

WAIKATO DISTRICT WAR MEMORIAL



COMMUNITY PROPERTY

Ngā Rawa o Te Hapori

WHAT THESE ACTIVITIES WILL COST AND HOW WE ARE GOING TO PAY FOR THEM

FUNDING IMPACT STATEMENT

ANNUAL PLAN 2011/12 \$000		LTP 2012/13 \$000	LTP 2013/14 \$000	LTP 2014/15 \$000	LTP 2015/16 \$000	LTP 2016/17 \$000	LTP 2017/18 \$000	LTP 2018/19 \$000	LTP 2019/20 \$000	LTP 2020/21 \$000	LTP 2021/22 \$000
OPERATIONAL											
Sources of operating funding											
475	General rates, uniform annual general charges, rates penalties	631	623	671	781	715	789	727	794	848	811
-	- Targeted rates (other than a targeted rate for water supply)	-	-	-	-	-	-	-	-	-	-
41	Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-
665	Fees, charges, and targeted rates for water supply	730	751	773	796	821	844	867	893	923	953
-	- Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-
-	- Local authorities fuel tax, fines, infringement fees, and other receipts	6	6	6	7	7	7	7	7	8	8
1,181	Total operating funding (A)	1,367	1,380	1,450	1,584	1,543	1,640	1,601	1,694	1,779	1,772
Applications of operating funding											
613	Payments to staff and suppliers	670	692	681	701	705	713	730	754	777	802
40	Finance costs	29	24	23	23	22	21	19	17	16	16
423	Internal charges & overheads applied	361	367	377	382	391	406	413	426	445	454
-	- Other operating funding applications	-	-	-	-	-	-	-	-	-	-
1,076	Total applications of operating funding (B)	1,060	1,083	1,081	1,106	1,118	1,140	1,162	1,197	1,238	1,272
105	Surplus (deficit) of operating funding (A-B)	307	297	369	478	425	500	439	497	541	500
CAPITAL											
Sources of capital funding											
-	- Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-
55	Development and financial contributions	59	60	62	64	66	68	70	72	74	77
(43)	Increase (decrease) in debt	(123)	(26)	(26)	(26)	(26)	(26)	(27)	(27)	(27)	63
350	Gross proceeds from sale of assets	319	233	7,517*	7,089*	-	-	-	-	-	-
-	- Lump sum contributions	-	-	-	-	-	-	-	-	-	-
362	Total sources of capital funding (C)	255	267	7,553	7,127	40	42	43	45	47	140
Applications of capital funding											
Capital expenditure											
-	- to meet additional demand	24	-	10	47	40	30	72	34	89	108
80	- to improve level of service	85	77	79	82	84	87	89	67	70	170
68	- to replace existing assets	172	142	416	203	552	376	320	461	884	417
319	Increase (decrease) in reserves	281	345	7,417	7,273	(211)	49	1	(20)	(455)	(55)
-	- Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-
467	Total applications of capital funding (D)	562	564	7,922	7,605	465	542	482	542	588	640
(105)	Surplus (deficit) of capital funding (C-D)	(307)	(297)	(369)	(478)	(425)	(500)	(439)	(497)	(541)	(500)
-	Funding Balance ((A-B) + (C-D))	-	-	-	-	-	-	-	-	-	-

*Retirement of debt funded by sale of surplus land (refer to the 'Drivers & Challenges' section of the Financial Strategy for impact if surplus land not sold)

THE COMMUNITY OUTCOMES THIS ACTIVITY CONTRIBUTES TO



Reliable & Affordable Infrastructure



Quality Services



Community Wellbeing

PENSIONER HOUSING



PENSIONER HOUSING

WHAT THIS ACTIVITY DELIVERS

Currently we own six housing developments for the benefit of the elderly in our District. There are four housing developments that provide 72 rentable units in Whakatāne, and two in Murupara that provide a further seven rentable units. This activity is guided by the Pensioner Housing Policy.

WHY WE DO IT

We do this in response to public demand and to ensure the safety and protection of the elderly tenants. The housing units are very popular, with an average occupancy rate of 95%. The units are allocated on a case by case basis, taking into account the needs and personal circumstances of the applicant. The units are rented at 20% below market rate, meaning tenants are paying slightly less rent than they would pay to a private owner. The units do not cost ratepayers money to maintain as they are self funding. Any income received from this activity is used for the operation, management and refurbishment of the units. Where there is a surplus, this money is used to offset rates.

RESPONDING TO OUR ISSUES

The units are just like any other rental property

The purpose of the pensioner housing units is to provide elderly residents of the District with a safe and secure home. This does not mean we provide the same facilities as a rest home. The tenants are independent people and are responsible for the unit just as any other person is responsible for their rental home. We do provide some extra maintenance services and specialist fixtures such as grab rails, to make it easy for the residents to move around and live their lives. Over the next 10 years we will spend \$1.39m on the ongoing maintenance and renewals of the pensioner housing units. These costs are covered by the rental income received from the units.

Review of the management of the units

During the development of the last LTP we looked at all the services we delivered and consulted with the community on the idea of divesting some of our non-core activities. Pensioner Housing was signalled as an activity where some benefit may be gained from divestment. However, due to a large number of submissions from the community, we decided not to continue with the proposal. We will review the way our units are managed to ensure they provide maximum benefit to both the tenants and the wider community. The safety and protection of the residents will still remain a top priority.

WHAT WE WANT TO ACHIEVE

The Council has set some targets to show whether we are achieving our goals for this activity. The following table shows these targets for the next 10 years. We will report back to the community through the Annual Report each year, so you will know whether we have achieved this level of service.

