

## GOOD GOVERNANCE AND STRATEGIC ALLIANCES

The Local Government Act 2002 provides the framework within which all local authorities must operate. Rather than telling councils what they must do, the Act provides guidelines about how we should operate.

Central to the Act are a number of principles about good governance. These principles encourage councils to make decisions openly, in consultation with their communities. The Act also requires councils to work collaboratively with other agencies to achieve community outcomes and make better use of resources. This means that Council's relationships with central government, other district and regional councils, the private sector and community and voluntary organisations take on more importance.

Good governance and strategic alliances are a key component of sustainable development. Councils and other agencies are challenged to think beyond their traditional boundaries, and to take an integrated approach to achieving what the community identifies as being important for its future.

### KEY ACTIVITIES:

- Governance, Advocacy and Leadership
- Community Planning and Partnerships
- Strategic Planning.

### OUR CONTRIBUTION TO COMMUNITY OUTCOMES:

Responsibilities under section 92 of the Local Government Act 2002 lie within this Strategic Theme. Therefore all Community Outcomes are indirectly contributed to through:

- The Community Outcomes identification process
- Monitoring and reporting on Community Outcomes
- Intersectorial collaboration, relationship building and partnerships as a result of the Community Outcomes process
- Integrated planning of Council's activities in response to Community Outcomes
- Advocating on behalf of the community toward achieving Community Outcomes
- Providing a common set of ideals that the community wishes to work toward.



## GOVERNANCE, ADVOCACY AND LEADERSHIP

### WHAT WE DO:

Governance covers the work of Council, Council committees and subcommittees, and the Turangi/Tongariro Community Board.

Councillors and Community Board members are responsible for setting Council's directions on behalf of the people of Taupo District.

They are also responsible for monitoring progress to achieve these directions, providing leadership, communicating and consulting with the public, building relationships for the benefit of the District and advocating on behalf of the community.

Council acts as an advocate, working on behalf of the community to help ensure that the District's voice is heard by other organisations and also in forums outside the District. This involves:

- Attending meetings with other organisations to make the District's views heard
- Attending meetings outside the District, to represent the community
- Advocacy roles with regional and central government and various Ministries and Departments.

### ACTIVITY ACHIEVEMENTS:

#### WHAT WE DID:

- As an advocate on behalf of the community, participated as an appellant in an Environment Court hearing concerning resource consents for the continued, and increased, use of the Wairakei-Tauhara geothermal system for electricity generation. This geothermal system is situated beneath, and generally to the north and east of Taupo Township, and covers approximately 84 square kilometres. The Environment Court hearing was the first significant opportunity for a comprehensive review of the Wairakei power station operation as a whole against current resource management principles since its establishment by the Crown in 1958. Council's concern was to ensure that the adverse effects of differential subsidence, as can result from the extraction of geothermal fluid, were avoided. The Court stated that it had "little difficulty in finding that subsidence is likely to occur as a result of future extraction, but to what extent under different scenarios is uncertain. Accordingly there is an onus on us to ensure that the conditions of consent include adequate measures to address this issue"
- Continued the review of all existing bylaws. Bylaws reviewed this year include Cemeteries and Solid Waste with new bylaws being put in place for Trade Waste, and Parks and Reserves/Libraries/Baths (currently out for consultation).

#### THE GOVERNANCE, ADVOCACY AND LEADERSHIP ACTIVITY HAD A SIGNIFICANT IMPACT ON THE WELL BEING OF THE COMMUNITY:

- Economically and environmentally - ensuring that the nationally and regionally significant Wairakei-Tauhara geothermal system is sustainably managed through a set of consent conditions which, in part, require that the adverse effects of subsidence are addressed. This followed an extensive Environment Court hearing, the Court itself noting that "the complexity of the issues is reflected by the fact that the hearing occupied a total of 52 sitting days". As a result of the hearing the Court has imposed three levels of conditions to specifically address any likely subsidence problems, as part of a complex suite of conditions which in the Court's view "will make it unlikely that any adverse effects that are more than minor will be generated".

