

Corporate & District Activities

Ngā Mahinga Matakite a Rohe



*Communications, Finance, Customer Services, Corporate Information,
Corporate Property, Human Resources, District Income and Expenditure*

WHAT ARE CORPORATE AND DISTRICT ACTIVITIES

Every organisation needs to develop, manage and maintain internal systems to provide effective and efficient services. Corporate and District Activities are substantial functions of the Council and while they do not fall within the Groups of Activities they do impact on their budgets.

This section of the Annual Plan outlines the expected costs associated with these activities and identifies some of the key projects planned for the 2011/12 year.

GROUP OF ACTIVITY COST OF SERVICE

The table below provides an overview of what this Group of Activities cost and how it was funded. Costs for specific activities can be found on the following pages.

Annual Plan 2010/11 \$000		LTCCP 2011/12 \$000	Annual Plan 2011/12 \$000	Variance 2011/12 \$000
OPERATIONAL				
EXPENDITURE				
1,719	Depreciation	2,256	1,813	(443)
220	Interest Paid	209	247	38
(1,444)	Operations	(2,264)	(1,566)	698
495	Total Expenditure	201	494	293
REVENUE				
0	Development Contributions	0	0	0
250	User Fees & Charges	238	209	29
(186)	General Rates	(995)	(186)	(809)
772	Interest Income	918	1,434	(516)
922	Sundry Income	907	975	(68)
100	Subsidies & Grants	0	0	0
649	Targeted Rates	0	59	(59)
2,507	Total Revenue	1,068	2,491	(1,423)
(2,012)	Net Cost (Surplus) of Operations	(867)	(1,997)	(1,130)
NON OPERATIONAL				
EXPENDITURE				
(2,012)	Transfer from (surplus)/deficit	(867)	(1,997)	(1,130)
1,535	Capex *	3,267	2,225	(1,042)
703	Loan Repayments	1,651	673	(978)
1,835	Payments to Reserves	823	1,738	915
(185)	less Depreciation not Funded	0	(383)	(383)
1,876	Total Funding Requirement	4,874	2,256	(2,618)
FUNDED BY				
915	Depreciation Reserve	1,226	1,175	51
0	Development Contribution Reserve	0	0	0
512	Loans Raised	2,050	1,080	969
450	Operational Reserve	1,606	0	1,606
0	Sale of Assets	0	0	0
1,877	Total Funding Applied	4,882	2,256	2,626
* CAPITAL EXPENDITURE				
915	Level of Service	2,172	1,228	(936)
0	Growth	176	112	(64)
620	Renewals	927	885	(6)

CORPORATE AND DISTRICT ACTIVITIES

WHAT WE DO AND WHY WE DO IT

Corporate and District Activities supports the delivery of the Council's projects, plans and activities.

Corporate and District Activities include:

Communications: The Council provides the communications activity to inform, engage and enable the community to better understand what the Council does so they can be a part of decisions and projects. Community engagement is a major part of the Council activities and some types of public communications are required by law. The Local Government Act 2002 requires the Council to consult with its community and facilitate public debate about matters being considered by the Council.

Finance: This internal activity provides financial and rating services to support the Council's activities. It is responsible for developing and providing effective mechanisms to monitor and report on the Council's financial performance.

Customer Services: The Council needs efficient and consistent customer services to meet the continually changing expectations of its customers. This activity manages these expectations and ensures the agreed appropriate service is provided in accordance with the customer service standards and charter.

Corporate Information: This activity delivers information services to internal and external customers. Providing the right tools and information at the right time and place enables efficient, effective, and prudent management. The Corporate Information activity is the guardian of the Council's data, information and knowledge assets which must be securely managed for current and future generations. The Council must also comply with relevant legislation such as the Public Records Act 2005 (PRA) and the Electronic Transactions Act 2002 (ETA) regarding the creation, collection, retention, and archiving of information.

Corporate Property: Corporate property includes assets that provide essential services to the community and those that are supported by the local community. There are 20 properties in total, which include the Civic Centre, Museum and Gallery, the Whakatane Airport Terminal Building, Workshops, Depots, Libraries, and the Dog Pound.

