented according to a very specific Accounting



Standard and needs some care in analysis. The values may differ from those shown in the Statement of Financial Performance because the Statement of Financial Performance is prepared on an accrual accounting basis.

Cash in this statement refers to bank deposits and other forms of highly liquid investments that can readily be converted to cash.

Council's cash arises from, and is used in, three main areas:

#### CASH FLOWS FROM OPERATING ACTIVITIES

##### Receipts

All cash received into Council's bank account from ratepayers and others who owed money to Council. Receipts also include the interest earnings from Council's cash investments.

##### Payments

All cash paid by Council from its bank account to staff, creditors and other persons. It does not include the costs associated with the sale of assets.

#### CASH FLOWS FROM INVESTING ACTIVITIES

This section shows the cash invested in the creation or purchase of property, plant or equipment, infrastructure, investment property and intangible assets and the cash received from the sale of these assets.

#### CASH FLOWS FROM FINANCING ACTIVITIES

This is where the receipt and repayment of borrowed funds are recorded, as well as any movement in deposits held by Council.

The bottom line of the Statement of Cash Flows is the cash at the end of the financial year. This shows the capacity of Council to meet its cash debts and other liabilities

#### Statement of Accounting Policies and Notes to the Financial Statements

The Statement of Accounting Policies is a very important and informative section of the report. To enable the reader to understand how the values shown in the five main financial statements are established, details of Council's Accounting Policies can be found on *page 27*.

As well as Accounting Policies, the notes also give the details behind many of the summary figures contained in the main statements. The note numbers are shown beside the relevant items in the main statements.

Where Council wishes to disclose other information which cannot be incorporated into the main statements, this is shown in the notes.

Other notes with specific disclosures include:

- The breakdown of expenses, revenues, reserves and other assets;
- Contingent liabilities and contingent assets;
- Transactions with persons related to Council;
- Remuneration;
- Financial instrument risk.

The notes should be read at the same time as, and together with, the other parts of the financial statements to get a clear picture of the accounts.

#### Auditor-General's Report

The independent Audit Report provides the reader with an external opinion on the Financial Statements, Notes to Financial Statements and Statements of Service Performance. It confirms the Annual Report has been prepared in accordance with Schedule 10 of the Local Government Act 2002 and professional standards and that it represents a fair picture of the financial affairs of the Council.

#### Statements of Service Performance

Statements of Service Performance, which reflect actual service performance for financial and non-financial information and the identified effects on social, economic, environmental or cultural wellbeing



# Statement of Accounting Policies

FOR THE YEAR ENDED 30 JUNE 2011

## Reporting Entity

The Far North District Council is a territorial local authority governed by the Local Government Act 2002. The financial statements reflect the operations of Far North District Council and its subsidiaries, Far North Holdings Limited (100% owned), Rolands Wood Trust and the Te Ahu Charitable Trust, and are prepared in accordance with the requirements of the Local Government Act 2002, which includes the requirement to comply with Generally Accepted Accounting Practice (GAAP).

Far North District Council has designated itself and the group to be a Public Benefit Entity for the purposes of New Zealand equivalents to International Financial Reporting Standards (NZ IFRS). Far North District Council's primary objective is to provide goods and services for community or social benefit and any equity has been provided with a view to supporting that primary objective rather than for a financial return. All available reporting exemptions allowed under the framework for public benefit entities have been adopted.

The financial statements are for the year to 30 June 2011 and were authorised by Far North District Council for issue on 27 October 2011.

## Basis of Preparation

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 Practices (NZ GAAP).

In preparation of these financial statements, Far North District Council has adopted the New Zealand equivalents to International Financial Reporting Standards (NZ IFRS) and other applicable Financial Reporting Standards, as appropriate for public benefit entities.

The accounting policies set out below have been applied consistently to the financial statements. No changes have been made to these policies.

The financial information has been prepared on a historical cost basis, modified by the revaluation of forestry assets,

certain classes of property, plant and equipment, certain classes of intangible assets and investment property. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The financial statements are presented in New Zealand Dollars (NZD) and are rounded to the nearest thousand dollars (\$000's).

## Standards and interpretation issued and adopted

**Standards, amendments, and interpretations issued that are not yet effective and have not been early adopted by the group.**

NZ IAS 24 Related Party Disclosures (Revised 2009) replaces NZ IAS 24 Related Party Disclosures (Issued 2004). The revised standard simplifies the definition of a related party, clarifying its intended meaning and eliminating inconsistencies from the definition. The Council and the Group has elected not to early adopt the revised standard. Its effect will be to require disclosure of further information about commitments between related parties.

**Financial reporting requirements for public benefit entities frozen.**

In May 2011 the ASRB and FRSB agreed on a "position statement" that all NZ IFRS's with a mandatory effective date for annual periods beginning on or after 1 January 2012 will be applicable to profit-orientated entities only.

The result is that the financial reporting requirements for public benefit entities are effectively frozen from the 2012 year end onwards. This exemption from new pronouncements is provided in light of pending changes to the Statutory Financial Reporting Framework in New Zealand.

**Standards, amendments, and interpretations issued that are not yet effective and have not been early adopted by Far North Holdings Limited as a profit orientated entity.**



NZ IFRS 9 *Financial Instruments* will eventually replace NZ IAS 39 *Financial Instruments: Recognition and Measurement*.

NZ IAS 39 is being replaced through the following three main phases: Phase 1 Classification and Measurement, Phase 2 Impairment Methodology, and Phase 3 Hedge Accounting. Phase 1 has been completed and has been published in the new financial instrument standard NZ IFRS 9. NZ IFRS 9 uses a single approach to determine whether a financial asset is measured at amortised cost or fair value, replacing the many different rules in NZ IAS 39. The approach in NZ IFRS 9 is based on how an entity manages its financial assets (its business model) and the contractual cash flow characteristics of the financial assets. The financial liability requirements are the same as those of NZ IAS 39, except for when an entity elects to designate a financial liability at fair value through the surplus or deficit. The new standard is required to be adopted for the year ended 30 June 2014. Far North Holdings Limited has not yet assessed the effect of the new standard and expects it will not be early adopted.

*FRS-44 New Zealand Additional Disclosures and Amendments to NZ IFRS to harmonise with IFRS and Australian Accounting Standards (Harmonisation Amendments)*

These were issued in May 2011 with the purpose of harmonising Australia and New Zealand's accounting standards with source IFRS and to eliminate many of the differences between the accounting standards in each jurisdiction. The amendments must first be adopted for the year ended 30 June 2012. Far North Holdings Limited has not yet assessed the effects of FRS-44 and the Harmonisation Amendments.

## Specific Accounting Policies

### (a) Basis of consolidation

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

### (b) Budget Figures

The budget figures are those approved by Council after consultation with the public as part of the annual plan/LTCCP process. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by FNDC for the preparation of the financial statements.

### (c) Cost Allocation

The Far North District Council has derived the net cost of service for each significant activity of the Council using the cost allocation system outlined below. Direct costs are charged directly to significant activities. Indirect costs are

charged to significant activities based on cost drivers and related activity/usage information.

### (d) Criteria for Direct and Indirect Costs

"Direct costs" are those costs directly attributable to a significant activity.

"Indirect costs" are those costs that cannot be identified in an economically feasible manner with a specific significant activity.

The costs of internal services not directly charged to activities are allocated as overheads using appropriate cost drivers such as actual usage, staff numbers and floor area.

### (e) Cost of Service Statement

The cost of service statements, as provided in the Statement of Service Performance, report the net cost of services for significant activities of Council, and are represented by the costs of providing the service less all directly related revenue that can be allocated to these activities.

### (f) Property, Plant and Equipment

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

Property, plant & equipment consists of:

#### (i) Operational assets

These include land, buildings, improvements, plant and equipment, and motor vehicles.

#### (ii) Restricted assets

Restricted assets are parks and reserves owned by the Council that provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions.

#### (iii) Infrastructural assets

Infrastructure assets are the fixed utility systems owned by the Council. Each asset type includes all items that are required for the network to function; for example, sewer reticulation includes reticulation piping and sewer pump stations.

### (g) Revaluations

Far North District Council accounts for revaluations of property, plant and equipment on a class of asset basis. Valuations are performed with sufficient regularity to ensure that their carrying amount is not materially different to their fair value. Carrying values of revalued assets are assessed annually to ensure they do not differ materially to fair value. If there is a material difference then a revaluation is performed.



All assets are valued at historical cost, except the following assets which are shown at fair value, based on periodic valuations by independent valuers, less subsequent depreciation:

- Roading Infrastructural Assets;
- Stormwater Infrastructural Assets;
- Water and Sewerage Infrastructural Assets;
- Drainage Infrastructural Assets;
- Maritime Assets;
- Footpaths and Footbridges;
- Carparks;
- Refuse Transfer Stations;
- Library Books;
- Ferry Assets;
- Heritage Assets; and
- Community Facilities Buildings.

The results of revaluing are credited or debited to an asset revaluation reserve for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed in the Statement of Comprehensive Income. Any subsequent increase on revaluation that offsets a previous decrease in value recognised in the Statement of Comprehensive Income will be recognised first in the Statement of Comprehensive Income up to the amount previously expensed, and then credited to the revaluation reserve for that class of asset.

## ADDITIONS

Additions between valuations are recorded at cost, except for vested assets. Certain infrastructure assets and land have been vested in the Council as part of the sub-divisional consent process. The vested reserve land has been valued at 50% of the surrounding residential land as per an appropriately certified government valuation. Vested infrastructure assets have been valued based on the actual quantities of infrastructure components vested and the current unit rates for that component provided by the most recent valuation.

## DEPRECIATION

Depreciation is provided for on a straight-line basis on all property, plant & equipment, other than land, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. Assessed economic life is calculated using the methodology in the New Zealand Institute of Asset Management (NZIAM) manual.

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

### OPERATIONAL ASSETS:

Runways	10	10%
Buildings	40 – 100 yrs	1 – 2.5%
Motor Vehicles	3 – 5 yrs	20 – 33%

Plant and Machinery	1 – 40 yrs	2.5 – 100%
Wharves (Concrete)	50 – 85 yrs	1.25 – 2%
Wharves (Timber), Mooring & Ramps	30 – 50 yrs	2.3 – 3%
Office Furniture & Equipment	5 – 15 yrs	6.67 – 20%
Computers	3 – 7 yrs	20 – 33%
Library Books	3 – 45 yrs	2.22 – 33%
Heritage Assets	10 – 140 yrs	0.71 – 6.7%

### INFRASTRUCTURAL ASSETS:

#### Roads

Top Surface (seal)	12 – 50 yrs	2 – 8.33%
Pavement (base course) – Sealed	10 – 40 yrs	2.5 – 10%
Culverts, Cesspits	5 – 170 yrs	0.6 – 20%
Footpaths	15 – 70 yrs	1.4 – 6.7%
Kerbs	50 – 80 yrs	1.3 – 2%
Street Lights	25 – 60 yrs	1.67 – 4%
Signs	10 yrs	10%
Bridges	50 – 120 yrs	0.83 – 2%

#### Water Reticulation

Pipes	40 – 160 yrs	0.62 – 2.5%
Valves, Hydrants	40 – 150 yrs	0.67 – 2.5%
Pump Stations	3 – 60 yrs	1.67 – 33.3%
Tanks/Dams	5 – 80 yrs	1.25 – 20%

#### Sewerage Reticulation

Pipes	30 – 125 yrs	0.8 – 3.33%
Manholes	35 – 130 yrs	0.77 – 2.85%
Treatment Plant	2 – 80 yrs	1.25 – 50%

#### Stormwater Systems

Pipes	30 – 120 yrs	0.83 – 3.33%
Manholes	100 yrs	1%

Improvements to leased assets are depreciated over the shorter of the unexpired period of the leases and the estimated useful lives of the improvements. The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year-end.

Land is not depreciated.

## DISPOSALS

Gains and losses are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the Statement of Financial Performance. When revalued assets are sold, the amounts included in the asset revaluation reserves in respect of those assets are transferred to retained earnings.

## 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 Far North District Council and the cost of the item can be measured reliably.



## ASSETS UNDER CONSTRUCTION

Assets under construction are not depreciated. The total cost of a project is transferred to the relevant asset class on its completion and then depreciated.

### (h) Intangible Assets

Intangible assets that are acquired by the Far North District Council are stated at cost less accumulated amortisation. Easements, Resource consents, Public access rights, Software, Coastal permits and licences are included in this category.

## COMPUTER SOFTWARE

Acquired computer software systems are capitalised on the basis of costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives at a rate of 10 - 33% per annum.

Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred.

## OTHER INTANGIBLE ASSETS

Other intangible assets that are acquired by Far North District Council are stated at cost less accumulated amortisation and impairment losses. Easements and Resource consents are included in this category and have useful lives as follows:

Resource consents	5 – 25 years	4 – 20%
Easements	100 years	1%
Software	3 – 10 years	10 – 33%
Public access rights	15 years	6.67%

Where Council invests at least \$100,000 in a project, but will not ultimately own an asset, and the community has the right to use the facility, and in terms of the contract, that right exists for longer than 12 months, the cost of the right will be treated as an intangible asset. In all instances the cost will be amortised over the shorter of 60% of the expected life of the asset or the term of the contract rights.

## COASTAL PERMITS AND LICENCES

The coastal permits and licences are recorded at fair value in accordance with annual independent valuation obtained from the same valuer who values the property, plant and equipment and investment property. Assumptions made by the valuer are that the coastal permits and licences will be renewed. The coastal permits and licences are for a finite period, however, it is expected that these will be renewed on an ongoing basis. Due to signalled legislative changes and the uncertainty surrounding the future occupation of the seabed and foreshore, it has been deemed prudent to amortise the coastal permits and licences over the unexpired period, whereas in 2009 the permits and licences were considered to have an infinite life and were not amortised.

## SUBSEQUENT EXPENDITURE

Subsequent expenditure on capitalised intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates, and it meets the definition of, and recognition criteria for, an intangible asset. All other expenditure is expensed as incurred.

## AMORTISATION

An intangible asset with a finite useful life is amortised over the period of that life, annually assessed for indicators of impairment and tested for impairment if indicators of impairment exist and carried at cost less accumulated amortisation and accumulated impairment losses.

An intangible asset with an indefinite useful life is not amortised, but is tested for impairment annually, and is carried at cost less accumulated impairment losses.

### (i) Forestry Assets

Forestry assets are stated at fair value less point of sale costs and are independently revalued to estimated market valuation based on net present value. The net gain or loss arising from changes in the forest asset valuation is included in the Statement of Financial Performance. All revenues from harvesting are recognised in the Statement of Financial Performance when realised.

Related costs are expensed as incurred.

### (j) Employee Entitlements

Sick leave is measured as the amount of unused entitlement accumulated at the balance sheet date that the entity anticipates employees will use in future periods in excess of the days that they will be entitled to in each of those periods.

Wages and salaries, annual leave and other entitlements that are expected to be settled within twelve months of reporting date are measured at nominal values on an actual entitlement basis at current rates of pay.

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

### (k) Equity

Equity is the community's interest in the Council and its subsidiaries, and is measured as the difference between total assets and liabilities. Public equity is disaggregated and classified into a number of reserves to enable clearer identification of the specified uses that the Council makes of its accumulated surpluses. The components of equity are:

## ACCUMULATED FUNDS

- Retained earnings;
- Asset revaluation reserves;





- Revenue reserves – including special funds;
- Capital reserves.

## RESERVES

Funds that are received or set aside for particular purposes, and have legislative restrictions placed upon them, are considered as restricted funds. These include some special funds or reserves and sinking funds created prior to the repeal of the Local Authorities Loans Act. The portion of these funds not required in the current year has been shown as restricted funds.

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 are those reserves subject to specific conditions accepted as binding by the Council. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.

Council created reserves are reserves established 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 Council

### (l) Trade and Other Receivables

Trade and other receivables are stated at expected face value value, less any provision for impairment.

A receivable is impaired when there is objective evidence that the Council will not be able to collect amounts due. 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 debtor 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. 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 for receivables. Overdue receivables that have been renegotiated are reclassified as current (that is, not past due).

### (m) Revenue

#### SALE OF GOODS

Revenue from fees and charges is recognised in the Statement of Financial Performance when the significant risks and rewards of ownership have been transferred to the buyer.

#### SERVICES RENDERED

Revenue from services rendered is recognised in the

Statement of Financial Performance in proportion to the stage of completion of the transaction at the Statement of Financial Position date. The stage of completion is assessed by reference to surveys of work performed. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods or continuing management involvement with the goods.

#### DEVELOPMENT CONTRIBUTIONS

The revenue recognition point for development contributions is the later of the point when Council provides or is ready to provide the service for which the contribution is levied or the event that will give rise to a requirement for a development contribution under the legislation.

#### RENTAL INCOME

Rental income from investment property is recognised in the Statement of Financial Performance on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income.

#### GOVERNMENT GRANTS

Grants from the government, such as Land Transport New Zealand roading subsidies, are recognised at their fair value where there is a reasonable assurance that the grant will be received and Far North District Council will comply with all attached conditions.

#### RATES REVENUE

Rates are set annually by resolution from Council and relate to a financial year. All ratepayers are invoiced within the financial year to which the rates have been set. Rates revenue is classified as a non exchange transaction and is recognised when levied. Rates collected on behalf of the Northern Regional Council are not recognised in the financial statements, as Council is acting as an agent.

#### WATER REVENUE

Water billing revenue is recognised on an accrual basis. Unbilled sales, as a result of unread meters at year end, are accrued on an average usage basis.

#### OTHER GRANTS AND BEQUESTS

Other grants and bequests, and assets vested in the Council – with or without conditions – are recognised as revenue when control over the assets is obtained. Where a physical asset is acquired for nil or nominal consideration the fair value of the asset received is recognised as revenue when control over the asset is obtained.

#### DIVIDENDS

Dividends are recognised on an accrual basis net of imputation credits when the right to receive the dividend is established.



### THIRD PARTY/AGENCY INCOME

Where revenue is derived by acting as an agent for another party, the revenue that is recognised is the commission or fee on the transaction.

### INTEREST

Interest income is recognised using the effective interest method.

#### (n) Trade and Other Payables

A liability is recognised when the service has been received or the goods received or when it has been established that the rewards of ownership have been transferred from the seller/provider to the Council and when it is certain that an obligation to pay arises. Trade and other payables are initially measured at fair value and are subsequently measured at amortised cost.

#### (o) Leases

### FINANCE LEASE

Leases that effectively transfer to the lessee substantially all risks and benefits incident to ownership of the leased item are classified as finance leases. At the commencement of the lease term, Far North District Council recognises the finance leases as assets and capitalises them at the lower of the fair value of the asset or the present value of the minimum lease payments. The leased assets and corresponding lease liabilities are recognised in the Statement of Financial Position. The leased assets are depreciated over the shorter of the lease term or its useful life.

Liabilities are recognised in the Statement of Financial Position. The leased assets are depreciated over the shorter of the lease term or its useful life.

### OPERATIONAL LEASE

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Payments under these leases are charged as expenses in the periods in which they are incurred.

#### (p) Borrowing

### BORROWING

Interest bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the Statement of Financial Performance over the period of the borrowings on an effective interest basis.

### BORROWING COSTS

A public benefit entity that elects to defer the application of NZ IAS 23 (revised 2008) shall expense borrowing

costs in accordance with NZ IAS 23 (2004). Far North District Council has elected to defer application and borrowing costs are recognised in the period in which they are incurred.

#### (q) Development Costs

Expenditure on development projects is carried forward to be expended against future revenue to be derived from the project. Expenditure carried forward is expensed in the Statement of Financial Performance at such time Council determines that the project has ceased or no identified future benefits will be derived.

#### (r) Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the Statement of Financial Position.

#### (s) Financial Assets

Far North District Council classifies its investments in the following categories:

##### i) Financial assets or financial liabilities at fair value through profit or loss

This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Far North District Council does not have any financial assets that meet this definition.

##### ii) Loans and receivables

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market.

After initial recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or derecognised are recognised in the Statement of Financial Performance. Loans and receivables are classified as "trade and other receivables" in the Statement of Financial Position.

##### iii) Held to maturity investments

Held to maturity investments are non derivative financial assets with fixed or determinable payments and fixed maturities that management has the positive intention and ability to hold to maturity. Far North District Council does not have any financial assets that meet this definition.

##### iv) Available for sale financial assets

Available for sale financial assets are non-derivatives that are either designated in this category or not classified



in any of the other categories. Financial assets that are included in this category are shares in Local Government Insurance Corporation Limited.

The classification depends on the purpose for which the investments were acquired.

Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

For the purposes of the parent company financial statements, Far North District Council's equity investment in its subsidiary company is stated at cost.

#### **(t) Goods and Services Tax (GST)**

All items in the financial statements are exclusive of GST apart from trade payables and trade receivables. Where GST is not recoverable as an input tax then it is recognised as part of the related asset or expense.

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

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

Commitments and contingencies are disclosed exclusive of GST.

#### **(u) Inventories and Work In Progress**

Inventories are valued at the lower of cost (determined on a first-in first-out basis) and net realisable value. This valuation includes allowances for slow moving and obsolete inventories. Work in progress is valued at cost. Inventories held for distribution at no charge, or for a nominal amount, are stated at the lower of cost and current replacement cost.

The write down from cost to current replacement cost or net realisable value is recognised in the Statement of Financial Performance.

#### **(v) Investment Properties and Properties Intended for Resale**

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both.

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

After initial recognition, Far North District Council measures all investment properties at fair value determined annually by an independent valuer. The fair values are based on market values, being the estimated amount for

which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

Any gain or loss arising from a change in fair value is recognised in the Statement of Financial Performance. There is no depreciation on investment properties.

Rental income from investment property is accounted for as described in the accounting policy for Revenue Recognition.

When an item of property, plant and equipment is transferred to investment property following a change in its use, any differences arising at the date of transfer between the carrying amount of the item immediately prior to transfer and its fair value is recognised directly in equity if it is a gain. Upon disposal of the item the gain is transferred to retained earnings. Any loss arising in this manner is recognised immediately in the Statement of Financial Performance.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment and its fair value at the date of reclassification becomes its cost for accounting purposes of subsequent recording. When Far North District Council or its subsidiary begins to redevelop an existing investment property for continued future use as investment property, the property remains an investment property, which is measured based on fair value, and is not reclassified as property, plant and equipment during the redevelopment.

#### **(w) Provisions**

A provision is recognised in the Statement of Financial Position when the Council has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits, the amount of which can be reliably estimated, will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

#### **LANDFILL POST – CLOSURE COSTS**

The Council as an operator of both closed and operational landfills has a legal obligation under the Resource Management Act (1991) to provide ongoing maintenance and monitoring services at the landfill sites after closure. A provision for post closure costs is recognised as a liability when the obligation for post closures costs arises.

The provision is measured based on the present value of future cash flows expected to be incurred, taking into account ongoing future events including new legal



requirements and known improvements in technology. The provision includes all costs associated with landfill post closure.

Far North District Council measures landfill assets using the cost model with changes in the provision for decommissioning costs being added to, or deducted from, the asset value until closure of the asset, at which time all changes to the provision are taken to the Statement of Financial Performance.

The discount rate used is a pre-tax rate that reflects current market assessments of time value of money and risks specific to the Council.

#### **x) Statement of Cash Flows**

Cash or cash equivalents means cash balances on hand, held in bank accounts, demand deposits of three months or less and other highly liquid investments in which the Council or its subsidiary invests as part of its day to day cash management.

Operating activities include cash received from all income sources of the Council and record the cash payments made for the supply of goods and services. Agency transactions (for example, the collection of Regional Council rates) are recognised as receipts and payments in the Statement of Cash Flows given that they flow through Council's main bank account.

Investing activities are those activities relating to the acquisition and disposal of non current assets.

Financing activities comprise the change in equity and debt capital structure of Council and its subsidiary, Far North Holdings Limited.

#### **(y) Taxation**

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the Statement of Financial Performance except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the Statement of Financial Position date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the Statement of Financial Position liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the

foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the Statement of Financial Position date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised

#### **(z) Impairment**

Non financial assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that have a finite life are reviewed for impairment when ever events or changes in circumstances indicate that the carry amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds the recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

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

The carrying amounts of Far North District Council and the group's assets are reviewed at each Statement of Financial Position date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the Statement of Financial Performance. Impairment losses on revalued assets offset any balance in the asset revaluation reserve, with any remaining impairment loss being posted to the Statement of Financial Performance.

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

For assets not carried at a revalued amount the reversal of an impairment loss is recognised in the Statement of Financial Performance.

#### **(ab) Non Current Assets Held for Sale**

Non current assets are classified as held for sale and stated at the lower of their carrying amount and fair value



less costs to sell if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. An impairment loss is recognised for any initial or subsequent write down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non current asset is recognised at the date of de-recognition.

Non current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities classified as held for sale continue to be recognised.

Non current assets classified as held for sale are presented separately from the other assets in the Statement of Financial Position.

#### (ac) Financial Instruments

The Council undertakes financial instrument arrangement as part of its normal operations. These financial instruments include cash and bank balances, investments, receivables, payables and borrowings. All financial instruments are recognised in the Statement of Financial Position and all revenues and expenses in relation to financial instruments are recognised in the Statement of Financial Performance.

#### (ad) Critical Accounting Estimates and Assumptions

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

#### LANDFILL AFTERCARE PROVISION

Note 18 discloses an analysis of the exposure of Far North District Council in relation to the estimates and uncertainties surrounding the landfill aftercare provision.

#### Infrastructural Assets

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

- The physical deterioration and condition of an asset. Far North District Council may be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for those assets that are not visible, such as stormwater, wastewater and water supply pipes

that are underground. This risk is minimised by Council performing physical inspections and assessments;

- Estimating any obsolescence or surplus capacity of an asset; and
- Estimates are made when determining the remaining useful lives over which the asset will be depreciated. If useful lives do not reflect the actual consumption of the benefits of the asset, then Far North District Council could be over or under estimating the annual depreciation charge recognised as an expense in the Statement of Financial Performance.

To minimise this risk, Far North District Council's infrastructural asset useful lives have been determined with reference to the NZ Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group and have been adjusted for local conditions based upon past experience.

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

#### (ae) Derivative Financial Instruments and Hedge Accounting

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

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at each balance date. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The associated gains or losses of derivatives that are not hedge accounted are recognised in the Statement of Financial Performance. Far North District Council designates certain derivatives as either:

- Hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge); or
- Hedges of highly probable forecast transactions (cash flow hedge).

The Far North District Council documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. Far North District Council also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

The full fair value of hedging derivatives is classified as non-current if the remaining maturity of the hedged item



is more than 12 months and as current if the remaining maturity of the hedged item is less than 12 months.

### FAIR VALUE HEDGE

The gain or loss from re-measuring the hedging instrument at fair value, along with the changes in the fair value on the hedged item attributable to the hedged risk, is recognised in the statement of financial performance. Far North District Council only applies fair value hedge accounting for hedging fixed interest risk on borrowings. The gain or loss relating to the effective portion of interest rate swaps hedging fixed rate borrowings is recognised in the statement of financial performance within "finance costs". The gain or loss relating to the ineffective portion is recognised in the statement of financial performance as part of "gains" or "other expenses". Changes in the fair value of the hedged fixed rate borrowings attributable to interest rate risk are recognised in the statement of financial performance within "finance costs".

If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to profit or loss over the period to maturity.

### CASH FLOW HEDGE

The portion of the gain or loss on a hedging instrument that is determined to be an effective hedge is recognized directly in equity through the statement of changes in equity and the ineffective portion of the gain or loss on the hedging instrument is recognised in the statement of financial performance as part of "gains" or "other expenses".

If a hedge of a forecast transaction subsequently results in the recognition of a financial asset or a financial liability, the associated gains or losses that were recognised directly in equity will be reclassified into profit or loss in the same period or periods during which the asset acquired or liability assumed affects profit or loss. However, if Far North District Council expects that all or a portion of a loss recognised directly in equity will not be recovered in one or more future periods, it will reclassify into profit or loss the amount that is not expected to be recovered.

When a hedge of a forecast transaction subsequently results in the recognition of a non-financial asset or a nonfinancial liability, or a forecast transaction for a non-financial asset or non-financial liability becomes a firm commitment for which fair value hedge accounting is applied, then the associated gains and losses that were recognised directly in equity will be included in the initial cost or carrying amount of the asset or liability.

If a hedging instrument expires or is sold, terminated, exercised or revoked, or it no longer meets the criteria

for hedge accounting, the cumulative gain or loss on the hedging instrument that remains recognised directly in equity from the period when the hedge was effective will remain separately recognised in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur any related cumulative gain or loss on the hedging instrument that remains recognised directly in equity from the period when the hedge was effective will be recognised in the statement of financial performance.

### CRITICAL JUDGMENTS IN APPLYING FAR NORTH DISTRICT COUNCIL'S ACCOUNTING POLICIES

Management has exercised the following critical judgments in applying the Far North District Council accounting policies for the period ended 30 June:

#### CLASSIFICATION OF PROPERTY

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



# Financial Statements

## Council and Consolidated Statement of Financial Performance

FOR THE YEAR ENDED 30 JUNE 2011

	NOTE	CONSOLIDATED		ACTUAL 2011 \$000s	COUNCIL BUDGET 2011 \$000s	ACTUAL 2010 \$000s
		ACTUAL 2011 \$000s	ACTUAL 2010 \$000s			
<b>OPERATIONS</b>						
<i>Income</i>						
Rates income	1	72,209	69,819	72,209	68,005	69,819
Other income	2	40,087	40,288	37,701	38,095	34,613
Other gains		434	2	0	0	0
<b>Total Operating Income</b>		<b>112,730</b>	<b>110,109</b>	<b>109,911</b>	<b>106,100</b>	<b>104,432</b>
<i>Expenditure</i>						
District Facilities		17,513	12,807	17,513	10,585	12,807
Corporate & Governance		16,637	14,285	13,234	11,225	12,006
Sustainable Environment & Consents		9,434	8,560	9,434	9,146	8,560
Roads & Stormwater		18,312	15,935	18,312	15,630	15,935
Water, Wastewater & Refuse		14,149	14,512	14,149	12,055	14,512
Subsidiary Related		292	0	0	0	0
Depreciation/Amortisation costs	12,13	24,771	22,930	24,317	23,998	22,488
Finance costs	6	6,853	6,635	6,187	8,980	5,995
<b>Total Operations Expenditure</b>	<b>4,5</b>	<b>107,961</b>	<b>95,664</b>	<b>103,145</b>	<b>91,618</b>	<b>92,303</b>
Share of associate profit/(loss)		211	(106)	0	0	0
<b>NET OPERATING SURPLUS BEFORE TAX</b>		<b>4,980</b>	<b>14,339</b>	<b>6,765</b>	<b>14,482</b>	<b>12,129</b>
Tax benefit from discontinued operations	7	(242)	0	0	0	0
Tax expense	7	58	2,008	0	0	0
<b>NET OPERATING SURPLUS</b>		<b>5,164</b>	<b>12,331</b>	<b>6,765</b>	<b>14,482</b>	<b>12,129</b>

The figures shown for 2011 in terms of depreciation and amortisation do not agree to the totals shown in notes 12 and 13 by \$1,231k as the depreciation on Corporate activities is allocated directly to the activities shown above.

The Statement of Accounting Policies (pages 27-36) and the Notes to the Financial Statements (pages 42-69) form an integral part of these Financial Statements.



# Council and Consolidated Statement of Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2011

NOTE	CONSOLIDATED		ACTUAL 2011 \$000s	COUNCIL BUDGET 2011 \$000s	ACTUAL 2010 \$000s
	ACTUAL 2011 \$000s	ACTUAL 2010 \$000s			
<b>Surplus / (Deficit) for the year</b>	5,164	12,331	6,765	14,482	12,129
<b>Other Comprehensive Income</b>					
Gains on asset revaluations	(179,576)	51,473	(179,631)	41,452	52,122
Fair value through equity reserve	(22)	2	(22)	0	2
Movement in cash flow hedge reserve	(268)	0	(268)	0	0
Restricted reserves	1,879	1,025	1,879	0	1,025
Movement in other reserves	(6,714)	(4,494)	(3,506)	19,027	(2,058)
<b>Total Comprehensive Income for the year</b>	<b>(179,537)</b>	<b>60,337</b>	<b>(174,783)</b>	<b>74,961</b>	<b>63,220</b>

## Reconciliation between Activity Costs and Statement of Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2011

NOTE	CONSOLIDATED		ACTUAL 2011 \$000s	COUNCIL BUDGET 2011 \$000s	ACTUAL 2010 \$000s
	ACTUAL 2011 \$000s	ACTUAL 2010 \$000s			
<b>Total Operating Surplus / (Deficit)</b>					
<b>Activity Cost of Service Statements</b>					
District Facilities	(4,657)	1,619	(4,657)	(63)	1,619
Corporate & Governance	4,499	2,958	6,100	1,794	2,757
Roads & Stormwater	4,025	4,273	4,025	9,411	4,273
Sustainable Environment & Consents	(583)	(391)	(583)	0	(391)
Water, Wastewater & Refuse	1,880	3,872	1,880	3,340	3,872
<b>Total Operating Surplus (Deficit) for the year</b>	<b>5,164</b>	<b>12,331</b>	<b>6,765</b>	<b>14,482</b>	<b>12,129</b>
Statement of Comprehensive Income	(179,537)	60,337	(174,783)	74,961	63,220
<b>Variance</b>	<b>(184,701)</b>	<b>48,006</b>	<b>(181,548)</b>	<b>60,479</b>	<b>51,091</b>
<b>Represented by:</b>					
Gains on asset revaluations	(179,576)	51,473	(179,631)	41,452	52,122
Fair value through equity reserve	(22)	2	(22)	0	2
Movement in cash flow hedge reserve	(268)	0	(268)	0	0
Restricted reserves	1,879	1,025	1,879	0	1,025
Movement in other reserves	(6,714)	(4,494)	(3,506)	19,027	(2,058)
	<b>(184,701)</b>	<b>48,006</b>	<b>(181,548)</b>	<b>60,479</b>	<b>51,091</b>

The Statement of Accounting Policies (pages 27-36) and the Notes to the Financial Statements (pages 42-69) form an integral part of these Financial Statements.





# Council and Consolidated Statement of Financial Position

FOR THE YEAR ENDED 30 JUNE 2011

	NOTE	CONSOLIDATED		ACTUAL 2011 \$000s	COUNCIL BUDGET 2011 \$000s	ACTUAL 2010 \$000s
		ACTUAL 2011 \$000s	ACTUAL 2010 \$000s			
<b>PUBLIC EQUITY</b>						
Other reserves	21	215,404	395,271	212,878	428,921	392,799
Restricted reserves	21	3,406	1,527	1,903	(1,179)	24
Retained earnings	21	1,305,663	1,307,183	1,288,300	1,364,763	1,285,042
<b>Public Equity</b>		<b>1,524,443</b>	<b>1,703,981</b>	<b>1,503,081</b>	<b>1,792,505</b>	<b>1,677,865</b>
represented by:						
<b>CURRENT ASSETS</b>						
Cash & cash equivalents	8	4,530	2,629	3,328	2,313	2,575
Trade & other receivables	9	31,685	32,831	32,219	32,524	32,573
Other financial assets	11	2,481	3,165	2,162	0	2,852
Properties intended for sale	31	855	3,350	0	0	0
Inventories	10	157	142	95	67	104
<b>Current Assets</b>		<b>39,708</b>	<b>42,117</b>	<b>37,804</b>	<b>34,904</b>	<b>38,104</b>
Less:						
<b>CURRENT LIABILITIES</b>						
Trade & other payables	17	22,706	20,958	20,491	18,254	19,117
Borrowings	20	13,530	21,464	13,525	11	14,012
Provisions	18	40	54	40	51	54
Employee benefits	19	1,624	1,439	1,507	1,269	1,334
<b>Current Liabilities</b>		<b>37,900</b>	<b>43,915</b>	<b>35,563</b>	<b>19,585</b>	<b>34,517</b>
<b>Working Capital</b>		<b>1,808</b>	<b>(1,798)</b>	<b>2,241</b>	<b>15,319</b>	<b>3,587</b>
<b>NON CURRENT ASSETS</b>						
Other financial assets	11	86	499	86	107	108
Forestry assets	14	423	275	423	167	275
Intangible assets	13	4,133	4,437	3,194	2,066	3,361
Investment properties	15	30,448	31,299	0	0	0
Investments in subsidiaries	16	0	0	12,000	12,000	12,000
Property, plant & equipment	12	1,599,777	1,777,291	1,582,999	1,891,863	1,758,542
<b>Non Current Assets</b>		<b>1,634,867</b>	<b>1,813,801</b>	<b>1,598,702</b>	<b>1,906,203</b>	<b>1,774,286</b>
<b>NON CURRENT LIABILITIES</b>						
Borrowings	20	105,118	101,320	95,798	127,615	98,420
Trade & other payables	17	1,174	1,058	0	0	0
Employee benefits	19	0	0	0	0	0
Derivative financial instruments	32	365	97	365	217	97
Deferred tax liability	7	3,873	4,056	0	0	0
Provisions	18	1,698	1,492	1,698	1,185	1,492
<b>Non Current Liabilities</b>		<b>112,228</b>	<b>108,023</b>	<b>97,862</b>	<b>129,017</b>	<b>100,009</b>
<b>Net Assets</b>		<b>1,524,443</b>	<b>1,703,981</b>	<b>1,503,081</b>	<b>1,792,505</b>	<b>1,677,865</b>

The Statement of Accounting Policies (pages 27-36) and the Notes to the Financial Statements (pages 42-69) form an integral part of these Financial Statements.



# Council and Consolidated Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2011

NOTE	CONSOLIDATED		ACTUAL 2011 \$000s	COUNCIL BUDGET 2011 \$000s	ACTUAL 2010 \$000s
	ACTUAL 2011 \$000s	ACTUAL 2010 \$000s			
<b>OPENING BALANCE</b>	<b>1,703,980</b>	<b>1,643,643</b>	<b>1,677,864</b>	<b>1,717,542</b>	<b>1,614,644</b>
Total Comprehensive Income	(179,537)	60,337	(174,788)	74,961	63,220
<b>CLOSING BALANCE</b>	<b>1,524,443</b>	<b>1,703,980</b>	<b>1,503,081</b>	<b>1,792,505</b>	<b>1,677,864</b>

# Council and Consolidated Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2011

NOTE	CONSOLIDATED		ACTUAL 2011 \$000s	COUNCIL BUDGET 2011 \$000s	ACTUAL 2010 \$000s
	ACTUAL 2011 \$000s	ACTUAL 2010 \$000s			
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>					
<b>Cash was provided from:</b>					
Rates	70,524	67,662	70,524	69,044	67,662
Interest and dividends	822	151	684	118	137
Other income	42,962	39,651	32,992	37,977	32,560
	<b>114,308</b>	<b>107,464</b>	<b>104,200</b>	<b>107,139</b>	<b>100,359</b>
<b>Cash was applied to:</b>					
Payment for goods, services and employees	68,468	74,757	62,338	58,543	69,639
Interest paid	6,907	6,632	6,187	9,452	5,995
GST (Net)	(4,328)	(1,395)	(4,270)	0	(1,428)
Income and Fringe Benefit Tax paid	129	202	131	139	207
	<b>71,176</b>	<b>80,196</b>	<b>64,386</b>	<b>68,134</b>	<b>74,413</b>
<b>Net Cash Inflows from Operating Activities (A)</b>	<b>22</b>	<b>43,132</b>	<b>39,814</b>	<b>39,005</b>	<b>25,946</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>					
<b>Cash was provided from:</b>					
Borrowing	0	12,293	0	15,865	12,136
Sale of shares in associate	503	0	0	0	0
	<b>503</b>	<b>12,293</b>	<b>0</b>	<b>15,865</b>	<b>12,136</b>
<b>Cash was applied to:</b>					
Borrowing	6,676	7,353	5,646	4,727	7,353
Dividends paid	5,994	0	0	0	0
	<b>12,670</b>	<b>7,353</b>	<b>5,646</b>	<b>4,727</b>	<b>7,353</b>
<b>Net Cash Inflows from Financing Activities (B)</b>	<b>(12,167)</b>	<b>4,940</b>	<b>(5,646)</b>	<b>11,138</b>	<b>4,783</b>

The Statement of Accounting Policies (pages 27-36) and the Notes to the Financial Statements (pages 42-69) form an integral part of these Financial Statements.



## Council and Consolidated Statement of Cash Flows continued...

	NOTE	CONSOLIDATED		ACTUAL 2011 \$000s	COUNCIL BUDGET 2011 \$000s	ACTUAL 2010 \$000s
		ACTUAL 2011 \$000s	ACTUAL 2010 \$000s			
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>						
<b>Cash was provided from:</b>						
Sale of property, plant and equipment, investment properties and properties intended for sale		7,103	231	0	0	0
Purchase/Repayment of investments		(3)	(300)	0	0	0
Advances repaid		0	0	0	0	0
		<b>7,100</b>	<b>(69)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Cash was applied to:</b>						
Purchase & development of intangibles		741	1,247	741	0	1,248
Purchase and development of property, plant and equipment		35,427	30,891	32,674	50,144	29,220
<b>Net Cash Inflows/(Outflows) from Investing Activities</b>		<b>36,168</b>	<b>32,138</b>	<b>33,415</b>	<b>50,144</b>	<b>30,467</b>
<b>Net (Decrease) in Cash Flows (C)</b>		<b>(29,069)</b>	<b>(32,208)</b>	<b>(33,415)</b>	<b>50,144</b>	<b>(30,467)</b>
<b>NET CASH (=A+B+C)</b>		<b>1,896</b>	<b>0</b>	<b>753</b>	<b>0</b>	<b>262</b>
<b>Opening Balances 1 July</b>						
Cash & cash equivalents	8	2,627	2,627	2,575	2,313	2,313
		<b>2,627</b>	<b>2,627</b>	<b>2,575</b>	<b>2,313</b>	<b>2,313</b>
<b>Less Balances 30 June</b>						
Cash & cash equivalents	8	4,523	2,627	3,328	2,313	2,575
		<b>4,523</b>	<b>2,627</b>	<b>3,328</b>	<b>2,313</b>	<b>2,575</b>
<b>CASH MOVEMENTS FOR THE YEAR</b>		<b>1,896</b>	<b>0</b>	<b>753</b>	<b>0</b>	<b>262</b>

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.