**SERVICE PERFORMANCE RESULTS:**

Target	Seventy five percent of residents and ratepayers satisfied with Council's overall directions.
Not Applicable	This target is only measurable in the triennial Residents' Satisfaction Survey, next scheduled for April/May 2009.
Target	At least 45% of residents state they are satisfied with the way Council involves them in decision-making.
Not Applicable	This target is only measurable in the triennial Residents' Satisfaction Survey, next scheduled for April/May 2009.
Target	Significant decisions comply with the requirements of the Local Government Act 2002 <sup>3</sup> .
Achieved	

**FOOTNOTE**  
<sup>3</sup> Refer to Council's policy on significance.



## COMMUNITY PLANNING AND PARTNERSHIPS

**WHAT WE DO:**

Community planning and partnerships covers:

- Identifying community outcomes that meet community and statutory requirements
- Building relationships with Government departments and other external agencies to encourage coordinated/collaborative approaches to achieving community outcomes
- Developing and overseeing monitoring and other data-gathering activities that provide Council with information about how well community outcomes are being achieved, and indicate trends and emerging issues
- Reporting on progress with achieving community outcomes
- Acting as an advocate for the community and representing the views of the District at regional and national levels.

**ACTIVITY ACHIEVEMENTS:**

**WHAT WE DID:**

- Prepared and released Council's second community outcomes monitoring report for the District (The Top Twenty Report)
- Attended meetings and actively participated in collaborative approaches in both the Waikato and Bay of Plenty, to progress and monitor community outcomes
- Identified emerging strategic issues for the District and, where appropriate, actively advocated on behalf of the Taupo District residents and ratepayers.

THE COMMUNITY PLANNING ACTIVITY HAD A SIGNIFICANT IMPACT ON THE WELL-BEING OF THE COMMUNITY THROUGH:

- Improved knowledge of District issues and having a common set of ideals that the community wishes to work toward, is important for all aspects of community well-being. Collaborative approaches to common issues also deliver more integrated solutions.

**SERVICE PERFORMANCE RESULTS:**

Target	Community Outcomes identified every six years.
Not Applicable	The Community Outcomes for the District are next scheduled for identification in 2010/11.
Target	Active participation in intersectorial collaboration efforts at the regional (Waikato and Bay of Plenty) and local level.
Achieved	
Target	Progress toward achieving the Community Outcomes reported on every three years.
Not Applicable	A State of the District Report is scheduled to be prepared during 2007/08. This report will measure progress toward achieving the Community Outcomes for the District.

Target	Monitoring report prepared annually
Achieved	Council completed its second Top Twenty Report on Community Outcomes in February 2007.
Target	Undertake the triennial Residents' Satisfaction Survey.
Not Applicable	The triennial Residents' Satisfaction Survey is next scheduled for April/May 2009.
Target	Submissions made to other organisations as required.
Achieved	<p>Submissions were made to:</p> <ul style="list-style-type: none"> <li>• Environment Waikato's Annual Plan</li> <li>• Local Government Rates Enquiry 2007</li> <li>• Draft New Zealand Energy Strategy to 2050 (Ministry of Economic Development)</li> <li>• Sustainable Land Management and Climate Change Discussion Document (Ministry for the Environment)</li> <li>• Proposed Waikato Regional Plan proposed variation no. 6 - Water Allocation</li> <li>• Draft Regional Pest Management Strategy (Environment Waikato)</li> <li>• Proposed National Policy Statement on Electricity Transmission (Ministry for the Environment)</li> <li>• Draft National Policy Statement on Flood Risk Management (Ministry for the Environment).</li> </ul>
Target	60% of key stakeholders incorporate responses to the Community Outcomes in their long term planning documents.
Substantially Achieved	<p>Taupo District Council was involved in two major intersectorial Community Outcomes collaboration forums: Choosing Futures Waikato and Community Outcomes Bay of Plenty.</p> <p>Twenty-eight out of 32 stakeholders (88%) actively participating in regional forums have outlined the need to establish strategic relationships and partnerships in their long-term planning documents.</p> <p>Though not specifically related to the Taupo District Community Outcomes, emphasis in their documents has been placed on working together with other agencies to achieve goals and improve community well-being.</p> <p>Nineteen organisations specifically mention responses to the community outcomes processes in their documents (59%).</p>

## STRATEGIC PLANNING

### WHAT WE DO:

The Local Government Act 2002 requires local authorities to have in place various policies and plans that relate to what we do as an organisation and how we will undertake this work. These policies and plans inform the public of Council's activities and operating principles.