Human Resources: The purpose of this activity is to attract, retain, up skill, motivate and reward high calibre employees capable of having a positive impact in their areas of responsibility and delivering on the Annual plan and LTCCP/LTP work programmes for which they are responsible. As at 30 April 2011 the Whakatane District Council employed 156 full time equivalent employees (excluding casuals).

District Income and Expenditure: District income is applied to reduce the general rate requirement in other council activities. This revenue is sourced from commissions, petrol tax, interest and other sundry revenue.

WHAT KEY ACHIEVEMENTS ARE WE PLANNING FOR THE YEAR

Electronic Content Management System: The Electronic Content Management System is the system used by the Council to store its electronic files. This three year project involves the implementation of a new system to manage all of the Council's records and electronic information. The system enables the Council to meet its Central Government regulatory requirements. The system is now operational across all of the Council and the project is now focused on improvement and migration of legacy information.

Implementation of Compliance and Regulation Information Systems Solutions: The Council will continue to implement information systems to increase the effective processing and management of regulatory and compliance related processes.

WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

The community is provided with up-to-date, factual information about Council's current and planned activities.

Satisfaction with Council's provision of information. 2008 CSI score 64.2 or higher (Fair: Needs improvement).

Byways is produced and distributed quarterly to every household and non-resident ratepayer.

The community and the Council have access to accurate and timely financial information.

Rates assessments are issued to ratepayers within a timely manner and contain accurate information.

Ratepayers are given at least three weeks notice to pay a rates instalment.

Online (Web) Service Development: The Council is currently analysing the communities requirements for online services. At the completion of this review the Council will further develop systems to deliver online web services to the community.

Microsoft Office Upgrade: The Council will prepare for and implement the current version of Office productivity software. This will involve a programme of modifying relevant enterprise applications and of up-skilling current employees.

New Geographic Information Systems: The Council will upgrade its outmoded Geographic Information Systems (GIS) as part of a regional joint councils initiative with Bay of Plenty Local Authority Shared Services (BOPLASS).

Refurbishment of Civic Centre Library: With the Library and Exhibition Centre underway in 2011/12, the old library in the Civic Centre will be refurbished into Council office space. This will cost \$352,000 in the 2011/12 year.

The Council's newsletter, Byways is distributed to every household in the District through the Bay Weekend

HOW ARE THESE ACTIVITIES FUNDED

The operational costs associated with corporate and district activities are funded by charging overheads on other activities. Capital expenditure is generally funded by way of corporate loans or depreciation funding. The interest from these loans is also allocated as overheads while the principal repayment is collected through the general rate.

WHAT ARE THE KEY DIFFERENCES FROM THE LTCCP

- Due to other priorities, some larger projects under the Corporate Information activity have been rescheduled to the 2012/13 year. This includes the scanning of the physical property files. As a result, there will be a decrease in capital expenditure during 2011/12
- Direct costs for the Finance activity have increased from that in the LTCCP. This is due to the additional costs associated with preparing the LTP 2012-22 e.g. increased audit costs.
- The Council is a member of the Local Authority Protection Programme (LAPP) which is a scheme designed to provide some insurance for the underground assets of Local Authorities. Due to the scale of destruction in Christchurch as a result of the Earthquakes during 2010/11, the LAPP fund has been exhausted. A strategy has been proposed by LAPP that the scheme fund could be reinstated within 5 years, subject to no disasters. To achieve this position, the Council has budgeted to increase its contributions from \$40,000 to \$160,000 in line with the strategy.
- Bad debt expenditure has also attributed to the increase in direct costs. This is mainly due to the economic climate and people entering into hardship. However, this has been offset with savings and cuts across the Finance activity.
- Depreciation expenses have increased due to asset revaluations and the purchase of new assets.
- Within the corporate and district income activity, additional rates of \$550,000 are included to reduce overdrawn operating reserve balances from the 2008/09 year deficit.

WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

The community has access to Council's activities through fully competent and efficient Service Centres.

Satisfaction with overall service from Customer Service/ Front Desk staff. 2008 CSI score 75.2 or higher (Very good service).

85% of non direct dial telephone calls answered within 30 seconds.

Customer service efficiency is maximised through staff access to high quality information systems.

All users have access to Information systems during business hours with at least 99% availability.