The Statement of Accounting Policies (pages 27-36) and the Notes to the Financial Statements (pages 42-69) form an integral part of these Financial Statements.



# Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2011

1. RATES REVENUE	CONSOLIDATED		COUNCIL	
	2011 \$000s	2010 \$000s	2011 \$000s	2010 \$000s
Rates - general	42,717	41,757	42,717	41,757
Rates - targeted	24,025	23,468	24,025	23,468
Rates - penalties	5,467	4,594	5,467	4,594
<b>Total Rates Income</b>	<b>72,209</b>	<b>69,819</b>	<b>72,209</b>	<b>69,819</b>

Rates income is not adjusted for remissions of \$2,040,510 (2010 \$1,316,644). Rate remissions are shown as an expense within Planning and Governance.

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

Targeted rates income includes rates levied for Water, Wastewater and Community Services plus water by meter user charges.

2. OTHER INCOME	CONSOLIDATED		COUNCIL	
	2011 \$000s	2010 \$000s	2011 \$000s	2010 \$000s
Fees and charges	6,807	7,444	6,807	7,444
Subsidies - operational	8,832	6,540	8,832	6,540
Subsidies - projects	12,814	11,945	12,814	11,945
Contributions	568	3,050	568	3,050
Interest & dividends	221	155	5,884	650
Vested and previously unrecognised assets	963	1,907	963	1,907
Rental income from investment properties	1,490	2,208	0	0
Other income	8,391	6,530	1,832	3,076
<b>Total Operating Income</b>	<b>40,087</b>	<b>39,777</b>	<b>37,701</b>	<b>34,612</b>

There are no unfulfilled conditions or other contingencies attached to the subsidy income recognised.

3. OTHER GAINS/ (LOSSES)	CONSOLIDATED		COUNCIL	
	2011 \$000s	2010 \$000s	2011 \$000s	2010 \$000s
Gain on asset sales	362	0	0	0
Gain on sale of marina berths	72	0	0	0
Net gain on forestry assets	148	37	148	37
Net gain on property, plant and equipment sales	3	12	3	11
Net gain on sale of investment properties	0	0	0	0
<b>Total Gains</b>	<b>585</b>	<b>49</b>	<b>151</b>	<b>48</b>
Net loss on property, plant & equipment	(605)	(1,524)	(605)	(1,508)
Net loss on investment properties	(1,596)	(2,466)	0	0
Net loss on forestry assets	0	0	0	0
<b>Total Other Gains/(Losses)</b>	<b>(2,201)</b>	<b>(3,990)</b>	<b>(605)</b>	<b>(1,508)</b>



4. EMPLOYEE BENEFIT EXPENSES	CONSOLIDATED		COUNCIL	
	2011	2010	2011	2010
	\$000s	\$000s	\$000s	\$000s
Salaries and wages	15,817	15,422	14,121	13,758
Kiwisaver contributions	173	144	156	131
Increase/(Decrease) in employee benefit liabilities	185	82	173	65
<b>Total Employee Benefit Expenses</b>	<b>16,175</b>	<b>15,647</b>	<b>14,450</b>	<b>13,953</b>

Expenditure in relation to notes 4 and 5 are included within the activity group expenditure in the Statement of Financial Performance.

5. OTHER EXPENSES	CONSOLIDATED		COUNCIL	
	2011	2010	2011	2010
	\$000s	\$000s	\$000s	\$000s
Fees paid to the principal auditor				
Audit of financial statements	221	171	153	134
Audit for LTCCP	0	9	0	9
Donations	26	26	0	0
Inventory expenses in year	1,990	900	(9)	1
Impairment of property, plant & equipment	0	0	0	0
Impairment of investment property	0	0	0	0
Impairment of receivables	(17)	70	3,799	3,331
Devaluation of property, plant & equipment	6,582	0	6,582	0
Direct expenses from investment property	465	489	0	0
Minimum lease payments - operating leases	1,093	366	1,038	1,016
<b>Other Expenses</b>	<b>10,360</b>	<b>2,031</b>	<b>11,563</b>	<b>4,491</b>

6. FINANCE COSTS	CONSOLIDATED		COUNCIL	
	2011	2010	2011	2010
	\$000s	\$000s	\$000s	\$000s
Interest expense on borrowings	6,817	6,595	6,151	5,955
Interest unwind - landfill aftercare	36	40	36	40
<b>Total Finance Costs</b>	<b>6,853</b>	<b>6,635</b>	<b>6,187</b>	<b>5,995</b>

7. TAX	CONSOLIDATED		COUNCIL	
	2011	2010	2011	2010
	\$000s	\$000s	\$000s	\$000s
<b>Components of Tax Expenses</b>				
Deferred tax expenses – continuing operations	(58)	(2,008)	0	0
Deferred tax expenses – discontinued operations	241	0	0	0
<b>Income Tax Expense</b>	<b>183</b>	<b>(2,008)</b>	<b>0</b>	<b>0</b>
<b>Relationship between Tax Expenses and Accounting Profit</b>				
Continuing operations	5,939	10,690	6,765	12,129
Discontinued operations	463	0	0	0
<b>Profit before Taxation and Share of Profit of Associate</b>	<b>6,402</b>	<b>10,690</b>	<b>6,765</b>	<b>12,129</b>
Taxation at 30%	1,921	3,207	2,030	3,639
Plus (less) tax effect of				
Non-taxable income	(1,763)	(3,860)	(2,030)	(3,639)
Group loss offset	(48)	0	0	0
Deferred tax adjustment	(293)	2,661	0	0
<b>Taxation Expense</b>	<b>(183)</b>	<b>2,008</b>	<b>0</b>	<b>0</b>



CONSOLIDATED DEFERRED TAX	PROPERTY PLANT AND EQUIPMENT	INVESTMENT PROPERTIES	EMPLOYEE ENTITLEMENTS	OTHER PROVISIONS	TOTAL
	\$000s	\$000s	\$000s	\$000s	\$000s
Balance at 1 July 2009	1,343	609	(26)	(27)	1,900
Charged to statement of financial performance	(667)	2,686	1	(12)	2,008
Charged to equity	149	0	0	0	149
<b>Balance at 30 June 2010</b>	<b>825</b>	<b>3,295</b>	<b>(25)</b>	<b>(39)</b>	<b>4,057</b>
Charged to statement of financial performance	0	(186)	(2)	4	(184)
Charged to equity	0	0	0	0	0
<b>Balance at 30 June 2011</b>	<b>825</b>	<b>3,109</b>	<b>(27)</b>	<b>(35)</b>	<b>3,873</b>

From 1 July 2007 Council and Far North Holdings have formed a consolidated group for tax purposes. The tax liability for the group has been eliminated by losses transferred from Far North District Council by loss offset of \$294,700 (2010 \$122,630).

A deferred tax asset has not been recognised in relation to tax losses.

8. CASH & CASH EQUIVALENTS	CONSOLIDATED		COUNCIL	
	2011 \$000s	2010 \$000s	2011 \$000s	2010 \$000s
<b>Cash at Bank and In hand:</b>				
Various (Subsidiaries, community facilities, etc)	6	61	6	7
General fund (unsecured)	4,524	2,569	3,322	2,569
<b>Total Cash &amp; Cash Equivalents</b>	<b>4,530</b>	<b>2,629</b>	<b>3,328</b>	<b>2,575</b>

The carrying value of short term deposits with maturity dates of three months or less approximates their fair value. Cash and bank overdrafts include the following for the purpose of the cash flow statement:

	CONSOLIDATED		COUNCIL	
	2011 \$000s	2010 \$000s	2011 \$000s	2010 \$000s
Cash at bank and in hand:	4,530	2,629	3,328	2,575
Bank overdrafts (Note 20)	(5)	(2)	0	0
	<b>4,525</b>	<b>2,627</b>	<b>3,328</b>	<b>2,575</b>

Council has an overdraft facility of \$5m (2010 \$3m)

9. TRADE & OTHER RECEIVABLES	CONSOLIDATED		COUNCIL	
	2011 \$000s	2010 \$000s	2011 \$000s	2010 \$000s
Rates and penalties	35,794	30,206	35,794	30,206
Sundry debtors	12,582	15,647	13,065	15,321
Prepayments	427	314	411	300
Related party receivables	1	2	0	0
	<b>48,804</b>	<b>46,169</b>	<b>49,270</b>	<b>45,827</b>
Less provision for impairment - rates	14,765	10,862	14,765	10,862
Less provision for impairment - sundry debts	2,355	2,476	2,287	2,391
<b>Current Trade &amp; Other Receivables</b>	<b>31,685</b>	<b>32,831</b>	<b>32,219</b>	<b>32,574</b>



The carrying value of trade and other receivables approximates their fair value. There is no concentration of credit risk with respect to receivables as the group has a large number of customers.

As at 30 June 2011 and 2010, all overdue receivables have been assessed for impairment and appropriate provisions applied. Far North Holdings Ltd holds no collateral as security or other credit enhancements over receivables that are either past due or impaired.

Under NZ IFRS7 Far North District Council is required to provide information about the aging of debtor liabilities.

	2011			2010		
	GROSS \$000s	IMPAIRMENT \$000s	NET \$000s	GROSS \$000s	IMPAIRMENT \$000s	NET \$000s
<b>Council</b>						
Not past due	379	0	379	2,478	0	2,478
Past due 1 – 60 days	18,915	4,114	14,801	18,920	2,537	16,383
Past due 61 – 90 days	69	0	69	931	0	931
Past due over 90 days	29,907	12,938	16,969	23,497	10,716	12,781
<b>Total</b>	<b>49,270</b>	<b>17,052</b>	<b>32,219</b>	<b>45,826</b>	<b>13,253</b>	<b>32,573</b>
<b>Group</b>						
Not past due	472	17	455	2,663	11	2,652
Past due 1 – 60 days	18,261	4,131	14,130	18,963	2,541	16,422
Past due 61 – 90 days	85	18	67	957	9	948
Past due over 90 days	29,986	12,954	17,032	23,585	10,778	12,807
<b>Total</b>	<b>48,804</b>	<b>17,120</b>	<b>31,685</b>	<b>46,168</b>	<b>13,339</b>	<b>32,830</b>

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

	CONSOLIDATED		COUNCIL	
	2011 \$000s	2010 \$000s	2011 \$000s	2010 \$000s
<b>Impairment of Rates</b>				
At July	10,862	8,149	10,862	8,149
Additional provisions made during the year	4,438	2,713	4,438	2,713
Receivables written off during period	(535)	0	(535)	0
<b>At 30 June</b>	<b>14,765</b>	<b>10,862</b>	<b>14,765</b>	<b>10,862</b>
<b>Impairment of Sundry Debts</b>				
At July	2,476	1,816	2,391	1,773
Additional provisions made during the year	(12)	688	(12)	618
Receivables written off during period	(109)	(28)	(92)	0
<b>At 30 June</b>	<b>2,355</b>	<b>2,476</b>	<b>2,287</b>	<b>2,391</b>

10. INVENTORIES	CONSOLIDATED		COUNCIL	
	2011 \$000s	2010 \$000s	2011 \$000s	2010 \$000s
Consumable stocks and materials	95	104	95	104
Marina berths	38	15	0	0
Chandlery and boatyard	24	22	0	0
<b>Total Inventories</b>	<b>157</b>	<b>141</b>	<b>95</b>	<b>104</b>

There are no inventory items held for distribution.



II. OTHER FINANCIAL ASSETS	CONSOLIDATED		COUNCIL	
	2011 \$000s	2010 \$000s	2011 \$000s	2010 \$000s
<b>Current Portion</b>				
<i>Loans and Receivables</i>				
Short term deposits maturity 4-12 months	2,481	3,165	2,162	2,852
<b>Total Current Portion</b>	<b>2,481</b>	<b>3,165</b>	<b>2,162</b>	<b>2,852</b>
<b>Non-Current Portion</b>				
<i>Available for Sale</i>				
LGNZ Shares	86	108	86	108
Investment in associate	0	392	0	0
<b>Total Non Current Portion</b>	<b>86</b>	<b>500</b>	<b>86</b>	<b>108</b>

There were no impairment provisions for other financial assets.

A short term loan of \$20,000 was granted to Kerikeri Sports Complex Trust.

Council holds 35,440 shares in Local Government Insurance Corp Ltd which are held at net asset backing.

These shares are non traded.

MATURITY ANALYSIS AND INTEREST RATES	CONSOLIDATED		COUNCIL	
	2011 \$000s	2010 \$000s	2011 \$000s	2010 \$000s
<i>Loans and Receivables</i>				
Short term loan 4 to 12 months	20	35	20	20
Short term deposits 4 to 12 months	2,461	3,130	2,142	2,832
<b>Maturing within 4 to 12 months</b>	<b>2,481</b>	<b>3,165</b>	<b>2,162</b>	<b>2,852</b>

#### INVESTMENT IN ASSOCIATE

Far North Holdings Limited had a 50% interest in Paihia Maritime Properties Limited which was sold during the year. The investment in the associate company is carried at cost in the FNHL's (parent entity) Statement of Financial Position. Paihia Maritime Properties Limited is an unlisted company and, accordingly, there are no published price quotations to determine the fair value of this investment.

MOVEMENTS IN THE CARRYING AMOUNT OF INVESTMENT IN ASSOCIATE	CONSOLIDATED	
	ACTUAL 2011 \$000s	ACTUAL 2010 \$000s
Balance at 1 July	392	498
Share of inter company sales	0	(10)
Share of revenue	10	44
Less deferred tax	(5)	(140)
Sale of shares	(503)	0
Profit on sale of shares	106	0
<b>Balance at 30 June</b>	<b>0</b>	<b>392</b>

SUMMARISED FINANCIAL INFORMATION OF ASSOCIATE COMPANY	CONSOLIDATED	
	ACTUAL 2011 \$000s	ACTUAL 2010 \$000s
Assets	0	1,940
Liabilities	0	780
Deferred tax liability	0	357
Revenues	0	208
Profit after tax and deferred tax	0	(193)
Groups interest	0%	50%





12. PROPERTY, PLANT & EQUIPMENT – COUNCIL

2011

	COST / REVALUATION 1-JUL-10	ACCUMULATED DEPRECIATION AND IMPAIRMENT CHARGES 1-JUL-10	CARRYING AMOUNT 1-JUL-10	CURRENT YEAR ADDITIONS	CURRENT YEAR DISPOSALS	CURRENT YEAR IMPAIRMENT CHARGES	CURRENT YEAR DEPRECIATION ADJUSTMENTS	REVALUATION SURPLUS	COST/ REVALUATION 30 JUNE-11	ACCUMULATED DEPRECIATION AND IMPAIRMENT CHARGES 30 JUNE-11	CARRYING AMOUNT 30 JUNE-11
Land	577,026	0	577,026	4,629	(6,321)	0	0	(181,041)	394,293	0	394,293
Vehicles and plant	4,698	(1,774)	2,924	0	(168)	0	(296)	(53)	3,829	(1,454)	2,375
Leasehold improvements	3,618	(839)	2,779	0	0	0	(271)	22	3,564	(1,034)	2,530
Wharves, ramps, moorings	3,367	0	3,367	508	0	0	(293)	(7)	3,575	0	3,575
F&F and office equipment	5,650	(1,302)	4,348	354	(96)	0	(498)	31	5,114	(975)	4,139
Information systems	2,628	(1,727)	901	0	0	0	(441)	0	2,628	(2,168)	460
*Work in progress	2,656	0	2,656	5,173	0	0	0	(101)	7,728	0	7,728
<b>Total Operational Assets</b>	<b>599,643</b>	<b>(5,642)</b>	<b>594,001</b>	<b>10,664</b>	<b>(6,585)</b>	<b>0</b>	<b>(1,799)</b>	<b>(181,048)</b>	<b>420,731</b>	<b>(5,631)</b>	<b>415,101</b>
Roading	850,756	(342)	850,414	7,264	0	0	(14,090)	1,821	858,532	(13,122)	845,410
Water	57,746	(7)	57,739	1,169	0	0	(2,070)	(217)	58,695	(2,074)	56,621
Sewerage	86,062	0	86,062	8,331	0	0	(2,987)	(93)	94,297	(2,984)	91,313
Refuse	5,281	0	5,281	26	0	0	(486)	(159)	4,662	0	4,662
Stormwater	45,782	0	45,782	442	0	0	(622)	(17)	46,207	(622)	45,585
Community Facilities	49,628	(4,726)	44,902	7,733	(1,059)	0	(2,790)	(390)	49,035	(606)	48,429
Work In progress	29,587	0	29,587	26,883	(25,066)	0	0	0	31,104	0	31,104
<b>Total Infrastructural Assets</b>	<b>1,124,842</b>	<b>(5,075)</b>	<b>1,119,767</b>	<b>51,849</b>	<b>(26,125)</b>	<b>0</b>	<b>(23,045)</b>	<b>945</b>	<b>1,142,532</b>	<b>(19,408)</b>	<b>1,123,124</b>
<b>Council Restricted Assets</b>											
Land	44,775	0	44,775	0	0	0	0	0	44,775	0	44,775
<b>Total Restricted Assets</b>	<b>44,775</b>	<b>0</b>	<b>44,775</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>44,775</b>	<b>0</b>	<b>44,775</b>
<b>Total Property, Plant &amp; Equipment</b>	<b>1,769,260</b>	<b>(10,717)</b>	<b>1,758,543</b>	<b>62,513</b>	<b>(32,710)</b>	<b>0</b>	<b>(24,844)</b>	<b>(180,103)</b>	<b>1,608,038</b>	<b>(25,039)</b>	<b>1,582,999</b>





## 12. PROPERTY, PLANT & EQUIPMENT – COUNCIL

2010

	COST / REVALUATION		CARRYING AMOUNT		CURRENT YEAR ADDITIONS		CURRENT YEAR DISPOSALS		CURRENT YEAR IMPAIRMENT CHARGES		CURRENT YEAR REVALUATION SURPLUS		COST / REVALUATION		ACCUMULATED DEPRECIATION AND IMPAIRMENT CHARGES	
	1-JUL-09	30-JUN-10	1-JUL-09	30-JUN-10	CURRENT YEAR	CURRENT YEAR	CURRENT YEAR	CURRENT YEAR	CURRENT YEAR	CURRENT YEAR	30-JUN-10	30-JUN-10	30-JUN-10	30-JUN-10	30-JUN-10	30-JUN-10
Land	577,188	577,188	0	577,188	59	(223)	0	0	0	2	0	577,026	0	577,026	0	577,026
Vehicles and plant	4,617	3,247	(1,370)	3,247	173	(85)	0	(439)	28	0	0	4,698	(1,774)	2,924	(1,774)	2,924
Leasehold improvements	3,209	2,598	(610)	2,598	558	(145)	0	(233)	1	0	0	3,618	(839)	2,779	(839)	2,779
Wharves, ramps, moorings	3,371	3,371	0	3,371	162	0	0	(286)	1	119	0	3,367	0	3,367	0	3,367
F&F and office equipment	5,448	4,659	(789)	4,659	220	(10)	0	(522)	1	0	0	5,650	(1,302)	4,348	(1,302)	4,348
Information systems	2,328	1,181	(1,147)	1,181	300	0	0	(581)	1	0	0	2,628	(1,727)	901	(1,727)	901
Work in progress	2,366	2,366	0	2,366	1,349	(1,009)	0	0	(50)	0	0	2,656	0	2,656	0	2,656
<b>Total Operational Assets</b>	<b>598,527</b>	<b>594,611</b>	<b>(3,916)</b>	<b>594,611</b>	<b>2,821</b>	<b>(1,472)</b>	<b>0</b>	<b>(2,061)</b>	<b>(16)</b>	<b>119</b>	<b>119</b>	<b>599,643</b>	<b>(5,642)</b>	<b>594,001</b>	<b>(5,642)</b>	<b>594,001</b>
Roading	817,313	817,142	(164)	817,142	19,274	(940)	0	(13,545)	40	28,443	0	850,756	(342)	850,414	(342)	850,414
Water	52,005	50,300	(1,705)	50,300	5,687	(154)	0	(1,770)	1	3,675	0	57,746	(7)	57,739	(7)	57,739
Sewerage	78,884	76,386	(2,498)	76,386	3,648	(121)	0	(2,440)	0	8,589	0	86,062	0	86,062	0	86,062
Refuse	3,681	3,474	(208)	3,474	362	(15)	0	(257)	165	1,552	0	5,281	0	5,281	0	5,281
Stormwater	34,671	34,189	(482)	34,189	2,423	(52)	0	(487)	(35)	9,744	0	45,782	0	45,782	0	45,782
Community Facilities	45,947	43,894	(2,053)	43,894	3,753	(34)	0	(2,710)	(1)	0	0	49,628	(4,726)	44,902	(4,726)	44,902
Work In progress	36,747	36,747	0	36,747	29,119	(34,951)	0	0	(1,328)	0	0	29,587	0	29,587	0	29,587
<b>Total Infrastructural Assets</b>	<b>1,069,248</b>	<b>1,062,132</b>	<b>(7,110)</b>	<b>1,062,132</b>	<b>64,266</b>	<b>(36,267)</b>	<b>0</b>	<b>(21,209)</b>	<b>(1,158)</b>	<b>52,003</b>	<b>52,003</b>	<b>1,124,842</b>	<b>(5,075)</b>	<b>1,119,767</b>	<b>(5,075)</b>	<b>1,119,767</b>
<b>Council Restricted Assets</b>																
Land	44,775	44,775	0	44,775	0	0	0	0	0	0	0	44,775	0	44,775	0	44,775
<b>Total Restricted Assets</b>	<b>44,775</b>	<b>44,775</b>	<b>0</b>	<b>44,775</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>44,775</b>	<b>0</b>	<b>44,775</b>	<b>0</b>	<b>44,775</b>
<b>Total Property, Plant &amp; Equipment</b>	<b>1,712,550</b>	<b>1,701,524</b>	<b>(11,026)</b>	<b>1,701,524</b>	<b>67,087</b>	<b>(37,739)</b>	<b>0</b>	<b>(23,270)</b>	<b>(1,174)</b>	<b>52,122</b>	<b>52,122</b>	<b>1,769,260</b>	<b>(10,717)</b>	<b>1,758,543</b>	<b>(10,717)</b>	<b>1,758,543</b>

12. PROPERTY, PLANT & EQUIPMENT – CONSOLIDATED

2011

	COST / REVALUATION 1-JUL-10	ACCUMULATED DEPRECIATION AND IMPAIRMENT CHARGES 1-JUL-10	CARRYING AMOUNT 1-JUL-10	CURRENT YEAR ADDITIONS	CURRENT YEAR DISPOSALS	CURRENT YEAR IMPAIRMENT CHARGES	CURRENT YEAR DEPRECIATION ADJUSTMENTS	REVALUATION SURPLUS	COST/ REVALUATION 30 JUNE-11	ACCUMULATED DEPRECIATION AND IMPAIRMENT CHARGES 30 JUNE-11	CARRYING AMOUNT 30 JUNE-11
Land	583,508	(3,705)	579,803	4,629	(6,321)	0	0	(181,041)	400,775	(3,705)	397,070
Buildings	10,992	0	10,992	28	(443)	0	(94)	0	7,291	697	7,988
Vehicles and plant	5,475	(2,313)	3,162	75	(6)	0	(369)	(222)	4,674	(2,067)	2,609
Leasehold improvements	3,737	(855)	2,882	0	(65)	0	(279)	22	3,618	(1,058)	2,560
Wharves, ramps, moorings	4,753	0	4,753	60	0	0	(335)	(8)	4,470	0	4,470
F&F and office equipment	6,200	(1,759)	4,441	180	(101)	0	(540)	31	5,485	(1,474)	4,011
Information systems	2,628	(1,727)	901	0	0	0	(441)	0	2,628	(2,168)	460
Runways	2,467	0	2,467	0	0	0	(99)	0	2,368	0	2,368
Boat transporters	467	(32)	435	0	0	0	(25)	0	467	(57)	410
Moorings	77	(11)	66	30	0	0	(3)	0	107	(14)	93
Work in progress	2,656	0	2,656	5,173	0	0	0	(101)	7,728	0	7,728
<b>Total Operational Assets</b>	<b>622,960</b>	<b>(10,402)</b>	<b>612,558</b>	<b>10,175</b>	<b>(6,936)</b>	<b>0</b>	<b>(2,185)</b>	<b>(181,218)</b>	<b>439,611</b>	<b>(9,846)</b>	<b>429,767</b>
Roading	850,756	(151)	850,605	7,265	0	0	(14,090)	1,821	858,532	(13,122)	845,601
Water	57,746	(7)	57,739	1,169	0	0	(2,070)	(217)	58,695	(2,074)	56,621
Sewerage	86,062	0	86,062	8,331	0	0	(2,987)	(93)	94,297	(2,984)	91,313
Refuse	5,281	0	5,281	26	0	0	(486)	(159)	4,662	0	4,662
Stormwater	45,782	0	45,782	442	0	0	(622)	(17)	46,207	(622)	45,585
Community Facilities	49,628	(4,726)	44,902	7,733	(1,059)	0	(2,790)	(390)	49,035	(606)	48,429
Work in progress	29,587	0	29,587	28,803	(25,066)	0	0	0	33,028	0	33,028
<b>Total Infrastructural Assets</b>	<b>1,127,851</b>	<b>(4,884)</b>	<b>1,119,958</b>	<b>53,769</b>	<b>(26,125)</b>	<b>0</b>	<b>(23,045)</b>	<b>945</b>	<b>1,144,456</b>	<b>(19,408)</b>	<b>1,125,239</b>
<b>Council Restricted Assets</b>											
Land	44,775	0	44,775	0	0	0	0	0	44,775	0	44,775
<b>Total Restricted Assets</b>	<b>44,775</b>	<b>0</b>	<b>44,775</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>44,775</b>	<b>0</b>	<b>44,775</b>
<b>Total Property, Plant &amp; Equipment</b>	<b>1,795,586</b>	<b>(15,286)</b>	<b>1,777,291</b>	<b>63,944</b>	<b>(33,061)</b>	<b>0</b>	<b>(25,230)</b>	<b>(180,273)</b>	<b>1,628,842</b>	<b>(29,254)</b>	<b>1,599,777</b>





**12. PROPERTY, PLANT & EQUIPMENT – CONSOLIDATED**

2010

	COST / REVALUATION		ACCUMULATED DEPRECIATION AND IMPAIRMENT CHARGES		CARRYING AMOUNT		CURRENT YEAR		CURRENT YEAR		CURRENT YEAR		REVALUATION SURPLUS		COST/ REVALUATION		ACCUMULATED DEPRECIATION AND IMPAIRMENT CHARGES		CARRYING AMOUNT	
	1-JUL-09	1-JUL-09	1-JUL-09	1-JUL-09	1-JUL-09	1-JUL-09	ADDITIONS	DISPOSALS	IMPAIRMENT CHARGES	DEPRECIATION	ADJUSTMENTS	30 JUNE-10	30 JUNE-10	30 JUNE-10	30 JUNE-10	30 JUNE-10	30 JUNE-10	30 JUNE-10	30 JUNE-10	30 JUNE-10
Land	579,069	0	579,069	127	(223)	0	0	0	0	2	828	583,508	(3,705)	579,803						
Buildings	12,360	0	12,360	0	(166)	0	(90)	0	0	0	(1,112)	10,992	0	10,992						
Vehicles and plant	5,654	(2,183)	3,471	260	(85)	0	(512)	28	0	0	0	5,475	(2,313)	3,162						
Leasehold improvements	3,328	(618)	2,709	558	(145)	0	(241)	1	0	0	0	3,737	(855)	2,882						
Wharves, ramps, moorings	4,757	0	4,757	179	0	0	(328)	1	144	0	0	4,753	0	4,753						
F&F and office equipment	5,999	(1,210)	4,790	228	(14)	0	(564)	1	0	0	0	6,200	(1,759)	4,441						
Information systems	2,328	(1,147)	1,181	300	0	0	(581)	1	0	0	0	2,628	(1,727)	901						
Runways	2,207	0	2,207	5	0	0	(88)	0	343	0	0	2,467	0	2,467						
Boat transporters	213	(14)	199	344	(89)	0	(19)	0	0	0	0	467	(32)	435						
Moorings	63	(8)	55	13	0	0	(2)	0	0	0	0	77	(11)	66						
Work in progress	2,366	0	2,366	1,349	(1,009)	0	0	0	(50)	0	0	2,656	0	2,656						
<b>Total Operational Assets</b>	<b>618,344</b>	<b>(5,180)</b>	<b>613,164</b>	<b>3,363</b>	<b>(1,731)</b>	<b>0</b>	<b>(2,425)</b>	<b>(16)</b>	<b>203</b>	<b>622,960</b>	<b>(10,402)</b>	<b>612,558</b>								
Roading	817,413	(80)	817,333	19,274	(940)	0	(13,545)	40	28,443	850,756	(151)	850,605								
Water	52,005	(1,705)	50,300	5,687	(154)	0	(1,770)	1	3,675	57,746	(7)	57,739								
Sewerage	78,884	(2,498)	76,386	3,648	(121)	0	(2,440)	0	8,589	86,062	0	86,062								
Refuse	3,681	(208)	3,474	362	(15)	0	(257)	165	1,552	5,281	0	5,281								
Stormwater	34,671	(482)	34,189	2,423	(52)	0	(487)	(35)	9,744	45,782	0	45,782								
Community Facilities	45,947	(2,053)	43,894	3,753	(34)	0	(2,710)	(1)	0	49,628	(4,726)	44,902								
Work In progress	36,747	0	36,747	29,119	(34,951)	0	0	(1,328)	0	29,587	0	29,587								
<b>Total Infrastructural Assets</b>	<b>1,069,248</b>	<b>(7,026)</b>	<b>1,062,132</b>	<b>64,266</b>	<b>(36,267)</b>	<b>0</b>	<b>(21,209)</b>	<b>(1,158)</b>	<b>52,003</b>	<b>1,124,842</b>	<b>(4,884)</b>	<b>1,119,958</b>								
<b>Council Restricted Assets</b>																				
Land	44,775	0	44,775	0	0	0	0	0	0	44,775	0	44,775								
<b>Total Restricted Assets</b>	<b>44,775</b>	<b>0</b>	<b>44,775</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>44,775</b>	<b>0</b>	<b>44,775</b>								
<b>Total Property, Plant &amp; Equipment</b>	<b>1,732,467</b>	<b>(12,206)</b>	<b>1,720,261</b>	<b>67,629</b>	<b>(37,998)</b>	<b>0</b>	<b>(23,634)</b>	<b>(1,174)</b>	<b>52,206</b>	<b>1,792,577</b>	<b>(15,286)</b>	<b>1,777,291</b>								

## PRIOR YEAR ADJUSTMENT RELATING TO PROPERTY, PLANT & EQUIPMENT

In 2009, the revaluation of footpaths included assets that were not in existence amounting to \$3.009m. In removing these non-existent assets from the Statement of Financial Position, the opening 1 July 2009 balances for the footpath asset revaluation reserve (included in other reserves) has been reduced by \$0.676m and retained earnings has been reduced by \$2.333m. These adjustments have caused the opening and closing 2010 comparatives to be re-stated in property, plant & equipment (reduces by \$3.009m), asset revaluation reserves (reduces by \$0.676m) and retained earnings (reduces by \$2.333m).

The following adjustments have been made to the 2010 comparatives:

## Council and Consolidated Statement of Financial Position

AS AT 30 JUNE 2011

### Original Comparatives

	NOTE	CONSOLIDATED ACTUAL 2010 \$000s	COUNCIL ACTUAL 2010 \$000s
<b>PUBLIC EQUITY</b>			
Other reserves	21	396,044	393,572
Restricted reserves	21	1,527	24
Retained earnings	21	1,309,419	1,287,278
<b>Public Equity</b>		<b>1,706,989</b>	<b>1,680,873</b>
<b>NON CURRENT ASSETS</b>			
Property, plant & equipment	12	1,780,300	1,761,551
<b>Non Current Assets</b>		<b>1,816,810</b>	<b>1,777,295</b>

### Revised Comparatives

	NOTE	CONSOLIDATED ACTUAL 2010 \$000s	COUNCIL ACTUAL 2010 \$000s
<b>PUBLIC EQUITY</b>			
Other reserves	21	395,271	392,799
Restricted reserves	21	1,527	24
Retained earnings	21	1,307,183	1,285,042
<b>Public Equity</b>		<b>1,703,981</b>	<b>1,677,865</b>
<b>NON CURRENT ASSETS</b>			
Property, plant & equipment	12	1,777,291	1,758,542
<b>Non Current Assets</b>		<b>1,813,801</b>	<b>1,774,286</b>



## VALUATION

\* Note to table 12 – Includes Work In Progress (WIP) for Intangible Assets \$8.652m (\$1.841m 2009/10)

The following asset classes were valued at depreciated replacement cost by Fraser Campbell B.E., MIPENZ, registered engineer with Campbell Consulting LTD and SPM Consultants:

### 30 June 2011

Roading - Street Lighting	Roading - Drainage Detention Ponds
Water, Wastewater and Refuse (Including Land)	Roading - Retaining and Seawalls
Carparks	Footpaths

### 30 June 2010

Roading - Traffic Signs	Roading - Pavement	Roading - Drainage
Roading - Bridges	Stormwater Infrastructure	

### 30 June 2009

Roading Quarries

### 30 June 2008

Roading - Road Marking

The following asset classes were valued at depreciated replacement cost or fair value by Quotable Value New Zealand (Darroch Ltd):

### 30 June 2011

Cemeteries	Halls, Community Centres and Museums	
Libraries	I-Sites	Parks & Reserves (Including Land)
Camping grounds	Public Toilets	Swimming Pools
Land under roads (Fair value)	Pensioner Housing (Depreciated Replacement Cost)	

The following asset classes were valued at depreciated replacement cost by Craig Russell, registered valuer with Telfer Young (Northland) Ltd:

### 30 June 2011

Maritime

The following asset classes were valued at depreciated replacement cost by Senior Property consultants at Opus International Consultants Ltd:

### 31 January 2011

Heritage Assets

The following asset classes were valued in house by the Systems Librarian and the Fixed Asset Officer at depreciated replacement cost. The valuation was peer reviewed by Chris Jenkins – Director SPM Consultants Ltd:

### 31 December 2010

Library books

## OPERATIONAL ASSETS

Ferry Assets were valued at depreciated replacement cost by CPG New Zealand Ltd, Consulting Engineers, with an effective valuation date of 30 June 2011

Rural Fire Appliances were valued by Turners Auctions as at 30 June 2011.



TOTAL VALUE OF PROPERTY, PLANT & EQUIPMENT VALUED BY EACH VALUER	COUNCIL	
	2011 \$000s	2010 \$000s
Campbell Consulting Ltd	590,169	1,427,857
SPM Consulting (Peer review)	3,371	0
Opus International Consultants Ltd	2,503	0
Telfer Young (Northland) Ltd	3,659	3,365
Turners Auctions	1,105	0
Darroch Valuations	115,465	0

TOTAL VALUE OF PROPERTY, PLANT & EQUIPMENT VALUED BY EACH VALUER	GROUP	
	2011 \$000s	2010 \$000s
Campbell Consulting Ltd	590,169	1,427,857
SPM Consulting (Peer review)	3,371	0
Opus International Consultants Ltd	2,503	0
Telfer Young (Northland) Ltd	36,316	40,162
Turners Auctions	1,105	0
Darroch Valuations	115,465	0

13. INTANGIBLE ASSETS	CONSOLIDATED		COUNCIL	
	2011 \$000s	2010 \$000s	2011 \$000s	2010 \$000s
<b>Computer Software</b>				
Balance at 1 July				
Cost	3,889	3,243	3,859	3,213
Accumulated amortisation and impairment	(1,792)	(1,360)	1,807	(1,355)
Year Ended 30 June	2,067	1,883	2,052	1,858
<b>Opening Carrying Amount</b>	<b>2,067</b>	<b>1,883</b>	<b>2,052</b>	<b>1,858</b>
Additions	0	646	0	646
Amortisation charges	(575)	(462)	(565)	(452)
Disposals / adjustments	(10)	0	(10)	0
<b>Balance at 30 June</b>	<b>1,482</b>	<b>2,067</b>	<b>1,477</b>	<b>2,052</b>
<b>Resource Consents/Easements</b>				
Balance at 1 July				
Cost	576	514	576	514
Accumulated amortisation and impairment	(128)	(88)	(128)	(88)
Year Ended 30 June	448	426	448	426
<b>Opening Carrying Amount</b>	<b>448</b>	<b>426</b>	<b>448</b>	<b>426</b>
Additions	646	62	646	62
Amortisation charges	(62)	(40)	(62)	(40)
Disposals / adjustments	7	0	7	0
<b>Balance at 30 June</b>	<b>1,040</b>	<b>448</b>	<b>1,040</b>	<b>448</b>
<b>Coastal Permits &amp; Licences</b>	<b>934</b>	<b>1,061</b>	<b>0</b>	<b>0</b>
<b>Public Access Rights</b>				
Balance at 1 July				
Cost	901	361	901	361
Accumulated amortisation and impairment	(41)	(19)	(41)	(19)
Year Ended 30 June	860	342	860	342
<b>Opening Carrying Amount</b>	<b>860</b>	<b>342</b>	<b>860</b>	<b>342</b>
Additions	95	540	95	540
Amortisation charges	(78)	(22)	(78)	(22)
Disposals / adjustments	(200)	0	(200)	0
<b>Balance at 30 June</b>	<b>677</b>	<b>860</b>	<b>677</b>	<b>860</b>
<b>Total Intangible Assets</b>	<b>4,133</b>	<b>4,436</b>	<b>3,194</b>	<b>3,360</b>

Easements and Resource Consents are not cash generating in nature, instead they give Far North District Council the right to access private property where infrastructural assets are located and to carry out activities approved by permit.

The valuation of the coastal permits and licences of Far North Holdings Ltd are at fair value as determined annually by an independent registered valuer, T S Baker ANZIV, of the firm Telfer Young (Northland) Ltd, as at 30 June 2011. Assumptions made by the valuer are that the coastal permits and licences will be renewed. The coastal permits and licences are for a finite period, however, it is expected that these will be renewed on an ongoing basis. Due to signalled legislative changes and the uncertainty surrounding the future occupation of the seabed and foreshore, it has been deemed prudent to amortise the coastal permits and licences over the unexpired period.



14. FORESTRY ASSETS	CONSOLIDATED		COUNCIL	
	2011 \$000s	2010 \$000s	2011 \$000s	2010 \$000s
Balance at 1 July	275	237	275	237
Gains/(Losses) arising from changes in value less attributable point of sale costs	148	38	148	38
<b>Balance at 30 June</b>	<b>423</b>	<b>275</b>	<b>423</b>	<b>275</b>

Far North District Council owns 57.4 hectares of forest which are in varying stages of maturity ranging from 3 years to 29 years. No forests have been harvested during the period (2010 - nil). Independent registered valuers, Northland Forestry Managers (1995) Ltd have valued the forestry assets as at 30 June 2011. A discount rate of 8% has been used in discounting the present value of expected cash flows.

#### FINANCIAL RISK MANAGEMENT STRATEGIES

Far North District Council is exposed to financial risks arising from the changes in timber prices. Far North District Council is a long term forestry investor and does not expect timber prices to decline significantly in the foreseeable future, therefore, has not taken measures to manage the risks of a decline in timber prices.

15. INVESTMENT PROPERTY	CONSOLIDATED		COUNCIL	
	2011 \$000s	2010 \$000s	2011 \$000s	2010 \$000s
Balance at 1 July	31,299	33,491	0	0
WIP additions	43	84	0	0
Additions	1,726	1,222	0	0
Disposals	(1,533)	(2,322)	0	0
Impairment	(200)	0	0	0
Fair value gains/(losses) on valuation	(887)	(1,176)	0	0
<b>Balance at 30 June</b>	<b>30,448</b>	<b>31,299</b>	<b>0</b>	<b>0</b>

Far North Holdings Limited investment properties are valued annually at fair value effective 30 June. All investment properties were valued based on open market evidence. The valuation was performed by T S Baker ANZIV, of the firm Telfer Young (Northland) Ltd, a valuer with extensive market knowledge in the types of investment properties owned by Far North Holdings Ltd.

