

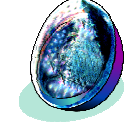


## Network Services







What Community Outcome Does Network Services Contribute To

	Community Outcomes	District Roding	Solid Waste	Water Supplies	Wastewater	Flood Protection & Stormwater	Professional Engineering Business Unit
	Otorohanga District is a safe place to live	Implementer Advocate Partner Regulator Monitor					Implementer
	Ensure services and facilities meet the needs of the Community	Implementer Partner Advocate Regulator Monitor	Implementer	Implementer Advocate Regulator Monitor	Implementer Regulator Advocate	Implementer Partner Regulator	Implementer
	Manage the Natural and Physical environment in a sustainable manner	Implementer Monitor	Implementer Advocate	Implementer Advocate Regulator Monitor	Implementer Regulator Monitor	Regulator Monitor	
	Protect the special character of our harbours and their catchments		Implementer Partner	Monitor			

### WHAT ARE NETWORK SERVICES

Network Services are often referred to as infrastructural assets and have generally been seen to be Council's core activities.

### WHICH ACTIVITIES ARE INCLUDED IN THE NETWORK SERVICES GROUP

-  District Roding
-  Solid Waste
-  Water Supplies
-  Waste Water
-  Flood Protection and Stormwater
-  Professional Engineering Business Unit

### WHY ARE THESE ACTIVITIES INCLUDED ?

The Network Services Group activities deliver services which the community needs to function comfortably on a day to day basis and collectively must meet standards that provide a high level of community health and safety.

These activities operate on a network basis across the District, or in specific areas of the District, and all assets associated with these services have a lifecycle maintenance and renewal programme.

The manner in which these activities contribute to Community Outcomes is shown in the preceding table.

### RATIONALE FOR PARTICULAR NETWORK SERVICES

#### **District Roding**

The road network forms the backbone of Otorohanga's infrastructure and impacts on the potential for development in the District. The purpose of this activity is to provide for the safe and efficient passage of traffic throughout the District and Council acknowledges its interdependency on the State Highway network, as well as partnerships with key stakeholders in the transport arena.

This is the single largest activity of Council, and provides for road improvement and maintenance works such as pavement rehabilitation, reseals, bridge repairs, storm damage restoration, general maintenance, vegetation control, landscaping, sign posting and pavement marking (traffic services), street lighting, street cleaning, minor safety projects, and footpath repairs.

The rationale for Council's involvement stems in part, from statutory requirements. The Local Government Acts 1974 and 2002 empower Council to construct, upgrade and repair all roads, which is done with the help of Government funding. It also ensures common law rights of public access.

#### **Solid Waste**

There is a community expectation that household waste is removed from properties and managed in an environmentally sound manner.

Council has no legal requirement to carry out this activity but believes that it will better protect the environment by providing cost effective and efficient methods of refuse disposal and recycling. It is also generally expected by the community that the Council will provide this service.

Following a public consultation process, Council adopted a Zero Waste Strategy in December 2002 which set out Council's proposals for providing refuse and recycling services throughout the District. It did however subsequently become apparent that very significant difficulties and costs would be encountered in achieving some of the objectives and targets that had been set out.

A review of Council's Solid Waste Management Strategy is therefore believed to be required, but it was considered inappropriate to conduct such a review until the final form of the Waste Minimisation (Solids) legislation was known. With this legislation now enacted and its practical implementation underway Council expects to be able to conduct this review in the near future.

### **Water Supplies**

Council has historically provided potable water to the urban communities of Otorohanga and Kawhia and to some rural areas to assist in facilitating economic development, and in recognition that such delivery of water is preferable to reliance on individual supply arrangements, particularly in the urban areas.

Having established such services Council is now limited in its ability to discontinue this activity, due to the provisions of the Local Government Act 2002.

### **Waste Water**

This activity (encompassing collection, reticulation and treatment of sewerage) is undertaken in the Otorohanga Community to prevent nuisance and health risks, and to meet the expectations of residents of larger communities.

Whilst there is no legal obligation on Council to maintain this activity it is strongly believed that such a service makes a significant contribution to community wellbeing, and that it should therefore be continued.

### **Flood Protection/ Stormwater/ Land Drainage**

Council is required to administer urban drainage maintenance under the Land Drainage Act 1908, and considers that this activity also makes a positive contribution towards the potential for beneficial development in the urban areas. The provision of urban drainage protects private property (including land and assets) from flooding and subsequent erosion, and enables Council to fulfil its statutory responsibilities under the Building Act 1991.

Environment Waikato has largely relieved Council of their responsibility for managing rural land drainage schemes.