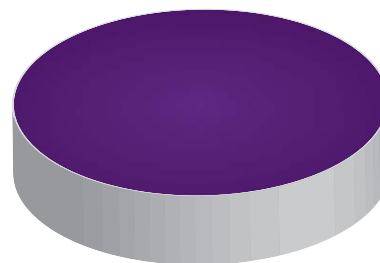
GOAL	MEASURE	CURRENT PERFORMANCE (2010/11)	TARGET			
			YEAR 1 (2012/13)	YEAR 2 (2013/14)	YEAR 3 (2014/15)	YEARS 4-10 (2015-22)
Affordable, safe and secure pensioner housing is provided to people who meet the Whakatāne District Council eligibility criteria	Number of Council pensioner units provided	New measure	79	79	79	79

HOW THIS ACTIVITY IS FUNDED

Our activities are funded from a variety of sources.

The pie chart illustrates how we will pay for the operational running of this activity.

Further explanations on the funding of this activity can be found in the Revenue and Financing Policy contained in the 'Our Costs in Detail' chapter.



Fees & Charges - Full

THE COMMUNITY OUTCOMES THIS ACTIVITY CONTRIBUTES TO



HALLS

WHAT THIS ACTIVITY DELIVERS

There are 14 urban and rural community based halls in the Whakatāne District, including the Whakatāne War Memorial Hall. These halls are hired by the community for a reasonable fee and are frequently used for sports, events, meetings and social occasions. The halls are spread across the District and are a valued asset to the community. The halls are available for the recreation, cultural, social and sporting needs of the community. They are facilities for the whole community to utilise and we aim to keep them affordable and available for all.

WHY WE DO IT

We do this activity to provide the community with facilities to build community spirit and encourage recreational, social and learning activities. From feedback we received during the Halls Review in 2010, the dominant message received was our communities do value and use their halls and want them to be retained at an affordable level.

There are no legislative requirements for us to be involved in the provision of community halls, or governing how we

What we are going to do

To respond to some of the issues, the Council will undertake the following key project. The full list of capital projects can be found in the 'Our Costs in Detail' chapter.

DESCRIPTION	YEAR	TOTAL (\$)	FUNDING SOURCE
Multi sports events centre investigation	2021/22	75,000	Development Contribution 8% Loan 92%

Note: The figures in this table are not adjusted for inflation.

operate the halls. This activity is guided by the Community Halls Strategy and Community Halls Policy.

RESPONDING TO OUR ISSUES

Your halls

As part of the last LTP we developed a Community Halls Strategy and Community Halls Policy to help with the management and development of community halls, in rural and urban areas. Through this LTP we will implement the strategy and policy. The aim of these is to encourage the community to become more involved in the ownership and operation of the halls. We will also be looking into various partnership options with community groups so facilities are shared and looking at ways to ensure we are getting the maximum benefit out of our urban halls. This will encourage better utilisation of the halls and facilities. The cost of the ongoing maintenance and renewals of the halls and associated equipment will be \$1.96m over the 10 years of the LTP. We encourage you to get involved with how your halls are managed by contacting your community board or your local hall management committee.

HALLS

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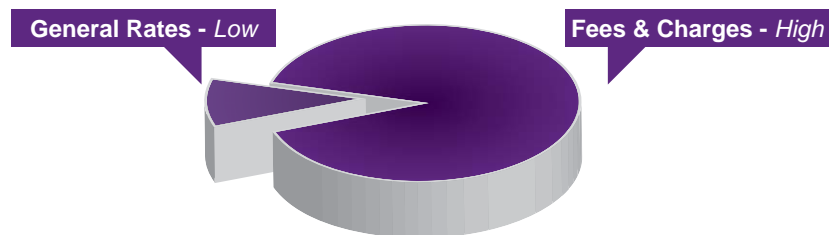
GOAL	MEASURE	CURRENT PERFORMANCE (2010/11)	TARGET			
			YEAR 1 (2012/13)	YEAR 2 (2013/14)	YEAR 3 (2014/15)	YEARS 4-10 (2015-22)
The community is provided with sufficient community halls and pavilions that are functional, affordable and available	Satisfaction with public halls (Customer Satisfaction Index score)	71.5	70 - 74	71 - 75	72 - 76	73 - 77
	Sufficient community halls and pavilions provided in each ward by the Council or the community	Four urban Council managed, Six rural Council managed	Four urban Council managed, Six rural Council managed	Four urban Council managed, Four rural Council and two rural community managed	Four urban Council managed, two rural Council and four rural community managed	Four urban Council managed, six rural community managed

HOW THIS ACTIVITY IS FUNDED

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THE COMMUNITY OUTCOMES THIS ACTIVITY CONTRIBUTES TO



COMMERCIAL PROPERTY

WHAT THIS ACTIVITY DELIVERS

Our commercial property is a series of nine properties we own and run as commercial ventures, which provide an income for us. These properties include a rented house and commercial tenancies.

WHY WE DO IT

We keep these commercial properties because they are in a strategic location or may have a potential value to the Council and the community in the future. We manage these properties to ensure they achieve a commercial return in the medium term, helping to offset rates.

RESPONDING TO OUR ISSUES

Keeping our options open

Because these properties are kept for strategic reasons, we may want to utilise them at some point. We rent out a lot of our buildings to receive an income but where a better opportunity arises, we need the ability to change the use. The way we do this is to align the lease terms and conditions with the Council's long term plans. Generally, our lease agreements are short term leases and are regularly reviewed. We are ready to respond and revise the management of the properties if needed. Through this LTP we will divest some of our commercial property at Piripai.

Costs of maintaining these assets

The ongoing costs to maintain and renew these assets represents a significant cost over the next 10 years. General renewals during the course of this LTP will cost almost \$1m, however, properties do provide an income through the leases.

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