Contractual obligations in relation to investment properties at balance date but not recognised in the financial statements are as follows:

	CONSOLIDATED		COUNCIL	
	2011 \$000s	2010 \$000s	2011 \$000s	2010 \$000s
Contractual obligations for capital expenditure	0	57	0	0
<b>Total Contractual Obligations</b>	<b>0</b>	<b>57</b>	<b>0</b>	<b>0</b>

16. INVESTMENT IN SUBSIDIARIES	CONSOLIDATED		COUNCIL	
	2011 \$000s	2010 \$000s	2011 \$000s	2010 \$000s
Far North Holdings Ltd	0	0	12,000	12,000
<b>Total Investment in Subsidiaries</b>	<b>0</b>	<b>0</b>	<b>12,000</b>	<b>12,000</b>

Council has a 100% investment in Far North Holdings and its reporting date is 30 June.

The investment in Far North Holdings Limited comprises 7,000,000 ordinary shares and 5,000,000 convertible non-participating redeemable shares. The holders of the convertible non-participating shares have no rights to participate in the profits or assets of the Company other than by the discretion of the directors, to vote at any general meeting of the Company or to subscribe for or be offered or allotted any present or future issue of shares in the capital of the Company. The Company shall be entitled, at any time from 30 May 2002, to redeem all or any of the convertible non-participating share at the available subscribed capital per share.

The following were subsidiaries within the Far North Holdings Group:

<b>Name of Entity:</b>	Paihia Maritime Properties Ltd
<b>Principal Activity:</b>	Associate of Holding Company
<b>Ownership:</b>	0% (2010 50%)
<b>Owner:</b>	Far North District Council
<b>Balance Date:</b>	30 June





17. TRADE & OTHER PAYABLES	CONSOLIDATED		COUNCIL	
	2011 \$000s	2010 \$000s	2011 \$000s	2010 \$000s
Current Portion				
Trade payables	4,811	5,451	4,486	4,919
Related party payables	1,890	1,145	0	0
Accruals	9,017	7,750	9,017	7,750
Deposits	4,490	4,486	4,490	4,486
Income in advance	2,498	2,126	2,498	1,962
<b>Total Current Portion</b>	<b>22,706</b>	<b>20,958</b>	<b>20,491</b>	<b>19,117</b>
Non-Current Portion				
Income in advance	1,174	1,058	0	0
<b>Total Non Current Portion</b>	<b>1,174</b>	<b>1,058</b>	<b>0</b>	<b>0</b>

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

18. PROVISIONS	CONSOLIDATED		COUNCIL	
	2011 \$000s	2010 \$000s	2011 \$000s	2010 \$000s
<b>Provision for Leaky Buildings</b>				
Current	0	0	0	0
Non current	1,307	1,088	1,307	1,088
<b>Total Provision Leaky Buildings</b>	<b>1,307</b>	<b>1,088</b>	<b>1,307</b>	<b>1,088</b>
Balance 1 July	1,088	739	1,088	739
Provision added	347	1,037	347	1,037
Provision unused	0	(625)	0	(625)
Provision utilised	(128)	(63)	(128)	(63)
<b>Balance 30 June</b>	<b>1,307</b>	<b>1,088</b>	<b>1,307</b>	<b>1,088</b>
<b>Landfill Aftercare Liability</b>				
Current provisions	40	54	40	54
Non current provisions	391	404	391	404
<b>Total Provisions</b>	<b>431</b>	<b>458</b>	<b>431</b>	<b>458</b>
<b>This is represented by:</b>				
<b>Ahipara</b>				
Opening balance July 2010	235	268	235	268
Less amount utilised	25	33	25	33
<b>Closing Balance June 2011</b>	<b>210</b>	<b>235</b>	<b>210</b>	<b>235</b>
<b>Kaikohe</b>				
Opening balance July 2010	12	14	12	14
Less amount utilised	1	2	1	2
<b>Closing Balance June 2011</b>	<b>11</b>	<b>12</b>	<b>11</b>	<b>12</b>
<b>Russell</b>				
Opening balance July 2010	186	186	186	186
Less amount utilised	0	0	0	0
Add increase in provision	0	0	0	0
<b>Closing Balance June 2011</b>	<b>186</b>	<b>186</b>	<b>186</b>	<b>186</b>
<b>Whangae</b>				
Opening balance July 2010	25	27	25	27
Less amount utilised	1	2	1	2
<b>Closing Balance June 2011</b>	<b>24</b>	<b>25</b>	<b>24</b>	<b>25</b>
<b>Total Landfill Aftercare Provisions</b>	<b>431</b>	<b>458</b>	<b>431</b>	<b>458</b>
Total current provisions	40	54	40	54
Total non current provisions	1,698	1,492	1,698	1,492
<b>Total Provisions</b>	<b>1,738</b>	<b>1,545</b>	<b>1,738</b>	<b>1,545</b>



## LANDFILL AFTERCARE PROVISIONS

Far North District Council gained resource consents to operate landfills at Ahipara, Russell, Whangae and Kaikohe. The Council has responsibility under the Resource Management Act (1991) to provide ongoing maintenance and monitoring of the landfills after the sites are closed.

### THERE ARE CLOSURE AND POST CLOSURE RESPONSIBILITIES SUCH AS THE FOLLOWING:

- Final cover and vegetation;
- Drainage control features to minimise infiltration of stormwater;
- Completing facilities for leachate collection and treatment;
- Ongoing monitoring as per discharge consent conditions;
- Completing facilities for monitoring of landfill gas and ensuring no hazard exists.

### POST-CLOSURE RESPONSIBILITIES

- Treatment and monitoring of leachate;
- Ground water and surface water monitoring;
- Gas monitoring and flaring if required;
- Implementation of remedial measures such as needed for settlement and cracking of capping layer;
- Ongoing site maintenance for drainage systems, final cover and vegetation;
- Ensure closed landfill is suitable for intended future use.

The management of the landfills will influence the timing of some liabilities – for example, the current landfill sites of Ahipara and Russell will operate in two stages. A liability relating to stage two will only be created when that stage is commissioned and when refuse begins to accumulate in this stage.

## CAPACITY OF THE SITES

The remaining cubic capacity of refuse, cleanfill and cover of Council's two current sites as at 30 June 2011 are:

*Ahipara – 14,000 cubic meters*

*Russell – 16,000 cubic meters*

The estimated remaining lives are:

*Ahipara – 3-4 years*

*Kaikohe – nil*

*Russell – 25 years*

*Whangae – nil*

Estimates of the remaining lives have been made by the Council's engineers based upon historical volume information.

The cash flows for the landfill post-closures are expected to occur for the years between 2011 and 2030. 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 into account existing technology and is discounted using a discount rate of 8%.

The following major assumptions have been made in the calculation of the provision:

- The cost of monitoring of surface/ground water; and
- No major remedial works being required at any of the sites.

## Leaky Building Provision

Far North District Council has made a provision of \$1,307,633 (2010 - \$1,015,133) in response to eight (2010 – six) leaky building claims currently lodged with the Weather-tight Homes Resolution Service. These claims are not proved to be the responsibility of the Council but as an outcome is awaited, it has been deemed prudent to make suitable provision should the Council be required to settle the claims.

19. EMPLOYEE BENEFITS	CONSOLIDATED		COUNCIL	
	2011 \$000s	2010 \$000s	2011 \$000s	2010 \$000s
Annual leave entitlement	1,176	1,178	1,077	1,086
Other entitlements	448	261	430	248
<b>Total Employee Benefits</b>	<b>1,624</b>	<b>1,439</b>	<b>1,507</b>	<b>1,334</b>
<b>Comprising</b>				
Current	1,624	1,439	1,507	1,334
Non current	0	0	0	0
<b>Total Employee Benefits</b>	<b>1,624</b>	<b>1,439</b>	<b>1,507</b>	<b>1,334</b>

20. BORROWINGS	CONSOLIDATED		COUNCIL	
	2011 \$000s	2010 \$000s	2011 \$000s	2010 \$000s
Current				
Bank overdraft	5	2	0	0
Secured loans	13,525	21,462	13,525	14,012
Finance lease liability	0	0	0	0
<b>Total Current Borrowings</b>	<b>13,530</b>	<b>21,464</b>	<b>13,525</b>	<b>14,012</b>
Non-Current				
Secured loans	105,118	101,321	95,798	98,421
Finance lease liability	0	0	0	0
<b>Total Non Current Borrowings</b>	<b>105,118</b>	<b>101,321</b>	<b>95,798</b>	<b>98,421</b>

Council loans are secured over rating income. Far North Holdings Limited has loans of \$9,320,000 (2010 - \$10,350,000). Land and buildings to a value of \$20,508,000 (\$18,217,000 in 2010) have been given as security for the term loans. Far North District Council has an overdraft limit of \$5 million (2010 - \$3m) which is not secured.

The Far North District Council has short term loan facilities of \$50 million as at 30 June 2011 (2010- \$75 million).

Far North District Council has a banking facility which will expire on 30 September 2011. All outstanding commitments on that facility at that time are likely to be transferred to an alternative existing facility which expires in December 2013. These borrowings have therefore been disclosed as non current. The alternative facility was in place before the balance date.

#### Maturity Periods

Payable no later than one year	13,525	21,462	13,525	14,012
Later than one, not later than two years	11,354	46,535	2,034	46,535
Later than two, not later than five years	54,190	25,175	54,190	22,275
Later than five years	39,575	29,611	39,575	29,611
	<b>118,643</b>	<b>122,783</b>	<b>109,323</b>	<b>112,433</b>

The carrying amount of borrowings approximate their fair value.

The weighted average effective interest rate on secured loans (current and non current) were:

Secured Loans and Debentures	7.14 %	8.28 %
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Council's borrowing management policy is based on ratios and is calculated as follows:

RATIO	TARGET	ACHIEVEMENT 2010/11
Net debts as % total revenue	Debt not greater than 200% of revenue	99%
Gross annual interest to total revenue	Less than 15%	6%
Current Ratio (Liquidity Ratio)	Equal or greater than 1 times	1.07:1

21. EQUITY	CONSOLIDATED		COUNCIL	
	2011 \$000s	2010 \$000s	2011 \$000s	2010 \$000s
<b>Retained Earnings</b>				
As at 1 July	1,307,183	1,292,317	1,285,042	1,277,207
Net transfer – retained earning	14,440	12,554	17,647	14,990
Development contributions	(21,154)	(19,284)	(21,154)	(19,284)
Surplus/(Deficit) for the year	5,164	12,331	6,765	12,129
<b>Balance as at 30 June</b>	<b>1,305,633</b>	<b>1,307,183</b>	<b>1,288,300</b>	<b>1,285,042</b>
<b>Restricted Reserves</b>				
As at 1 July	1,527	502	24	(1,001)
Transfer to restricted reserves	31,788	32,651	30,284	31,148
Transfer from restricted reserves	29,909	31,626	28,405	30,123
<b>Balance as at 30 June</b>	<b>3,406</b>	<b>1,527</b>	<b>1,903</b>	<b>24</b>
<b>Restricted Reserves Consists of:</b>				
Community – District	(1,333)	(2,942)	(1,333)	(2,942)
Community – Eastern	(21)	48	(21)	48
Community – Northern	(351)	(351)	(351)	(351)
Community – Western	(57)	(57)	(57)	(57)
Drainage	66	44	66	44
Stormwater separate rate	302	315	302	315
Sewerage	258	493	258	493
Water	(1,524)	(1,919)	(1,524)	(1,919)
Special funds	3,776	3,661	3,776	3,661
Kerikeri main-street reserve	434	398	434	398
Economic development	10	10	10	10
Paihia central business district development	19	0	19	0
Carpark funds	324	324	324	324
Subsidiary assets	1,503	1,503	0	0
<b>Total Restricted Reserves</b>	<b>3,406</b>	<b>1,527</b>	<b>1,903</b>	<b>24</b>



21. EQUITY	CONSOLIDATED		COUNCIL	
	2011 \$000s	2010 \$000s	2011 \$000s	2010 \$000s
<b>Other Reserves Consist of:</b>				
<b>Asset Revaluation Reserves</b>				
As at 1 July	395,259	344,462	390,091	338,645
Revaluation gains/(losses)	(179,576)	50,797	(179,631)	51,446
<b>Balance as at 30 June</b>	<b>215,683</b>	<b>395,259</b>	<b>210,460</b>	<b>390,091</b>
<b>Asset Revaluation Reserve Consists of:</b>				
Maritime	974	982	974	982
Pensioner housing	1,712	1,610	1,712	1,610
Heritage	362	211	362	211
Plant & equipment	0	53	0	53
Halls	1,806	3,840	1,806	3,840
Swimming pools	109	84	109	84
Parks & reserves	1,366	600	1,366	600
Cemeteries	320	480	320	480
Land – parks & reserves	0	4,959	0	4,959
Public toilets	98	98	98	98
Car-parks	397	204	397	204
Camping grounds	456	645	456	645
Footpaths	0	0	0	0
Library buildings	1,511	900	1,511	900
Library books	1,424	1,266	1,424	1,266
Drainage	12,058	12,058	12,058	12,058
Roading	158,010	331,829	158,010	331,829
Refuse	1,646	1,831	1,646	1,831
Water	12,134	12,271	12,134	12,271
Wastewater	16,077	16,170	16,077	16,170
Subsidiary assets	5,223	5,169	0	0
<b>Total Asset Revaluation Reserve</b>	<b>215,683</b>	<b>395,259</b>	<b>210,460</b>	<b>390,091</b>
<b>Fair Value through Equity Reserve</b>				
As at 1 July	108	106	108	106
Fair value gains/(losses)	(22)	2	(22)	2
<b>Balance as at 30 June</b>	<b>86</b>	<b>108</b>	<b>86</b>	<b>108</b>
<b>Capital Reserve</b>				
As at 1 July	0	0	2,697	2,697
Fair value gains/(losses)	0	0	0	0
<b>Balance as at 30 June</b>	<b>0</b>	<b>0</b>	<b>2,697</b>	<b>2,697</b>
<b>Cash flow hedge reserve</b>				
As at 1 July	(97)	217	(97)	217
Hedge additions	0	157	0	157
Fair value gains/(losses)	(268)	(277)	(268)	(277)
<b>Balance at 30 June</b>	<b>(365)</b>	<b>97</b>	<b>(365)</b>	<b>97</b>
<b>Total Other Reserves</b>	<b>215,404</b>	<b>395,270</b>	<b>212,878</b>	<b>392,799</b>

Restricted reserves consist of community services, amenity development and amenity funds, special funds and separate rates reserves and are restricted to use for specific purposes and are not available for general expenditure.

The capital reserve pertains to profit of \$1,630,000 on the sale of Council's shares in Far North Maritime Limited to Far North Holdings Limited, and a capital profit of \$1,067,000 on the sale of land and buildings to Far North Properties, a former subsidiary of Far North Holdings Limited.

22. CASH FLOW RECONCILIATION	CONSOLIDATED		COUNCIL	
	2011	2010	2011	2010
	\$000s	\$000s	\$000s	\$000s
Reported surplus/(deficit)	5,164	12,331	6,765	12,129
<b>Add Non-cash items</b>				
Depreciation and amortisation	26,002	24,225	25,548	23,783
Vested assets	(963)	(1,907)	(963)	(1,907)
Assets transferred	0	0	(5,201)	0
Change in deferred taxation	(2,192)	2008	0	0
Loss on Property, plant & equipment	2,198	230	602	1,508
Change in provision for bad debts	3,782	3,373	3,799	3,331
Unrealised revaluation and devaluation	6,582	0	6,582	0
<b>Add/(Less) Movements in Other Working Capital Items</b>				
(Increase)/Decrease in Trade & other receivables	357	(5,857)	354	(5,395)
(Increase)/Decrease in Inventories	(15)	(2)	9	(1)
Increase/(Decrease) in Provisions	(14)	(158)	(14)	(158)
Increase/(Decrease) in Other financial assets	684	(3,174)	690	(2,852)
Increase/(Decrease) in Employee benefits	185	82	173	65
Increase/(Decrease) in Trade & other payables	1,246	(3,884)	1,374	(4,557)
Items classed as Investing activities	116	0	96	0
<b>Net Operating Cash Flows</b>	<b>43,132</b>	<b>27,267</b>	<b>39,814</b>	<b>25,946</b>

Reconciliation of reported operating surplus to net cash inflow/outflow from operating activities.

23. CAPITAL COMMITMENTS	CONSOLIDATED		COUNCIL	
	2011	2010	2011	2010
	\$000s	\$000s	\$000s	\$000s
<b>Capital Commitments Approved and Contracted</b>				
Roading	1,639	1,863	1,639	1,863
Water	0	0	0	0
Sewerage	102	197	102	197
Community Facilities	186	711	186	711
Subsidiaries investment property	214	57	0	0
<b>Total Capital Commitments</b>	<b>2,141</b>	<b>2,829</b>	<b>1,927</b>	<b>2,772</b>

The Roothing commitments attract subsidy to the value of \$981,850. Far North District Council is committed to supporting Te Ahu Charitable Trust in the 2009/19 LTCCP and the value of the commitment outstanding at 30 June 2011 is \$1,985,214.

### NON-CANCELLABLE OPERATING LEASE COMMITMENTS

Council has operating lease agreements for the use of facsimile machines, property and photocopiers/printers.

	CONSOLIDATED		COUNCIL	
	2011	2010	2011	2010
	\$000s	\$000s	\$000s	\$000s
<b>Operating Lease</b>				
<b>Lease Payments Made:</b>	<b>423</b>	<b>366</b>	<b>1,038</b>	<b>1,016</b>
<b>Lease Payments Due:</b>				
Not later than one year	393	378	373	948
Later than one year and not later than two years	283	341	264	334
Later than two years and not later than five years	493	486	400	433
Later than five years	415	436	314	463
<b>Total Operating Leases</b>	<b>1,587</b>	<b>1,641</b>	<b>1,351</b>	<b>2,178</b>

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

### OPERATING LEASES AS LESSOR

Far North Holdings Limited leases its investment property under operating leases. The future aggregate minimum lease payments to be collected under non-cancellable operating leases are as follows:

	CONSOLIDATED		COUNCIL	
	2011	2010	2011	2010
	\$000s	\$000s	\$000s	\$000s
<b>Non Cancellable operating leases lessor</b>				
Not later than one year	1,030	1,506	0	0
Later than one and not later than five years	3,277	5,134	0	0
Later than five years	4,236	4,378	0	0
<b>Total Non Cancellable Operating Leases</b>	<b>8,543</b>	<b>11,018</b>	<b>0</b>	<b>0</b>



24. CONTINGENCIES	CONSOLIDATED		COUNCIL	
	2011 \$000s	2010 \$000s	2011 \$000s	2010 \$000s
Building Act claims	40	0	40	0
Other legal proceedings	77	77	77	77
Roading legalisation claims	50	100	50	100
<b>Total Contingent Liabilities</b>	<b>167</b>	<b>177</b>	<b>167</b>	<b>177</b>

#### LITIGATION

Fifteen claims involving possible future costs totalling an estimated value of \$363,727 exist. These claims are contingent and have not been accrued in the financial statements. (Last year there were eight possible claims at an estimated value of \$176,874).

The Council is subject to some litigation claims in respect of repair costs for leaky buildings. As at the date of this report, the Weathertight Homes Resolution Service advises that it is actioning six claims in relation to Far North District Council. There is provision for these of \$1,297,633 shown as a provision in Note 18. The number of buildings affected by those claims is unknown. Claims lodged prior to July 07 will be substantially covered by insurance and those from July 08 will be subject to an excess of \$50k per claim. From July 09 no further claims will be covered by Riskpool. Riskpool is making additional funding requests in relation to prior year funds and it is possible that Council may be asked to make additional payments but as yet, sums are not known.

#### GUARANTEES

Far North District Council has guaranteed a bank loan for the Civic Centre Trust for \$1,900,000 (2010 \$1,900,000) Hohoura Big Game Sports & Fishing Club \$50,000 (2010 \$50,000) and the Kawakawa Bowling Club of \$40,000 (2010 \$40,000).

Far North Holdings Limited no longer guarantees a bank loan to Paihia Maritime Properties Limited (2010 \$1,000,000).

#### 25. RELATED PARTY TRANSACTIONS

Key Management Personnel in relation to NZ IAS24 are deemed to be the Chief Executive, Senior Management Team and Mayor, Councillors and Community Board members of Far North District Council and the Directors of Far North Holdings Limited.

#### COUNCIL

During the year Councillors and key management, as part of a normal customer relationship, were involved in minor transactions with Council (such as payment of rates). Other details relating to expenditure incurred by Council are as follows:

	COUNCIL	
	2011 \$000s	2010 \$000s
Mr I Siver – Director The Centre	0	1
Member Waikare – Kawakawa Community Trust	0	32
Cllr Kitchen – New Zealand Fire Service	9	0
Cllr Kitchen/Macauley – Northland District Health Board	330	289
Cllr Macauley – Kaikohe & District Historical & Mechanical Society	84	0
Cllr Macauley – Kawakawa Hundertwasser Centre	8	0
Cllr Knight – 100% Monty Knight	1	0
Cllr McNally – McNally Valuation (2000) Ltd	1	0
Cllr Maxwell – Creative Edge Bay of Islands	3	0
Cllr Byers/Members Dalton/Stephens – Northpoint Trust	6	1
Cllr Byers – Sport Northland	75	131
Cllr McNally – Sport Northland (From Nov 2010)	72	0
Member Ward – Paihia Business Incorporated	26	0
Member Davis – BOI Vintage Railway Trust	10	0
Member Waikare – Kawakawa Business Association	3	9

Except for the above, no other Councillors or senior management have entered into related party transactions with the group.

KEY MANAGEMENT PERSONNEL	CONSOLIDATED		COUNCIL	
	2011 \$000s	2010 \$000s	2011 \$000s	2010 \$000s
Council – salaries	1,480	1,595	1,480	1,595
Council – severance	60	0	60	0
Subsidiary - salaries	341	315	0	0
<b>Total Salaries - Key Management Personnel</b>	<b>1,881</b>	<b>1,910</b>	<b>1,540</b>	<b>1,595</b>



Far North Holdings Limited is wholly owned by Far North District Council. In presenting the financial statements of the group the effect of transactions and balances between fellow subsidiaries have been eliminated.

## TRANSACTIONS

All transactions between companies in the Group and Far North District Council were made on commercial terms and conditions with the exception of management and administrative services which were supplied to Far North Developments Ltd free of charge.

## Transactions Between the Group and Far North District Council

	COUNCIL	
	2011 \$000s	2010 \$000s
<b>Far North Holdings Ltd</b>		
Services received from the Council	226	218
Services provided to the Council	823	821
Amounts payable to members of the Group	1	2
Amounts receivable from members of the Group	79	141
<b>Te Ahu Charitable Trust</b>		
Amounts payable to members of the Group	3,991	2,142
Amounts receivable from members of the Group	0	1,842
Outstanding commitment to Te Ahu Charitable Trust	3,991	0
Contribution to Te Ahu Charitable Trust in 2010/11	4,240	0

No provision has been required, nor any expense recognised for impairment of receivables for any loans or other receivables to related parties (2010 \$nil).

Council has three CCO's – Far North Holdings Limited, Te Ahu Charitable Trust and Rolands Wood Trust. The values relating to the Rolands Wood trust are deemed not material for the Far North District Council consolidation. The Rolands Wood Trust has a balance of \$133k (\$134k June 2010) shown as a deposit in Far North District Council accounts. This was specifically bequeathed to Council for the maintenance of an area of woodland for community use

26. REMUNERATION	CONSOLIDATED		COUNCIL	
	2011 \$000s	2010 \$000s	2011 \$000s	2010 \$000s

The Chief Executive Officer of the Far North District Council, appointed under section 42(1) of the Local Government Act 2002 received a salary and benefits respectively of:

### CEO

Salary	258	238	258	238
Vehicle	15	16	15	16
Principal allowance	1	1	1	1
Telephone allowance	1	1	1	1
<b>Total CEO costs</b>	<b>275</b>	<b>256</b>	<b>275</b>	<b>256</b>

### Elected representatives:

Mayor Brown - Salary	102	96	102	96
Mayor Brown - Vehicle	6	7	6	7

### Other Elected Representatives

Baker T – Salary	42	43	42	43
Baker T – Mileage & other expenses	4	3	4	3
Bamber I – Salary	13	43	13	43
Bamber I – Mileage & other expenses	1	5	1	5
Bowman D – Salary	11	43	11	43
Bowman D – Mileage & other expenses	1	6	1	6



26. REMUNERATION	CONSOLIDATED		COUNCIL	
	2011 \$000s	2010 \$000s	2011 \$000s	2010 \$000s
Byers L– Salary	13	43	13	43
Byers L– Mileage & other expenses	1	3	1	3
Court A– Salary	49	43	49	43
Court A– Mileage & other expenses	4	4	4	4
Dalton T – Salary	30	0	30	0
Dalton T – Mileage & other expenses	1	0	1	0
Macauley S – Salary	45	52	45	52
Macauley S – Mileage & other expenses	0	0	0	0
Kitchen C – Salary	42	43	42	43
Kitchen C – Mileage & other expenses	1	0	1	0
Maxwell D – Salary	43	48	43	48
Maxwell D – Mileage & other expenses	1	4	1	4
McNally S – Salary	42	43	42	43
McNally S – Mileage & other expenses	1	2	1	2
Knight M – Salary	29	0	29	0
Knight M – Mileage & other expenses	2	0	2	0
Radich M – Salary	29	0	29	0
Radich M – Mileage & other expenses	1	0	1	0
<b>Total elected representatives</b>	<b>514</b>	<b>531</b>	<b>514</b>	<b>531</b>
<b>Community Board Members</b>				
<b>Te Hiku Community Board</b>				
King F – Salary	5	16	5	16
King F – Mileage & other expenses	1	2	1	2
Bowman D - Salary	15	0	15	0
Bowman D – Mileage & other expenses	2	0	2	0
Lugnet C - Salary	7	0	7	0
Lugnet C – Mileage & other expenses	1	0	1	0
Van Der Sluis W – Salary	10	10	10	10
Van Der Sluis W– Mileage & other exps	0	1	0	1
Atkinson S – Salary	13	10	13	10
Atkinson S – Mileage & other expenses	1	2	1	2
Cross P – Salary	4	13	4	13
Cross P – Mileage & other expenses	0	1	0	1
Senior D - Salary	10	10	10	10
Senior D – Mileage & other expenses	0	1	0	1
Smith Y - Salary	7	0	7	0
<b>Kaikohe-Hokianga Community Board</b>				
Gundry W - Salary	7	0	7	0
Pakai L – Salary	7	0	7	0
Cherrington J – Salary	10	10	10	10
Cherrington J – Mileage & other expenses	2	4	2	4





26. REMUNERATION	CONSOLIDATED		COUNCIL	
	2011 \$000s	2010 \$000s	2011 \$000s	2010 \$000s
Dalton T – Salary	4	16	4	16
Dalton T – Mileage & other expenses	0	2	0	2
Davis E – Salary	4	13	4	13
Davis E – Mileage & other expenses	1	4	1	4
Schollum J – Salary	13	10	13	10
Stephens W – Salary	16	10	16	10
Stephens W – Mileage & other expenses	0	1	0	1
Anderson M - Salary	7	0	7	0
Anderson M – Mileage & other expenses	1	0	1	0
<b>Bay of Islands-Whangaroa Community Board</b>				
Annison F – Salary	16	13	16	13
Annison F – Mileage & other expenses	1	1	1	1
Brown H - Salary	7	0	7	0
Brown H – Mileage & other expenses	1	0	1	0
Davis J - Salary	7	0	7	0
Davis J – Mileage & other expenses	1	0	1	0
Greening T – Salary	7	0	7	0
Mills B – Salary	7	0	7	0
Turner D - Salary	7	0	7	0
Turner D – Mileage & other expenses	1	0	1	0
Ward B - Salary	10	0	10	0
Gorringe P – Salary	5	16	5	16
Gorringe P – Mileage & other expenses	0	2	0	2
Timmings S – Salary	3	10	3	10
Timmings S – Mileage & other expenses	0	1	0	1
Wikaire M – Salary	3	10	3	10
Wikaire M – Mileage & other expenses	0	2	0	2
Phillips G – Salary	3	10	3	10
Fountain C – Salary	3	10	3	10
<b>Total Community Board Costs</b>	<b>230</b>	<b>211</b>	<b>230</b>	<b>211</b>
<b>Total Remuneration Costs</b>	<b>1,019</b>	<b>998</b>	<b>1,019</b>	<b>998</b>

## 27. SEVERANCE PAYMENTS

There were five severance payments in 2010/11 totalling \$60,271 (2009/10 – eight for \$113,866). These were as a result of Council restructuring. The value of the severance payments was \$20,565, \$14,679, \$13,077, \$10,441, \$1,509

## 28. EVENTS AFTER BALANCE SHEET DATE

Neither Far North District Council or its subsidiaries, apart from the Te Ahu Charitable Trust, had any events occurring after the balance sheet date that require disclosure in these financial statements (2010 - nil).

For the Te Ahu Charitable Trust, the ASB Grant was received at a value of \$3m



## 29. FINANCIAL INSTRUMENT RISK

29A. FINANCIAL INSTRUMENT CATEGORIES	CONSOLIDATED		COUNCIL	
	2011 \$000s	2010 \$000s	2011 \$000s	2010 \$000s
<b>FINANCIAL ASSETS</b>				
<b>Loans and Receivables</b>				
Cash and cash equivalents	4,530	2,629	3,328	2,575
Debtors and other receivables	31,685	32,831	32,219	32,573
<b>Total Loans and Receivables</b>	<b>36,215</b>	<b>35,460</b>	<b>35,547</b>	<b>35,148</b>
<b>Available for Sale</b>				
LGNZ Shares	86	108	86	108
Investment in associate	0	392	0	0
<b>Total Available for Sale</b>	<b>86</b>	<b>500</b>	<b>86</b>	<b>108</b>
<b>FINANCIAL LIABILITIES</b>				
<b>Derivatives that are hedge accounted</b>				
Derivative financial instrument liabilities	365	97	365	97
<b>Financial liabilities at amortised cost</b>				
Creditors and other payables	22,706	20,958	20,491	19,117
Borrowings				
Bank overdraft	5	2	0	0
Secured loans	118,643	122,783	109,323	112,433
<b>Total Financial Liabilities at Amortised Cost</b>	<b>141,719</b>	<b>143,840</b>	<b>130,179</b>	<b>131,647</b>

## 29B. FAIR VALUE HIERARCHY DISCLOSURES

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

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

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

29B. FAIR VALUE HIERARCHY DISCLOSURES	TOTAL \$000s	VALUATION TECHNIQUE		
		QUOTED MARKET PRICE \$000s	OBSERVABLE INPUTS \$000s	SIGNIFICANT NON OBSERVABLE INPUTS \$000s
<b>30 June 2011 - Council</b>				
<b>Financial Assets</b>				
LGNZ Shares	86	0	86	0
<b>30 June 2011 - Consolidated</b>				
<b>Financial Assets</b>				
LGNZ Shares	86	0	86	0
<b>30 June 2010 - Council</b>				
<b>Financial Assets</b>				
LGNZ Shares	108	0	108	0
<b>30 June 2010 - Consolidated</b>				
<b>Financial Assets</b>				
LGNZ Shares	108	0	108	0

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

Changing a valuation assumption to a reasonable possible alternative assumption would not significantly change the value.



**MANAGEMENT POLICIES WITH RESPECT TO FINANCIAL INSTRUMENTS**

The Group has a series of policies providing risk management for interest rates and the concentration of credit risk. The Group is risk averse and seeks to minimise exposure from its treasury activities. The Group has established a Treasury policy specifying what transactions can be entered into. The policy does not allow any financial transactions that are speculative in nature to be entered into.

**PRICE RISK**

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices. Council is exposed to equity price risk on investments, which are classified as financial assets held at fair value through equity. The price risk arises due to changes in performance of the shares held and is annually assessed.

**INTEREST RATE RISK**

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. This could particularly impact on the cost of borrowing or the return on investment. The interest rates on the Group's borrowings are disclosed in note 20. There are two interest rate swap agreements in place at 30 June 2011 (2010 - two). Council manages its interest rate risk by varying financing terms of its public debt.

**CURRENCY RISK**

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The group has limited exposure to currency risk.

**CREDIT RISK**

Credit risk is the risk that a third party will default on its obligation to the Group, causing the Group to incur a loss. The maximum amount of credit risk for each class is the carrying amount in the Statement of Financial Position. Council has minimal credit risk, apart from Māori land rates, which is provided for in the provision for Impairment of rates (Note 9), in its holdings of various financial instruments. These financial instruments include bank balances, local authority stock and accounts receivable.

Council invests funds only in deposits with registered banks and local authority stock and limits the amount of credit exposure to any one institution or organisation. Accordingly, Council does not require any collateral or security to support the financial instruments with organisations it deals with.

**FAIR VALUE**

Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable, willing parties in an arms length transaction.

The fair value of financial instruments is approximately equivalent to the carrying amount disclosed in the Statement of Financial Position.

**CASH FLOW INTEREST RATE RISK**

Cash flow interest rate risk is the risk that the cash flow from a financial instrument will fluctuate because of changes in market interest rates. Council has variable rate borrowings in the form of bank facilities, drawable on demand.

**FAIR VALUE INTEREST RISK**

Fair value interest risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. Council holds all long term borrowings at fixed rates which could expose the Council to fair value interest rate risk.

MAXIMUM EXPOSURE TO CREDIT RISK	CONSOLIDATED		COUNCIL	
	2011 \$000s	2010 \$000s	2011 \$000s	2010 \$000s
Cash at bank and term deposits	4,530	2,629	3,328	2,575
Debtors and other receivables	31,685	32,831	32,219	32,573
Other financial assets	2,481	3,165	2,162	2,852
LGNZ shares	86	108	86	108
Investment in associate	0	392	0	0
<b>Total Credit Risk</b>	<b>38,782</b>	<b>39,125</b>	<b>37,795</b>	<b>38,108</b>



## CREDIT QUALITY OF FINANCIAL ASSETS

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

	CONSOLIDATED		COUNCIL	
	2011 \$000s	2010 \$000s	2011 \$000s	2010 \$000s
<b>COUNTERPARTIES WITH CREDIT RATINGS</b>				
Cash at bank and term deposits				
AA	4,530	2,629	3,328	2,575
<b>Total Cash at Bank and Term Deposits</b>	<b>4,530</b>	<b>2,629</b>	<b>3,328</b>	<b>2,575</b>
Fair value through equity				
A+	86	108	86	108
<b>Total Fair Value through Equity</b>	<b>86</b>	<b>108</b>	<b>86</b>	<b>108</b>

Debtors and other receivables mainly arise from Council's statutory functions, therefore there are no procedures in place to monitor or report the credit quality of debtors or other receivables with reference to credit ratings. Apart from Māori land, which is provided for in the provision for Impairment of rates (Note 9), Council has no significant concentration of credit risk in relation to debtors and other receivables, as it has a large number of credit customers, mainly rate payers, and Council has powers under the Local Government (Rating) Act 2002 to recover outstanding debts from ratepayers.

## LIQUIDITY RISK

### MANAGEMENT OF LIQUIDITY RISK

Liquidity risk is the risk that Council will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. Council aims to maintain flexibility in funding by keeping committed credit lines available. In meeting its liquidity requirements, Council maintains a loan profile, in accordance with its funding and financial policies, which includes a Treasury Management Policy. Council has a maximum amount that can be drawn against its overdraft facility of \$5,000,000 (2010 \$3,000,000). There are no restrictions on the use of this facility.

### CONTRACTUAL MATURITY ANALYSIS OF FINANCIAL LIABILITIES

The table below analyses Council's financial liabilities into relevant maturity groups, based on the remaining period at the balance date, up to the contractual maturity date. Future interest payments are based on the rate attributable to that debt. The amounts disclosed are the contractual undiscounted cash flows.



	CARRYING AMOUNT \$000s	CONTRACTUAL CASH FLOWS \$000s	LESS THAN 1 YEAR \$000s	1 – 2 YEARS \$000s	2 – 5 YEARS \$000s	MORE THAN 5 YEARS \$000s
<b>Council 2011</b>						
Creditors and other payables	20,491	20,491	20,491	0	0	0
Bank overdraft	0	0	0	0	0	0
Net settled derivative liabilities	365	365	0	0	365	0
Secured loans	109,323	109,550	13,351	2,037	37,161	56,821
Finance leases	0	0	0	0	0	0
<b>Total</b>	<b>130,249</b>	<b>130,470</b>	<b>34,092</b>	<b>2,037</b>	<b>37,526</b>	<b>56,821</b>
<b>Group 2011</b>						
Creditors and other payables	22,706	22,706	22,706	0	0	0
Bank overdraft	5	5	5	0	0	0
Net settled derivative liabilities	365	365	0	0	365	0
Secured loans	118,643	118,870	13,531	11,357	37,161	56,821
Finance leases	0	0	0	0	0	0
<b>Total</b>	<b>141,719</b>	<b>141,946</b>	<b>36,242</b>	<b>11,357</b>	<b>37,526</b>	<b>56,821</b>
<b>Council 2010</b>						
Creditors and other payables	19,117	19,117	19,117	0	0	0
Bank overdraft	0	0	0	0	0	0
Net settled derivative liabilities	97	97	0	0	97	0
Secured loans	112,433	112,669	14,015	46,567	22,334	29,753
Finance leases	0	0	0	0	0	0
<b>Total</b>	<b>131,647</b>	<b>131,883</b>	<b>33,132</b>	<b>46,567</b>	<b>22,431</b>	<b>29,753</b>
<b>Group 2010</b>						
Creditors and other payables	20,958	20,958	20,958	0	0	0
Bank overdraft	2	2	2	0	0	0
Net settled derivative liabilities	97	97	0	0	97	0
Secured loans	122,783	123,019	21,465	46,567	25,234	29,753
Finance leases	0	0	0	0	0	0
<b>Total</b>	<b>143,840</b>	<b>144,076</b>	<b>42,425</b>	<b>46,567</b>	<b>25,331</b>	<b>29,753</b>

## SENSITIVITY ANALYSIS

The table below illustrates the potential profit and loss impact for reasonably possible market movements, with all other variables held constant based on Council's financial instrument exposures at the balance date.

INTEREST RATE RISK COUNCIL	2011 \$000s		2010 \$000s	
	PROFIT - 100 BPS	PROFIT + 100 BPS	PROFIT - 100 BPS	PROFIT + 100 BPS
<b>Financial Assets</b>				
Cash and Cash equivalents	3	(3)	2	(2)
<b>Financial Liabilities</b>				
Borrowings				
Credit lines	(27)	27	(23)	23
<b>Total Sensitivity to Interest Rate Risk</b>	<b>(24)</b>	<b>24</b>	<b>(21)</b>	<b>21</b>



## EXPLANATION OF SENSITIVITY ANALYSIS

### 1. Cash and cash equivalents

Cash and cash equivalents are \$3,328,000 (2010 \$2,575,000) which are at a floating rate. A movement of plus or minus 1% has an effect on interest income of \$2,737 (2010 \$2,060)

### 2. Credit lines

The balance on the credit lines was \$29,000,000 (2010 \$7,462,902) at a floating rate. A movement in interest rates of plus or minus 1% has an effect on interest payable of \$27,282 (2010 \$23,382)

Far North Holdings does not have any significant interest rate risk.

## 30. CAPITAL MANAGEMENT

The Council's capital is its equity (or ratepayers' funds), which comprise retained earnings and reserves. Equity is represented by net assets. The Local Government Act 2002 (the Act) requires the Council to manage its revenues, expenses, assets, liabilities, investments and general financial dealings prudently and in a manner that promotes the current and future interests of the community. Ratepayer's funds are largely managed as a by-product of managing revenues, expenses, liabilities, investments and general financial dealings.

Far North District Council has created reserves for different areas of benefit. These are used where there is a discrete set of rate payers as distinct from the general rate. Any surplus or deficit relating to these separate areas of benefit is applied to specific reserves.

## 31. PROPERTY AVAILABLE FOR SALE

Directors of Far North Holdings Ltd have initiated a plan to sell three properties with a total value of \$855,000 (2010 – three properties \$3,350,000).

## 32. DERIVATIVE FINANCIAL INSTRUMENTS

	COUNCIL	
	2011 \$000s	2010 \$000s
Non Current Liability portion		
Interest rate swap – cash flow hedge	365	97
<b>Total Derivative Financial Instrument Liabilities</b>	<b>365</b>	<b>97</b>

### FAIR VALUE

The fair value of the interest rate swap has been determined using discounted cash flow valuation based on quoted market rates.

### INTEREST RATE SWAP

The notional principal amount of the outstanding interest rate swap contracts with Council was \$365,431 (June 2010 \$97,241). At June 30 the fixed interest rate of the cash flow hedge was 6.5%, 6.51% and 7.1% (2010 – 6.5% and 7.1%). There were no losses or gains to be recognised in the hedging reserve in equity.



33. VARIANCES TO ANNUAL PLAN	COUNCIL 2011 \$000s
<b>Statement of Financial Performance</b>	
Annual plan surplus	14,483
Annual report surplus	6,765
<b>Net Operating Surplus Variance</b>	<b>(7,718)</b>
<b>Variance Represented by:</b>	
<b>Variance Area</b>	
Rates	4,204
Other	(394)
<b>Total Income Variance</b>	<b>3,810</b>
District Facilities (*)	(6,928)
Corporate & Governance (*)	(2,009)
Sustainable Environment & Consents (*)	(288)
Roads & Stormwater (*)	(2,683)
Water, Wastewater & Refuse (*)	(2,094)
Increased depreciation	(319)
Decrease in finance costs	2,793
<b>Total Expenditure Variance</b>	<b>(11,528)</b>
<b>Net Operating Surplus Variance</b>	<b>(7,718)</b>

(\*) See individual Statement of Service Performance for explanation of each group's variance to annual plan.