### **Professional Engineering Business Unit**

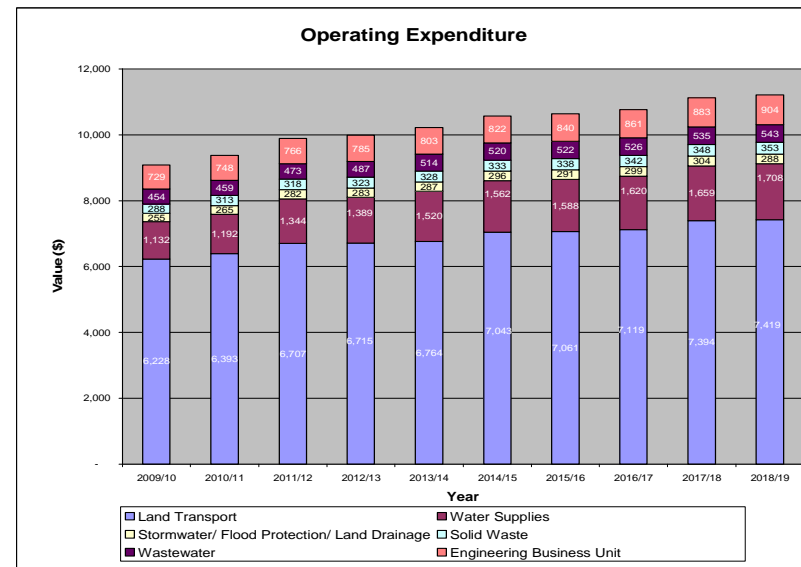
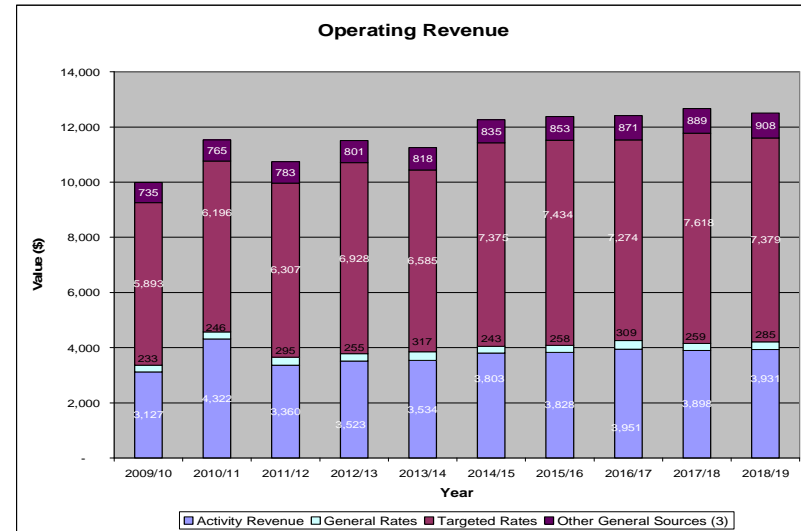
Council's general aim is for the unit to provide a Civil Engineering Service that is efficient, technically competent and achieves effective results. This unit is a separate group within Council's Engineering Division and provides professional and technical consultancy services for carrying out works and utility service operations planned by Council (over 80% of programme currently).

The unit is responsible for investigation, design, contracting and supervision of most of the works and service operations.

Pursuant to Section 31 of the Transit New Zealand Amendment Act 1995 (where Land Transport NZ funding is involved), Council is required to disclose separately a financial statement for the operation of the Professional Service Business Unit. This statement is reported below.

**Network Services Financial Statements**

Network Services - Operating Statement	2009/10	2010/11	2011/12
<b>Operating Revenue</b>			
Activity Revenue	3,127	4,322	3,360
Targeted Rates	5,893	6,196	6,307
Development Contributions	-	-	-
General Rates	233	246	295
Other General Sources <sup>(3)</sup>	735	765	783
<b>Total Operating Revenue</b>	<b>9,988</b>	<b>11,529</b>	<b>10,745</b>
<b>Operating Expenditure</b>			
Land Transport	6,228	6,393	6,707
Water Supplies	1,132	1,192	1,344
Stormwater/ Flood Protection/ Land Drainage	255	265	282
Solid Waste	288	313	318
Wastewater	454	459	473
Engineering Business Unit	729	748	766
<b>Total Operating Expenditure</b>	<b>9,086</b>	<b>9,370</b>	<b>9,890</b>
<i>includes:</i>			
Salaries and Wages	472	483	494
Depreciation	2,940	2,953	3,273
Interest	738	720	699
<b>Operating Surplus (Deficit) \$</b>	<b>902</b>	<b>2,159</b>	<b>855</b>
Operating Surplus transferred to (specify) Reserve(s); or Operating Deficit funded from (specify) Reserve(s)	902 -	2,159 -	855 -



<sup>3</sup> This represents internally generated income from the Business Unit time charged to other departments.

Otorohanga District Council – Long Term Council Community Plan 2009/10 to 2018/19

<b>Network Services - Capital and Reserves Funding Statement</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>
<b>Capital and Reserves Funding Requirements:</b>			
<b>Capital Expenditure</b>			
Renewals (Maintaining Service Capacity)	2,917	3,155	3,256
Growth (Improving Service Capacity)	229	330	53
Level of Service (Improvements to Service)	333	725	445
New Statutory Requirements	101	1,562	-
<b>Total Capital Expenditure</b>	<b>3,580</b>	<b>5,772</b>	<b>3,754</b>
Loans repaid	621	631	676
Operating Deficit	-	-	-
Transfers to General and Special Reserves	14	20	35
<b>Total Funding Required</b>	<b>4,215</b>	<b>6,423</b>	<b>4,465</b>
<b>Funded by:</b>			
Operating Surplus (via reserve)	902	2,159	855
Funding from Non-Cash Expenses	2,895	2,998	3,154
Loans Raised	268	1,133	234
Transfers from General and Special Reserves	150	133	222
Capital Income	-	-	-
<b>Total Funding Applied</b>	<b>4,215</b>	<b>6,423</b>	<b>4,465</b>