Strategic Planning involves the preparation of Council operating plans and policies, and reporting on its progress. It includes preparation of:

- the Long Term Council Community Plan (LTCCP) and subsequent amendments
- Annual Plans
- Annual Reports
- Financial and funding policies
- Policies to assist Council with decision making (e.g. Significance Policy)
- Corporate Business Plan.

### ACTIVITY ACHIEVEMENTS:

#### WHAT WE DID:

- Prepared an LTCCP Amendment relating to changes to Council's Investment Policy
- Prepared the 2005/06 Annual Report and the 2007/08 Annual Plan.

#### THE STRATEGIC PLANNING ACTIVITY HAD A SIGNIFICANT IMPACT ON THE WELL-BEING OF THE COMMUNITY THROUGH:

- All aspects of community well-being are enhanced as Council delivers services and programmes, and provides facilities aimed at achieving community outcomes.

### SERVICE PERFORMANCE RESULTS:

Target	<p>Policies and plans will be prepared as follows:</p> <ul style="list-style-type: none"> <li>• LTCCP every three years</li> <li>• LTCCP amendments as required</li> <li>• Annual Plans in the intervening years between LTCCPs</li> <li>• Annual reports prepared annually</li> <li>• Financial and funding policies reviewed at least every three years</li> <li>• Policies to assist Council with decision making at least every three years.</li> </ul>
Achieved	<p>This year the following documents were prepared:</p> <ul style="list-style-type: none"> <li>• Annual Report 2005/06</li> <li>• Annual Plan 2007/08</li> <li>• 2006/16 LTCCP Amendment (changes to Council's Investment Policy).</li> </ul>

## GOOD GOVERNANCE AND STRATEGIC ALLIANCES – FINANCIAL RESULTS

### COST OF SERVICE STATEMENT:

	2007 Actual \$000	2007 Budget \$000	2006 Actual \$000
<b>Operating Income</b>			
Other Income			
Governance	5	1	1
	5	1	1
<b>Operating Expenditure</b>			
Governance	3,207	2,684	3,267
Community Planning	2,173	2,232	2,192
Strategic Planning	741	709	475
	6,121	5,625	5,934
Net Cost (surplus) of operations	6,116	5,624	5,933
Funded By:			
General Rates	5,143	5,124	5,026
General Funds	973	500	907
	6,116	5,624	5,933
<b>Capital Expenditure</b>	36	50	92
Funded by:			
General Funds	-	-	10
Transfers from Reserves	36	50	82
	36	50	92

#### Note:

*There is some variance between the budget figures shown in this cost of service statement and the year 1 budgets shown in the 2006-16 Long-Term Council Community Plan. The variances relate to a shift in the reporting presentation of a few areas of activity from one strategic theme to another, or into a note disclosure. The budget has been realigned accordingly. Council remains accountable for the budgets in the LTCCP in their entirety.*

### CAPITAL EXPENDITURE:

DESCRIPTION OF PROJECT	REASON FOR ACQUISITION	PROJECT STATUS (REFER KEY)	ACTUAL \$000'S	BUDGET \$000'S	NOTES
Various Projects < \$70k Budget			36	50	
<b>Total</b>			<b>36</b>	<b>50</b>	

#### Key

- A Achieved
- S Slippage (minor) into future years – small carryover with completion expected by 31 August 2007
- DC Project to be funded by Development Contribution – project will not go ahead until funds are available and appropriate project identified
- M Deliberate move into future years
- X Not achieved – major slippage (project will not be complete by 31 August 2007) or project will no longer be carried out

# CONTINUOUS IMPROVEMENT

## INTRODUCTION:

A small number of Council activities fall outside of the strategic themes. These activities are reported here.