#### STATEMENT OF FINANCIAL POSITION

The Statement of Financial Position shows a positive Working Capital of \$2.241 million (compared to a positive of \$15.319 million in the Annual Plan). This \$13.078 million unfavourable variance is due to:

Increased cash & cash equivalents	1.02m
Increased current portion of borrowings	(13.51m)
Increased other financial assets	2.20m
Decreased trade & other receivables	(0.30m)
Increased Inventories	0.03m
Increased Employee benefits	(0.24m)
Increased Trade & other payables	(2.24m)

Council's asset revaluation reserves have decreased by \$210 million during the year.



# Capital Statement

CAPITAL STATEMENT	CONSOLIDATED		ACTUAL 2011 \$000s	COUNCIL BUDGET 2011 \$000s	ACTUAL 2010 \$000s
	ACTUAL	ACTUAL			
	2011 \$000s	2010 \$000s			
<i>Capital Statement</i>					
Net Operating surplus	5,164	11,067	6,765	14,482	12,129
Depreciation funding	14,492	22,165	14,492	24,178	22,165
Loans	9,427	4,673	9,427	15,865	4,673
Development funding	2,428	5,415	2,428	4,154	5,415
Reserve funding	680	305	680	1,144	305
Reserve appropriations	(53)	(6,511)	(53)	(4,953)	(6,511)
Retained profit funding	126	137	126	0	137
Other funding	0	0	0	0	0
<b>Total Funding</b>	<b>32,264</b>	<b>37,221</b>	<b>33,866</b>	<b>54,872</b>	<b>38,313</b>
New work	20,300	19,083	25,501	50,145	19,083
Renewal works	13,114	13,291	13,114	0	13,291
<b>Total Capital Works</b>	<b>33,414</b>	<b>32,374</b>	<b>38,615</b>	<b>50,145</b>	<b>32,375</b>
Loan repayments	596	7,353	596	4,727	7,353
<b>Total Debt</b>	<b>596</b>	<b>7,353</b>	<b>596</b>	<b>4,727</b>	<b>7,353</b>
<b>Total Capital Expenditure</b>	<b>34,010</b>	<b>39,727</b>	<b>39,211</b>	<b>54,872</b>	<b>39,728</b>
<b>NET SURPLUS/(DEFICIT)</b>	<b>(1,746)</b>	<b>(2,506)</b>	<b>(5,345)</b>	<b>0</b>	<b>(1,415)</b>





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# About Service Performance

The Annual Report is a key reporting tool advising residents of Council's performance during 2010/11 financial year against what was planned in the Annual Plan and 2010/11 financial information. This also includes Council's contribution towards community outcomes and the four wellbeings (social, economic, environmental and cultural) as well as feedback from the community on council facilities and services.

The Council's way of being answerable to the community is to give evidence of its achievements and outline the way in which it will deal with issues and future challenges ahead.

## How is your Council Performing?

Far North District Council (Council) conducted a community feedback survey in July 2011. This survey identifies and measures the perceptions that residents of Far North District (residents) have towards Council and the services it provides.

Specifically this survey aimed to

- Measure satisfaction levels with Council services and facilities
- Identify usage levels of Council services and facilities
- Identify awareness and impression of Council communications and consultation processes
- Measure satisfaction levels with Council performance
- Gather feedback on local issues

Interviewing for the survey was carried out via telephone (Computer Assisted Telephone Interviewing) in-house at Versus Research during mid July 2011. A total of 400 residents were interviewed from Far North District and a sample of 30 residents from each of the peer districts was interviewed. The findings from the survey have been analysed by Ward (Northern, Eastern and Western).

### Services / Facilities

Overall, Council's service delivery across a variety of services and facilities is fairly consistent and resident satisfaction across a range of services and facilities is similar to the 2009 result. Especially, community satisfaction with public libraries (currently 78%) and recycling services (currently 72%) show a substantial increase. However, services and facilities that show a decrease in resident satisfaction this year are: sewerage system (87%); footpaths (55%); access to beaches (66%); boat ramps and jetties (47%); playgrounds (60%); public toilets (58%) and animal control (54%).

A summary of the key results, and Council's Key Performance Measures (KPM), is given in the tables below:

#### Please note:

- When Council refers to **"Not specified"** this relates to a measure not included in the LTCCP 2009/19. This means Council developed additional questions to measure service delivery for other activities e.g. cycleways, communication and building consent and inspection experience;
- Key codes have been used to identify measure performance vs. target in 2010/11  
(↑ has improved, ↔ neutral and ↓ needs improving)



Measure	2009 Satisfied & Very Satisfied	2011 Satisfied & Very Satisfied	2011 Peer Group average	2011 Target	Performance vs. Target
Water supply	82%	82%	87%	82% user satisfaction	↔
Sewerage system	93%	87%	94%	84% user satisfaction	↑
Roading network	52%	57%	73%	55% resident satisfaction	↑
Footpaths	63%	55%	58%	70% resident satisfaction	↓
Cycleways	24%	25%	40%	<i>Not specified</i>	
Access to beaches	80%	66%	90%	76% resident satisfaction	↓
Boat ramps and jetties	60%	47%	65%	58% resident satisfaction	↓
Parks and reserves	75%	92%	82%	80% user satisfaction	↑
Playgrounds	66%	60%	75%	80% resident satisfaction	↓
Public swimming pools	32%	32%	52%	55% resident satisfaction	↓
Public libraries	67%	95%	82%	85% user satisfaction	↑
Public toilets	64%	58%	57%	55% resident satisfaction	↑
Cemeteries	53%	58%	78%	62% resident satisfaction	↓
Stormwater drainage	<i>Different measure used in 2011, hence not compared.</i>	46%	49%	53% resident satisfaction	↓
Recycling	65%	72%	84%	75% resident satisfaction	↓
Refuse disposal	66%	68%	81%	71% resident satisfaction	↓
Animal control	62%	54%	62%	68% resident satisfaction	↓
Overall satisfaction with Council provided services and facilities	<i>New in 2011</i>	76%	86%	Not specified	

### Building and resource consent services

Overall, 8% of residents mentioned that they have applied for a building or a resource consent in the past twelve months. Of these residents 61% of residents are satisfied or very satisfied with their most recent consent application experience and 71% are satisfied or very satisfied with their most recent inspection experience.

Measure	2009 Satisfied & Very Satisfied	2011 Satisfied & Very Satisfied	2011 Target	Performance vs. Target
Most recent consent application experience	New in 2011	61%	40%	↑
Most recent inspection experience	New in 2011	71%	Not specified	



## Contact with Council

A total of 46% of residents mentioned they have contacted the Council in the past twelve months. Resident satisfaction ratings for customer service are on par with the 2009 result and remain fairly positive. 73% of residents<sup>1</sup> are satisfied or very satisfied with the service they received when they contacted the Council. 'Council's 24 hour 0800 service'; telephone contact (excluding the 0800 number) and visits to a Council office or service centre are the most frequently used methods of contact. Furthermore, 'rates related queries' (19%); 'dog / animal control' (17%); and 'roads/ footpaths' (14%) are the top three reasons for contacting the Council. This result is similar to the 2009 result.

Method of contact	2009 Satisfied & Very Satisfied with contact	2011 Incidence of contact	2011 Satisfied & Very Satisfied with contact	2011 Target	Performance vs. Target
Council's 0800 number	76%	57%	77%	68%	↑
Written communication	56%	18%	62%	51%	↑
Email communication	81%	16%	81%	Not specified	
Request for service	61%	22%	63%	Not specified	
Telephone	78%	40%	70%	Not specified	
Visit to a Council office or service centre	85%	52%	78%	Not specified	
Visit to a Council library on Council business	94%	11%	90%	Not specified	
Visit to a Council information service on council business	86%	11%	88%	Not specified	
Overall satisfaction with service when contacted Council	79%	NA	73%	82%	↓

<sup>1</sup> Of those who have contacted the Council in the past 12 months.

## Emergency Management

51% of households in the District have an emergency response plan and 56% of households have an emergency response kit in case of a civil defence emergency. These results are similar to the peer council group however, only 29% of residents mentioned they are aware of the Community Response Plan for civil defence; the peer group average for this measure is 63%.

Measure	2011 result	Peer group average	2011 Target
Households with an emergency response plan	51%	48%	Not specified
Households with an emergency response kit	56%	54%	Not specified
Awareness of Community Response Plan for civil defence	29%	63%	Not specified

## Peer Council's similar to Far North District Council

In order to gauge how well Council are performing on key measures relative to peer Councils, a sample of residents from peer districts, i.e., Thames District, Gisborne District and Opotiki District were also surveyed.

Services and facilities that show a lower peer group average when compared with Far North District are: water supply; sewerage system; roading network; footpaths; cycleways; access to beaches; boat ramps and jetties; playgrounds; public





swimming pools; cemeteries; stormwater drainage; recycling; refuse disposal and animal control. Services and facilities that show a higher peer group average when compared with Far North District are: the parks and reserves; public libraries and public toilets.

This year, residents were asked to rate their overall satisfaction with Council provided services and facilities and 76% of residents mentioned they are very satisfied or satisfied with these services compared to the peer group Councils average of 86%.

## Community Aspirations

In preparing the 2006 Far North Future Plan Council, as part of its consultation with the community (surveys, personal interviews, hui and youth workshops), determined outcome areas that were important. In addition Council, along with Northland Regional Council, Kaipara District Council and Whangarei District Council, partnered in a process to determine regional outcome areas (focus groups, stakeholder groups, wananga, hui and a quantitative telephone survey).

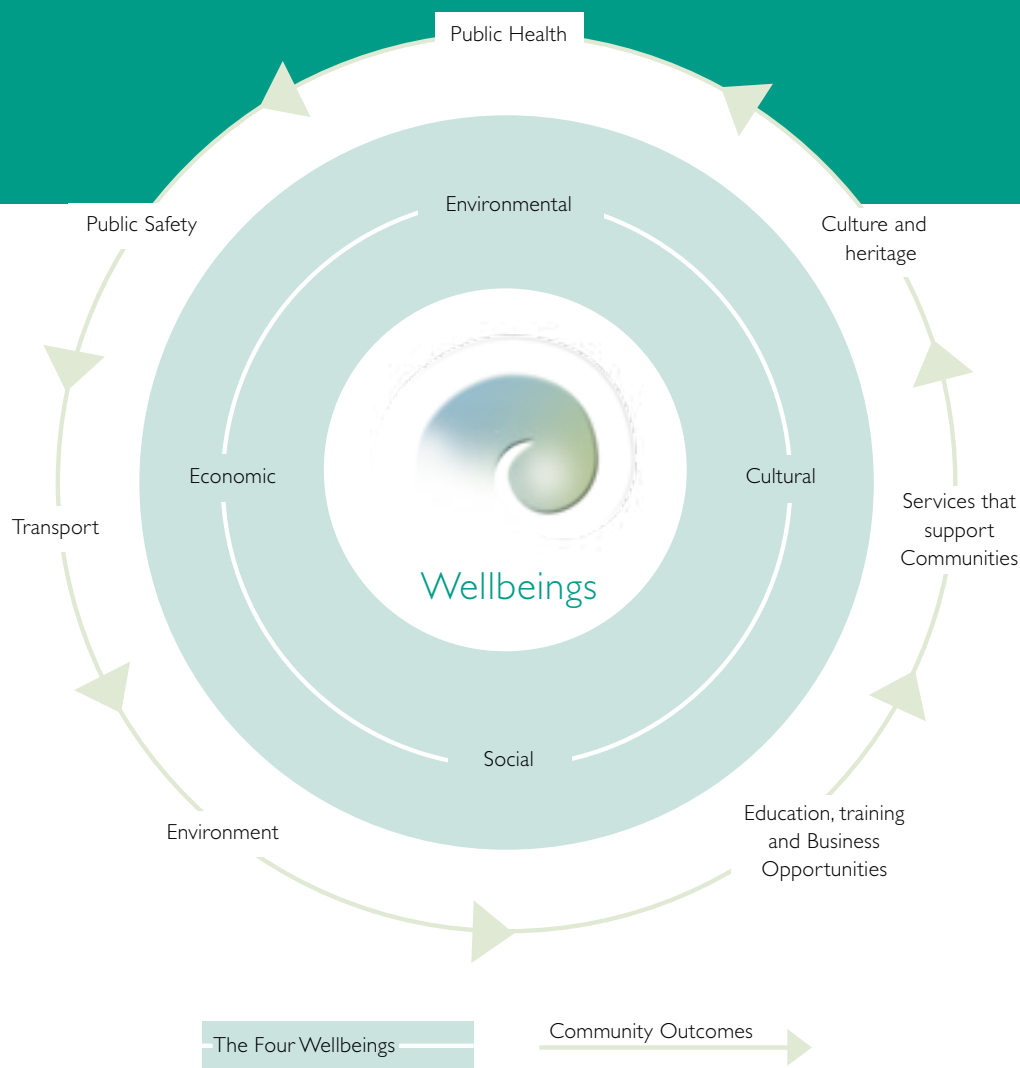
Community outcomes are a community judgment and belong to the community not the Council. The purpose of the process is to enable the community as a whole to decide what is important. That is not just in terms of Council functions, but also in terms of the functions and capabilities of other organisations and groups within the community. In performing its role, Council should take account of the diversity of the community and “the interests of future as well as current communities”. It should also “collaborate and co-operate with other local authorities and bodies” where that is appropriate “to promote or achieve priorities and desired outcomes”.

The “Far North District Futures Report” explains to the community the progress made towards community outcomes from 2006 to 2009, please visit our website <http://www.fndc.govt.nz/your-council/strategic-planning/annual-report/Far-North-Futures-Reporting-2009.pdf>

## Council’s contribution towards Far North’s future

In planning its work for the next ten years Council looked at taking a “sustainable development” approach. Sustainable development is not just about the natural environment. It may be defined as ensuring community wellbeing now and in the future. This encompasses social, cultural, economic and environmental factors. Council will spread the message of sustainability throughout the Far North community, because we all have our part to play in safeguarding the district’s future wellbeing.





The diagram above details the community outcomes identified by the community and the four wellbeings (economic, environmental, social, and cultural) wellbeing of people and communities, the need to maintain and enhance the quality of the environment; and the needs of future generations.

### PUBLIC HEALTH

Key health issues of all residents are identified and addressed.

### PUBLIC SAFETY

Our community and visitors to the district feel safe and secure at any time of the day or night.

### TRANSPORT

Transport networks are maintained and developed to enable access to, from and within the district.

### ENVIRONMENT

The Far North's built environment and infrastructure are further developed in a sustainable way, which contributes to the well-being of people, communities, and the natural environment, both now and in the future.

### EDUCATION, TRAINING AND BUSINESS OPPORTUNITIES

Opportunities in the Far North are sufficient to attract skilled professionals to the district and to reduce the number of young people leaving the area.

### SERVICES THAT SUPPORT COMMUNITIES

The cohesiveness of our communities is maintained or increased by retaining the services they need.

Having a strong and positive district identity that includes awareness and knowledge of the Far North's unique heritage and history.



# Wellbeing Report

Council's progress in contributing positively to the economic, environmental, social or cultural wellbeing of the community during 2010/11 is shown below.

Symbols used to identify projects contributing to each of the wellbeings:

**e** Economic   **n** Environmental   **c** Cultural   **s** Social

## PROJECT/BACKGROUND IN 2010/11

## SUCCESS FACTOR AGAINST THE COMMUNITY WELLBEINGS

### Roads

#### Waipapa Road Widening Stages 2

**e s**

(1.59 km from Mawson Avenue to Waitotara Road) and 3 (final, 1.03 km from Waitotara Road to Cochrane Road) including pavement rehabilitation, the addition of walking and cycling facilities, drainage improvements and flood reduction works (Stage 3 only).

Improves the economic and social well being of the community by addressing current and future traffic demands, promoting alternative forms of transport and reducing the risk of flooding on properties alongside the road.

#### Rawhiti Road Seal Extension

**e n c s**

2km from route position 2080m to 3780m.

Improves the economic and social well being of the community served by this road by reducing dust levels, silt run off from the road in to the adjacent marine environment and enhancing access for seasonal holiday traffic.

### Stormwater

#### Drainage Improvement Works

**e s**

Completed in Kaitia (Puckeys Ave, Farrimond Place), Mangonui (Mary Hasset Place, below Kupe Road), Russell (Wellington St/Longbeach Road) 90% complete. Delays due to weather. Coopers Beach (design finalised consultation nearing completion), Ahipara (investigations complete design 90% complete).

Improved Stormwater management reduces flood risk.

### Water

#### Kerikeri Water Treatment Plant

**e n s**

Treatment plant upgrade.

The upgrade has ensured adequate supply of potable water to the community, businesses and hotels during the summer peak periods.



Symbols used to identify projects contributing to each of the wellbeings:



Economic



Environmental



Cultural



Social

## PROJECT/BACKGROUND IN 2010/11

## SUCCESS FACTOR AGAINST THE COMMUNITY WELLBEINGS

### Wastewater

#### Kaitaia Wastewater Treatment Plant



Treatment plant upgrade.

Installation of floating media to the exiting treatment plant has provided an environmental, cost effective and sustainable solution to achieving the higher environmental standards required by the resource consent.

### Refuse and Recycling

#### Education programme



Reduce material to landfill & increase recycling.

Landfill target 320kgs per person / year. Achieved 302kgs per person in 2010/11. Recycling increased by 10%.

#### Building Relationships



Work with Council's contractors to improve services community recycling facilities in small communities.

Recycling Stations set up in Rawene and Whangaroa and seasonal at Rawhiti with community support.

### Cemeteries, Public Toilets and Town Maintenance

#### Williams Road, Paihia - Toilets



Upgraded the toilets to improve the aesthetics of this toilet block.

The improvements to the toilet improved the experience for tourist and other visitors using this facility.

### Community Centres, Halls, Museums and Pensioner Housing

#### Pensioner Housing improvements



Completed deferred maintenance and renewal projects at Awanui, Ahipara, Kaitaia and Omapere pensioner units.

The improved maintenance and weather tightness of the pensioner units improved the quality of life and increased the safety of the residents.

### Community and Economic Development

#### Community Development Plans



Three plans completed in the 2010/11 year (Whangaroa, Kaikohe and Omapere/Opononi).

Supporting all four wellbeings and the development of communities.

#### Small Town Beautification Programme



Nine projects completed in District in 2010/11.

Making the Far North a more attractive area to live in.

#### Small Town Beautification Programme



Action plan from Council workshops in the process of implementation.

Addresses issues faced by older people and people with disabilities.





Symbols used to identify projects contributing to each of the wellbeings:

**e** Economic

**n** Environmental

**c** Cultural

**s** Social

PROJECT/BACKGROUND IN 2010/11

SUCCESS FACTOR AGAINST THE COMMUNITY WELLBEINGS

## I-SITEs

### Hokianga i-SITE

**e c s**

Establishment of Hokianga Economic Development Centre to house the Hokianga i-SITE.

Maintaining a presence in the Western Ward and working with the Hokianga community to develop the Centre.

## Libraries

### Archives Room

**c s**

Develop an archives room at Procter Library.

Supporting our communities to preserve and explore our heritage.

### Aotearoa People's Network Kaharoa (APNK)

**e c s**

Implementation of APNK free internet in Libraries.

Public library users able to access the best connectivity within their communities; access the digital content they need to live, learn, work and play and learn and gain confidence in the use of ICT's in terms of tools and access to the digital world.

## Lighting, Carpark and Footpaths

### Kaitaia Mainstreet

**e c s**

Part of the small town beautification programme.

The upgrading in the mainstreet improved the amenity values, quality of life of residents living in the area and increased the safety of users.

### Footpaths at Lake Road, Pukepoto Road, North Road - Kaitaia and Nisbet Street, State Highway 1 - Moerewa

**e c s**

Renewal of footpaths.

The renewal of old footpaths improves the quality of life of residents living in the area and increases the safety of users.

## Community Activities - Recreation

### BaySport

**e c s**

Developing a significant sub-regional recreation centre in Kerikeri.

The grant to BaySport enables further stages of the facility to be completed.

### Kerikeri Domain

**e c s**

Developing a significant sub-regional recreation centre in Kerikeri.

Creates a new multi-use community space.

### Kerikeri Sports Complex

**e c s**

Developing a significant sub-regional recreation centre in Kerikeri.

The development of netball courts, rugby fields and a multi-purpose clubroom creates a new multi-purpose recreation centre.

### Parkdale Reserve

**c s**

Developing a neighborhood reserve with basketball court, small playground and improved drainage.

The development of these local facilities improves the quality of life of the residents living in the area.



Symbols used to identify projects contributing to each of the wellbeings:

**e** Economic    **n** Environmental    **c** Cultural    **s** Social

## Development Consents

### Ongoing Regulatory Updates

**e n s**

Industry updates and educational seminars are required to ensure the building industry is on top of changing legislation.

The practitioners are regularly informed of the changes in legislation and issues around weathertight homes. A combined regional newsletter has been created and practitioner presentations occur quarterly.

## District Plan and Structure Planning

### Climate Change Strategy

**e n c s**

This strategy is being developed to assist Council and the Community to recognise and prepare for the impacts of climate change.

The draft strategy is completed, which will form the basis of the final strategy.

## Customer Services

### Shared Services

**e c s**

Multi-skilling staff in order for them to perform a wider range of tasks at first point of contact.

Provision of a more cost effective and efficient customer service.

## Field Services

### Food Control Plans

**e n c s**

Assessment and audit of food control plans

Council has continued to operate under the voluntary implementation program in readiness for the Food Bill when it is passed by Parliament. This bill is now expected to be delayed due to the forthcoming General Elections.

To date all applications have been assessed and processed, with first audits carried out on hotels that are part of the Rugby World Cup accommodation.

### Bylaws and Policies

Complete review of regulatory bylaws and policies.

All bylaws and polices were successfully reviewed, taking them through a public consultation, hearings and adoption of new bylaws. 2 bylaws which were obsolete were allowed to lapse.

### Noise complaints

**e n c s**

Responding to noise complaints.

Response times to noise complaints was improved to 98% from a target of 92%.

### Compliance Assurance

**e n c s**

Respond to complaints regarding Land Use, District Plan, Bylaws and RMA.

85% of complaints were responded to in the required time, which was slightly down from the target of 90%.

### Wandering stock

**e n c s**

Number of wandering stock-related RFS.

384 incidents – target was 370, slightly more than expected. However, adverse weather and flooding throughout the year were a contributory factor.



Symbols used to identify projects contributing to each of the wellbeings:

**e** Economic    **n** Environmental    **c** Cultural    **s** Social

PROJECT/BACKGROUND IN 2010/11

SUCCESS FACTOR AGAINST THE COMMUNITY WELLBEINGS

## Māori Development

### Dog Control

**e n c s**

Percentage of Requests for Services (RFS) relating to dogs responded to in required time.

92% target, however only 84% was achieved. RFS's on short lead time were a contributing factor to the lower than expected success rate.

### Dog Registration

**e n c s**

Percentage of known dogs currently registered.

Target of 90% was achieved. A good result considering there was a complete change to the fee structure for registration.

### Maori Engagement Strategy and Action Plan

**e n c s**

Approved strategy provides a framework to support Māori engagement and development outcomes.

Supports an improved Council relationship with Māori in areas of strategic importance.

### Treaty of Waitangi

**c s**

Included clear statements of Council's commitment to the principles of the Treaty of Waitangi in key documents including the Annual Plan.

Shows Council's intention to reflect Treaty principles in addressing the priorities set out in its plans.

### Council and Committee reports

**c s**

An "Implications for Māori" section in Council and Committee reports provides elected members with a Māori perspective that may be considered as part of the decision making process.

Ensures the Māori perspective is reflected.

### Māori Engagement Operating Manual

**e n c s**

Engagement protocols have been developed.

Supports Council's work by identifying appropriate protocols of engagement with Māori.

### Iwi Technicians Forum

**e n c s**

The Iwi Technicians Forum have provided active input and participation into the RPS as a priority to assist in the development of future Council policy.

Supports consultation with Māori on issues that may influence future Council policy.

### Ward-based Māori Representative Groups

**e n c s**

Māori Reference Groups have been established alongside Community Boards to provide a channel for Māori views and issues into Council's decision making processes.

Provides an opportunity for Māori issues to be addressed as part of Council business.

### Māori economic development projects

**s**

Supported three Māori economic development projects.

Promotes Māori economic development.

## Human Resources

### Reduce costs

**e**

Requirement to reduce expenditure resulting in a reduction in recruitment costs.

Significantly reduced costs by undertaking all recruitment in-house.

### Employment Opportunities

**s**

Provide employment opportunities for the community.

98% of staff recruited in this period were from the Northland region.



# Reading Council's Statement of Service Performance

Council has focused on ensuring our community receives a clear and readable report. Service performance and financial information is divided into three sections which contains the following information:

## 1. AT A GLANCE

- **Core Activities:** Basic information and important statistics to give you some background on activity.
- **Interesting Facts:** These sections explain the reason why Council undertakes each activity and outline Council's broad vision for what it is seeking to achieve.
- **Highlights of Performance:** Percentage of performance measures achieved and not achieved in 2008/09, 2009/10 and 2010/11.

## 2. STATEMENTS OF SERVICE PERFORMANCE

- **Community Outcomes:** Key symbols are used to identify each measure contributing to Community Outcomes - public safety, public health, transportation, environment, education, training and business opportunities, services that support communities, and culture and heritage. For more information on Community Outcomes please refer to *page 76*.
- **Measures and Targets:** This refers to the Council initiatives and how this impacts on levels of service provision set in the LTCCP 2009/19.
- **Results, Achievements/Issues and Challenges:** Shown are the results for 2009/10 and 2010/11, actual achievements and issues identified in 2010/11. Also challenges Council advised in 2009/10 and challenges going forward for 2010/11 are explained to give the community a two year view.

## 3. FINANCIAL INFORMATION FOR EACH GROUP ACTIVITY

- **Financial Summary:**  
A high level view of income and expenditure for each activity. Depreciation and Interest are shown separately in line with the main accounting statements.
- **Variance to the Annual Plan 2010/11:**  
Explanations for the major under and over spends incurred against the Annual Plan 2010/11 budget for the activity.
- **Key Capital Projects:**  
The table outlines the different types of capital expenditure incurred by each activity.
- **Significant Acquisitions and Replacement of Assets**  
Key projects of significant value within each activity. The significance of value will change dependant upon the activity.

	Roads and Stormwater (Orange)
	Water and Waste Management (Pink)
	District Facilities (Gold)
	Sustainable Environment and Consents (Green)
	Governance and Corporate (Blue)



# Road Network for Communities



## At a Glance

### Interesting Facts

Council's vision is to provide an effective and sustainable road network that supports community strength and wellbeing.

The road network provides access for people and for the movement of goods and services. It significantly benefits residents, businesses and the district as a whole. Therefore, maintaining and improving roads are regarded as two of the core functions of Council.

### What Has Changed Since The LTCCP

There have been significant changes to the roading programme since the publication of the LTCCP. These changes are primarily due to changes to the Government Policy Statement for Transport (GPS) and the emphasis placed by Central Government on investment in its nominated Roads of National Significance (RONS). All of the RONS are State Highways and while some advantages from the emphasis will still accrue to the District, it has limited the availability of Central Government funding assistance for improvements such as seal extensions on light to moderately trafficked rural roads.

The overall impact of funding constraints has been that the timing of the 3 year works programme detailed in the LTCCP has been pushed out, with a number of year one projects now listed for year two and subsequent projects delayed to accommodate these changes with projects of lower priority deferred indefinitely.

### Highlights of Performance

Number of Performance Measures	8 2008/09	11 2009/10	11 2010/11
Achieved	75%	28%	37%
Not Achieved	25%	72%	63%

Performance 2009/10 vs. 2010/11 - has improved ↑

### Statement of Service Performance

For ROAD NETWORK the following pages detail:

1. Service performance information provides the actual achievements, issues and challenges going forward for each performance measure against the Annual Plan 2010/11.
2. Financial performance including comparisons against budget 2010/11.

*FYI: Key symbols are used to identify each measure contributing to Community Outcomes. For more information on Community Outcomes please refer to page 76.*



Symbols used to identify each measure contributing to community outcomes

PS Public Safety TS Transport SC Services that support Communities

Council Initiatives		Measure		TS PS
Safety		Reduce the percentage of fatal and serious crashes each year		
<b>Result 2009/10:</b> 4 Fatal Crashes and 17 Serious Crashes	<b>Target 2010/11:</b> 23.76%	<b>Result 2010/11:</b> 2 Fatal Crashes and 12 Serious Crashes	<b>Achieved - Comments:</b> The target has been achieved by a combination of road improvements, road safety education programmes and active enforcement. The 2010/11 report from NZ Transport agency show the results as a number and not percentage as previously advised in the LTCCP for targets. This will be amended for the LTP 2012/22.	
<b>In 2009/10 Council advised:</b> Continue to reduce the number of fatal and serious injury crashes by identifying and coordinating education, engineering and enforcement interventions with Police, NZTA, Roadsafes Northland and community groups.			<b>Challenges going forward:</b> To improve safety and public security by identifying and coordinating education interventions with Roadsafes Northland and community groups, engineering interventions with NZTA and enforcement interventions with Police.	

Council Initiatives		Measure		TS PS SC
<sup>1</sup> Extending the sealed network		Extend the existing sealed network by at least 7 km per year		
<b>Result 2009/10:</b> 872	<b>Target 2010/11:</b> 878	<b>Result 2010/11:</b> 875	<b>Not Achieved - Comments:</b> Council was unable to obtain Central Government funding assistance for most of seal extension projects planned for 2010/11.	
<b>In 2009/10 Council advised:</b> The 2009/19 LTCCP stated that seal extensions would only be carried out if central government funding assistance was available for them. The revised Government Policy Statement for Transport (GPS 2) has resulted in seal extensions on rural roads being given low priority for funding assistance by New Zealand Transport Authority (NZTA) and this scenario looks likely to continue until at least 2012/13. Hence Council is most unlikely to achieve seal extensions of 7km / year in 2010/11 and 2011/12.			<b>Challenges going forward:</b> Seal extension programmes district wide have decreased. Please refer to note 1 below for more information.	

Council Initiatives		Measure		TS PS SC
Maintaining the sealed network		At least 8% of the network resealed per year		
<b>Result 2009/10:</b> 7.5%	<b>Target 2010/11:</b> 8%	<b>Result 2010/11:</b> 7.79%	<b>Not Achieved - Comments:</b> 7.8% of the network, or 68.15km of resealing was achieved. The slight shortfall of 0.2% was due to reallocation of available funding between resealing work and rehabilitation work.	
<b>In 2009/10 Council advised:</b> Budget constraints for reseals will be offset by reduced expenditure on pavement renewals. Hence Council expects to achieve the 8% target in 2010/11 and 2011/12.			<b>Challenges going forward:</b> Undertake 75 km of resealing road pavement in 2011/12.	

Council Initiatives		Measure		TS PS SC
Maintaining the sealed network		At least 2% of the network Pavement Renewals		
<b>Result 2009/10:</b> 1.3%	<b>Target 2010/11:</b> 2%	<b>Result 2010/11:</b> 1.19%	<b>Not Achieved - Comments:</b> Field inspections of candidate sites indicated that the target measure of 2% p.a. was too high.	
<b>In 2009/10 Council advised:</b> Present indications are that 2% pavement renewals are not necessary and that the target can be reduced to 1.5% in 2010/11 and 2011/12. Investigations are being carried out to confirm the reduced quantum will not have adverse effects on the network in future years.			<b>Challenges going forward:</b> Carry out 11 km of sealed road pavement rehabilitation (with associated improvements, where applicable) in 2011/12. Monitor how much of an adverse effect this may have on the network in future years.	

<sup>1</sup> There have been significant changes to the roading programme since the publication of the LTCCP. These changes are primarily due to changes to the Government Policy Statement for Transport (GPS) and the emphasis placed by Central Government on investment in its nominated Roads of National Significance (RONS). All of the RONS are State Highways and while some advantages from the emphasis will still accrue to the District, it has limited the availability of Central Government funding assistance for improvements such as seal extensions on light to moderately trafficked rural roads. Council's desire to reduce its level of borrowing to fund capital projects in 2009/10 has also impacted on the programme



Symbols used to identify each measure contributing to community outcomes

PS Public Safety TS Transport SC Services that support Communities

Council Initiatives		Measure		TS PS SC
Safety Bridge Renewals		At least 3 bridge renewals per year		
Result 2009/10: 1	Target 2010/11: 3	Result 2010/11: 0	<b>Not Achieved - Comments:</b> The cost of implementing the planned bridge renewal exceeded final budget allocations and the work had to be deferred.	
<b>In 2009/10 Council advised:</b> Council's bridge stock is cause for concern for two reasons: Firstly there is insufficient data to verify actual load capacities of all the reinforced concrete structures and secondly there appears to be a backlog of maintenance and replacement needs. A review of the state of the bridges and of the strategy to manage them is planned for 2010/11.			<b>Challenges going forward:</b> Balance of work was deferred in 2010/11 however, three bridge replacements (F13 Sawyers Rd, 125 Wainui Road and Quarry Road) are expected to be finalised during 2011/12.	

Council Initiatives		Measure		TS PS SC
Responsiveness/Effectiveness		Percentage of requests for service (RFS) responded to in set time and to appropriate standard		
Result 2009/10: 98%	Target 2010/11: 95%	Result 2010/11: 93%	<b>Not Achieved - Comments:</b> The RFS responses are slightly under target due to a few isolated cases where the implementation of the fix has taken several months.	
<b>In 2009/10 Council advised:</b> Continue to respond to RFS's in set time and to the appropriate standards while meeting the public's expectations to the required levels of service and within the current budget allocations. Target for 2010/11 remains above 95%.			<b>Challenges going forward:</b> The RFS system will be adapted to reflect customer response times rather than solution to problem times. More RFS requests will be directed straight to Council's contractors in an attempt to speed up the process by cutting out the middle man.	

Council Initiatives		Measure		TS PS SC
Meeting Community Expectations		The percentage of respondents indicating they are very/fairly satisfied as measured by the Communitrak Survey		
Result 2009/10: 52%	Target 2010/11: 55%	Result 2010/11: 57%	<b>Achieved - Comments:</b> A concerted effort was made to explain concerns around the Level of Service applicable to unsealed roads and drainage issues. The achievement of target reflects a better understanding by ratepayers of these issues.	
<b>In 2009/10 Council advised:</b> There is a wide gap between ratepayer's expectations and Council's ability to meet those expectations. Council is planning to address this by better informing ratepayers of what levels of service it can expect and by ensuring that maximum value is obtained from its investment in roads.			<b>Challenges going forward:</b> Council will ensure that there is a clear community understanding of the criteria used in determining priorities for roading projects and levels of service.	

Council Initiatives		Measure		TS PS SC
Alcohol Education Awareness Checkpoints		Increase the number of Alcohol Education Awareness Checkpoints around the district by at least 12 per year over the next 3-years and no less than 36 checkpoints thereafter		
Result 2009/10: 5	Target 2010/11: 24	Result 2010/11: 27	<b>Achieved - Comments:</b> NZTA funding for 2009/10 was \$470,000 and the funding received in 2010/11 was \$736,125, an increase of \$266,125. Because of the increased funding, there was also the requirement to provide the additional "in kind" donations which predominantly made up of volunteer labour. This therefore resulted in over achieving the KPI's from the previous year's workload.	
<b>In 2009/10 Council advised:</b> Funding reductions will have an impact on the number of checkpoints and stops that can be delivered in the future.			<b>Challenges going forward:</b> The subsidy from Central Government may not be available in future years. Our challenge will be to find alternative funding sources for this important activity.	



Symbols used to identify each measure contributing to community outcomes

PS Public Safety EM Environment SC Services that support Communities

<b>Council Initiatives</b> Child Restraints Education Checkpoints		<b>Measure</b> Reduce the percentage of non-compliant child restraints through Child Restraint Education Checkpoints		<b>TS PS SC</b>
<b>Result 2009/10:</b> 10.6%	<b>Target 2010/11:</b> 10%	<b>Result 2010/11:</b> 12%	<b>Not Achieved - Comments:</b> Target was not met due to the reduced funding from NZTA. However, the following checkpoints were made: Kaitaia – 8 checkpoints, 5 awareness, 12 training Kaikohe – 12 checkpoints Hokianga – 1 checkpoints, 4 awareness Ngati Hine – 11 checkpoints, 2 awareness, 2 training Whangaroa – 12 checkpoints	
<b>In 2009/10 Council advised:</b> Funding reductions will have an impact on the number of checkpoints and stops that can be delivered in the future. Consistency is required to keep on top of the child restraint wearing rates.			<b>Challenges going forward:</b> The subsidy from Central Government may not be available in future years. Our challenge will be to find alternative funding sources for this important activity.	
<b>Council Initiatives</b> Fatigue Stops		<b>Measure</b> No less than 10 Fatigue stops district wide per year targeting motorists, trucks and heavy vehicles		<b>TS PS SC</b>
<b>Result 2009/10:</b> 4	<b>Target 2010/11:</b> 10	<b>Result 2010/11:</b> 7	<b>Not Achieved - Comments:</b> Target was not met due to the reduced funding from NZTA. However, the following checkpoints were made: Kaitaia – 6 fatigue stops Whangaroa – 1 fatigue stop	
<b>In 2009/10 Council advised:</b> Funding reductions will have an impact on the number of checkpoints and stops that can be delivered in the future.			<b>Challenges going forward:</b> The subsidy from Central Government may not be available in future years. Our challenge will be to find alternative funding sources for this important activity.	
<b>Council Initiatives</b> Drive Education and Licensing		<b>Measure</b> Increase the number of learners and restricted driver education programmes, this will increase the number of licensed drivers on the road		<b>TS PS SC</b>
<b>Result 2009/10:</b> 70	<b>Target 2010/11:</b> 76	<b>Result 2010/11:</b> 96	<b>Achieved - Comments:</b> NZTA funding for 2009/10 was \$470,000 and the funding received in 2010/11 was \$736,125, an increase of \$266,125. Because of the increased funding, there was also the requirement to provide the additional "in kind" donations which predominantly made up of volunteer labour. This therefore resulted in over achieving the KPI's from the previous year's workload.	
<b>In 2009/10 Council advised:</b> Funding reductions will have an impact on the number of license courses delivered. The move to computerised theory tests have proven to be difficult with some clients as they do not have good computer comprehension, therefore the pass rate this year has dropped slightly.			<b>Challenges going forward:</b> The subsidy from Central Government may not be available in future years. Our challenge will be to find alternative funding sources for this important activity. Proposals to increase driver education include interactive "crashed vehicle investigation" roadshows in schools.	





# Stormwater Providing Public Safety



## At a Glance

### Interesting Facts

Council undertakes this activity to provide sustainable management of Stormwater runoff within defined urban catchments utilising a reticulated Stormwater network. In doing so Council takes account of current and future development, climate change, system capacity and condition, water quality, financial affordability, and environmental issues.

### What Has Changed Since The LTCCP

The following projects have either been deferred or had funding reduced because of financial constraints:

- The Tasman Heights project has been deferred pending resolution of Land Entry Agreement issues
- The Hillcrest Road Kaikohe project has been deferred to enable Land Entry issues to be resolved
- The Foreshore Road Reticulated System has had funding reduced and Land Entry Agreement negotiations are continuing.

### Highlights of Performance

Number of Performance Measures	3 2008/09	2 2009/10	2 2010/11
Achieved	67%	100%	50%
Not Achieved	33%	0%	50%

Performance 2009/10 vs. 2010/11 - needs improving ↓

### Statement of Service Performance

For STORMWATER the following pages detail:

1. Service performance information provides the actual achievements, issues and challenges going forward for each performance measure against the Annual Plan 2010/11.
2. Financial performance including comparisons against budget 2010/11.

*FYI: Key symbols are used to identify each measure contributing to Community Outcomes. For more information on Community Outcomes please refer to page 76.*



Symbols used to identify each measure contributing to community outcomes

PS Public Safety EM Environment SC Services that support Communities

Council Initiative		Measure		EM SC
Day to day service provision		Percentage of request for service responded to in set time and to the appropriate standard		
<b>Result 2009/10:</b> 100%	<b>Target 2010/11:</b> 90%	<b>Result 2010/11:</b> 99.33%	<b>Achieved - Comments:</b> Result achieved through the monitoring of the RFS response times, keeping the customer informed, undertaking works in an appropriate manner and to an acceptable standard within budget allocations.	
<b>In 2009/10 Council advised:</b> Continue to respond to RFS's in set time and to the appropriate standards while meeting the public's expectations to the required levels of service and within the current budget allocations. Target for 2010/11 remains at above 90%. Challenges going forward: Continuing to respond to RFS's within the set timeframes and to the appropriate standards while meeting the public's expectations to the required levels of service and within the current budget allocations. Target for 2011/12 remains at above 90%.			<b>Challenges going forward:</b> Developing new renewal programs based on the condition assessment reports undertaken in 2010/11.	

Council Initiative		Measure		PS EM
Stormwater improvements		Percentage of respondents indicating they are very/fairly satisfied as measured by the Communitrak Survey <sup>1</sup> (Measure above was segregated under the sub-categories for stormwater as shown in the result column for 2009/10)		
<b>Result 2009/10:</b> River Drainage-66% Roadside Drainage-65% Rural stormwater drainage-67% Urban Stormwater collection-64%	<b>Target 2010/11:</b> 53%	<b>Result 2010/11:</b> 46%	<b>Not Achieved - Comments:</b> Due to the generic type question asked within the survey this year the public were unable to distinguish the area of responsibility for certain types of situations. For example - in the situation where a cesspit or a road culvert blocks and causes flooding it is automatically assumed by the public as being a stormwater issue to address where in fact it is actually a roading issue to address utilising roading funds to rectify. This same principle applies to the other areas noted above when flooding occurs. Therefore from the survey results it is impossible to determine what the specific flooding issues relate to and who is responsible to address the situation.	
<b>In 2009/10 Council advised:</b> Continue to fulfil the public's expectations to the required levels of service and within the current budget allocations.			<b>Challenges going forward:</b> Maintain stormwater maintenance and improvements within the current budget allocations.	

<sup>1</sup> There are several areas where flooding type situations occur and different parties have jurisdictional responsibility for investigating and addressing those specific issues:

- Rivers and Land Drainage issues are the responsibility of the Northland Regional Council to address.
- Rooding Drainage is the responsibility of the FNDC to administer. This utilises roading budgets and is eligible for a NZTA subsidy. Within urban areas this basically consists of open drains within the road corridor; kerb and channel and cesspits and the lead to the first manhole. In rural areas it consists of all drainage structures within the road corridor.
- Stormwater drainage is the responsibility of the FNDC to administer within defined urban areas. This consists of the network from the first manhole onwards and includes the main pipelines within the road corridor and private property, open drains within private properties etc. This does not include any rural drainage and any required works are funded from a stormwater budgets.
- Land Drainage Districts are the responsibility of the FNDC and are defined catchments within the Northern area. Those properties within those catchments pay specific drainage rates that funds drainage related issues within those areas.
- State Highway drainage issues are the responsibility of NZTA to address.



# Financial Information Roads and Stormwater

## FINANCIAL SUMMARY FOR THE YEAR ENDED 30 JUNE 2011

	NOTE	ACTUAL 2011 \$000s	COUNCIL BUDGET 2011 \$000s	VARIANCE \$000s
<b>Income</b>				
Rates Income	1	16,291	15,884	407
Other Income	2	22,202	25,580	(3,378)
<b>Total Operating Income</b>		<b>38,493</b>	<b>41,464</b>	<b>(2,971)</b>
<b>Expenditure</b>				
Direct Costs	3	17,131	14,971	(2,160)
Indirect Costs	4	1,181	659	(522)
<b>Activity Expenditure</b>		<b>18,312</b>	<b>15,630</b>	<b>(2,682)</b>
Depreciation	5	14,838	14,568	(270)
Interest Payable		1,302	1,855	553
<b>Total Operating Expenditure</b>		<b>34,452</b>	<b>32,052</b>	<b>(2,400)</b>
<b>Net Operating Surplus/(Deficit)</b>		<b>4,041</b>	<b>9,412</b>	<b>(5,371)</b>
<b>Capital Statement</b>				
Net Operating Surplus		4,041	9,412	(5,371)
Loans		1,289	3,041	(1,752)
Other Funding		13,823	16,518	(2,695)
<b>Total Funding</b>		<b>19,153</b>	<b>28,971</b>	<b>(9,818)</b>
New Work	6	8,552	13,943	5,391
Renewal Works	6	10,766	14,100	3,333
Loan Repayments		0	928	928
<b>Total Capital Expenditure</b>		<b>19,318</b>	<b>28,971</b>	<b>9,652</b>
<b>NET SURPLUS/(DEFICIT)</b>		<b>(165)</b>	<b>0</b>	<b>(165)</b>

### VARIANCE TO THE ANNUAL PLAN 2010/11

1. Rates Income is showing a favourable variance of \$407k predominantly due to:
  - a. An increase in penalty rate income of \$582k
  - b. General Rates are showing an unfavourable variance of \$187k
2. Other income is showing an unfavourable variance of \$3,378k predominantly due to:
  - a. Central government subsidies are below budget by \$2,168k due to a reduced Rooding programme.
  - b. Development contribution income is below budget by \$370k due to a reduction in applications during the year.
  - c. Other income is below budget by \$785k as a result of unsettled recovery claims and reduced ferry income.
3. Direct Costs are showing an unfavourable variance of \$2,160k predominantly due to:
  - a. Expenditure on contractor & professional fees are above budget by \$1,571k due to the recovery costs associated with Cylone Wilma in January 2011.
  - b. Personnel costs have an unfavourable variance of \$132k due to changes in personnel.
4. Indirect costs are above budget \$522k due predominantly to a change in presentation for the provision of bad debts on rates penalty income. In previous years this has been netted off against income.
  - a. Increased provision for doubtful debts to offset additional income \$455k
  - b. Increase in corporate allocations \$67k
5. Depreciation is showing an unfavourable variance of \$270k.
6. Capital Expenditure is showing a favourable variance of \$9,652k predominantly due to a reduced Rooding programme, delays and transfers of projects to a future year.



## KEY CAPITAL PROJECTS

FOR THE YEAR ENDED 30 JUNE 2011

	NOTE	ACTUAL 2011 \$000s	COUNCIL BUDGET 2011 \$000s	VARIANCE \$000s
<b>New Works</b>				
Urban Stormwater		1,063	1,487	424
Roading Operations		5,261	10,950	5,689
Emergency Works		568	80	(488)
Safety Services		1,659	1,426	(233)
<b>Total New Works</b>		<b>8,552</b>	<b>13,943</b>	<b>5,391</b>
<b>Renewals</b>				
Urban Stormwater		12	300	288
Roading Operations		10,717	13,333	2,616
Ferries		36	110	74
Safety Services		2	356	354
<b>Total Renewals</b>		<b>10,766</b>	<b>14,100</b>	<b>3,333</b>

## SIGNIFICANT ACQUISITIONS OR REPLACEMENTS OF ASSETS FOR 2010/11

The Local Government Act 2002 requires Councils to provide information regarding any significant assets acquired or replaced during the year. Council's significance Policy does not specify a value but does identify the following assets as significant:

ROADING NETWORK	BUDGET 2011 \$000s	ACTUAL 2011 \$000s
<b>Rawhiti Road Sealing</b>		
Proposed seal extension	752	431
<b>Fairburn/Peria Road</b>		
Proposed seal extension	1,050	0
<b>RDF Pavement Rehabilitation</b>		
Project proposed in NZTA plan but did not proceed	709	0
<b>Sealed Road Resurfacing</b>		
Ongoing replacement of the top surface of an existing road base	2,782	3,053
<b>Unsealed Road Metalling</b>		
Renewal of metal on unsealed roads	2,930	2,936
<b>Pavement Rehabilitation</b>		
Repairing and replacing road base course and replacement of top surface	5,113	2,641
<b>Waipapa Road Widening and Waipapa Road Stage 3</b>		
Upgrade of the road width to accommodate increased traffic including cyclists	0 1,350	967 1,034
<b>Cycle-way Project</b>		
Part of the Coast to Coast cycle-way project funded by central Government	2,800	1,389

## VARIANCE TO THE ANNUAL PLAN 2010/11

- Rawhiti Road Sealing, Fairburn/Peria Road, RDF Pavement Rehabilitation  
This work was in the original New Zealand Transport Agency programme but priorities and subsidy approvals changed during the year and these projects were unable to proceed.
- Pavement Rehabilitation  
This work was in line with the programme and the subsidy levels agreed with New Zealand Transport Agency
- Waipapa Road Widening  
Work on this project was delayed due to the drought last year and was therefore carried forward to 2010/11 for completion
- Cycle-way Project  
This project is part of the Government funded Coast to Coast cycle-way and is fully subsidised.



# Water Supply *Manage and Maintain Assets*



## At a Glance

### Interesting Facts

Our vision is for everybody in the Far North to have access to sufficient, safe and reliable sources of drinking water that is provided in a sustainable manner. Our water treatment plants, pumping stations and reticulation systems contribute to that by providing the treatment and delivery of safe drinking water to communities served by Council owned systems.

Water supply is regarded as one of the core functions of council, as provided by statute. The Local Government Act 2002 generally requires the continued operation of any water system that council operated at the time the act was passed, as well as continuing to operate any new system that the council constructs from that date.

### What Has Changed Since The LTCCP

There are no significant changes to the WATER SUPPLY priorities since the publication of the 2009/19 LTCCP.

### Highlights of Performance

Number of Performance Measures	10	11	11
	2008/09	2009/10	2010/11
Achieved	70%	82%	64%
Not Achieved	30%	18%	36%

Performance 2009/10 vs. 2010/11 - needs improving ↓

### Statement of Service Performance

For WATER SUPPLY the following pages detail:

1. Service performance information provides the actual achievements, issues and challenges going forward for each performance measure against the Annual Plan 2010/11.
2. Financial performance including comparisons against budget 2010/11.

*FYI: Key symbols are used to identify each measure contributing to Community Outcomes. For more information on Community Outcomes please refer to page 76.*



Symbols used to identify each measure contributing to community outcomes

PH Public Health PS Public Safety EM Environment SC Services that support Communities

<b>Council Initiatives</b> Treatment plant upgrades		<b>Measure</b> Number of failures of Resource Consent determinants		<b>EM</b>
<b>Result 2009/10:</b> 0	<b>Target 2010/11:</b> 0	<b>Result 2010/11:</b> 73	<b>Not Achieved - Comments:</b> This measure is based on daily water take limits from the resource consent which is measured by flow monitors recording directly onto the telemetry system. Breakdowns occurring at one of the Opononi sources affecting capacity at the second source resulting in daily extraction rates being exceeded.	
<b>In 2009/10 Council advised:</b> The LTCCP stated Council would be undertaking a major investment programme for new treatment works. This is now under review as the investment has to be affordable to the communities.			<b>Challenges going forward:</b> New resource consent still under review, possible capital investment required to improve functionality.	
<b>Council Initiatives</b> Treatment plant upgrades		<b>Measure</b> Number of systems achieving grade Bb (8 systems in all)		<b>PH PS</b>
<b>Result 2009/10:</b> 2	<b>Target 2010/11:</b> 1	<b>Result 2010/11:</b> 2	<b>Achieved - Comments:</b> The target has been achieved however it is not expected to implement major capital investment to achieve this grade across all plants as it would impose an unreasonable cost on the community.	
<b>In 2009/10 Council advised:</b> The LTCCP stated Council would be undertaking a major investment programme for new treatment works. This is now under review as the investment has to be affordable to the communities.			<b>Challenges going forward:</b> In light of the financial constraints and providing low cost solutions the measure and target will be reviewed for the LTP 2012/22.	
<b>Council Initiatives</b> Construct additional treated water storage		<b>Measure</b> Interruptions to supply of water into the reticulation system out of the reserves not to exceed 24 hours in any 1 year (this measure is assessing water leaving the reservoir into the reticulation system, and not individual houses)		<b>PH PS</b>
<b>Result 2009/10:</b> 100%	<b>Target 2010/11:</b> 100%	<b>Result 2010/11:</b> 100%	<b>Achieved - Comments:</b> Services have been managed to ensure that services are maintained at all times.	
<b>In 2009/10 Council advised:</b> Future funding has been allocated for treated water storage however this will need to be balanced against the downturn in growth which would justify the investment.			<b>Challenges going forward:</b> Limited growth in the district will probably not warrant any investment in this area.	
<b>Council Initiatives</b> Water conservation		<b>Measure</b> Reduction in per capita water consumption		<b>EM</b>
<b>Result 2009/10:</b> 0%	<b>Target 2010/11:</b> 2%	<b>Result 2010/11:</b> 0%	<b>Not Achieved - Comments:</b> Council has very limited ability to manage the consumption of water by the public.	
<b>In 2009/10 Council advised:</b> To achieve a reduction we will require an education programme to change the way the community manage their water consumption.			<b>Challenges going forward:</b> A programme of conservation was introduced in the drought and this will continue to be rolled out during the summer.	



Symbols used to identify each measure contributing to community outcomes

PH Public Health PS Public Safety EM Environment SC Services that support Communities

Council Initiatives		Measure		PS
Water conservation		Percentage of unaccounted for water (leakage, illegal connections, unauthorised use)		
<b>Result 2009/10:</b> 27%	<b>Target 2010/11:</b> 26%	<b>Result 2010/11:</b> 28%	<b>Not Achieved - Comments:</b> Due to leakage detection investigations at Opononi, Okaihau, Kawakawa plus follow up remedial works and bulk meter recalibrations and domestic water meter renewals.	
<b>In 2009/10 Council advised:</b> There is a need to review how this KPI is measured to ensure we are using the national standards for measurement of water losses and unaccounted for water.			<b>Challenges going forward:</b> Ongoing investigation will continue but with limited funding it is only possible to work on a small number of the communities.	

Council Initiatives		Measure		SC
General improvements in service		Percentage of very satisfied/satisfied respondents (Communitrak Survey)		
<b>Result 2009/10:</b> 81%	<b>Target 2010/11:</b> 82%	<b>Result 2010/11:</b> 82%	<b>Achieved - Comments:</b> Overall 53% of residents are connected to the town water supply and of these residents, 82% are very satisfied/satisfied.	
<b>In 2009/10 Council advised:</b> Need to redefine Communitrak questions for the next survey in 2011 to receive accurate data.			<b>Challenges going forward:</b> Continuing to meet the high standards set for the provision of drinking water remains a challenge within the financial constraints in place at the moment. Continuing our proactive management of the network and treatment plants will enable the high standards to be retained.	

Council Initiatives		Measure		EM
Customer Service		Percentage of service disruptions resolved in less than 4 hours		
<b>Result 2009/10:</b> 98%	<b>Target 2010/11:</b> 91%	<b>Result 2010/11:</b> 96%	<b>Achieved - Comments:</b> Proactive management of the alliance contract and the implementation of routine maintenance programmes has assisted in maintaining the standards.	
<b>In 2009/10 Council advised:</b> Monitored on a regular basis to ensure levels of service is met by the contractor.			<b>Challenges going forward:</b> Dealing with aging assets, particularly the AC pipelines, which may require more extensive repairs which will take more than 4 hours to complete.	

Council Initiatives		Measure		SC
Optimise water flow and pressure		Reduction in number of bursts per km of pipe		
<b>Result 2009/10:</b> 0.04	<b>Target 2010/11:</b> 0.53	<b>Result 2010/11:</b> 0.44	<b>Achieved - Comments:</b> Replacement of ageing assets using risk based renewals program.	
<b>In 2009/10 Council advised:</b> With aging assets and limited funding this KPI will become more of a challenge to meet.			<b>Challenges going forward:</b> Sustaining renewals investment levels.	



Symbols used to identify each measure contributing to community outcomes

PH Public Health PS Public Safety EM Environment SC Services that support Communities

Council Initiatives		Measure		PH
Reduce operational costs per m3 of water		Operational cost (\$ /cubic metres)		
<b>Result 2009/10:</b> 0.80	<b>Target 2010/11:</b> 1.044	<b>Result 2010/11:</b> 0.83	<b>Achieved - Comments:</b> Operational efficiencies resulting in minimal cost increases.	
<b>In 2009/10 Council advised:</b> Managing unaccounted water is key to ensuring the maximum amount of water produced is delivered to the customer and invoiced.			<b>Challenges going forward:</b> Rising power and chemical costs combined with water conservation programs will affect cost ratio.	

Council Initiatives		Measure		PH
Treatment plant upgrades		Percentage compliance with New Zealand drinking water standards (this measure is assessed on compliance with ecoli only)		
<b>Result 2009/10:</b> 100%	<b>Target 2010/11:</b> 98%	<b>Result 2010/11:</b> 100%	<b>Achieved - Comments:</b> Compliance is key to the delivery of potable water.	
<b>In 2009/10 Council advised:</b> Need to review the methodology for measuring this KPI to ensure it is representative of the desired outcome.			<b>Challenges going forward:</b> Ensuring treatment plants are maintained to the highest standards and that the appropriate monitoring is in place to meet the regulators standards.	

Council Initiatives		Measure		PH
Extend coverage of public water systems		Number of connections		
<b>Result 2009/10:</b> 9,721	<b>Target 2010/11:</b> 9,545	<b>Result 2010/11:</b> 9,533	<b>Not Achieved - Comments:</b> Council has limited control in this area due to market developments.	
<b>In 2009/10 Council advised:</b> Limited funding has restricted Councils investment to extending the rateable area.			<b>Challenges going forward:</b> Number of connections is driven by development. As the market is currently very quiet, the expected number of connection will be correspondingly low.	





# Wastewater Manage and Maintain Assets



## At a Glance

### Interesting Facts

Our vision is that the Far North's coastal marine, river waters and lakes are healthy at all times, so that they support healthy marine and freshwater ecosystems, recreational use, fishing and shellfisheries.

Our sewage treatment plants, pumping stations and reticulation systems contribute to that by controlling the quality of effluent and minimising the risk of sewage overflows and spills.

Our work programme is driven by community expectations about the quality of our environment and the need for sustainability - reducing our overall impact on the environment both now and in the future.

The sewerage function is regarded as one of the core functions of Council. This is confirmed by statute - the Local Government Act 2002 generally requires the continued operation of any sewerage system that Council operated at the time the Act was passed, and continued operation of any new system that the Council constructs from that date.

### What Has Changed Since The LTCCP

The following projects have been deferred to allow for Resource Consent amendments:

- Paihia Wastewater Treatment Plant (deferred to 2013/14)
- Hihi Wastewater Treatment Plant (deferred to 2011/12).

### Highlights of Performance

Number of Performance Measures	8 2008/09	5 2009/10	5 2010/11
Achieved	70%	100%	40%
Not Achieved	30%	0%	60%

Performance 2009/10 vs. 2010/11 - needs improving ↓

### Statement of Service Performance

For WASTEWATER the following pages detail:

1. Service performance information provides the actual achievements, issues and challenges going forward for each performance measure against the Annual Plan 2010/11.
2. Financial performance including comparisons against budget 2010/11.

*FYI: Key symbols are used to identify each measure contributing to Community Outcomes. For more information on Community Outcomes please refer to page 76.*



Symbols used to identify each measure contributing to community outcomes

PH Public Health PS Public Safety EM Environment

<b>Council Initiatives</b> Treatment plant upgrades		<b>Measure</b> Number of failures of Resource Consent determinants		<b>EM PH</b>
<b>Result 2009/10:</b> 31	<b>Target 2010/11:</b> 20	<b>Result 2010/11:</b> 38	<b>Not Achieved - Comments:</b> Resource consent failures may occur for a number of reasons, e.g. plant failure, climate conditions, operator error; sampling error etc; However it is believed the prime reasons for an increase in failures from last year are due to: - Resource consent renewals requiring tougher limits for effluent discharge quality, requiring upgrade works to treatment plants. Timing of upgrade works has been hampered by capital funding availability and the desire to ensure sustainable cost efficient solutions are implemented. - Continuous improvements in sample monitoring procedures, recording and analysis has resulted in a more critical review of results achieved, likely to have led to an increase in the number of reported failed results.	
<b>In 2009/10</b> Council advised: A number of treatment plants (Hihi, Kaeo, Kaikohe, Whatuwhiwhi, Paihia) have consent conditions that require plant upgrades. These have not yet been carried out due to budget constraints and appeals to the consent standards.			<b>Challenges going forward:</b> Maintaining compliance for new resource consents is becoming more difficult as the standards being sought by the various stakeholders is rising all the time.	
<b>Council Initiatives</b> Implementation of spill management programme		<b>Measure</b> Number of spills of sewage to water		<b>PH PS EM</b>
<b>Result 2009/10:</b> 4	<b>Target 2010/11:</b> 10	<b>Result 2010/11:</b> 11	<b>Not Achieved - Comments:</b> This measure is based on number of sewage spills to water. The primary causes are pipe blockages or asset failures which are unpredictable and difficult to control. Frequency of occurrence is variable. Increased sewer jetting programs can help to minimise frequency but is subject to funding availability.	
<b>In 2009/10 Council advised:</b> Ensuring that Council meets national standards.			<b>Challenges going forward:</b> Increased operational funding requirements in order to enhance sewer maintenance programs.	
<b>Council Initiatives</b> General service improvements		<b>Measure</b> Percentage very satisfied/satisfied respondents (Communitrak Survey)		<b>PH EM</b>
<b>Result 2009/10:</b> 93%	<b>Target 2010/11:</b> 84%	<b>Result 2010/11:</b> 87%	<b>Achieved - Comments:</b> Overall 39% of residents mentioned that Council provides a sewerage system where they live. Of these residents, 87% are very satisfied/satisfied.	
<b>In 2009/10 Council advised:</b> Monitored on a regular basis to ensure levels of service is met by the contractor.			<b>Challenges going forward:</b> Maintaining high levels of performance whilst targeting improved financial efficiency.	
<b>Council Initiatives</b> Improvements in infrastructure and equipment		<b>Measure</b> Percentage of service disruptions resolved in less than 4 hours		<b>PH</b>
<b>Result 2009/10:</b> 99%	<b>Target 2010/11:</b> 95%	<b>Result 2010/11:</b> 99%	<b>Achieved - Comments:</b> Improved response and monitoring procedures resulting from contract management.	
<b>In 2009/10 Council advised:</b> Monitored on a regular basis to ensure levels of service is met by the contractor.			<b>Challenges going forward:</b> Maintaining high levels of performance whilst targeting improved financial efficiency.	
<b>Council Initiatives</b> Extend coverage of public wastewater systems		<b>Measure</b> Number of connections		<b>PH EM</b>
<b>Result 2009/10:</b> 10,673	<b>Target 2010/11:</b> 10,700	<b>Result 2010/11:</b> 10,648	<b>Not Achieved - Comments:</b> This result is due to the economic environment. The measure and target will be reviewed for the LTP 2012/22.	
<b>In 2009/10 Council advised:</b> Limited funding has restricted Councils investment in to extending the rateable area.			<b>Challenges going forward:</b> Growth is expected to be slow so the demand for new connections will be correspondingly low.	



# Refuse and Recycling Sustaining our Environment



## At a Glance

### Interesting Facts

Our vision for the Far North is to waste nothing of value or use. The amount of waste generated in the Far North is kept to a minimum, and maximum value is realised from our renewable resources.

Our refuse and recycling services contribute, by providing the facilities and opportunities to enable communities in the district to dispose of their waste so as to minimise the harmful environmental effects and maximise recycling.

Council is involved in refuse and recycling because the effective management of refuse and recycling is necessary to protect public health and the environment.

### What Has Changed Since The LTCCP

There are no significant changes to the REFUSE and RECYCLING priorities since the publication of the 2009/19 LTCCP.

### Highlights of Performance

Number of Performance Measures	5 2008/09	4 2009/10	4 2010/11
Achieved	100%	50%	50%
Not Achieved	0%	50%	50%

Performance 2009/10 vs. 2010/11 - is neutral ↔

### Statement of Service Performance

For REFUSE and RECYCLING the following pages detail:

1. Service performance information provides the actual achievements, issues and challenges going forward for each performance measure against the Annual Plan 2010/11.
2. Financial performance including comparisons against budget 2010/11.

*FYI: Key symbols are used to identify each measure contributing to Community Outcomes. For more information on Community Outcomes please refer to page 76.*



Symbols used to identify each measure contributing to community outcomes

PH Public Health EM Environment

Council Initiatives		Measure		EM PH
Improvements in recycling facilities		Percentage by tonnage of waste that is recycled/reused		
<b>Result 2009/10:</b> 49%	<b>Target 2010/11:</b> 52%	<b>Result 2010/11:</b> 54.78%	<b>Achieved - Comments:</b> The public have taken up the challenge to recycle as further community recycling stations have been provided.	
<b>In 2009/10 Council advised:</b> Public education to encourage better use of facilities and waste reduction.			<b>Challenges going forward:</b> Continue with public education on recycling and waste reduction while adding further recycling facilities throughout the district	

Council Initiatives		Measure		EM
Introduction of greenwaste processing Implementation of environmental awareness programme		Per capita volume of refuse from District disposed of at landfills		
<b>Result 2009/10:</b> 1.70	<b>Target 2010/11:</b> 1.58	<b>Result 2010/11:</b> 1.51	<b>Achieved - Comments:</b> Economic climate has incentivised people to waste less and focus more on recycling.	
<b>In 2009/10 Council advised:</b> Provide incentives for recovery of waste and work with waste contractors to reduce waste to landfill.			<b>Challenges going forward:</b> Build on achievement in waste reduction and continue to work with contractors to recover material from the waste stream.	

Council Initiatives		Measure		PH EM
General service improvements		Percentage of respondents very satisfied /satisfied with refuse service in Communitrak survey		
<b>Result 2009/10:</b> 66%	<b>Target 2010/11:</b> 71%	<b>Result 2010/11:</b> 68%	<b>Not Achieved - Comments:</b> Main concern is cost and ease of access to transfer stations. Council operates a user pays policy and does not cover refuse collection or disposal within the rates. However, user level was 83% satisfied.	
<b>In 2009/10 Council advised:</b> The challenge will be to educate the community about waste reduction strategies and increase understanding that currently rates are not subsidising kerbside collections.			<b>Challenges going forward:</b> Council's policy is to have Refuse services within 30min drive for 90% of people. The challenge will be to educate the community about waste reduction and resource recovery.	

Council Initiatives		Measure		EM
Improvements in infrastructure and equipment		Percentage of respondents very satisfied /satisfied with recycling services in Communitrak Survey		
<b>Result 2009/10:</b> 65%	<b>Target 2010/11:</b> 75%	<b>Result 2010/11:</b> 72%	<b>Not Achieved - Comments:</b> Recycling Stations have been expanded into outlying communities. There is a perception that kerbside collection should be free. However, user level result was 85% satisfied.	
<b>In 2009/10 Council advised:</b> Our challenge will be to provide more community recycling facilities and improve the education of the customer about the true costs of recycling.			<b>Challenges going forward:</b> Our challenge will be to continue with more community recycling facilities and improve the education of the customer about the savings that can be made from recycling.	



# Financial Information Water and Waste Management



## FINANCIAL SUMMARY FOR THE YEAR ENDED 30 JUNE 2011

	NOTE	ACTUAL 2011 \$000s	COUNCIL BUDGET 2011 \$000s	VARIANCE \$000s
<b>Income</b>				
Rates Income	1	22,541	20,332	2,209
Other Income	2	3,006	5,318	(2,312)
<b>Total Operating Income</b>		<b>25,547</b>	<b>25,650</b>	<b>(103)</b>
<b>Expenditure</b>				
Direct Costs	3	11,986	11,532	(454)
Indirect Costs	4	2,163	523	(1,640)
<b>Activity Expenditure</b>		<b>14,149</b>	<b>12,055</b>	<b>(2,094)</b>
Depreciation	5	5,623	5,214	(409)
Interest Payable		3,896	5,041	1,145
<b>Total Operating Expenditure</b>		<b>23,668</b>	<b>22,310</b>	<b>(1,358)</b>
<b>Net Operating Surplus/(Deficit)</b>		<b>1,879</b>	<b>3,340</b>	<b>(1,461)</b>
<b>Capital Statement</b>				
Net Operating Surplus		1,879	3,340	(1,461)
Loans		1,868	6,418	(4,550)
Other Funding		1,130	2,741	(1,611)
<b>Total Funding</b>		<b>4,877</b>	<b>12,499</b>	<b>(7,622)</b>
New Work	6	3,032	8,190	5,158
Renewal Works	6	1,290	1,726	436
Loan Repayments		487	2,583	2,096
<b>Total Capital Expenditure</b>		<b>4,809</b>	<b>12,499</b>	<b>7,690</b>
<b>NET SURPLUS/(DEFICIT)</b>		<b>68</b>	<b>0</b>	<b>68</b>



## VARIANCE TO THE ANNUAL PLAN 2010/11

1. Rates Income is showing a favourable variance of \$2,209k predominantly due to:
  - a. An increase in penalty rate income of \$2,285k
  - b. Water and Wastewater service fees are showing an unfavourable variance of \$691k which is offset by a favourable variance in Water by Meter charges of \$574k
2. Other income is showing an unfavourable variance of \$2,312k predominantly due to:
  - a. Service fees & charges showing an unfavourable variance of \$114k as a result of reduced refuse tonnage.
  - b. New work subsidies are showing an unfavourable variance of \$227k due to timing delays.
  - c. Development contributions income is below budget by \$2,247k due to a reduction in applications during the year.
3. Direct Costs are showing an unfavourable variance of \$455k predominantly due to:
  - a. Loss on valuation of assets of \$652k
  - b. Direct allocations are showing a favourable variance of \$163k to budget.
4. Indirect costs are above budget \$1,640k due predominantly to a change in presentation for the provision of bad debts on rates penalty income. In previous years this has been netted off against income.
  - a. Increased provision for doubtful debts to offset additional income \$1,707k
  - b. Decrease in corporate allocations \$73k
5. Depreciation is showing an unfavourable variance of \$409k.
6. Capital Expenditure is showing a favourable variance of \$7,690k predominantly due to delays in the commencement of projects

## KEY CAPITAL PROJECTS

### FOR THE YEAR ENDED 30 JUNE 2011

	ACTUAL 2011 \$000s	COUNCIL BUDGET 2011 \$000s	VARIANCE \$000s
<b>New Works</b>			
Transfer Stations	40	141	101
Landfills	0	0	0
Recycling	12	7	(5)
Wastewater operations	277	0	(277)
Wastewater Schemes	1,630	4,849	3,219
Water Operations	79	0	(79)
Water Schemes	995	3,193	2,198
<b>Total New Works</b>	<b>3,032</b>	<b>8,190</b>	<b>5,158</b>
<b>Renewals</b>			
Landfills	0	5	5
Recycling	0	3	3
Transfer Stations	28	45	17
Wastewater schemes	634	641	7
Water Operations	8	0	(8)
Water Schemes	619	1,032	413
<b>Total Renewals</b>	<b>1,290</b>	<b>1,726</b>	<b>436</b>



## SIGNIFICANT ACQUISITIONS OR REPLACEMENTS OF ASSETS FOR 2010/11

The Local Government Act 2002 requires Councils to provide information regarding any significant assets acquired or replaced during the year. Council's significance Policy does not specify a value but does identify the following assets as significant:

WASTEWATER NETWORKS AND TREATMENT WATER TREATMENT, STORAGE AND SUPPLY NETWORK	BUDGET 2011 \$000s	ACTUAL 2011 \$000s
<b>Wastewater Schemes</b>		
New Scheme – Ngawha Work to develop a new wastewater scheme for the Ngawha area	1,300	743
Kaeo Treatment Plant Upgrade Proposed upgrade of the treatment plant for Kaeo	890	39
Treatment Plant Upgrade Kaikohe Proposed upgrade of the treatment plant for Kaikohe	1,100	5
Renewals Programme – Wastewater Ongoing minor renewals across the district	525	441
<b>Water Schemes</b>		
Renewals Programme – Water Ongoing minor renewals across the district	350	532
Kerikeri Treatment Plant Upgrade Proposed upgrade of the treatment plant for Kerikeri	1,800	153
Rawene Reservoir Major project for the Rawene/Omania area	600	100

## VARIANCE TO THE ANNUAL PLAN 2010/11

- New Scheme Ngawha  
This project is currently on site and is expected to outturn in line with project forecasts.
- Kaeo Treatment Plant Upgrade  
The tender process has delayed the scheme with actual works planned to commence October 2011
- Upgrade Treatment Plant Kaikohe  
Delays in gaining Resource Consent changes to allow a better value solution to proceed.
- Treatment Plant Upgrade Kerikeri  
Low cost solution identified and implemented. Budget has been reduced.
- Rawene Reservoir  
Part of a major project for the Omania/Rawene area.  
Delayed due to extensive consultation with the community.



# Airports and Maritime Access to the District



## At a Glance

### Interesting Facts

Access to the sea is important to residents and visitors to the district. Council provides maritime facilities to ensure that safe, affordable and appropriately situated access is available.

Airports are an important component of a modern transport network and they provide a link to the rest of the country for the transportation of goods and people. Council has determined that FNHL is best placed to manage and develop the District's airports.

### What Has Changed Since The LTCCP

There are no significant changes to the AIRPORTS and MARITIME priorities since the publication of the 2009/19 LTCCP.

### Highlights of Performance

Number of Performance Measures	1	2	2
	2008/09	2009/10	2010/11
Achieved	100%	50%	0%
Not Achieved	0%	50%	100%

Performance 2009/10 vs. 2010/11 - needs improving ↓

### Statement of Service Performance

For AIRPORTS and MARITIME the following pages detail:

1. Service performance information provides the actual achievements, issues and challenges going forward for each performance measure against the Annual Plan 2010/11.
2. Financial performance including comparisons against budget 2010/11.

*FYI: Key symbols are used to identify each measure contributing to Community Outcomes. For more information on Community Outcomes please refer to page 76.*







Symbols used to identify each measure contributing to community outcomes

PS Public Safety TS Transport EM Environment EB Education, Training and Business Opportunities SC Services that support Communities

<b>Council Initiatives</b> Maintain maritime assets		<b>Measure</b> Resident satisfaction with recreational boat ramps and Jetties (Communitrak Survey)		<b>EB PS SC EM</b>
<b>Result 2009/10:</b> 60%	<b>Target 2010/11:</b> 58%	<b>Result 2010/11:</b> 47%	<b>Not Achieved - Comments:</b> Of the 9% of residents that were dissatisfied, the residents were concerned about the poor condition, maintenance and low number of boat ramps and jetties.	
<b>In 2009/10 Council advised:</b> Balancing the expectations of the community with the level of service that can be provided with existing budgets.			<b>Challenges going forward:</b> Maintain community expectations with the level of service that can be provided with existing budgets.	
<b>Council Initiatives</b> Maintain airport assets		<b>Measure</b> Customer satisfaction with airports (User Survey)		<b>TS PS SC EB EM</b>
<b>Result 2009/10:</b> 0%	<b>Target 2010/11:</b> 65%	<b>Result 2010/11:</b> 0%	<b>Not Achieved - Comments:</b> An error occurred by not including this measure as part of the community feedback survey in 2011.	
<b>In 2009/10 Council advised:</b> Surveys are carried out via Air New Zealand or independently commissioned.			<b>Challenges going forward:</b> This measure and will be surveyed in 2012 and the results published in the Annual Report 2011/12.	



# Cemeteries, Public Toilets and Town Maintenance

## *Having a sense of Pride*



## At a Glance

### Interesting Facts

#### Cemeteries

Council carries out cemetery activities, as required by statute, for the public good in those areas of the district where the service is not provided by others.

#### Public Toilets

Council provides Public Toilets for the benefit of public health.

#### Town maintenance

Through quality urban design and the provision and maintenance of tidy, safe and attractive streetscapes Council will contribute to a sense of pride in our communities, and sense of place in our towns.

### What Has Changed Since The LTCCP

- Council will no longer be extending the Kaitaia cemetery as additional capacity has been created by realigning unused areas.
- The planned toilet renewals at Houhora Heads, Kaimaumu, Waipapa Landing, Cobham Road, Broadwood and Russell Esplanade have been deferred. Funding of \$61,000 has been brought forward to upgrade public toilets in Paihia.

### Highlights of Performance

Number of Performance Measures	4 2008/09	5 2009/10	5 2010/11
Achieved	75%	60%	80%
Not Achieved	25%	40%	20%

Performance 2009/10 vs. 2010/11 - has improved ↑

### Statement of Service Performance

For CEMETERIES, PUBLIC TOILETS and TOWN MAINTENANCE the following pages detail:

1. Service performance information provides the actual achievements, issues and challenges going forward for each performance measure against the Annual Plan 2010/11.
2. Financial performance including comparisons against budget 2010/11.

*FYI: Key symbols are used to identify each measure contributing to Community Outcomes. For more information on Community Outcomes please refer to page 76.*



Symbols used to identify each measure contributing to community outcomes

PH Public Health EM Environment EB Education, Training and Business Opportunities SC Services that support Communities

Council Initiatives		Measure		PH SC
Improve cemetery provision		Percentage satisfied with cemetery provision in Communitrak survey		
<b>Result 2009/10:</b> 53%	<b>Target 2010/11:</b> 62%	<b>Result 2010/11:</b> 58%	<b>Not Achieved - Comments:</b> Although the target was not met only 3% of residents surveyed were dissatisfied with cemetery provision and 24% had not visited a cemetery.	
<b>In 2009/10 Council advised:</b> The level of maintenance of cemeteries has been increased and this has not been reflected in any improvement in the percentage satisfaction with cemetery provision. Changing this public perception will be a challenge to Council.			<b>Challenges going forward:</b> The level of maintenance of cemeteries will be increased and this will improve the satisfaction of residents. By continuing to deliver consistently this higher level of maintenance it is hoped the target will be achieved.	

Council Initiatives		Measure		EM PH SC
Improve toilet facilities		Percentage satisfied with public toilets in Communitrak survey		
<b>Result 2009/10:</b> 64%	<b>Target 2010/11:</b> 55%	<b>Result 2010/11:</b> 58%	<b>Achieved - Comments:</b> The target was achieved however it was lowered when several toilet renewal projects were deferred. The 22% of residents surveyed that were dissatisfied had mentioned toilets were dirty, smelly or in poor condition and needed upgrading.	
<b>In 2009/10 Council advised:</b> Balancing the need to provide robust facilities with the desire by the community for more aesthetically pleasing facilities.			<b>Challenges going forward:</b> Providing public toilets that are, safe, accessible and pleasant to visit within existing budgets	

Council Initiatives		Measure		EM PH SC
Improve toilet facilities		Toilets RFS completion (urgent within 3 hours non-urgent within 5 days)		
<b>Result 2009/10:</b> Non urgent 90% Urgent 75% Averaging 82.5%	<b>Target 2010/11:</b> 90%	<b>Result 2010/11:</b> 91%	<b>Achieved - Comments:</b> Council worked with its contractor to improve the response times.	
<b>In 2009/10 Council advised:</b> Providing a consistent high level of service when visitor numbers increase.			<b>Challenges going forward:</b> Continue to provide a consistent high level of service when visitor numbers increase.	

Council Initiatives		Measure		EM PH SC
Improve toilet facilities		Percentage of toilets that comply with NZS 4241 1999 Public Toilet standards		
<b>Result 2009/10:</b> 70%	<b>Target 2010/11:</b> 70%	<b>Result 2010/11:</b> 70%	<b>Achieved - Comments:</b> This has been achieved by ensuring the contractors maintain and comply to the standards set by the Public Toilets Committee (P 4241) for the Standards Council established under the Standards Act 1988.	
<b>In 2009/10 Council advised:</b> Increasing the percentage of toilets that are suitable for use for people with a disability within existing budgets.			<b>Challenges going forward:</b> Continue to increase the percentage of toilets that are suitable for use for people with a disability within existing budgets.	

Council Initiatives		Measure		EB PH SC EM
Improve town maintenance		Percentage of graffiti removed within 48 hours of reporting		
<b>Result 2009/10:</b> 96.5%	<b>Target 2010/11:</b> 95%	<b>Result 2010/11:</b> 100%	<b>Achieved - Comments:</b> Town maintenance contractors proactively deal with removing the graffiti before public report this to Council as a request for service.	
<b>In 2009/10 Council advised:</b> The presence of graffiti in public spaces makes residents feel unsafe. Removing graffiti as quickly as possible so it does not attract more as a challenge.			<b>Challenges going forward:</b> Continue to remove the graffiti as quickly as possible so it does not attract more as a challenge.	



# Community Centres, Halls, Museums and Pensioner Housing

## *Supporting families and communities*



## At a Glance

### Interesting Facts

The 2010/11 financial year got off to a promising start when the trust entered a partnership and lease agreement with Te Rarawa Runanga - a move one newspaper hailed as a race relations milestone. Securing a lease over Runanga land next to the Far North Community Centre allowed contractors to finally begin preparing the site for construction of the Te Ahu centre. Since then, contractors have made amazing progress. Steel framing and concrete wall panels started going up in March and the roof of the centre's dramatic atrium was lowered into place in July. The Te Ahu Charitable Trust expects to complete the multi-functional centre before the end of 2011.

Also, Council recognises the importance of accessible, affordable, safe, well-maintained and strategically located public meeting places across the district.

Generally, Council is responsible for the exterior maintenance of halls and the local management committee is responsible for the management of the facility and interior maintenance. The activity will focus over the next three years to look for opportunities to divest facilities back to the community where appropriate.

Housing for the elderly is designed to meet the needs of pensioners of modest means.

### What Has Changed Since The LTCCP

- The planned renewal programme for community halls has been retimed to better align with the remaining asset life of the halls assets.
- Museum funding has been increased to \$120,000 in 2010/11 to be split two thirds/one third between the Far North Regional Museum and Heritage Kaikohe.
- Council has engaged in-house maintenance staff to provide a more robust and cost effective approach to maintenance of community halls and pensioner housing.
- Council plans to sell the Mangonui pensioner housing complex at market value and invest the proceeds into maintenance of the remaining pensioner housing complexes.
- Council plans to transfer the ownership of the Russell pensioner housing complex to the Duffus Trust.
- Pensioner housing rent increases will be undertaken annually effective from 1 October 2010 based on the CPI index.
- Council will continue to work with social housing providers to find a more sustainable solution to the management of the remaining pensioner housing complexes over the next 5 years.