We also have a theme of Continuous Improvement. Like all organisations, we need to ensure that our facilities and internal systems are up-to-date and capable of delivering what we said we were going to do. This means:

- Recruiting and retaining appropriately qualified staff
- Having well managed information systems
- Having a healthy safe work environment conducive to producing quality results
- Maintaining philosophies of risk reduction and continuous improvement.

While not directly contributing to the achievement of community outcomes and the five Strategic Themes, it is important that the community is aware of some of the major work we are undertaking to maintain quality standards and improve service delivery.

## ACTIVITY ACHIEVEMENTS:

### WHAT WE DID:

#### Turangi Airfield Land Purchase

- Council maintained its interest in the Turangi Airfield and has made an offer to purchase the freehold land from the Ministry of Maori Development. The Ministry has not yet accepted the offer, pending 'disposal clearance' processes. Meantime, Council maintains its lease of the Airfield.

#### Additional Office Accommodation

- The majority of the Environmental Services Division shifted into leased premises in the Taupo central business district known as Gillespie Plaza. Both staff and the public are benefiting from the resulting efficiencies and a 'one stop shop' for regulatory issues. The move freed up office space at the main Lake Terrace office, allowing both rationalisation on that site and the relinquishment of temporary premises nearby on Rifle Range Road. The longer term goal of a new 'greenfields' main office with the potential divestment of the current Lake Terrace site has been deferred for consideration in the 2009/19 Long Term Council Community Plan.

#### Electronic Document Records Management System

- After a robust selection process, Council has opted for the purchase of the 'OBJECTIVE' EDRM system, the training and implementation of which will be completed in the 2007/08 year.



# OTHER – FINANCIAL RESULTS

## COST OF SERVICE STATEMENT:

	2007 Actual \$000	2007 Budget \$000	2006 Actual \$000
<b>Operating Income</b>			
Targeted Rates	145	130	129
Other Income	694	746	848
	839	876	977
<b>Operating Expenditure</b>			
Forestry	16	10	3
Property Management	1,057	1,113	912
Motor Camps	411	106	220
Taupo Town Centre Management	115	95	89
Others	731	595	784
	2,330	1,919	2,008
<b>Net Cost (surplus) of operations</b>	1,491	1,043	1,031
<b>Funded By:</b>			
General Rates	2,440	2,431	532
Loan Repayments	(16,090)	-	(2,194)
Transfers (to)/from Reserves	16,315	(1,913)	2,194
General Funds	(1,174)	-	499
Opening Balance	-	525	-
	1,491	1,043	1,031
<b>Capital Expenditure</b>	1,341	5,625	428
<b>Funded by:</b>			
Loans Raised	1,011	4,892	56
Transfers (to)/from Reserves	322	733	284
General Funds	8	-	88
	1,341	5,625	428

### Note:

There is some variance between the budget figures shown in this cost of service statement and the year 1 budgets shown in the 2006-16 Long-Term Council Community Plan. The variances relate to a shift in the reporting presentation of a few areas of activity from one strategic theme to another, or into a note disclosure. The budget has been realigned accordingly. Council remains accountable for the budgets in the LTCCP in their entirety.

CAPITAL EXPENDITURE:

DESCRIPTION OF PROJECT	REASON FOR AQUISITION	PROJECT STATUS (REFER KEY)	ACTUAL \$000'S	BUDGET \$000'S	NOTES
Subdivision construction	Commercial venture utilising surplus land	X	708	2,500	4
Lot 60 development, design and marketing	Commercial venture utilising surplus land	X	13	1,000	1
Taupo Airport runway reseal	Renewals	M	48	975	5
Information technology network development	Upgrades / Software / Hardware	A	246	377	3
Interim office accomodation	Ability to house staff	X	8	120	2
Afforestation	Council investment / future revenue	A	70	113	3
Various Projects < \$70k Budget			247	540	
<b>Total</b>			<b>1,341</b>	<b>5,625</b>	

Key

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Capital Expenditure – Variances between Actual and LTCCP Budget

1. Progressing - design competition held, with this to be judged in 2007/08. Development work to follow.
2. This project no longer required
3. Level of investment required less than budgeted
4. Continuation of programme into 2007/08
5. This project moved to 2007/08