## Highlights of Performance

Number of Performance Measures	7	3	3
	2008/09	2009/10	2010/11
Achieved	86%	67%	67%
Not Achieved	14%	33%	33%

Performance 2009/10 vs. 2010/11 - is neutral ⇄

## Statement of Service Performance

For COMMUNITY CENTRES, HALLS, MUSEUMS and PENSIONER HOUSING the following pages detail:

1. Service performance information provides the actual achievements, issues and challenges going forward for each performance measure against the Annual Plan 2010/11.
2. Financial performance including comparisons against budget 2010/11.

*FYI: Key symbols are used to identify each measure contributing to Community Outcomes. For more information on Community Outcomes please refer to page 76.*



## Symbols used to identify each measure contributing to community outcomes

SC Services that support Communities CH Culture and Heritage

<b>Council Initiatives</b> Halls maintenance and renewal		<b>Measure</b> Completion of preventative and regular maintenance checks and remedial work within set timescale (2 days urgent, 5 days not urgent)		SC CH
<b>Result 2009/10:</b> 90%	<b>Target 2010/11:</b> 90%	<b>Result 2010/11:</b> 100%	<b>Achieved - Comments:</b> Property maintenance officer proactively takes on additional work when out in the field before public notify Council and is recorded as a request for service.	
<b>In 2009/10 Council advised:</b> Increasing the preventative and regular maintenance program for the community building assets.			<b>Challenges going forward:</b> Completing the deferred maintenance program and continuing the preventative maintenance work within existing budgets.	
<b>Council Initiatives</b> Maintaining Housing for the Elderly units in good condition		<b>Measure</b> Reduction of RFS received annually		SC
<b>Result 2009/10:</b> 1.5%	<b>Target 2010/11:</b> 5%	<b>Result 2010/11:</b> 6%	<b>Not Achieved - Comments:</b> Due to more tenants and higher occupancy rate compared to previous years we are experiencing more requests for service.	
<b>In 2009/10 Council advised:</b> A significant amount of deferred maintenance will be undertaken in 2010/11 and this should have a significant impact on this measure.			<b>Challenges going forward:</b> The completion of the programmed deferred maintenance will be undertaken in 2011/12 and this should have a significant impact on this measure.	
<b>Council Initiatives</b> Maintaining Housing for the Elderly units in good condition		<b>Measure</b> Percentage of faults responded to in set time (2 days urgent, 5 days non-urgent)		SC
<b>Result 2009/10:</b> 98.80%	<b>Target 2010/11:</b> 91%	<b>Result 2010/11:</b> 96.33%	<b>Achieved - Comments:</b> This result is due to an additional person employed by Council to meet service level requirements.	
<b>In 2009/10 Council advised:</b> Continue to improve target level.			<b>Challenges going forward:</b> Continue to exceed target level.	



# Community & Economic Development Strengthening Businesses & Communities



## At a Glance

### Interesting Facts

In relation to economic development, Council works to contribute to a strong, growing and sustainable district economy that makes a tangible and positive difference to the people of the Far North, with a particular focus on attracting investment to the district.

In community development, Council brings together key decision makers and funders to work on the sustainable development of local communities. The three key enablers are:

- Helping communities to identify, agree and articulate their priorities and visions for the future
- Increasing the capacity of Council to contribute to community wellbeing
- Working with Government and non-government organisations to channel support to local communities.

Also in emergency management, working in partnership with the Northland CDEM Group to implement the goals and objectives outlined in the Northland Civil Defence Emergency Management Plan. The priority in the Far North is to develop and maintain community response plans and raising public awareness (including initiatives through local schools).

As a result of these goals and objectives, a recent survey into preparedness for civil defence emergencies has confirmed an increase in public preparedness and awareness where community response plans are in place.

### What Has Changed Since The LTCCP

There are no significant changes to the COMMUNITY and ECONOMIC DEVELOPMENT priorities since the publication of the 2009/19 LTCCP.

### Highlights of Performance

Number of Performance Measures	2008/09	2009/10	2010/11
Achieved	50%	75%	63%
Not Achieved	50%	25%	37%

Performance 2009/10 vs. 2010/11 - needs improving ↓

### Statement of Service Performance

For COMMUNITY and ECONOMIC DEVELOPMENT the following pages detail:

1. Service performance information provides the actual achievements, issues and challenges going forward for each performance measure against the Annual Plan 2010/11.
2. Financial performance including comparisons against budget 2010/11.

*FYI: Key symbols are used to identify each measure contributing to Community Outcomes. For more information on Community Outcomes please refer to page 76.*



Symbols used to identify each measure contributing to community outcomes

PS Public Safety EM Environment EB Education, Training and Business Opportunities SC Services that support Communities

<b>Council Initiatives Live</b> Work Investment promotion		<b>Measure</b> Percentage of new visitors to Live Work Invest website <sup>1</sup> Percentage annual increase in Live, Work, Invest website visitors		<b>EB</b>
<b>Result 2009/10:</b> 6.6%	<b>Target 2010/11:</b> 80%	<b>Result 2010/11:</b> 86.85%	<b>Achieved - Comments:</b> Council has maintained performance of Live Work Invest website despite difficult economic prospects.	
<b>In 2009/10 Council advised:</b> Current economic prospects are subdued.			<b>Challenges going forward:</b> This work will be re focused as part of Council's update of the Economic Development Strategy.	

<b>Council Initiatives</b> Buy Far North campaign		<b>Measure</b> Number of new businesses registered on Buy Far North website <sup>2</sup> Number of businesses registered on Buy Far North website		<b>EB</b>
<b>Result 2009/10:</b> 404	<b>Target 2010/11:</b> 450	<b>Result 2010/11:</b> 58	<b>Not Achieved - Comments:</b> Council has not achieved target due to the subdued nature of the district economy.	
<b>In 2009/10 Council advised:</b> More active marketing of the website.			<b>Challenges going forward:</b> This work will be re focused as part of Council's update of the Economic Development Strategy.	

<b>Council Initiatives</b> Buy Far North campaign		<b>Measure</b> Number of returning visitors to Buy Far North website <sup>3</sup> Number of website hits/month to Buy Far North website		<b>EB</b>
<b>Result 2009/10:</b> 271	<b>Target 2010/11:</b> 50%	<b>Result 2010/11:</b> 35.65%	<b>Not Achieved - Comments:</b> Council has not achieved target due to the subdued nature of the district economy.	
<b>In 2009/10 Council advised:</b> More active marketing of the website.			<b>Challenges going forward:</b> This work will be re focused as part of Council's update of the Economic Development Strategy.	

<b>Council Initiatives</b> Event attraction		<b>Measure</b> Number of major high profile events attracted to the District		<b>EB</b>
<b>Result 2009/10:</b> 2	<b>Target 2010/11:</b> 1	<b>Result 2010/11:</b> 0	<b>Not Achieved - Comments:</b> Preparation work took place in 2010 to secure a large private sector event. This event is confirmed and will take place in the Bay of Islands late 2011.	
<b>In 2009/10 Council advised:</b> A repeat of efforts made in 2009/10.			<b>Challenges going forward:</b> This work will be ongoing and reviewed as part of Council's update of the economic development strategy and the Regional Events Strategy.	

<sup>1</sup> Indicators relating to the Live, Work, Invest and Buy Far North websites have been updated to give a better indication of the effectiveness of the initiatives

<sup>2</sup> As above

<sup>3</sup> As above





Symbols used to identify each measure contributing to community outcomes

PS Public Safety EM Environment EB Education, Training and Business Opportunities SC Services that support Communities

Council Initiatives		Measure		PS SC
Community Plans		Percentage community support for plan in each community		
<b>Result 2009/10:</b> 89%	<b>Target 2010/11:</b> 75%	<b>Result 2010/11:</b> 92%	<b>Achieved - Comments:</b> Through formation of Community Taskgroups who support developing their plan. Council supported this process with a skilled facilitator and other resources.	
<b>In 2009/10 Council advised:</b> The Taskgroups keeping their relevant communities on board over a long period leading to the final version of their community plan.			<b>Challenges going forward:</b> The Taskgroups will continue keeping their relevant communities on board over a long period leading to the final version of their community plan.	

Council Initiatives		Measure		EM SC
Small Town Beautification projects		Percentage community support for the outcome of each project		
<b>Result 2009/10:</b> 93%	<b>Target 2010/11:</b> 75%	<b>Result 2010/11:</b> 92%	<b>Achieved - Comments:</b> Taskgroups along with the facilitator have achieved this measure by focusing on concrete outcomes.	
<b>In 2009/10 Council advised:</b> Responsible agencies to take ownership and deal effectively with the community over each outcome resolution.			<b>Challenges going forward:</b> Responsible agencies will continue to take ownership and deal effectively with the community over each outcome resolution.	

Council Initiatives		Measure		EB
Pursuing Inward Investment		Number of new projects benefiting from inward investment		
<b>Result 2009/10:</b> 11	<b>Target 2010/11:</b> 10	<b>Result 2010/11:</b> 15	<b>Achieved - Comments:</b> Council has maintained performance in this area of work despite difficult economic prospects.	
<b>In 2009/10 Council advised:</b> Funding sources have tightened reflecting the economic situation.			<b>Challenges going forward:</b> This work will be ongoing and reviewed as part of Council's update of the economic development strategy.	

Council Initiatives		Measure		EB
Supporting new business opportunities		Number of new business opportunities assisted		
<b>Result 2009/10:</b> 27	<b>Target 2010/11:</b> 30	<b>Result 2010/11:</b> 30	<b>Achieved - Comments:</b> Council has maintained performance in this area of work despite difficult economic prospects.	
<b>In 2009/10 Council advised:</b> More proactive marketing of Live Work Invest message to attract new business.			<b>Challenges going forward:</b> This work will be ongoing and reviewed as part of Council's update of the economic development strategy.	



# i-SITEs

## Encourage visitors to the Far North



### At a Glance

#### Interesting Facts

Our vision is to encourage visitors to stay longer, enjoy more activities and spend more money in the Far North by providing them with a positive image of our district. We do this through the provision of information services and facilities that are affordable, accessible and contribute to the district's development.

#### What Has Changed Since The LTCCP

There are no significant changes to the i-SITEs priorities since the publication of the 2009/19 LTCCP.

#### Highlights of Performance

Number of Performance Measures	3	3	3
	2008/09	2009/10	2010/11
Achieved	100%	100%	100%
Not Achieved	0%	0%	0%

Performance 2009/10 vs. 2010/11 - neutral ⇔

#### Statement of Service Performance

For i-SITEs the following pages detail:

1. Service performance information provides the actual achievements, issues and challenges going forward for each performance measure against the Annual Plan 2010/11.
2. Financial performance including comparisons against budget 2010/11.

*FYI: Key symbols are used to identify each measure contributing to Community Outcomes. For more information on Community Outcomes please refer to page 76.*





Symbols used to identify each measure contributing to community outcomes

EB Education, Training and Business Opportunities SC Services that support Communities CH Culture and Heritage

Council Initiatives		Measure		EB SC CH
Deliver a quality visitor experience		Annual supplier Satisfaction rating		
<b>Result 2009/10:</b> 90%	<b>Target 2010/11:</b> 85%	<b>Result 2010/11:</b> 91%	<b>Achieved - Comments:</b> Achieved with training and ensuring that all visitor information consultants are well informed on all products we sell.	
<b>In 2009/10 Council advised:</b> Consistent training and up skilling for all visitor information consultants.			<b>Challenges going forward:</b> Visitor numbers may reduce due to world events including earthquakes and tsunamis. The Rugby World Cup offers opportunities to sell more products in during our autumn and winter season.	

Council Initiatives		Measure		EB SC CH
Deliver a quality visitor experience		Annual customer Satisfaction rating		
<b>Result 2009/10:</b> 98%	<b>Target 2010/11:</b> 98%	<b>Result 2010/11:</b> 98%	<b>Achieved - Comments:</b> Ensuring all visitor information consultants meet service standards. Utilised IBIS booking system to streamline visitor experience.	
<b>In 2009/10 Council advised:</b> Customer service training courses and improved service standards utilising new systems and processes.			<b>Challenges going forward:</b> Ensuring training is undertaken continuously to keep service standards high.	

Council Initiatives		Measure		EB SC CH
Deliver a quality visitor experience		Achieve annual visitor info network (VIN) accreditation		
<b>Result 2009/10:</b> 100%	<b>Target 2010/11:</b> 100%	<b>Result 2010/11:</b> 100%	<b>Achieved - Comments:</b> All i-SITES are in line with i-SITE NZ's and Qualmark's standards.	
<b>In 2009/10 Council advised:</b> Continuous improvement strategies are adhered to in accordance with Council and Qualmark certification.			<b>Challenges going forward:</b> We must ensure the Bay of Islands i-SITE is located in a high traffic space and adheres to i-SITE NZ's and Qualmark's standards.	



# Libraries

## Learning and Growing



## At a Glance

### Interesting Facts

Council operates and maintains seven libraries containing over 124,000 items.

### What Has Changed Since The LTCCP

There are no significant changes to the strategic direction set out for LIBRARIES in the 2009/19 LTCCP.

### Highlights of Performance

Number of Performance Measures	5	4	4
	2008/09	2009/10	2010/11
Achieved	84%	50%	75%
Not Achieved	16%	50%	25%

Performance 2009/10 vs. 2010/11 - has improved ↑

### Statement of Service Performance

For LIBRARIES the following pages detail:

1. Service performance information provides the actual achievements, issues and challenges going forward for each performance measure against the Annual Plan 2010/11.
2. Financial performance including comparisons against budget 2010/11.

*FYI: Key symbols are used to identify each measure contributing to Community Outcomes. For more information on Community Outcomes please refer to page 76.*





Symbols used to identify each measure contributing to community outcomes

EB Education, Training and Business Opportunities   SC Services that support Communities   CH Culture and Heritage

Council Initiatives		Measure		EB SC CH
Make libraries more accessible and able to meet the community's needs		Percentage satisfaction of users (Communitrak Survey)		
<b>Result 2009/10:</b> 67%	<b>Target 2010/11:</b> 85%	<b>Result 2010/11:</b> 95%	<b>Achieved - Comments:</b> Increase in percentage satisfaction of users (Communitrak Survey) due to higher acceptance of \$15 per annum borrower fee, and improved management of the Aotearoa Peoples Network Kaharoa (APNK) free internet which has provided a better shared space for both traditional and next generation library users are probably the most significant reasons for the improvement.	
<b>In 2009/10 Council advised:</b> Annual fee unlikely to be revoked.			<b>Challenges going forward:</b> Affordability to be able to extend library services and keep up with constantly changing technology	

Council Initiatives		Measure		EB SC CH
Make libraries more accessible and able to meet the community's needs		Percentage population who are borrowers		
<b>Result 2009/10:</b> 28%	<b>Target 2010/11:</b> 33%	<b>Result 2010/11:</b> 18%	<b>Not Achieved - Comments:</b> Due to a clean up of active borrowers in the library management system, numbers have significantly reduced. We are confident that from 2010/11 the borrower numbers are more accurately reflected.	
<b>In 2009/10 Council advised:</b> Offering more services online increases the profile and use of libraries across the district.			<b>Challenges going forward:</b> Affordability to be able to extend library services and keep up with constantly changing technology so population becomes more interested.	

Council Initiatives		Measure		EB SC CH
Make libraries more accessible and able to meet the community's needs		Issue rate per library borrower per annum		
<b>Result 2009/10:</b> 8.5	<b>Target 2010/11:</b> 7	<b>Result 2010/11:</b> 47	<b>Achieved - Comments:</b> The result supplied previously reflected the issue rate per capita per annum. It now accurately reflects Issue rate per "Library Borrower" per annum. Targets will be amended for future years.	
<b>In 2009/10 Council advised:</b> Consistency with the introduction of new library material through all mediums in order to achieve customer satisfaction.			<b>Challenges going forward:</b> Continually improving our collection and ensuring provision for supply of e-Books and audio books.	

Council Initiatives		Measure		EB SC CH
Make libraries more accessible and able to meet the community's needs		Year on year percentage increase in door counts per annum over previous year's figure		
<b>Result 2009/10:</b> 2%	<b>Target 2010/11:</b> 2%	<b>Result 2010/11:</b> 2.2%	<b>Achieved - Comments:</b> Slight increase due to popularity of APNK free internet and wireless.	
<b>In 2009/10 Council advised:</b> Managing the free internet service alongside other library services has brought challenges. There are constraints due to lack of space and low staffing levels.			<b>Challenges going forward:</b> Debate over continuing to provide free internet or charging for the service.	



# Lighting, Carparks and Footpaths Support Health and Safety



## At a Glance

### Interesting Facts

Council provides a footpath network so that the community, especially children and older people, have safe routes to use as they move to and from places in their community and to encourage walking as a recreational activity.

Council provides carparks so there are sufficient car parks for residents and visitors (both able and disabled) in commercial, recreational and business areas.

Council provides amenity lighting in towns to make them feel safe and look attractive.

### What Has Changed Since The LTCCP

There are no significant changes to the LIGHTING, CARPARKS and FOOTPATHS priorities since the publication of the 2009/19 LTCCP.

### Highlights of Performance

Number of Performance Measures	1 2008/09	5 2009/10	5 2010/11
Achieved	100%	40%	20%
Not Achieved	0%	60%	80%

Performance 2009/10 vs. 2010/11 - needs improving ↓

### Statement of Service Performance

For LIGHTING, CARPARKS and FOOTPATHS the following pages detail:

1. Service performance information provides the actual achievements, issues and challenges going forward for each performance measure against the Annual Plan 2010/11.
2. Financial performance including comparisons against budget 2010/11.

*FYI: Key symbols are used to identify each measure contributing to Community Outcomes. For more information on Community Outcomes please refer to page 76.*



Symbols used to identify each measure contributing to community outcomes

PS Public Safety EM Environment SC Services that support Communities

<b>Council Initiatives</b> Maintain and extend the footpath network as resources permit		<b>Measure</b> Extend the footpath network by 1.5km per annum		PS SC EM
<b>Result 2009/10:</b> 0.4km	<b>Target 2010/11:</b> 1.5km	<b>Result 2010/11:</b> 1.2km	<b>Not Achieved - Comments:</b> As there were no footpath assets vested in Council from developers the target was not reached.	
<b>In 2009/10 Council advised:</b> Managing public expectations due to the requests for new footpaths always exceed funds available.			<b>Challenges going forward:</b> Continue to manage public expectations for new footpaths within the funds available.	

<b>Council Initiatives</b> Maintain and extend the footpath network as resources permit		<b>Measure</b> Renew 2.0km of footpath per annum		PS SC EM
<b>Result 2009/10:</b> 2.4km	<b>Target 2010/11:</b> 2.0km	<b>Result 2010/11:</b> 1.2km	<b>Not Achieved - Comments:</b> The delay in the renewal of Kaitaia mainstreet, Lake Road and North Road Kaitaia resulted in this target not being reached.	
<b>In 2009/10 Council advised:</b> Reviewing the asset condition of existing paths to determine if the most appropriate paths are being renewed.			<b>Challenges going forward:</b> Developing new renewal programs based on the condition assessment reports undertaken in 2010/11.	

<b>Council Initiatives</b> Maintain and extend the footpath network as resources permit		<b>Measure</b> Percentage of residents satisfied with footpath network (Communitrak Survey)		PS SC EM
<b>Result 2009/10:</b> 63%	<b>Target 2010/11:</b> 70%	<b>Result 2010/11:</b> 55%	<b>Not Achieved - Comments:</b> The concerns raised by 33% residents dissatisfied included not enough footpaths, and more maintenance needed.	
<b>In 2009/10 Council advised:</b> Managing the public expectations due to the requests for new footpaths always exceed funds available.			<b>Challenges going forward:</b> Maintaining the existing network rather than building more paths.	

<b>Council Initiatives</b> Ensure the footpath and car part network remains safe		<b>Measure</b> Percentage of complaints about maintenance of amenity lighting responded to within 48 hours		PS
<b>Result 2009/10:</b> 50%	<b>Target 2010/11:</b> 76%	<b>Result 2010/11:</b> 87.5%	<b>Achieved - Comments:</b> The removal of bollard lighting in Kaitaia accounts for the decreased complaints received in the 2010/11 year. The bollards were replaced with street lights partly funded by NZTA.	
<b>In 2009/10 Council advised:</b> Bollard lighting will be replaced in some areas with street lighting funded by New Zealand Transport Agency and development improvements by Far North Holdings Ltd.			<b>Challenges going forward:</b> Continue to manage community expectations with the level of service that can be provided within existing budgets.	

<b>Council Initiatives</b> Ensure the footpath and car part network remains safe		<b>Measure</b> Percentage of complaints about car park maintenance responded to within 3 days		PS
<b>Result 2009/10:</b> 85%	<b>Target 2010/11:</b> 85%	<b>Result 2010/11:</b> 80%	<b>Not Achieved - Comments:</b> Although this KPI did not meet target there were very few received that referred to Council car parks.	
<b>In 2009/10 Council advised:</b> Balancing the expectations of the community with the level of service that can be provided within existing budgets.			<b>Challenges going forward:</b> Continue to manage community expectations with the level of service that can be provided within existing budgets.	



# Motor Camps

## *Access to our Natural Treasures*



## At a Glance

### Interesting Facts


The high market value of coastal land makes it unprofitable for private enterprise to retain coastal properties as campgrounds. Council's ownership ensures camping holidays are an option for residents, visitors and ensures equitable access to our natural treasures.

### What Has Changed Since The LTCCP

There are no significant changes to the MOTORCAMPS priorities since the publication of the 2009/19 LTCCP.

### Highlights of Performance

Number of Performance Measures	1 2008/09	3 2009/10	3 2010/11
Achieved	100%	34%	67%
Not Achieved	0%	66%	33%

Performance 2009/10 vs. 2010/11 - has improved 

### Statement of Service Performance

For MOTORCAMPS the following pages detail:

1. Service performance information provides the actual achievements, issues and challenges going forward for each performance measure against the Annual Plan 2010/11.
2. Financial performance including comparisons against budget 2010/11.

*FYI: Key symbols are used to identify each measure contributing to Community Outcomes. For more information on Community Outcomes please refer to page 76.*





Symbols used to identify each measure contributing to community outcomes

PH Public Health EB Education, Training and Business Opportunities SC Services that support Communities

<b>Council Initiatives</b> Formalise the occupation of esplanade reserves/ legal roads by camping operators to enable sufficient camping capacity for the peak period		<b>Measure</b> Year on year percentage increase in camping numbers at registered motor camps		EB PH SC
<b>Result 2009/10:</b> 0%	<b>Target 2010/11:</b> 5%	<b>Result 2010/11:</b> 7.4%	<b>Achieved - Comments:</b> Figures provided by Holiday Accommodation Parks Association of NZ shows an increase in camping numbers in registered motor camps in the region.	
<b>In 2009/10 Council advised:</b> Ensuring there is a good spread of camping opportunities in the district and managing unauthorised camping by motor homes.			<b>Challenges going forward:</b> Managing the implementation of the freedom camping policy while promoting the use of registered motor camps for camper's safety and to protect our environment.	

<b>Council Initiatives</b> Formalise the occupation of esplanade reserves/ legal roads by camping operators to enable sufficient camping capacity for the peak period		<b>Measure</b> Community satisfaction with camping provision		EB PH SC
<b>Result 2009/10:</b> 80%	<b>Target 2010/11:</b> 76%	<b>Result 2010/11:</b> 66%	<b>Not Achieved - Comments:</b> Overall the level of satisfaction has dropped. This has been influenced in the main by 31% of eastern ward residents being dissatisfied while in the north and west this averaged at 16%. Residents that were dissatisfied generally wanted a greater level of access to beaches.	
<b>In 2009/10 Council advised:</b> Making the most of any opportunity to improve beach access especially through development of coastal land.			<b>Challenges going forward:</b> Guaranteed camping opportunities in the district and managing unauthorised camping by motor homes.	

<b>Council Initiatives</b> Ensure sufficient camping capacity for the peak period		<b>Measure</b> Percentage of complaints about illegal camping responded to within 48 hours		SC
<b>Result 2009/10:</b> 84%	<b>Target 2010/11:</b> 90%	<b>Result 2010/11:</b> 90.83%	<b>Achieved - Comments:</b> Council has focused on taking action against campers' using illegal camping sites permanently.	
<b>In 2009/10 Council advised:</b> Managing unauthorised camping by motor homes.			<b>Challenges going forward:</b> Implementing the Freedom Camping policy and appointing a range of Infringement Officers in the district will help manage illegal camping through out the district.	



# Community Activities - Recreation

## Community Wellbeing



## At a Glance

### Interesting Facts

Council contributes to community development through the provision and maintenance of recreation facilities, encouraging the use of these facilities and organising/supporting events that will contribute to community wellbeing.

### What Has Changed Since The LTCCP

There is an increased focus on working together with schools, sports clubs, the community, Sport Northland and other regional sports organisations to deliver better outcomes for sporting participation, better skill levels, and more sporting opportunities for school age children.

Council will also be focusing its resources on improving services and support to sport and recreation clubs that co-locate and share facilities at recreation hubs.

Council will be upgrading the Kerikeri community swimming pool by installing discharge tanks.

Council has determined that the one off grants to improve access to the Northland College swimming pool and the Whangaroa Community Pool were successful and will continue. This will next be reviewed as part of the 2012/22 LTP process.

Additional funding has been agreed for Lindvart Park, Kaikohe.

### Highlights of Performance

Number of Performance Measures	2008/09	2009/10	2010/11
Achieved	50%	45%	78%
Not Achieved	50%	55%	22%

Performance 2009/10 vs. 2010/11 - has improved ↑

### Statement of Service Performance

For COMMUNITY ACTIVITIES - RECREATION the following pages detail:

1. Service performance information provides the actual achievements, issues and challenges going forward for each performance measure against the Annual Plan 2010/11.
2. Financial performance including comparisons against budget 2010/11.

*FYI: Key symbols are used to identify each measure contributing to Community Outcomes. For more information on Community Outcomes please refer to page 76.*



Symbols used to identify each measure contributing to community outcomes

PS Public Safety EB Education, Training and Business Opportunities SC Services that support Communities

Council Initiatives		Measure		PS SC
Provision of parks and reserves		Percentage of users satisfied with parks and reserves (Communitrak Survey)		
<b>Result 2009/10:</b> 75%	<b>Target 2010/11:</b> 80%	<b>Result 2010/11:</b> 92%	<b>Achieved - Comments:</b> User satisfaction has increased significantly and is now above the peer average. This would reflect the considerable investment in recreational facilities over the last 3 years.	
<b>In 2009/10 Council advised:</b> Balancing the expectations of the community with the level of service that can be provided with existing budgets whilst ensuring best value is obtained from funds available is a challenge for Council.			<b>Challenges going forward:</b> Maintain community expectations with the level of maintenance that can be provided without increasing budgets.	

Council Initiatives		Measure		EB PS SC
Development of hub facilities capable of hosting national, regional, district and community events		Year on year percentage increase in the number of district / regional events held at Kerikeri Domain, Kerikeri Sports Complex or BaySport Inc.		
<b>Result 2009/10:</b> Achieved	<b>Target 2010/11:</b> 5%	<b>Result 2010/11:</b> Achieved	<b>Achieved - Comments:</b> One event was held for the Super 15 game at the Kerikeri Domain. Unfortunately this result was incorrectly measured as a percentage in the LTCCP 2009/19. This will be amended accordingly for the LTP 2012/22.	
<b>In 2009/10 Council advised:</b> Attracting significant events in tight economic times.			<b>Challenges going forward:</b> Attracting significant events in tight economic times and managing the loss of the Kerikeri Domain for use by regular community activities while it is prepared for the significant event.	

Council Initiatives		Measure		PS SC
Improve access to aquatic facilities		Resident satisfaction with swimming pools (Communitrak Survey)		
<b>Result 2009/10:</b> 32%	<b>Target 2010/11:</b> 55%	<b>Result 2010/11:</b> 32%	<b>Not Achieved - Comments:</b> Although resident satisfaction is still below the target due to requesting more pools and existing pools need an upgrade or too small, of those that do use the swimming pools 78% are satisfied.	
<b>In 2009/10 Council advised:</b> Balancing the expectations of the community with a level of service that is affordable.			<b>Challenges going forward:</b> Maintaining community expectations for more heated pools with a level of service that is affordable.	

Council Initiatives		Measure		PS SC
Improve access to aquatic facilities		PoolSafe Accreditation		
<b>Result 2009/10:</b> 100%	<b>Target 2010/11:</b> 66%	<b>Result 2010/11:</b> 100%	<b>Achieved - Comments:</b> Kawakawa received Poolsafe accreditation ahead of schedule and within existing budgets.	
<b>In 2009/10 Council advised:</b> Keeping all three pools with Poolsafe accreditation within existing budgets.			<b>Challenges going forward:</b> Continue with Poolsafe accreditation within existing budget for all three pools	

Council Initiatives		Measure		PS SC
Improve access to aquatic facilities		Increase in Pool usage		
<b>Result 2009/10:</b> 13%	<b>Target 2010/11:</b> 10%	<b>Result 2010/11:</b> 262%	<b>Achieved - Comments:</b> The regular opening times, safe pools and good water quality has meant the swimmer numbers increased significantly from 26,508 in 2009/10 to 69,707 in 2010/11.	
<b>In 2009/10 Council advised:</b> Balancing the expectations of the community with a level of service that is affordable to the community.			<b>Challenges going forward:</b> Maintaining community expectations for more heated pools with a level of service that is affordable.	



Symbols used to identify each measure contributing to community outcomes

PS Public Safety EB Education, Training and Business Opportunities SC Services that support Communities

Council Initiatives		Measure		PS SC
Provision of playgrounds		Percentage of playground's safety audited each month and any safety issues resolved within one month		
<b>Result 2009/10:</b> 100%	<b>Target 2010/11:</b> 100%	<b>Result 2010/11:</b> 100%	<b>Achieved - Comments:</b> Playground inspection is undertaken monthly to ensure audit is achieved.	
<b>In 2009/10 Council advised:</b> Balancing the expectations of the community with a level of service that is affordable to the community.			<b>Challenges going forward:</b> Ensuring the specifications of the contract is delivered within the agreed timeframes and repairs can be completed within the budget available.	

Council Initiatives		Measure		PS SC
Provision of playgrounds		Percentage satisfaction with playgrounds (Communitrak Survey)		
<b>Result 2009/10:</b> 66%	<b>Target 2010/11:</b> 80%	<b>Result 2010/11:</b> 88%	<b>Achieved - Comments:</b> User satisfaction with playgrounds has increased. However the 8% dissatisfied would like more playgrounds that cater for a variety of age groups.	
<b>In 2009/10 Council advised:</b> Balancing the expectations of the community with a level of service that is affordable to the community.			<b>Challenges going forward:</b> Maintaining community expectations with a level of service that is affordable to the community.	

Council Initiatives		Measure		SC
Service delivery for parks and reserves		Percentage of urgent requests for service resolved within 3 hours and non urgent within 5 days		
<b>Result 2009/10:</b> 90.6%	<b>Target 2010/11:</b> 95%	<b>Result 2010/11:</b> 95.36%	<b>Achieved - Comments:</b> Council has worked with its contractor to improve these response times.	
<b>In 2009/10 Council advised:</b> Balancing the expectations of the community with a level of service that is affordable to the community.			<b>Challenges going forward:</b> Maintaining community expectations with a level of service that is affordable to the community.	

Council Initiatives		Measure		SC
Service delivery for parks and reserves		The number of financial deductions from the contractor for non performance		
<b>Result 2009/10:</b> 0%	<b>Target 2010/11:</b> 0%	<b>Result 2010/11:</b> 1%	<b>Not Achieved - Comments:</b> Credit received from contractor for incomplete pavement cleans which meant a deduction from the annual contract value.	
<b>In 2009/10 Council advised:</b> Ensuring the specifications of the contract is delivered within the agreed timeframes.			<b>Challenges going forward:</b> Assurance that the contract agreed timeframes and specifications are met.	



# Financial Information District Facilities

## FINANCIAL SUMMARY FOR THE YEAR ENDED 30 JUNE 2011

	NOTE	ACTUAL 2011 \$000s	COUNCIL BUDGET 2011 \$000s	VARIANCE \$000s
<b>Income</b>				
Rates Income	1	13,550	12,587	963
Other Income	2	3,270	2,655	615
<b>Total Operating Income</b>		<b>16,820</b>	<b>15,242</b>	<b>1,578</b>
<b>Expenditure</b>				
Direct Costs	3	15,310	9,262	(6,048)
Indirect Costs	4	2,203	1,323	(880)
<b>Activity Expenditure</b>		<b>17,513</b>	<b>10,585</b>	<b>(6,928)</b>
Depreciation	5	3,752	3,961	209
Interest Payable		213	760	547
<b>Total Operating Expenditure</b>		<b>21,478</b>	<b>15,306</b>	<b>(6,172)</b>
<b>Net Operating Surplus/(Deficit)</b>		<b>(4,658)</b>	<b>(63)</b>	<b>(4,595)</b>
<b>Capital Statement</b>				
Net Operating Surplus		(4,658)	(63)	(4,595)
Loans		1,206	2,196	(990)
Other Funding		2,573	4,279	(1,706)
<b>Total Funding</b>		<b>(879)</b>	<b>6,411</b>	<b>(7,290)</b>
New Work	6	3,577	3,192	(385)
Renewal Works	6	1,001	3,012	2,011
Loan Repayments		109	207	98
<b>Total Capital Expenditure</b>		<b>4,687</b>	<b>6,411</b>	<b>1,725</b>
<b>NET SURPLUS/(DEFICIT)</b>		<b>(5,566)</b>	<b>0</b>	<b>(5,566)</b>

### VARIANCE TO THE ANNUAL PLAN 2010/11

- Rates Income is showing a favourable variance of \$963k predominantly due to:
  - An increase in penalty rate income of \$990k
- Other Income is showing a favourable variance of \$615k predominantly due to:
  - Rural Fires recoveries \$274k and subsidy income of \$105k not budgeted in the Annual Plan.
  - Vested asset additions have been identified totaling \$811k which were not budgeted in the Annual Plan
  - Development contributions income is below budget by \$682k due to a reduction in applications during the year.
- Direct Costs are showing an unfavourable variance of \$6,048k predominantly due to:
  - Loss on valuation of assets of \$5,930k
- Indirect costs are above budget \$880k due predominantly to a change in presentation for the provision of bad debts on rates penalty income. In previous years this has been netted off against income.
  - Increased provision for doubtful debts to offset additional income \$698k
  - Increase in corporate allocations \$182k
- Depreciation is showing a favourable variance of \$209k due to delays in the commencement of capital projects.
- Capital Expenditure is showing a favourable variance of \$1,725k predominantly due to delays in the commencement of projects.



## KEY CAPITAL PROJECTS

FOR THE YEAR ENDED 30 JUNE 2011

	ACTUAL 2011 \$000s	COUNCIL BUDGET 2011 \$000s	VARIANCE \$000s
<b>New Works</b>			
Airports	0	241	241
Amenity Lighting	5	0	(5)
Carparks	573	792	219
Cemeteries	18	2	(16)
Community Centres	0	2	(2)
Footpaths	208	289	81
Halls	31	0	(31)
Public Toilets	60	133	73
Swimming Pools	15	15	0
Town Maintenance	209	486	277
Parks & Reserves	2,457	1,233	(1,224)
<b>Total New Works</b>	<b>3,577</b>	<b>3,192</b>	<b>(385)</b>
<b>Renewals</b>			
Airports	0	27	27
Carparks	0	108	108
Cemeteries	2	18	16
Footpaths	75	113	38
Halls	12	861	849
Maritime Facilities	1	411	410
Motor Camps	33	74	41
Museum	0	8	8
Pensioner Housing	200	338	138
Public Toilets	50	58	8
Parks & Reserves	203	493	290
Rural Fires	159	0	(159)
Information Centres	17	160	143
Libraries	250	344	94
<b>Total Renewals</b>	<b>1,001</b>	<b>3,012</b>	<b>2,011</b>

## SIGNIFICANT ACQUISITIONS OR REPLACEMENTS OF ASSETS FOR 2010/11

The Local Government Act 2002 requires Councils to provide information regarding any significant assets acquired or replaced during the year. Council's significance Policy does not specify a value but does identify the following assets as significant:

FOOTPATHS, TOWN MAINTENANCE, PARKS & RESERVES, INFORMATION CENTRES	BUDGET 2011 \$000s	ACTUAL 2011 \$000s
Car Parks – Kaitaia This project supplements the car parking provision for the Te Ahu Centre	792	573
Parks & Reserves – Kerikeri Domain This is the ongoing work to develop the domain in Kerikeri	150	437
Parks & Reserves – Eastern Renewals	210	105
Parks & Reserves – Northern Renewals	184	54
Halls – Northern Renewals Work has been deferred to allow a strategic approach to be developed in relation to hall renewals	725	0

## VARIANCE TO THE ANNUAL PLAN 2010/11

- Car Parks Kaitaia.  
This project provides additional parking for the Te Ahu centre which is due to complete in October 2011.
- Parks & Reserves – Kerikeri Domain.  
Development of options for the Domain by the Kerikeri Domain Trust has meant that work was completed in 2010/11.
- Halls – Northern Renewals  
A review of Halls is in progress.



# Development Consents

## *Sustaining our Environment*



## At a Glance

### Interesting Facts

The vision of the Development Consents department is to promote sustainable development in the Far North leading to healthier lifestyles, safe buildings and protection of the district's environment. Council aims to achieve this by:

- Supporting development and growth in the district
- Protecting the natural / coastal landscape
- Ensuring buildings are constructed in accordance with the Building Act regulations
- Safeguarding the physical appearance of the Far North
- Protecting and enhancing coastal access for the public
- Promoting responsible use of alcohol.

### What Has Changed Since The LTCCP

Insurance cover for weathertightness liability has been removed. This has been taken into account in Council's financial planning.

### Highlights of Performance

Number of Performance Measures	9 2008/09	5 2009/10	5 2010/11
Achieved	100%	100%	100%
Not Achieved	0%	0%	0%

Performance 2009/10 vs. 2010/11 - is neutral ⇔

### Statement of Service Performance

For DEVELOPMENT CONSENTS the following pages detail:

1. Service performance information provides the actual achievements, issues and challenges going forward for each performance measure against the Annual Plan 2010/11.
2. Financial performance including comparisons against budget 2010/11.

*FYI: Key symbols are used to identify each measure contributing to Community Outcomes. For more information on Community Outcomes please refer to page 76.*



Symbols used to identify each measure contributing to community outcomes

PH Public Health PS Public Safety EM Environment

Council Initiatives		Measure		PH PS EM
Continue to improve Consents processing		Level of satisfaction with planning, building or inspection services (Communitrak Survey) Further more, in 2011, satisfaction rating for building and resource consent was asked only to residents who have applied for a building or resource consent in the past 12 months.		PH PS EM
<b>Result 2009/10:</b> 35%	<b>Target 2010/11:</b> 40%	<b>Result 2010/11:</b> 61% for consent applications and 71% for inspections	<b>Achieved - Comments:</b> Better processing times have been a result of process improvement which has created greater efficiencies. This has been achieved by: <ul style="list-style-type: none"> <li>- Council engage with the industry professionals (Practitioner Series) on a quarterly basis giving presentations, interactive agenda items and the opportunity for professional discussions.</li> <li>- The "Builders Mix" newsletter is delivered quarterly as well. This is a joint initiative with Whangarei and Kaipara District Councils.</li> <li>- While we state publically we can complete inspections in 48 hours, we strive hard to deliver in 24 hours or under.</li> <li>- Inspectors provide a service that takes into account early start times e.g. before 7.30am, to meet industry demand.</li> <li>- Lodgement and vetting meetings take place regularly. These are free to customers.</li> <li>- Processing of consents is completed in a consultative manor through phone calls, emails and one on one meetings.</li> <li>- FNDC building staff are undergoing technical training on an ongoing basis to meet the national competency standard (now integrated).</li> <li>- Staff donate personal time to deliver presentations to merchant and trade groups such as Carters, Placemakers etc; and trade organisations like Certified Builders' Association.</li> <li>- The building staff are consistently performing (99% compliance with statutory time frames) and focused on service delivery.</li> <li>- A quantum shift has occurred under the General Manager, Environmental Management with a focused training and delivery programme which is customer and team oriented. This is based on a collaborative approach.</li> </ul>	
<b>In 2009/10 Council advised:</b> The district is facing economic recession; the challenge for the department is to continue to provide efficient service levels at an affordable cost to industry and the public. The target for 2010/11 has been reduced to reflect the economic drivers, approximate 11% downturn.			<b>Challenges going forward:</b> New legislation could increase the need for the building industry to improve their technical knowledge and information requirements. This could put added pressure on Council to assist industry.	

Council Initiatives		Measure		PH PS EM
Continue to improve Consents processing		Average number of days to process Building Consents excluding time on hold		PH PS EM
<b>Result 2009/10:</b> 10	<b>Target 2010/11:</b> 12	<b>Result 2010/11:</b> 8	<b>Achieved - Comments:</b> New application form on website and practitioner forum training provided and other process improvements throughout the year has lead to more quality designs being supplied by industry and to allow efficient processing.	
<b>In 2009/10 Council advised:</b> We are planning to reduce the timeframes by a reduction of further information requests, better vetting up front with more technical information provided.			<b>Challenges going forward:</b> Changes to legislation will create additional challenges for Council and designers. A number of Bills have been tabled for change.	

Council Initiatives		Measure		PH PS EM
Continue to improve Consents processing		Percentage of non-notified Resource Consents completed within statutory timeframes (20 days)		PH PS EM
<b>Result 2009/10:</b> 95%	<b>Target 2010/11:</b> 80%	<b>Result 2010/11:</b> 97%	<b>Achieved - Comments:</b> New processes have been put in place to improve processing times.	
<b>In 2009/10 Council advised:</b> Further work will continue to improve processing times and to attract and retain qualified staff.			<b>Challenges going forward:</b> Staff numbers have reduced in-line with a reduction in application numbers. If the number of applications were to increase, Council may struggle (as previously) to attract suitable staff.	





Symbols used to identify each measure contributing to community outcomes

PH Public Health PS Public Safety EM Environment

Council Initiatives		Measure		PH PS EM
Continue to improve Consents processing		Average number of days to process subdivision consents excluding time on hold		
<b>Result 2009/10:</b> 22	<b>Target 2010/11:</b> 45	<b>Result 2010/11:</b> 17	<b>Achieved - Comments:</b> New processes have been put in place to improve processing times.	
<b>In 2009/10 Council advised:</b> Further work will continue to improve processing times and to attract and retain qualified staff.			<b>Challenges going forward:</b> Staff numbers have reduced in line with a reduction in application numbers. If the number of applications were to increase, Council may struggle (as previously) to attract suitable staff.	

Council Initiatives		Measure		PH PS
Improve the delivery of liquor licensing services		Percentage of liquor licensed premises visited to promote good host responsibility		
<b>Result 2009/10:</b> 35%	<b>Target 2010/11:</b> 20%	<b>Result 2010/11:</b> 20%	<b>Achieved - Comments:</b> Target successfully achieved by DLA Inspector.	
<b>In 2009/10 Council advised:</b> The Agency is confident that the percentage for 2010/11 will be well above the 15% target.			<b>Challenges going forward:</b> Potential changes maybe brought about by new legislation (Alcohol Reform Bill) but this is not expected to happen before General Elections.	



# District Plan and Structure Planning

## *Striving for Appropriate Development*



## At a Glance

### Interesting Facts

Our vision is to provide for planned growth and development in the Far North, ensuring our natural and physical resources are managed in a sustainable manner, and providing opportunities for our communities and future generations to prosper socially, economically and culturally. The District Plan is the key tool for achieving this.

### What Has Changed Since The LTCCP

There are no significant changes to DISTRICT PLAN and STRUCTURE PLANNING priorities since the publication of the 2009/19 LTCCP.

### Highlights of Performance

Number of Performance Measures	4	6	6
	2008/09	2009/10	2010/11
Achieved	75%	34%	83%
Not Achieved	25%	66%	17%

Performance 2009/10 vs. 2010/11 - has improved ↑

### Statement of Service Performance

For DISTRICT PLAN and STRUCTURE PLANNING, the following pages detail:

1. Service performance information provides the actual achievements, issues and challenges going forward for each performance measure against the Annual Plan 2010/11.
2. Financial performance including comparisons against budget 2010/11.

*FYI: Key symbols are used to identify each measure contributing to Community Outcomes. For more information on Community Outcomes please refer to page 76.*



Symbols used to identify each measure contributing to community outcomes

EM Environment SC Services that support Communities CH Culture and Heritage

<b>Council Initiatives</b> District Plan Monitoring Strategy and Plan changes		<b>Measure</b> Percentage of District Plan monitoring strategy indicators currently being measured		<b>EM</b>
<b>Result 2009/10:</b> 25%	<b>Target 2010/11:</b> 30%	<b>Result 2010/11:</b> 30%	<b>Achieved - Comments:</b> Data has been collated from available sources.	
<b>In 2009/10 Council advised:</b> Information needs to be structured centrally, providing basis of reports to the Ministry for the Environment and also development of strategic goals to enable measurement of Council's performance.			<b>Challenges going forward:</b> Regional approach to monitoring would produce a more efficient process – Council will work with other agencies to streamline the process.	
<b>Council Initiatives</b> District Plan Monitoring Strategy and Plan changes		<b>Measure</b> Percentage of residents who feel either very well informed or well informed about the District Plan (Communitrak Survey)		<b>EM</b>
<b>Result 2009/10:</b> 46%	<b>Target 2010/11:</b> 52%	<b>Result 2010/11:</b> 32%	<b>Not Achieved - Comments:</b> Results show a 14% decrease from the 2009/10 result due to 21% of residents mentioned they feel neither informed nor uniformed on the District Plan.	
<b>In 2009/10 Council advised:</b> Continued Council commitment for public education and consultation and staff budget allocation for public good purposes e.g. public awareness programme/public workshops.			<b>Challenges going forward:</b> A review of target required in addition to identifying options to improve awareness around the District Plan.	
<b>Council Initiatives</b> District Plan Monitoring Strategy and Plan changes		<b>Measure</b> Percentage of solutions identified within the year for issues identified via the monitoring strategy		<b>EM</b>
<b>Result 2009/10:</b> 20%	<b>Target 2010/11:</b> 55%	<b>Result 2010/11:</b> 0%	<b>Achieved - Comments:</b> The variance between 20% in 2009/10 and 0% in 2010/11 reflects that no solutions were introduced as no additional issues were identified in 2010/11. The remaining 80% of issues identified in the 2009/10 year are no longer considered to be issues or have been addressed through plan changes carried out to date.	
<b>In 2009/10 Council advised:</b> Data is widely scattered, needs to be collated into central area and transferred into readily accessible format.			<b>Challenges going forward:</b> As more contentious issues are monitored the number of issues to be resolved will increase.	
<b>Council Initiatives</b> Complete Structure Plans for key parts of the District by 2012		<b>Measure</b> Number of structure / community plans in place		<b>CH SC</b>
<b>Result 2009/10:</b> 0	<b>Target 2010/11:</b> 2	<b>Result 2010/11:</b> 3	<b>Achieved - Comments:</b> Council's internal restructure in 2009 saw an amalgamation of processes that resulted in a hybrid structure plan/community plan process being developed, with the hybrid process commencing in the 2009/10 period (i.e.) a 0 result for 2009/10. The Target for 2010/11 was 2 Community plans, however 3 were achieved: - Kaikohe was completed in June 2011 and endorsed by the Western Community Board in July 2011. - Omapere/Opononi was completed in June 2011 and endorsed by the Western Community Board in Jul 2011. - Kaeo/Whangaroa was completed in June 2011 and endorsed by the Eastern Community Board in July 2011.	
<b>In 2009/10 Council advised:</b> Create more realistic timeframes that recognise community aspirations and demands.			<b>Challenges going forward:</b> Being able to clearly define and identify how community plans factor into spatial planning and growth strategy development. Community expectations have to be managed to reflect what is affordable.	



Symbols used to identify each measure contributing to community outcomes

EM Environment SC Services that support Communities CH Culture and Heritage

<b>Council Initiatives</b> Investigate and advocate for research into natural hazards affecting the Far North		<b>Measure</b> Number of communities with robust hazard information or number of hazard research projects completed		<b>CH</b>
<b>Result 2009/10:</b> 2	<b>Target 2010/11:</b> 2	<b>Result 2010/11:</b> 3	<b>Achieved - Comments:</b> Data has been added to Council's GIS System.	
<b>In 2009/10 Council advised:</b> Lack of funding resources, collaboration will continue with other organisations.			<b>Challenges going forward:</b> Data to be finalised by Northern Regional Council for Council to decide on the direction going forward.	

<b>Council Initiatives</b> Develop guidelines on how to take Hapu / Iwi Management Plans into account when developing Council plans and policy		<b>Measure</b> Number of Hapu / Iwi management plans taken into account by Council		<b>CH EM</b>
<b>Result 2009/10:</b> 0%	<b>Target 2010/11:</b> 100%	<b>Result 2010/11:</b> 100%	<b>Achieved - Comments:</b> Council's internal restructure in 2009 saw the District Plan & Maori Development Dept that managed Hapu/Iwi Management Plans, being restructured into two different departments: - District Plan into the Environmental Management Dept; and - Maori Development into Strategic Planning & Governance (now Corporate Services). Subsequently, the ownership and implementation functions' surrounding the measures was eventually clarified by a report to Council in December 2010. Following that decision the first Hapu/Iwi Management Plan was commenced in March 2011 and completed by June 2011.	
<b>In 2009/10 Council advised:</b> A report will be provided to Council for their sign off by December 2010.			<b>Challenges going forward:</b> To continue taking them into account while developing plan changes and undertaking direct consultation where necessary	



# Financial Information Sustainable Environment & Consents

## FINANCIAL SUMMARY FOR THE YEAR ENDED 30 JUNE 2011

	NOTE	ACTUAL 2011 \$000s	COUNCIL BUDGET 2011 \$000s	VARIANCE \$000s
<b>Income</b>				
Rates Income	1	6,145	5,617	528
Other Income	2	2,769	3,690	(921)
<b>Total Operating Income</b>		<b>8,914</b>	<b>9,307</b>	<b>(393)</b>
<b>Expenditure</b>				
Direct Costs	3	7,239	7,598	359
Indirect Costs	4	2,194	1,548	(646)
<b>Activity Expenditure</b>		<b>9,433</b>	<b>9,146</b>	<b>(287)</b>
Depreciation	5	60	136	76
Interest Payable		19	26	7
<b>Total Operating Expenditure</b>		<b>9,512</b>	<b>9,308</b>	<b>(204)</b>
<b>Net Operating Surplus/(Deficit)</b>		<b>(598)</b>	<b>0</b>	<b>(598)</b>
<b>Capital Statement</b>				
Net Operating Surplus		(598)	0	(598)
Loans		0	0	0
Other Funding		17	19	(2)
<b>Total Funding</b>		<b>(581)</b>	<b>19</b>	<b>(600)</b>
New Work		17	0	(17)
Renewal Works		0	0	0
Loan Repayments		0	19	19
<b>Total Capital Expenditure</b>		<b>17</b>	<b>19</b>	<b>2</b>
<b>NET SURPLUS/(DEFICIT)</b>		<b>(598)</b>	<b>0</b>	<b>(598)</b>

### VARIANCE TO THE ANNUAL PLAN 2010/11

1. Rates Income is showing a favourable variance due an increase in penalty rate income of \$528k
2. Other income is showing an unfavourable variance of \$921k predominantly due to:
  - a. Regulatory service fees & charges are below budget by \$1,002 as a result of the current economic downturn.
  - b. Other income – recoveries received \$82k during the year and this was unbudgeted.
3. Direct Costs are showing a favourable variance of \$359k predominantly due to:
  - a. Personnel costs are below budget by \$280k.
  - b. Grants and vehicle running costs are below budget by \$97k
  - c. Professional fees are below budget by \$408k.
  - d. Costs associated with Leaky Buildings exceeded budget by \$507k
4. Indirect costs are above budget \$646k due predominantly to a change in presentation for the provision of bad debts on rates penalty income. In previous years this has been netted off against income.
  - a. Increased provision for doubtful debts to offset additional income \$410k
  - b. Increase in corporate allocations \$237k
5. Depreciation is showing a favourable variance of \$76k due to delays in the commencement of capital projects.



# Customer Services

## Best Value for our Residents



## At a Glance

### Interesting Facts

Customer Service delivers essential functions for the Council:

They act as first point of contact face to face, contact centre and via the Far North District Website and handle customer requests for information and service.

They receive and process payments and liaise with all departments throughout the organisation for our customers.

They value our diverse lifestyles and unique environment.

### What Has Changed Since The LTCCP

There have been no significant changes to the CUSTOMER SERVICES priorities since the 2009/19 LTCCP was published.

## Highlights of Performance

Number of Performance Measures	4	6	6
	2008/09	2009/10	2010/11
Achieved	75%	84%	50%
Not Achieved	25%	16%	50%

Performance 2009/10 vs. 2010/11 - needs improving ↓

## Statement of Service Performance

For CUSTOMER SERVICES, the following pages detail:

1. Service performance information provides the actual achievements, issues and challenges going forward for each performance measure against the Annual Plan 2010/11.
2. Financial performance including comparisons against budget 2010/11.

*FYI: Key symbols are used to identify each measure contributing to Community Outcomes. For more information on Community Outcomes please refer to page 76.*





Symbols used to identify each measure contributing to community outcomes

PH Public Health PS Public Safety TS Transport EM Environment EB Education, Training and Business Opportunities SC Services that support Communities  
 CH Culture and Heritage

<b>Council Initiatives</b> Continue to improve customer service standards		<b>Measure</b> Satisfaction when contacting the Council by telephone (Communitrak Survey)		<b>SC</b>
<b>Result 2009/10:</b> 78%	<b>Target 2010/11:</b> 68%	<b>Result 2010/11:</b> 70%	<b>Achieved - Comments:</b> Improved monitoring systems in place.	
<b>In 2009/10 Council advised:</b> Consistent approach to maintaining the phone systems and ensuring staff training, up skilling, and communication, meets Council's key strategic priorities.			<b>Challenges going forward:</b> Ensure that any changes that may be implemented to Council's telephony system are enabling improved customer contact.	

<b>Council Initiatives</b> Continue to improve customer service standards		<b>Measure</b> Satisfaction when contacting the Council in writing (Communitrak Survey)		<b>SC</b>
<b>Result 2009/10:</b> 56%	<b>Target 2010/11:</b> 51%	<b>Result 2010/11:</b> 62%	<b>Achieved - Comments:</b> Improved monitoring systems in place.	
<b>In 2009/10 Council advised:</b> Process improvements aligned to current systems allowing efficiency and accuracy. Will be surveyed with a view to improving customer satisfaction.			<b>Challenges going forward:</b> Continuous improvement to ensure customer satisfaction is increasing.	

<b>Council Initiatives</b> Continue to improve customer service standards		<b>Measure</b> Overall satisfaction when contacting Council (Communitrak Survey)		<b>SC</b>
<b>Result 2009/10:</b> 79%	<b>Target 2010/11:</b> 82%	<b>Result 2010/11:</b> 73%	<b>Not Achieved - Comments:</b> Requirement for a shift in culture, thinking, discipline and process design to improve satisfaction when contacting Council.	
<b>In 2009/10 Council advised:</b> Best practice procedures that allow real time surveys to measure the ongoing functional requirements of Customer Service for the organisation need to be addressed in-house.			<b>Challenges going forward:</b> Understanding customer triggers and ensuring any process redesigns are based on these. Creating a culture where customer service is one of the key priorities. Establishing and having staff 'buy' in to a Customer Service/Experience Charter.	

<b>Council Initiatives</b> Continue to improve customer service standards		<b>Measure</b> Percentage of calls answered in 20 seconds		<b>SC</b>
<b>Result 2009/10:</b> 86.83%	<b>Target 2010/11:</b> 82%	<b>Result 2010/11:</b> 78.87%	<b>Not Achieved - Comments:</b> Requirement for improved design and use of information systems to enable quick and efficient access to information.	
<b>In 2009/10 Council advised:</b> The implementation of industry training will increase staff competency to effectively deliver on Council's key messages.			<b>Challenges going forward:</b> Identifying and understanding the best channels for service delivery and exploring other options such as self service.	



Symbols used to identify each measure contributing to community outcomes

PH Public Health PS Public Safety TS Transport EM Environment EB Education, Training and Business Opportunities SC Services that support Communities  
 CH Culture and Heritage

Council Initiatives		Measure		SC
Continue to improve customer service standards		Percentage of abandoned calls		
<b>Result 2009/10:</b> 3.66%	<b>Target 2010/11:</b> 5.5%	<b>Result 2010/11:</b> 4.49%	<b>Achieved - Comments:</b> Ongoing effort to train staff on phone use and systems required to maintain a below target result.	
<b>In 2009/10 Council advised:</b> Ongoing monitoring of phone use, training, user training on systems and recording procedures.			<b>Challenges going forward:</b> Providing easy access to generalists (broad knowledge of all council processes and services supported by information systems and regular training) and more narrow but deep (specialist) resources that have deep knowledge but only about certain services. Application of appropriate measures in place to ensure organisational and staff accountability in place.	

Council Initiatives		Measure		SC
Continue to improve customer service standards		Percentage of calls answered at first point of contact		
<b>Result 2009/10:</b> 75.94%	<b>Target 2010/11:</b> 68%	<b>Result 2010/11:</b> 67.59%	<b>Not Achieved - Comments:</b> Requirement for whole of organisation approach for the provision of clear and precise information.	
<b>In 2009/10 Council advised:</b> Transparency within the organisation of key goals and communication are an ongoing aspect of customer service ensuring effective data is captured thus allowing growth.			<b>Challenges going forward:</b> Shifting culture from "capable, overworked, customer focused and held accountable few" to a "trusted, empowered, capable and accountable, customer focused workforce that delivers". Application of appropriate measures in place to ensure organisational and staff accountability in place.	





# Field Services

## Safeguard the Far North



## At a Glance

### Interesting Facts

Our aim is to safeguard public health, welfare, and safety by ensuring compliance with relevant legislation, Council policies and bylaw. This includes:

- Dealing with animal control, including dog registration and control, acting as pound keepers, and dealing with wandering / straying stock
- Monitoring of Resource Consents and ensuring compliance with Resource Management Act requirements
- Dealing with illegally dumped rubbish
- Removing abandoned vehicles from Council's roads
- Addressing residential smoke nuisance
- Inspecting properties with problematic on-site wastewater systems
- Dealing with hazardous substances
- Undertaking sanitary surveys/water testing
- Processing Certificate of Public Use applications and inspections
- Safeguarding Environmental Health
- Inspecting food premises
- Reporting on liquor licensed premises
- Investigating health nuisance, food related illnesses and notifiable infectious diseases
- Noise control
- Parking control and enforcement
- Enforcement of other council bylaws (e.g. skateboarding).

### What Has Changed Since The LTCCP

There are no significant changes to the FIELD SERVICES priorities since the publication of the 2009/19 LTCCP.

### Highlights of Performance

Number of Performance Measures	5	8	8
	2008/09	2009/10	2010/11
Achieved	80%	50%	50%
Not Achieved	20%	50%	50%

Performance 2009/10 vs. 2010/11 - neutral ↔

### Statement of Service Performance

For FIELD SERVICES the following pages detail:

1. Service performance information provides the actual achievements, issues and challenges going forward for each performance measure against the Annual Plan 2010/11.
2. Financial performance including comparisons against budget 2010/11.

*FYI: Key symbols are used to identify each measure contributing to Community Outcomes. For more information on Community Outcomes please refer to page 76.*



Symbols used to identify each measure contributing to community outcomes

PH Public Health PS Public Safety SC Services that support Communities CH Culture and Heritage

Council Initiatives		Measure		PS
Dog Registration		Percentage of known dogs currently registered		
<b>Result 2009/10:</b> 91.60%	<b>Target 2010/11:</b> 90%	<b>Result 2010/11:</b> 90%	<b>Achieved - Comments:</b> Even though a complete change of fees and charges structure took place for the first time in a number of years the level of dog registration was successfully maintained.	
<b>In 2009/10 Council advised:</b> New dog registration fee structure in its first year following the first substantial change for many years.			<b>Challenges going forward:</b> Due to the cost of living, and financial pressures the ability to maintain the low fees currently offered maybe challenged. This has the potential to have an affect on dog owner's ability to pay increased registration fees.	

Council Initiatives		Measure		PS
Responding to complaints relating to dogs		Percentage of Requests for Services (RFS) relating to dogs responded in required time		
<b>Result 2009/10:</b> 78%	<b>Target 2010/11:</b> 92%	<b>Result 2010/11:</b> 84%	<b>Not Achieved - Comments:</b> Incidents requiring immediate response, where the RFS is on a short lead time, are often the cause of RFS escalating, particularly if an officer is in the field and does not have the ability to update the RFS before it escalates.	
<b>In 2009/10 Council advised:</b> More urgency is required to ensure an RFS is actioned accordingly. Also ensuring other 'parties' complete their tasks to enable the RFS to be closed off correctly. Ensure FNDC processes and procedures are efficient and effective.			<b>Challenges going forward:</b> RFS received late in the working day are the cause on many of the escalations. Whilst officers receive notification of incidents via mobile phones and respond, the ability to update the RFS before it escalates, is restricted.	

Council Initiatives		Measure		PS
Increased action to address wandering stock		Number of wandering stock-related RFS		
<b>Result 2009/10:</b> 492	<b>Target 2010/11:</b> 370	<b>Result 2010/11:</b> 384	<b>Not Achieved - Comments:</b> Whilst incidents have been slightly higher than hoped, the adverse weather conditions throughout 2010/11, such as flooding caused damage to properties, grazing and fences. This is considered to be a contributing factor that has restricted the ability to reduce incident numbers.	
<b>In 2009/10 Council advised:</b> Ever changing weather conditions. Poor fences in some parts of the district, stock able to leave properties easily. Council as, under the review of the Public Places Bylaw, included additional clause that can be called upon when dealing with farmers fences which do not meet the required standard.			<b>Challenges going forward:</b> Continual adverse weather and more difficult financial times effect the ability of property owners to maintain fences etc. leading to the potential for incident numbers to remain high.	

Council Initiatives		Measure		SC PS
Continue to provide effective stock and dog control services		Percentage of residents satisfied with the District's animal control (Communitrak Survey)		
<b>Result 2009/10:</b> 62%	<b>Target 2010/11:</b> 68%	<b>Result 2010/11:</b> 54%	<b>Not Achieved - Comments:</b> Need to focus more control and enforcement of the related policies, wandering stock and animals on the road which is a potential hazard to people and other animals.	
<b>In 2009/10 Council advised:</b> Council officers have, in the later part of the year, spent more time, patrolling townships and going door to door looking for dogs roaming and wandering.			<b>Challenges going forward:</b> Unregistered dogs in the Far North District are a continual problem, occupying a large proportion of the officer's time. This can be shown in the number of unregistered dogs that are impounded, and not claimed by owners. In addition, the vastness of the rural areas of the district, adverse weather conditions and the ability for property owners to maintain fences etc. increases the incidents of wandering stock.	



Symbols used to identify each measure contributing to community outcomes

PH Public Health PS Public Safety SC Services that support Communities CH Culture and Heritage

Council Initiatives		Measure		
Assessment and audit of food safety plans		Percentage of Food Control Plans assessed and audited annually		PH
<b>Result 2009/10:</b> 100%	<b>Target 2010/11:</b> 98%	<b>Result 2010/11:</b> 100%	<b>Achieved - Comments:</b> The Food Control Plans remains part of the NZFSA (MAF) Voluntary Implementation program, and will do so for the foreseeable future until the legislation is passed by Parliament, Due to the forthcoming elections this is not expected to happen in the near future. However, all applications received under the voluntary scheme have been successfully processed in the required time.	
<b>In 2009/10 Council advised:</b> Programme is still at voluntary stage. When new legislation is introduced the hand over from the present regime to new processes will be challenging, both from an Environmental Health Officer perspective, and administration support.			<b>Challenges going forward:</b> Need to operate 'dual' administration systems during the period of hand over, both under voluntary scheme and when legislation is passed. It is expected that there will be a hand over of period of possibly three years.	
Respond to complaints regarding Land Use (District Plan, Bylaws and RMA)		Percentage of Requests for Services responded in required time (response to complaints regarding Land Use)		SC
<b>Result 2009/10:</b> 78%	<b>Target 2010/11:</b> 90%	<b>Result 2010/11:</b> 85%	<b>Not Achieved - Comments:</b> The complexity of some issues requiring investigation is growing. Staff need to be conscious that, where such problems are identified, they need to ensure the RFS is suspended, and not allowed to escalate, whilst the matter is being investigated.	
<b>In 2009/10 Council advised:</b> More urgency is required to ensure an RFS is actioned accordingly. Also ensuring other 'parties' complete their tasks to enable the RFS to be closed off correctly. Ensure FNDC processes and procedures are efficient and effective.			<b>Challenges going forward:</b> Increasing problems relating to incidents such as stormwater, earthworks and land use. These issues tend to be protracted investigations. Adverse weather conditions are also a contributing factor.	
Complete review of regulatory bylaws and policies		Number of outstanding bylaws to be reviewed		SC
<b>Result 2009/10:</b> 12, with 2 to complete	<b>Target 2010/11:</b> 2	<b>Result 2010/11:</b> 2	<b>Achieved - Comments:</b> The two outstanding bylaws were reviewed but not adopted by Council. The bylaw detail is enforced through the Building Act 2004.	
<b>In 2009/10 Council advised:</b> Reviews are required to be completed during 2011 year, which are Chapter 11, Nuisance, and Chapter 27, Control of Brothels.			<b>Challenges going forward:</b> During 2012 two further bylaws are due for review. In addition Council's Gaming & TAB Venues policy will require reviewing in 2013. Legislation changes (e.g. Sale of Liquor/Alcohol Reform Bill) when passed by Parliament will bring about the need to review Council's Sale of Liquor Policy. Other legislative changes may also require review of bylaws and policies (e.g. Dog Control Act)	
Responding to Noise complaints		Percentage of noise complaints responded to in required time		SC
<b>Result 2009/10:</b> 98.10%	<b>Target 2010/11:</b> 95%	<b>Result 2010/11:</b> 98%	<b>Achieved - Comments:</b> The increased level of response was achieved through the performance measures set by Council for contractors to meet one hour response time for urban and two hours for rural noise complaints.	
<b>In 2009/10 Council advised:</b> The ever increasing problem of noise nuisance, particularly from residential properties, Council is working on a strategy with the Police, to try and reduce the number of on-going noise problems.			<b>Challenges going forward:</b> Noise nuisance is an ever increasing problem, and is not necessarily associated solely with urban problems. More rural incidents are occurring. Due to the vastness of the district, response times to incidents are always challenging.	



# Finance and Business Performance *Accountability and Transparency*



## At a Glance

### Interesting Facts

Our vision is to achieve maximum efficiency and effectiveness in supporting each of Council's activity areas to deliver better services to their customers. We aim to do this by:

- Managing the Council's financial affairs and ensuring effective planning, budgeting, accounting, monitoring and reporting arrangements are in place
- Assessing and collecting rates and other charges
- Developing and administering key financial policies e.g. Rates Remissions and Postponement, Development Contributions, and Treasury policy
- Leading Council's work on long term strategic planning and performance management
- Undertaking risk analysis and internal audit work, as well as maintaining Council's insurance arrangements
- Managing Council's records and archives
- Issuing Land Information Memoranda (LIMs)
- Developing information policy and strategy
- Providing information systems (IS) and information technology (IT), along with onsite IT support, and website management and maintenance
- Managing Council's vehicle fleet
- Running Council's in-house Publications unit
- Council issues around 650 LIMs a year.

### What Has Changed Since The LTCCP

There have been no significant changes to FINANCE and BUSINESS PERFORMANCE priorities since the 2009/10 LTCCP was published.

### Highlights of Performance

Number of Performance Measures	4 2008/09	10 2009/10	10 2010/11
Achieved	75%	84%	80%
Not Achieved	25%	16%	20%

Performance 2009/10 vs. 2010/11 - needs improving ↓

### Statement of Service Performance

For FINANCE and BUSINESS PERFORMANCE the following pages detail:

1. Service performance information provides the actual achievements, issues and challenges going forward for each performance measure against the Annual Plan 2010/11.
2. Financial performance including comparisons against budget 2010/11.

*FYI: Key symbols are used to identify each measure contributing to Community Outcomes. For more information on Community Outcomes please refer to page 76.*



Symbols used to identify each measure contributing to community outcomes

SC Services that support Communities

Council Initiatives		Measure		SC
Make best use of IS/IT to improve efficiency		Percentage of responses to rates / water queries within ten days		
<b>Result 2009/10:</b> 91%	<b>Target 2010/11:</b> 90%	<b>Result 2010/11:</b> 98%	<b>Achieved - Comments:</b> This has been achieved by continually improving processes and procedures.	
<b>In 2009/10 Council advised:</b> Levels of service monitored daily through operational reporting to improve target levels.			<b>Challenges going forward:</b> To continue the level of service this KPI will be addressed in the teams goal setting.	

Council Initiatives		Measure		SC
Make best use of IS/IT to improve efficiency		Percentage of property files electronically stored within the EDRMS		
<b>Result 2009/10:</b> 0%	<b>Target 2010/11:</b> 25%	<b>Result 2010/11:</b> 25%	<b>Achieved - Comments:</b> Completed the integration between Pathway and Objective, thus completing the first phase of the final part of this project to introduce the E property file.	
<b>In 2009/10 Council advised:</b> Completing the project and ensuring that the resources are available to continue business as usual once the change that electronic property records brings is implemented. The EDRMS system is fully operational and being utilised as the primary repository for all documents with Corporate value. To make best use of this technology, the next stage is to implement the E property file.			<b>Challenges going forward:</b> Ensure the correct resources are in place to complete the project in the 2011 year. The re design of business processes and adequate staff training is undertaken once the e property file is implemented in order to make the internal efficiencies and provide an effective property file to our ratepayers. This project is scheduled to be completed June 2012.	

Council Initiatives		Measure		SC
Make best use of IS/IT to improve efficiency		Average days to produce a LIM		
<b>Result 2009/10:</b> 3.8	<b>Target 2010/11:</b> 5	<b>Result 2010/11:</b> 4.4	<b>Achieved - Comments:</b> The provision of LIMS has been completed within the 5 day timeframe FNDC has set as a standard. Although the performance decreased slightly from the previous year, due to other high priority projects which were also completed by the team.	
<b>In 2009/10 Council advised:</b> Ensuring that LIMS processes are continued to be followed by the team and the wider Council. Ensuring that any changes to the LIM contents is managed through the correct channels within Council.			<b>Challenges going forward:</b> Continue to ensure that LIMS processes are continued to be followed by the team and the wider Council and that LIM contents is managed through the correct channels within Council.	

Council Initiatives		Measure		SC
Make best use of IS/IT to improve efficiency		Number of days after the month end to produce financial reports		
<b>Result 2009/10:</b> 5	<b>Target 2010/11:</b> 5	<b>Result 2010/11:</b> 5	<b>Achieved - Comments:</b> Systems have been refined to allow the production of the report in a much tighter timeframe. The process is continuously reviewed.	
<b>In 2009/10 Council advised:</b> Continue to produce timely and accurate financial reporting through process improvement and continued training and development of staff.			<b>Challenges going forward:</b> Changes to the organisational structure and legislative requirements such as TAFM require the process for the monthly report to be constantly reviewed to meet reporting requirements.	

Council Initiatives		Measure		SC
Reduce levels of rates debt		Rates outstanding as percentage of rates billed		
<b>Result 2009/10:</b> 12%	<b>Target 2010/11:</b> 11%	<b>Result 2010/11:</b> 16.63%	<b>Not Achieved - Comments:</b> Penalty on arrears has had a cumulative effect therefore an increase to arrears outstanding. In 2009/10 result was inaccurately reported due to system source error; therefore the result achieved should have been reported as 15.6%. Targets will be addressed in future plans.	
<b>In 2009/10 Council advised:</b> Establishment of Debt Management Team following a restructure of department, with procedures for debt collection implemented.			<b>Challenges going forward:</b> The new team require consistency to the process and procedures of collection to maintain this growth and stability. Although the Māori Freehold Land collection has marginally lifted this is an area of concern for the Far North and needs to be addressed with Central Government.	



Symbols used to identify each measure contributing to community outcomes

SC Services that support Communities

Council Initiatives		Measure		SC
Improve Information Management		Percentage of requests to Helpdesk resolved within timescales		
<b>Result 2009/10:</b> 90.46%	<b>Target 2010/11:</b> 90%	<b>Result 2010/11:</b> 75.16%	<b>Not Achieved - Comments:</b> Measure achieved by 1 FTE due to higher priorities within the business. Change of service desk by service provider during the year made impact on the result.	
<b>In 2009/10 Council advised:</b> Balancing the expectations of Council's strategic priorities with a level of service that is affordable.			<b>Challenges going forward:</b> Continue to work with service provider (Gen-i) whilst developing and training our ICT team to improve customer response and service.	

Council Initiatives		Measure		SC
Improve Information Management		Percentage of requests resolved at point of call (Gen-i)		
<b>Result 2009/10:</b> 40.75%	<b>Target 2010/11:</b> 30%	<b>Result 2010/11:</b> 38.27%	<b>Achieved - Comments:</b> Result achieved by Gen-i Helpdesk staff. Continuous improvements made by Gen-i regarding the training and development of their staff.	
<b>In 2009/10 Council advised:</b> To increase first point of resolution to 40% which would require a training programme for Gen-i staff.			<b>Challenges going forward:</b> Continue close working relationship with service provider and provide training and development FNDC and Gen-i staff.	

Council Initiatives		Measure		SC
Upgrade Council's system to keep abreast of new technological developments		Availability of software and servers		
<b>Result 2009/10:</b> 99.01%	<b>Target 2010/11:</b> 97.5%	<b>Result 2010/11:</b> 98.67%	<b>Achieved - Comments:</b> This result includes planned outages whereby critical software applications can be maintained and updated on a regular basis.	
<b>In 2009/10 Council advised:</b> The implementation of IT Disaster Recovery supported by a Business Continuity Plan will result in a measure that reflects the needs of FNDC. The current measure does not reflect the need.			<b>Challenges going forward:</b> Implementation of ICT Disaster recovery which aligns future needs of Council and Community.	

Council Initiatives		Measure		SC
Deliver value for Far North Ratepayers		Monitoring public debt: Revenue ratio over borrowing as per policy.		
<b>Result 2009/10:</b> 1.08:1	<b>Target 2010/11:</b> 2:1	<b>Result 2010/11:</b> 0.99:1	<b>Achieved - Comments:</b> Debt is within the prescribed range and is being monitored.	
<b>In 2009/10 Council advised:</b> To continue to assess impact of capital requirements on future debt levels.			<b>Challenges going forward:</b> To enable the debt level of Council to reduce whilst keeping the infrastructure of Council up to date.	

Council Initiatives		Measure		SC
Deliver value for Far North Ratepayers		Level of debt (within 10%) of plan (\$ms)		
<b>Result 2009/10:</b> 112.433m	<b>Target 2010/11:</b> 154.200m	<b>Result 2010/11:</b> 109.323m	<b>Achieved - Comments:</b> Council repaid on the facility which reduced the debt.	
<b>In 2009/10 Council advised:</b> To continue to assess impact of capital requirements on future debt levels.			<b>Challenges going forward:</b> The ongoing impact of capital developments on future debt levels.	



# Governance

## *Sustaining our Environment*



## At a Glance

### Interesting Facts

Planning and Governance are the foundation of almost everything Council does. The elected members of the community, combined with the technical expertise of staff, provide the direction and objectives of council's activities

Governance is not only a legal requirement, but a commitment to delivering value for money and prudent management that contributes to all community outcomes.

The elected members of the District are the community's representatives, making decisions on behalf of and in the interests of the community. Democracy services oversees the election and induction processes, and then provides support to elected members throughout the triennium.

Local government impacts everyone so it is important for Council to communicate with people about what it does, what is planned, and how it may impact the District.

Local government administers over 150 legislative Acts, regulations and rules. Legal Services ensure Council administers these correctly.

### What Has Changed Since The LTCCP

There are no significant changes to the GOVERNANCE priorities since the publication of the 2009/19 LTCCP.

### Highlights of Performance

Number of Performance Measures	4	8	8
	2008/09	2009/10	2010/11
Achieved	75%	38%	38%
Not Achieved	25%	62%	62%

Performance 2009/10 vs. 2010/11 - is neutral ⇔

### Statement of Service Performance

For GOVERNANCE the following pages detail:

1. Service performance information provides the actual achievements, issues and challenges going forward for each performance measure against the Annual Plan 2010/11.
2. Financial performance including comparisons against budget 2010/11.

*FYI: Key symbols are used to identify each measure contributing to Community Outcomes. For more information on Community Outcomes please refer to page 76.*



Symbols used to identify each measure contributing to community outcomes

SC Services that support Communities

Council Initiatives		Measure		SC
Maintain and develop quality standards		Percentage of positive feedback in annual councillor satisfaction survey		
<b>Result 2009/10:</b> 84%	<b>Target 2010/11:</b> 90%	<b>Result 2010/11:</b> 94%	<b>Achieved - Comments:</b> Unfortunately only 9 of the 19 elected members responded.	
<b>In 2009/10 Council advised:</b> Start of new triennium and establishment of good working relationships with new members.			<b>Challenges going forward:</b> Review the process relating to the timing and content of the survey form relevant to the activity.	

Council Initiatives		Measure		SC
Enhance community involvement in local government		Percentage of residents aware of their Community Board (Communitrak Survey)		
<b>Result 2009/10:</b> 65%	<b>Target 2010/11:</b> 73%	<b>Result 2010/11:</b> 50%	<b>Not Achieved - Comments:</b> Educating the wider community about the role and delegations of community boards and encouraging people to take an active interest in boards is an ongoing challenge for boards and council staff.	
<b>In 2009/10 Council advised:</b> Encourage Community Boards to engage with their communities. Define more clearly Council/Community Board functions.			<b>Challenges going forward:</b> Ask boards to identify new measures that will improve their ties with communities. Communications Manager will meet with board chairs on a regular basis with a view to generating more news coverage that explains the role of boards and highlights the value they add to communities. Communications Manager has already started issuing monthly media statements about community grants that boards allocate.	

Council Initiatives		Measure		SC
Enhance community knowledge about the council		Percentage of residents who feel they know a great deal / a fair amount about Council (Communitrak Survey)		
<b>Result 2009/10:</b> 45%	<b>Target 2010/11:</b> 59%	<b>Result 2010/11:</b> 54%	<b>Not Achieved - Comments:</b> Educating the wider community about the role and statutory functions of the council and encouraging people to take an active interest in council processes is an ongoing challenge for elected members and staff.	
<b>In 2009/10 Council advised:</b> Work in this area is progressing to strengthen the advocacy leadership role of councillor's.			<b>Challenges going forward:</b> Continue using media statements and web site to communicate information to the community about the council. Use social networking sites, such as Facebook and Twitter, as public communication channels. Investigate the cost of replacing quarterly newsletters with monthly, full page ads in local newspapers.	

Council Initiatives		Measure		SC
Keep people better informed about what the council does		Percentage of residents who feel well informed about what Council is doing (Communitrak Survey)		
<b>Result 2009/10:</b> 40%	<b>Target 2010/11:</b> 46%	<b>Result 2010/11:</b> 53%	<b>Achieved - Comments:</b> Local newspapers, which are widely read, publish most of the media statements the council issues about key council projects and policy changes.	
<b>In 2009/10 Council advised:</b> Utilise communication tools in a targeted way.			<b>Challenges going forward:</b> Continue using media statements and web site to communicate information to the community about the council. Use social networking sites, such as Facebook and Twitter, as public communication channels. Investigate the cost of replacing quarterly newsletters with monthly, full page ads in local newspapers.	





Symbols used to identify each measure contributing to community outcomes

SC Services that support Communities

Council Initiatives		Measure		SC
Maintain and develop quality standards		Percentage of agendas sent out in 5 days before meetings		
<b>Result 2009/10:</b> 98.83%	<b>Target 2010/11:</b> 90%	<b>Result 2010/11:</b> 98.33%	<b>Achieved - Comments:</b> This is achieved by improving process and systems.	
<b>In 2009/10 Council advised:</b> Possible change to governance structure after election and ensuring all timeframes continue to be met within existing resources.			<b>Challenges going forward:</b> Continue to meet timeframes within existing resources.	

Council Initiatives		Measure		SC
Maintain and develop quality standards		Percentage of minutes sent out in 5 days after meetings		
<b>Result 2009/10:</b> 79.33%	<b>Target 2010/11:</b> 100%	<b>Result 2010/11:</b> 94.58%	<b>Not Achieved - Comments:</b> One month with reduced staff and staff absences due to illness.	
<b>In 2009/10 Council advised:</b> Need to ensure these parties appreciate their contribution to the KPI.			<b>Challenges going forward:</b> Continue to meet timeframes within existing resources.	

Council Initiatives		Measure		SC
Keep people better informed about what the council does		Website hits for agendas & minutes Amended indicator to provide a better indication of progress		
<b>Result 2009/10:</b> 8,725	<b>Target 2010/11:</b> 8,000	<b>Result 2010/11:</b> 5,381	<b>Not Achieved - Comments:</b> Lack of public awareness of the information available.	
<b>In 2009/10 Council advised:</b> Must ensure future web developments improve public access and confidence in information provided.			<b>Challenges going forward:</b> Address future web developments to improve public access and confidence to use information provided.	

Council Initiatives		Measure		SC
Improve public access to council information and services		Percentage of residents satisfied with ease of access to council information (Communitrak Survey)		
<b>Result 2009/10:</b> 61%	<b>Target 2010/11:</b> 68%	<b>Result 2010/11:</b> 41%	<b>Not Achieved - Comments:</b> People are able to access the council through a number of channels. More information is needed to understand the exact cause of residents' dissatisfaction.	
<b>In 2009/10 Council advised:</b> An emphasis on the level of information available to customers has been highlighted as an ongoing improvement.			<b>Challenges going forward:</b> Address ease of access issues as part of a review of the council's web site and communications strategy.	



# Human Resources

## *Responsibly Managing our Resources*



### At a Glance

#### Interesting Facts

Council's aim is to recruit and develop high quality staff capable of providing excellent services to the people of the Far North.

#### What Has Changed Since The LTCCP

There have been no significant changes to HUMAN RESOURCES priorities since the 2009/19 LTCCP was published.

### Highlights of Performance

Number of Performance Measures	Unable to give comparative data as on KPI's were set in 2008/09	6	6
		2009/10	2010/11
Achieved		17%	50%
Not Achieved		83%	50%

Performance 2009/10 vs. 2010/11 - has improved ↑

### Statement of Service Performance

For HUMAN RESOURCES the following pages detail:

1. Service performance information provides the actual achievements, issues and challenges going forward for each performance measure against the Annual Plan 2010/11.
2. Financial performance including comparisons against budget 2010/11.

*FYI: Key symbols are used to identify each measure contributing to Community Outcomes. For more information on Community Outcomes please refer to page 76.*



Symbols used to identify each measure contributing to community outcomes

SC Services that support Communities

Council Initiatives		Measure		SC
Culture change, staff training and development		Staff satisfaction		
<b>Result 2009/10:</b> N/A	<b>Target 2010/11:</b> 67%	<b>Result 2010/11:</b> 0%	<b>Not Achieved - Comments:</b> As organisational changes were still occurring the survey did not take place.	
<b>In 2009/10 Council advised:</b> Complete survey once the new structure is bedded in.			<b>Challenges going forward:</b> Development plans are underway.	

Council Initiatives		Measure		SC
Culture change, staff training and development		Percentage variation from benchmark for staff engagement		
<b>Result 2009/10:</b> N/A	<b>Target 2010/11: -</b> 5%	<b>Result 2010/11:</b> 0%	<b>Not Achieved - Comments:</b> As organisational changes were still occurring the survey did not take place.	
<b>In 2009/10 Council advised:</b> Complete survey once the new structure is bedded in.			<b>Challenges going forward:</b> Development plans are underway.	

Council Initiatives		Measure		SC
Culture change, staff training and development		Staff sense of belonging		
<b>Result 2009/10:</b> N/A	<b>Target 2010/11:</b> 65%	<b>Result 2010/11:</b> 0%	<b>Not Achieved - Comments:</b> As organisational changes were still occurring the survey did not take place.	
<b>In 2009/10 Council advised:</b> Complete survey once the new structure is bedded in.			<b>Challenges going forward:</b> Development plans are underway.	

Council Initiatives		Measure		SC
Staff recruitment and retention		Cumulative reduction in contract and casual staff		
<b>Result 2009/10:</b> Achieved	<b>Target 2010/11:</b> 10%	<b>Result 2010/11:</b> Achieved	<b>Achieved - Comments:</b> Use of casual staff has significantly reduced and is carefully monitored.	
<b>In 2009/10 Council advised:</b> Continue to utilise internal resources and monitor the use of casual staff.			<b>Challenges going forward:</b> Maintain utilising internal resources and reduce casual staff costs.	

Council Initiatives		Measure		SC
Staff recruitment and retention		Percentage of Staff turnover		
<b>Result 2009/10:</b> 5.35%	<b>Target 2010/11:</b> 17%	<b>Result 2010/11:</b> 12.25%	<b>Achieved - Comments:</b> Poor economic conditions and economic forecasts indicate that staff turnover will continue to stay low due to decreased job opportunities; Unemployment in the Far North is the highest in the country.	
<b>In 2009/10 Council advised:</b> As NZ recovers from the recession retention of staff will be carefully planned.			<b>Challenges going forward:</b> Retention strategies and development plans are underway.	

Council Initiatives		Measure		SC
Reduce sickness absence		Percentage of Absenteeism		
<b>Result 2009/10:</b> 4.64%	<b>Target 2010/11:</b> 3.5%	<b>Result 2010/11:</b> 3.36%	<b>Achieved - Comments:</b> A reduction in staff taking sick leave.	
<b>In 2009/10 Council advised:</b> Ongoing monitoring and preventive measures to reduce the impact of winter ailments.			<b>Challenges going forward:</b> Minimise absenteeism by introducing wellness plans.	



# Māori Development (formerly Iwi Services)

## *Mahi tahi - Working together*



## At a Glance

### Interesting Facts

The Local Government Act 2002 includes recognition of the Crown's Treaty responsibilities and requires local authorities to:

- Establish processes to give Māori an opportunity to contribute to decision-making and to consider ways to foster Māori capacity to do so
- Consult Māori where their interests may be affected by a decision of a local authority
- Take into account the relationship tangata whenua have with their ancestral lands and waterways.

### What Has Changed Since The LTCCP

- At its October 2009 meeting Council approved a comprehensive Māori Development and Engagement Action Plan. This builds on key objectives included in the LTCCP.
- The action plan aims to encourage Māori input to, and participation in, Council decision-making processes, as well as improving the ways in which Council works with Māori at a number of different levels.

### Highlights of Performance

Number of Performance Measures	2008/09	2009/10	2010/11
Achieved	50%	84%	83%
Not Achieved	50%	16%	17%

Performance 2009/10 vs. 2010/11 - is neutral ⇔

### Statement of Service Performance

For MĀORI DEVELOPMENT the following pages detail:

1. Service performance information provides the actual achievements, issues and challenges going forward for each performance measure against the Annual Plan 2010/11.
2. Financial performance including comparisons against budget 2010/11.

*FYI: Key symbols are used to identify each measure contributing to Community Outcomes. For more information on Community Outcomes please refer to page 76.*



Symbols used to identify each measure contributing to community outcomes

EB Education, Training and Business Opportunities SC Services that support Communities CH Culture and Heritage

Council Initiatives		Measure		EB
Workshopping with Māori land owners on matters of ownership, rates, road access, consents, funding access		Number of rateable occupations occurring on Māori Freehold Land Blocks <sup>1</sup> Increase in percentage of owners wishing to occupy or develop their blocks of land		
Result 2009/10: 2%	Target 2010/11: 49	Result 2010/11: 93	<b>Achieved - Comments:</b> This has been achieved by developing a relationship with the Māori Land Court Liaison Officers and our Debt Management Team to be able to identify Trust's, Administrators or Owners to Māori Freehold Land Blocks. This has meant that we are able to engage with any existing or new activities within the blocks and use our Māori Freehold Land policies effectively with manageable payment arrangements. The measure in 2009 was changed from percentage to a number for it to become more visible.	
<b>In 2009/10 Council advised:</b> Rates & Debt Team actively working with Māori Freehold Land on collection and development with Māori Land Court and clients.			<b>Challenges going forward:</b> Continuity of use of Māori freehold land policies. Current policies are being reviewed by working party should these policies vary or cease this may not enable the above measure.	

Council Initiatives		Measure		SC CH
Facilitating one on one housing workshops on Papakainga land between Agencies and Māori		Increase in Papakainga and/or individual housing contracts		
Result 2009/10: 2	Target 2010/11: 2	Result 2010/11: 3	<b>Achieved - Comments:</b> Three resource consent applications received under the integrated development rule. (Takou Bay, Te Rarawa, Motuti)	
<b>In 2009/10 Council advised:</b> Achievement of this KPI is dependent on external factors to council such as capacity, demand and resourcing. However, it is anticipated that settlement of Treaty of Waitangi claims will lead to increased development of Māori land (including papakainga).			<b>Challenges going forward:</b> Little use of integrated development rules of District Plan. Better liaison with Māori Land Court is being sought and achieved to advise them of process.	

Council Initiatives		Measure		EB
Contributing to Māori workshops regarding business and educational opportunities		Increase in number of Māori development projects		
Result 2009/10: 2	Target 2010/11: 2	Result 2010/11: 3	<b>Achieved - Comments:</b> Māori development projects have targeted strategic planning and capacity building opportunities at the marae level.	
<b>In 2009/10 Council advised:</b> Continue to contribute to Māori development projects whether by active involvement or endorsement as appropriate.			<b>Challenges going forward:</b> Limited resources coupled with an increased awareness of the benefits being derived at the hapu/marae level will be challenging.	

Council Initiatives		Measure		SC CH
Maintaining te reo and tikanga Māori programmes in Council		Increase in number of bi-cultural programmes		
Result 2009/10: 3	Target 2010/11: 3	Result 2010/11: 0	<b>Not Achieved - Comments:</b> We ran two Treaty of Waitangi workshops in late 2009. One for staff and the other for elected members. In 2010/11 the previous year's training was still current, therefore a decision was taken not to repeat the course last year but move to a bi-annual basis.	
<b>In 2009/10 Council advised:</b> Continue with this program and broaden the target audience.			<b>Challenges going forward:</b> Programme is planned in 2011/12.	

<sup>1</sup> Amended indicator to provide better indication of progress



Symbols used to identify each measure contributing to community outcomes

EB Education, Training and Business Opportunities    SC Services that support Communities    CH Culture and Heritage

Council Initiatives		Measure		EB CH
To enhance Māori engagement strategies and programmes		Increase in the number of new economic development projects with Iwi Māori		
<b>Result 2009/10:</b> 1	<b>Target 2010/11:</b> 3	<b>Result 2010/11:</b> 3	<b>Achieved - Comments:</b> New economic development opportunities have developed from previous projects (e.g.) the opportunity to develop co-operatives to provide better rates of return from Māori land assets.	
<b>In 2009/10 Council advised:</b> Need to maintain relationships to enable workshop opportunities with Iwi Māori.			<b>Challenges going forward:</b> The priority of Iwi/hapu is the progression of their respective treaty claims. As expected, maintaining a project based relationship is of a lesser priority.	

Council Initiatives		Measure		EB CH
To enhance Māori engagement strategies and programmes		Increase in the number of capacity building workshops to enable Māori participation to occur		
<b>Result 2009/10:</b> 2	<b>Target 2010/11:</b> 2	<b>Result 2010/11:</b> 2	<b>Achieved - Comments:</b> Capacity building workshops have occurred around Māori representation and Iwi management plans	
<b>In 2009/10 Council advised:</b> Maintain status quo by liaising with Māori to identify where workshops need to be targeted to build capacity.			<b>Challenges going forward:</b> Limited resources coupled with an increased awareness of the benefits being derived at the hapu/marae level will be challenging.	



# Māori Engagement

## *Statement of Intent - A reflection of our Bi-Cultural Community*

### Māori Development

Māori Development, in collaboration with other departments, will play a key role in addressing the following areas:

- Māori Representation
- Māori Economic & Social Development
- Internal Capacity Building
- External Engagement

The above emphasis is twofold:

- Council's Local Government Act 2002 obligations, especially a requirement to establish processes to give Māori the opportunity to contribute to decision-making and to consider ways to foster Māori development and capacity through better engagement; coupled with
- The increased amount of submissions from Māori to the LTCCP that sought more strategic alignment with Iwi Māori with more support and direction on its Māori engagement programmes &/or initiatives.

At this stage Council has initiated Māori Reference Groups alongside Community Boards as part of its non-electoral Māori representation. Council has decided that it may conduct an elective representative review in 2011/12 for the purposes of deciding the issue of whether to introduce dedicated Māori seats on Council. If the outcome of that review leads to the establishment of Māori seats, then they would become effective at the 2013 elections.

In relation to developing Māori Freehold Land, Council is changing the emphasis by providing more development opportunities by enabling those that are willing and able to build &/or develop on Māori Freehold Land. Whilst Council only administers a small component of Māori Freehold Land development this will require greater collaboration with other primary agencies including the Māori Land Court, Te Puni Kokiri, Housing New Zealand, other central government social and development agencies and Iwi Authorities. These development opportunities will be project driven with a number of capacity building workshops (e.g.) Council may facilitate papakainga development workshops to outline what provisions there are within the District Plan and how they relate to papakainga or other housing purposes.

With regards to the internal capacity building, the Waiata Roopu continually provides consistent support and has participated at a range of council functions, including powhiri/welcoming ceremonies, poroporoaki/farewells and civic functions like citizenship ceremonies.

### External Engagement

With regards to external engagement forums, Council is in the process of canvassing strategic and collaborative relationships with central government agencies and Iwi Authorities within the district. This relationship building process seeks to align Māori social and development outcomes so that there are clearer opportunities and efficiencies when providing for the social, cultural, environmental and economic development and well being of Māori within the Far North.



# Financial Information Governance and Corporate

## FINANCIAL SUMMARY FOR THE YEAR ENDED 30 JUNE 2011

	NOTE	ACTUAL 2011 \$000s	COUNCIL BUDGET 2011 \$000s	VARIANCE \$000s
<b>Income</b>				
Rates Income	1	13,682	13,584	98
Other Income	2	6,454	852	5,602
<b>Total Operating Income</b>		<b>20,136</b>	<b>14,436</b>	<b>5,700</b>
<b>Expenditure</b>				
Direct Costs	3	11,232	9,682	(1,550)
Indirect Costs	4	2,003	1,543	(459)
<b>Activity Expenditure</b>		<b>13,235</b>	<b>11,225</b>	<b>(2,009)</b>
Depreciation	5	43	120	77
Interest Payable		758	1,297	539
<b>Total Operating Expenditure</b>		<b>14,036</b>	<b>12,642</b>	<b>(1,393)</b>
<b>Net Operating Surplus/(Deficit)</b>		<b>6,101</b>	<b>1,794</b>	<b>4,307</b>
<b>Capital Statement</b>				
Net Operating Surplus		6,101	1,794	4,307
Loans		5,065	4,211	854
Other Funding		129	968	(839)
<b>Total Funding</b>		<b>11,294</b>	<b>6,973</b>	<b>4,321</b>
New Work	6	10,323	5,085	(5,238)
Renewal Works	6	56	897	841
Loan Repayments		0	990	990
<b>Total Capital Expenditure</b>		<b>10,379</b>	<b>6,973</b>	<b>(3,407)</b>
<b>NET SURPLUS/(DEFICIT)</b>		<b>915</b>	<b>0</b>	<b>915</b>

### VARIANCE TO THE ANNUAL PLAN 2010/11

- Rates Income is showing a favourable variance of \$98k predominantly due to:
  - An increase in penalty rate income of \$267k offset by a reduction in General Rate income of \$169k
- Other income is showing a favourable variance of \$5,602k predominantly due to:
  - Dividend received from Far North Holdings of \$5,723k not budgeted in the LTCCP.
  - Development contributions income is below budget by \$170k due to a reduction in applications during the year.
- Direct costs are showing an unfavourable variance of \$1,550k predominantly due to:
  - Grants and Donations of \$405k not budgeted as operational in the LTCCP.
  - Remission of Rates and Penalties are \$1,211k more than budget.
  - Gain/Loss on Disposal on other assets of \$207k not budgeted in the LTCCP.
  - Direct Allocations are showing a favourable variance of \$209k to budget
- Indirect costs are above budget \$459k due predominantly to a change in presentation for the provision of bad debts on rates penalty income. In previous years this has been netted off against income.
  - Increased provision for doubtful debts to offset additional income \$249k
  - Increase in corporate allocations \$213k
- Depreciation is showing a favourable variance of \$77k.
- Capital Expenditure is showing an unfavourable variance of \$3,407k predominantly due to delays in the commencement of projects offset by the transfer of assets from Far North Holdings Ltd of \$5,201k





## KEY CAPITAL PROJECTS

FOR THE YEAR ENDED 30 JUNE 2011

	ACTUAL 2011 \$000s	COUNCIL BUDGET 2011 \$000s	VARIANCE \$000s
<b>New Works</b>			
Information Management	447	510	63
Building Services	1	0	(1)
Investments (Asset Transfer)	5,201	0	(5,201)
Community Special Projects	4,673	4,575	(98)
<b>Total New Works</b>	<b>10,322</b>	<b>5,085</b>	<b>(5,237)</b>
<b>Renewals</b>			
Administration Services	0	561	561
Information Management	49	100	51
Telephony Infrastructure	2	88	86
Building Services	0	138	138
Animal Control	5	10	5
<b>Total Renewals</b>	<b>56</b>	<b>897</b>	<b>841</b>

## SIGNIFICANT ACQUISITIONS OR REPLACEMENTS OF ASSETS FOR 2010/11

The Local Government Act 2002 requires Councils to provide information regarding any significant assets acquired or replaced during the year. Council's significance Policy does not specify a value but does identify the following assets as significant:

CORPORATE AND GOVERNANCE PROJECTS	BUDGET 2011 \$000s	ACTUAL 2011 \$000s
Te Ahu Centre Construction of the Centre started in 2010/11 and will be complete by October 2011.	4,575	4,673

## VARIANCE TO THE ANNUAL PLAN 2010/11

### I. Te Ahu Centre

The construction of the Te Ahu Centre is underway and on target for completion in October/November 2011



# Council Controlled Organisations

## *Far North Holdings Ltd*



## At a Glance

### Interesting Facts

Far North Holdings Limited (FNHL) will continue to focus on moving major infrastructural projects forward and managing resources and activities efficiently to provide for further reinvestment in aviation and maritime developments. There will be impetus given to key strategic projects including both Paihia Waterfront redevelopment and the Opuā Marine Industrial Park.

It is anticipated that demands on the Kerikeri airport infrastructure will continue and the Company will work with Council to explore options for meeting these with appropriate developments. There is further work required at Kaitiā airport to sustain and enhance the facility and position for continued growth in activity. The Company will continue to negotiate with the Crown for security of tenure of the airport lease to ensure investments are retained.

The Company will continue to pursue options for the redevelopment of various under-utilised commercial maritime facilities.

FNHL plans to return its non-strategic and community assets to Far North District Council and become an investor in only strategic and commercial assets, with a view to maximising its dividend to the community.

FNHL will consult with its shareholder to identify generic areas of new high priority infrastructure, and then invest in

those sectors as opportunities arise. Because of its capital constraints, investing in new sectors will require FNHL to recycle its existing capital. This will be done by divesting (either partially via joint ventures or via a full divestment) some, or all, of its existing investments in strategic assets, most likely to a private sector operator.

### Highlights of Performance

Number of Performance Measures	3	4	14
	2008/09	2009/10	2010/11
Achieved	100%	100%	79%
Not Achieved	0%	0%	21%

### Statement of Service Performance

For FAR NORTH HOLDINGS LTD the following pages detail:

1. Service performance information provides the actual achievements, issues and challenges going forward for each performance measure against the Annual Plan 2010/11.

*FYI: Key symbols are used to identify each measure contributing to Community Outcomes. For more information on Community Outcomes please refer to page 76.*



Symbols used to identify each measure contributing to community outcomes

SC Services that support Communities

Council Controlled Organisation Initiatives		Measure		SC
Engage in successful commercial transactions		Growth in value of FNHL to the shareholder		
<b>Result 2009/10:</b> Not achieved	<b>Target 2010/11:</b> Annual increase	<b>Result 2010/11:</b> Not met	<b>Not Achieved - Comments:</b> Council has determined that the community is better served by the return of funds in the form of dividends and this is now the primary measure.	
<b>Challenges going forward:</b> The ongoing effects of continuing devaluations in property values from the general recession.				

Council Controlled Organisation Initiatives		Measure		SC
New Measure: Engage in successful commercial transactions		To return funds to the Community		
<b>Result 2009/10:</b> Dividend amount \$510,720	<b>Target 2010/11:</b> Dividend amount \$510,000	<b>Result 2010/11:</b> Dividend amount \$521,000	<b>Achieved - Comments:</b> Achieved target in spite of the difficult trading conditions.	
<b>Challenges going forward:</b> The continuing difficult trading conditions for all of our customers as a result of the general recession.				

Council Controlled Organisation Initiatives		Measure		SC
Maximise availability of assets		Number of days closed attributable to FNHL		
<b>Result 2009/10:</b> 0	<b>Target 2010/11:</b> 0	<b>Result 2010/11:</b> 0	<b>Achieved</b> No assets have been closed to public use, other than for short time periods due to planned routine maintenance.	
<b>Challenges going forward:</b> Several maritime assets are reaching the end of their effective useful life and decisions on their future replacement are required.				

Council Controlled Organisation Initiatives		Measure		SC
Effective financial management		Clean audit sign off each year		
<b>Result 2009/10:</b> Achieved	<b>Target 2010/11:</b> Achieve clean sign off	<b>Result 2010/11:</b> Achieved	<b>Achieved - Comments:</b> By application of strict and consistent financial management practices.	
<b>Challenges going forward:</b> Rapid changes in regulatory and reporting environment requirements.				

Council Controlled Organisation Initiatives		Measure		SC
Improve water quality adjacent to maritime facilities (note: no agreed water quality measure currently available)		No NRC abatement notices for water quality		
<b>Result 2009/10:</b> 0	<b>Target 2010/11:</b> 0	<b>Result 2010/11:</b> 0	<b>Achieved - Comments:</b> Achieved, and also achieved "Clean Marina Certification" status for Opua Marina. An abatement notice was issued to the Company, as managers of the facility, for the Mill Bay Boat Grid, and the facility was subsequently removed.	
<b>Challenges going forward:</b> To maintain this standard whilst under increased monitoring pressure.				

Council Controlled Organisation Initiatives		Measure		SC
Maintain a safe workplace		Reportable staff OSH incidents		
<b>Result 2009/10:</b> 0	<b>Target 2010/11:</b> 0	<b>Result 2010/11:</b> 0	<b>Achieved - Comments:</b> During the period FHNL experienced only minor staff related OHS incidents, none of which required reporting to OHS.	
<b>Challenges going forward:</b> To maintain the standard.				



Symbols used to identify each measure contributing to community outcomes

SC Services that support Communities

Council Controlled Organisation Initiatives		Measure		SC
Develop and improve Bay of Islands Airport		CAA Certification		
<b>Result 2009/10:</b> Achieved	<b>Target 2010/11:</b> Maintain Certification	<b>Result 2010/11:</b> Achieved	<b>Achieved - Comments:</b> Continuing review, updating and application of maintenance and operating procedures.	
<b>Challenges going forward:</b> The lack of resources in other emergency services to participate in certification procedures.				

Council Controlled Organisation Initiatives		Measure		SC
Effective Financial Management		Annual operating Profit to exceed \$800,000		
<b>Result 2009/10:</b> \$1.021m	<b>Target 2010/11:</b> \$1.000m	<b>Result 2010/11:</b> \$1.043m	<b>Achieved - Comments:</b> Achieved target in difficult trading times.	
<b>Challenges going forward:</b> New baseline is to be established due to the return of assets to the shareholders.				

Council Controlled Organisation Initiatives		Measure		SC
To return funds to the Community		50% of operating profits distributed to Shareholders		
<b>Result 2009/10:</b> 50%	<b>Target 2010/11:</b> 50% Dividend Amount \$.510m	<b>Result 2010/11:</b> 50% Dividend Amount \$.521m	<b>Achieved - Comments:</b> Maintained growth in value of FNHL to the shareholder.	
<b>Challenges going forward:</b> To maintain cash flows to ensure sufficient for both dividends and resources for growth.				

Council Controlled Organisation Initiatives		Measure		SC
To grow Communities equity in the business		Shareholders Equity >\$40.0m		
<b>Result 2009/10:</b> \$38.114m	<b>Target 2010/11:</b> \$42.0m	<b>Result 2010/11:</b> \$32.7m	<b>Not Achieved - Comments:</b> Shareholders funds reduced by special dividend to FNDC of \$5.201m.	
<b>Challenges going forward:</b> On going effects of continuing devaluations in property values from the general recession. A new baseline is to be established.				

Council Controlled Organisation Initiatives		Measure		SC
To achieve a return on funds invested		Return on Investment (ROI) is higher than cost of borrowing : <i>Average cost of borrowings</i>		
<b>Result 2009/10:</b> 6.89%	<b>Target 2010/11:</b> 7.33%	<b>Result 2010/11:</b> 6.59%	<b>Not Achieved - Comments:</b> Borrowings costs have been reduced by taking advantage of short term rates.	
<b>Challenges going forward:</b> Expecting increases in borrowing costs in future periods, challenge to manage to minimise profit effect				

Council Controlled Organisation Initiatives		Measure		SC
To achieve a return on funds invested		Return on Investment (ROI): <i>On Shareholder equity (as calculated per the Statement of Intent)</i>		
<b>Result 2009/10:</b> 7.89%	<b>Target 2010/11:</b> N/A	<b>Result 2010/11:</b> 7.98%	<b>Comments:</b> Able to retain trading profit in period against national trends, resulting in better return on shareholders funds.	
<b>Challenges going forward:</b> The transfer of the special dividend assets to FNDC will reduce income base and profits, which will see a drop in the ROI in future periods				



Symbols used to identify each measure contributing to community outcomes

SC Services that support Communities

Council Controlled Organisation Initiatives		Measure		SC
Asset growth and development		Capital Expenditure		
<b>Result 2009/10:</b> \$1.316m	<b>Target 2010/11:</b> 0.569	<b>Result 2010/11:</b> \$1.901m	<b>Achieved - Comments:</b> Completed purchase of Williams Road from Fire Service, and sale of Selwyn Road Car park, completed retail facilities at Opuā Wharf and received resource consent for Paihia Waterfront Development.	
<b>Challenges going forward:</b> The future lack of capital (retained cash flow) to invest in new projects will require alternative funding arrangements in the future.				

Council Controlled Organisation Initiatives		Measure		SC
Maximise availability of assets		Divest non strategic Business and Assets		
<b>Comments:</b> Sold the 50% interest in Paihia Maritime Properties, entered into agreement for sale of a portion of Cobham Road site, transferred community assets to Council as a special dividend.				
<b>Challenges going forward:</b> Remaining assets continued ownerships by the Company being reviewed by the Board of Directors				

Council Controlled Organisation Initiatives		Measure		SC
Develop and improve airports		Kerikeri Airport – Passenger Numbers from scheduled aircraft landings		
<b>Result 2009/10:</b> 61,786	<b>Target 2010/11:</b> 62,000	<b>Result 2010/11:</b> 65,074 passenger numbers (pax)	<b>Achieved - Comments:</b> Continued upgrade of facilities at terminal for customs clearances, and tenants.	
<b>Challenges going forward:</b> Capital cost to upgrade/maintain the runway, against traffic volume and revenue being earned				

Council Controlled Organisation Initiatives		Measure		SC
Develop and improve airports		Kaitiā Airport – Passenger Numbers from scheduled aircraft landings		
<b>Result 2009/10:</b> N/A	<b>Target 2010/11:</b> N/A	<b>Result 2010/11:</b> 14,850 pax	<b>Comments:</b> Estimated result for 2010/11. Taxi upgrade completed and work commenced on touch down area.	
<b>Challenges going forward:</b> Subject to a Treaty of Waitangi claim.				

Council Controlled Organisation Initiatives		Measure		SC
Operate maritime facilities		Number of cruise vessels, passengers and crew visiting Bay of Islands		
<b>Result 2009/10:</b> 29 vessels	<b>Target 2010/11:</b> 34 vessels	<b>Result 2010/11:</b> 34 vessels	<b>Achieved - Comments:</b> Passenger transfers through the Waitangi facility coped well.	
<b>Result 2009/10:</b> 34,674 pax	<b>Target 2010/11:</b> N/A	<b>Result 2010/11:</b> 43,000 pax	<b>Comments:</b> Cruise vessel passengers (pax) visiting the Bay of Islands.	
<b>Result 2009/10:</b> 10,000 pax	<b>Target 2010/11:</b> N/A	<b>Result 2010/11:</b> 20,000 pax	<b>Comments:</b> Cruise vessel crew visiting the Bay of Islands.	
<b>Challenges going forward:</b> Increased number of vessels and double up of large vessels in port will place pressure on all facilities at certain times.				

Council Controlled Organisation Initiatives		Measure		SC
Operate maritime facilities		Number of Overseas yachts and Port of entry		
<b>Result 2009/10:</b> 435	<b>Target 2010/11:</b> N/A	<b>Result 2010/11:</b> 443	<b>Comments:</b> Have retained Opuā as the major entry port against competition from other ports.	
<b>Challenges going forward:</b> To continue to achieve this level of entries, and stay over periods, whilst berthage and ancillary services are at full capacity whilst other operators to the South have surplus capacity				



# Council Controlled Organisations

## *Te Ahu Charitable Trust (TACT)*



## *At a Glance*

### Interesting Facts

The 2010-2011 financial year got off to a promising start when the trust entered a partnership and lease agreement with Te Rarawa Runanga - a move one newspaper hailed as a race relations milestone. Securing a lease over Runanga land next to the Far North Community Centre allowed contractors to finally begin preparing the site for construction of the Te Ahu centre. Since then, contractors have made amazing progress. Steel framing and concrete wall panels started going up in March and the roof of the centre's dramatic atrium was lowered into place in July. The Te Ahu Charitable Trust expects to complete the multi-functional centre before the end of 2011.

Other big achievements during the year were the completion of extensive refurbishments of the Far North Community Centre and Little Theatre at a cost of nearly \$2 million. The 36-year-old centre is virtually a new building now, boasting a new roof, ceiling and wall linings, a refitted kitchen and toilets and new lighting and electrical wiring. A spacious deck has also been added to the centre's buffet room, making it an excellent venue for wedding receptions and socials. A major upgrade of The Little Theatre at a cost of about \$500,000 included a new roof and ceiling, new electrical wiring, fire and security system and new carpets and seats. A new projection booth equipped with a \$114,000 state-of-the-art digital projection system allows the 110-seat cinema to screen the latest movies

as soon as they are released. The new Little Theatre is a wonderful asset for Kaitiāia which hasn't had a cinema since the Princess Theatre burned down in 1990.

The Te Ahu Charitable Trust was pleased to secure a \$500,000 Pub Charities grant for archival facilities and a \$90,000 Oxford Trust grant for interactive, multi-media spaces that tell the many stories of the Far North. However, a \$1 million shortfall in expected development contributions forced it to rethink its project finances.

It now plans to raise this money - which is needed to meet fit-out costs - from a community fundraising campaign.

The Trust welcomed new trustees to the Te Ahu governance team during the year. Well-known Kaitiāia businessman Monty Knight and Ngati Kahu hapu development manager Charlie Larkins replaced Ian Bamber and Dixon Motu on the seven-member Trust in March. Monty's energy and people skills are already making him an asset to the Trust and he will lead the community fundraising campaign.

It has been four years since the Far North District Council formed a trust to oversee the building of a multi-functional community hall, theatre/cinema, library, museum, iSITE and council service centre in Kaitiāia. This hasn't been an easy journey, but we are now making forward progress after searching for a way forward, I look forward to this magnificent project opening in the new year. sector operator.





## Highlights of Performance

<b>Number of Performance Measures</b>	<b>5</b> <b>2010/11</b>
Achieved	100%
Not Achieved	0%

### Statement of Service Performance

For TE AHU CHARITABLE TRUST the following pages detail:

1. Service performance information provides the actual achievements, issues and challenges going forward for each performance measure against the Annual Plan 2010/11.

*FYI: Key symbols are used to identify each measure contributing to Community Outcomes. For more information on Community Outcomes please refer to page 76.*



Symbols used to identify each measure contributing to community outcomes

SC Services that support Communities

<b>Council Controlled Organisation Initiatives</b> To ensure that the financial targets and strategic direction of Te Ahu Charitable Trust (TACT) are in line with the requirements of FNDC.		<b>Measure</b> A draft SOI for TACT will be submitted for approval to FNDC by 1 March each year.		<b>SC</b>
<b>Result 2009/10:</b> N/A	<b>Target 2010/11:</b> Achieved	<b>Result 2010/11:</b> Achieved	<b>Achieved - Comments:</b> The draft SOI was submitted to Council on 1 March and was approved at the Council meeting of 31 March 2011.	
<b>Challenges going forward:</b> Changing focus for the Trust once the build stage of the project has been completed and focus switches to the operation of the facility				

<b>Council Controlled Organisation Initiatives</b> To ensure that the financial targets and strategic direction of Te Ahu Charitable Trust (TACT) are in line with the requirements of FNDC.		<b>Measure</b> A completed SOI will be submitted to FNDC by 30 June each year.		<b>SC</b>
<b>Result 2009/10:</b> N/A	<b>Target 2010/11:</b> Achieved	<b>Result 2010/11:</b> Achieved	<b>Achieved - Comments:</b> A final SOI was approved by Council and signed on 11 June 2011.	
<b>Challenges going forward:</b> This will be defined when the organisation moves towards an operational entity				

<b>Council Controlled Organisation Initiatives</b> To ensure that FNDC is kept informed of all significant matters relating to its subsidiaries.		<b>Measure</b> At least two progress reports be made to FNDC in the financial year (in addition to reporting on specific issues), with at least one presentation be made to Councillors.		<b>SC</b>
<b>Result 2009/10:</b> N/A	<b>Target 2010/11:</b> Achieved	<b>Result 2010/11:</b> Achieved	<b>Achieved - Comments:</b> Financial updates were presented to Council for the months February to May 2011. Updates on physical progress are made by the Mayor in his role as Chair of the Te Ahu Charitable Trust.	
<b>Challenges going forward:</b> This will be defined when the organisation moves towards an operational entity.				

<b>Council Controlled Organisation Initiatives</b> To ensure that TACT Trustees add value to the Trust and that their conduct is according to generally accepted standards.		<b>Measure</b> The Trust will review the training needs of individual Trustees, and ensure training is provided where required.		<b>SC</b>
<b>Result 2009/10:</b> N/A	<b>Target 2010/11:</b> Achieved	<b>Result 2010/11:</b> Achieved	No training needs were identified during the year.	
<b>Challenges going forward:</b> Ensuring the mix of Trustees is able to meet the needs of the Trust once focus switches to operational aspects				

<b>Council Controlled Organisation Initiatives</b> To ensure that TACT performs within budget and provides additional funding from external funding sources to supplement the funds provided by FNDC.		<b>Measure</b> TACT will remain within budget.		<b>SC</b>
<b>Result 2009/10:</b> N/A	<b>Target 2010/11:</b> Achieved	<b>Result 2010/11:</b> Achieved	<b>Achieved - Comments:</b> The Te Ahu Charitable Trust continues to progress the build process and is within the agreed budget.	
<b>Challenges going forward:</b> This will be defined when the organisation moves towards an operational entity.				





# Glossary



## Activity

A good or service provided by or on behalf of a local authority.

## Annual Plan

A plan produced by Council every year that sets out what it plans to do for the following year and into the future), how much it will cost and how Council plans to fund it. Every third year it is part of the LTCCP.

## Annual Report

A document that Council prepares each year, which provides the public with information on the performance of the local authority during the past year (both in financial and non-financial terms).

## ASRB

Accounting Standards Review Board.

## Authority

Power, responsibility.

## Capacity

Council's ability to deliver a service. For some services, Council may not have legal or budgetary control and may only be able to act as an advocate or facilitator.

## Capital Value

The value of land plus any additions like buildings, driveways and fences.

## Capital Expenditure (CAPEX)

Capital expenditure is additions, improvements or renewals to fixed assets. That have or will be built or purchased by the Council, where the benefit will be reflected over more than one financial year.

## Chief Executive

The person in charge of managing the Council organisation and the principal adviser to Council and employer of staff.

## Community

A network of people and organisations linked together by common factors. This might refer to a network of people linked by place (that is, a geographic community), common interest or identity (for example, a hapu, voluntary organisations or society), or an administrative community (such as a district).

## Community Board

A local elected body within a community to advise a district council on issues affecting the community and to carry out functions delegated to it by the Council.



# Glossary continued



## Community Outcomes

The future that a community wants to achieve. These outcomes set the direction for Council plans and help in the coordination of activities.

## Council Controlled Organisation (CCO)

An organisation where the Council has 50% or more of the voting rights.

## Consultation

Listening to what people think about an issue.

## Council

A territorial authority, being an elected group of people that by democratic process have the mandate of the community they represent to make decisions and provide local governance. In the context of this document, 'Council' refers to the Far North District Council, while 'council' refers to all territorial authorities generally.

## Councillor

A person elected to be on the Council.

## Decision

A resolution or agreement to follow a particular course of action, including an agreement not to take any action in respect of a particular matter.

## Democracy

Letting the community participate in decision-making.

## Development Contributions

A mechanism provided under the Local Government Act 2002 to fund capital expenditure needed to meet extra demand placed on utilities by development and to ensure the cost of providing services to and within subdivisions and developments, or upgrading of services as a result of subdivision, are met by the developer / subdivider.

## Depreciation

The loss in value of an asset over time. This is an accounting device to ensure that an appropriate amount of capital expenditure is spread as an expense in each year and matched against the income of the Council (including rates) in the Statement of Financial Performance.

## Fees and Charges

Fees and charges are charges for a Council service that must be met by the user of the service (e.g. entrance fee to swimming pools, fees for dumping waste at tips etc).

## IFRS

International Financial Reporting Standards.

## FRS

Financial Reporting Standards.





#### **FRSB**

Financial Reporting Standards Board.

#### **Grant**

Money given to a group for a particular purpose.

#### **Hearing**

Meeting to enable members of the public to speak about a particular issue.

#### **Infrastructure**

The systems that help a district function such as roads, public water supply, refuse and effluent disposal.

#### **Land Transport New Zealand (LTNZ)**

Government land transport funding body. Formerly Transfund New Zealand. As of 1 December 2004 the Land Transport Safety Authority (LTSA) and Transfund New Zealand form Land Transport New Zealand.

#### **Long Term Council Community Plan (LTCCP)**

A plan covering at least ten years adopted under section 93 of the Local Government Act 2002 that describes the activities the Council will engage in over the life of the plan, why the Council plans to engage in those activities and how those activities will be funded.

#### **LTCCP**

Abbreviation for Long Term Council Community Plan (see definition above).

#### **Mayor**

The leader of Council, elected from across the district.

#### **NZ GAPP**

New Zealand Generally Accepted Accounting Practices.

#### **NZIAS**

New Zealand International Accounting Standards.

#### **NZ IFRS**

New Zealand International Financial Reporting Standards.

#### **Outcomes**

Outcomes are the future that a community wants to achieve. There is often a relationship between a community outcome and a specific service or facility that Council provides.

#### **Rates**

Money that property owners pay to District and Regional Council for the provision of assets and services.



# Glossary continued

## Refuse

Rubbish, garbage and waste management.

## Regional Council

A Council that represents a regional community, manages natural resources and deals with issues that affect the environment. Our regional council is the Northland Regional Council.

## Regulatory

A function of local government concerning legal (usually bylaw) enforcement.

## Reserve Contribution

A contribution made either in money or land (at Council's discretion) to the district's reserves, payable for any subdivision in which the number of lots is increased, or for any significant development of land.

## Resource Consent

Special permission from Council for an activity related to land.

## Service Levels

The defined service parameters or requirements for a particular activity or service against which service performance may be measured. Service levels usually relate to quality, quantity, reliability, responsiveness, environmental acceptability and cost.

## Subsidies

Money to help pay for some particular service, activity or infrastructure; usually paid by central government.

## Sustainable Development

Sustainable development has many definitions. Most interpretations share the fundamental idea that it is development that maintains or enhances economic opportunity and community well-being while protecting and restoring the natural environment upon which people and economies depend. Sustainable development meets

the needs of the present without compromising the ability of future generations to meet their own needs.

## Trust

Money or property looked after by an organisation.

## Utilities (Utility Assets)

Utilities are network infrastructures that provide mechanisms for the delivery of services. In a local government context, utilities are commonly public water supply, wastewater, sewerage and solid waste.

## Ward

An area within the district administered by Council.



# Contact Details

## Service Centres

Council service centres can be found in the following locations:

### Headquarters - Kaikohe

Memorial Avenue  
Kaikohe  
Tel: 0800 920 029  
Tel: 09 401 5200  
Fax: 09 401 2137  
Monday - Friday  
8:00am - 5:00pm

### Kaitaia

Redan Road  
Kaitaia  
Tel: 0800 920 029  
Tel: 09 408 8400  
Fax: 09 4081404  
Monday - Friday  
8:00am - 5:00pm

### Kaeo

Leigh Street  
Kaeo  
Tel: 0800 920 029  
Fax: 09 405 0379  
Monday - Friday  
8:00am - 4:30pm  
(closed 12:30pm - 1:00pm)

### Kerikeri John Butler Centre

60 Kerikeri Road  
Kerikeri  
Tel: 0800 920 029  
Tel: 09 407 0400  
Fax: 09 407 0419  
Monday - Friday  
8:00am - 5:00pm

### Procter Library, Kerikeri

Procter Library  
Cobham Road  
Kerikeri  
Tel: 0800 920 029  
Fax: 09 407 7127  
Monday - Friday  
8:00am - 5:00pm

### Kawakawa

Gillies Street  
Kawakawa  
Tel: 0800 920 029  
Fax: 09 4041544  
Monday - Friday  
8:00am - 5:00pm

### Rawene

Parnell Street  
Rawene  
Tel: 0800 920 029  
Fax: 09 4057828  
Tuesdays and Thursdays  
8:00am --4:30pm  
(closed 12:30pm - 1:00pm)

### Hokianga

i-SITE Visitor Information Centre  
29 - 31 State Highway 12  
Opononi  
Tel: 09 405 8869  
Fax: 09 405 8317  
Open 7 days (except Christmas Day)  
830am - 5.00pm

All correspondence should be directed to: Private Bag 752, Kaikohe 0440 or via Council's website at <http://www.fndc.govt.nz/contact/email-us>

## Customer Enquiries

Customers can access a full range of services at any of our Service Centres or by contacting our Call Centre on 0800 920 029 or 09 401 5200. You can contact a representative by telephone 24 hours a day, 7 days a week on our service number 0800 920 029 or on 09 401 5200. Outside of normal working hours an after hours answering service will log and escalate any urgent requests.

Facsimile 09 401 2137, or visit our website: [www.fndc.govt.nz/contact/email-us](http://www.fndc.govt.nz/contact/email-us)



