

Queenstown Lakes District Council
10-Year Plan 2012 - 2022

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Monitoring

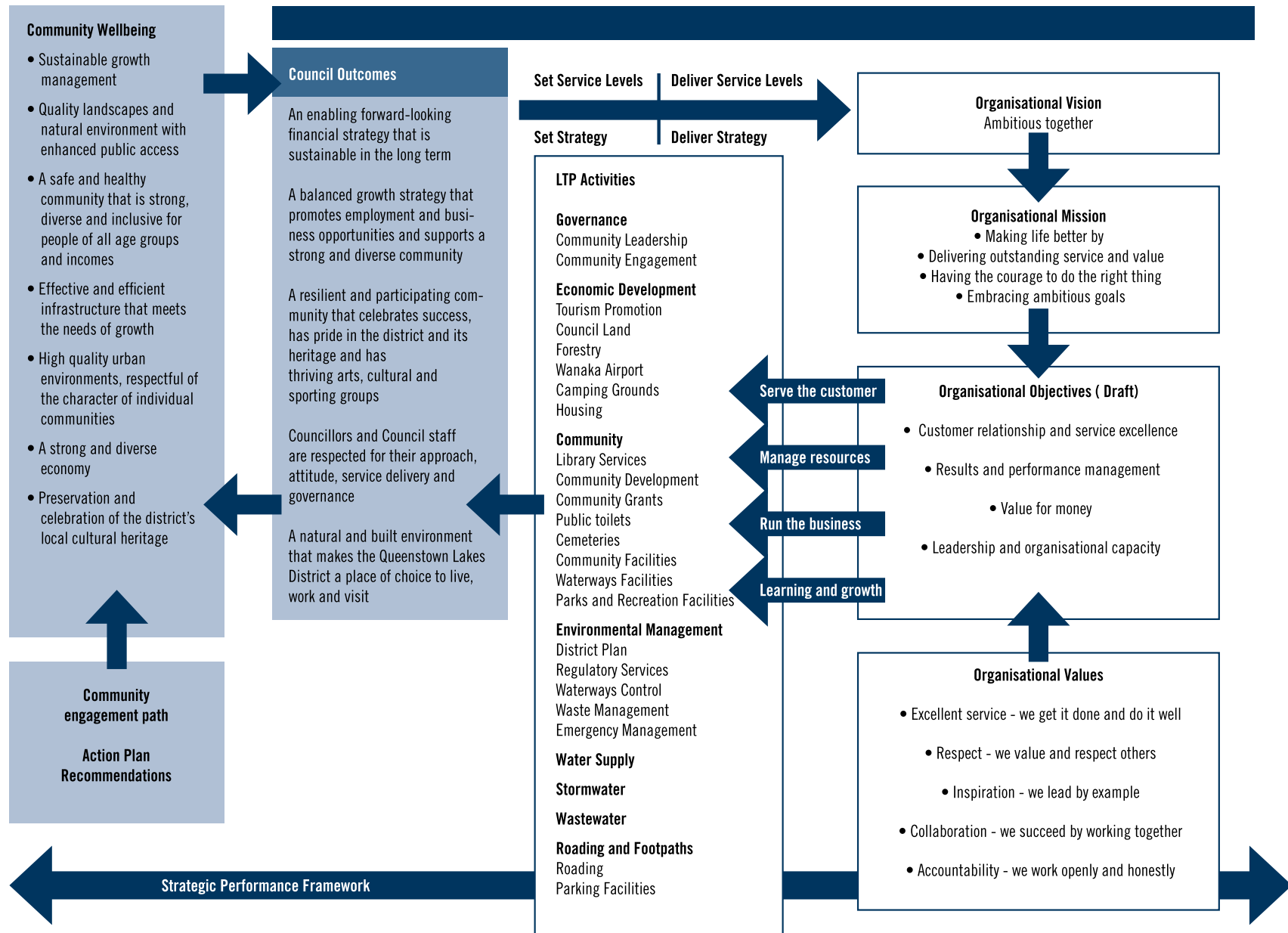
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Monitoring

The Council has developed a Strategic Performance Framework that includes community wellbeings (Community Outcomes) which feed into Council Outcomes, levels of service, the organisation's vision, mission, objectives and values, which in turn feed into all Council activities. The Council and the community can monitor progress towards achieving Community Outcomes on behalf of the community.



The tables on the following pages outline all of Queenstown Lakes District's Community Outcomes and the indicators that have been developed and collected to track the Council and community's progress.



Issues	Indicators
Protection of natural landscape values (visual amenity, habitats and diversity of indigenous flora and fauna) and rural character.	<p>Community satisfaction with the quality of:</p> <ul style="list-style-type: none">• Natural landscapes• Ecosystems• Rural character <p>And satisfaction with protection given to the above by the District Plan.</p> <p>Area and location of land in natural state with biodiversity values including:</p> <ul style="list-style-type: none">• Area of land in conservation estate.• Area of land retained by DOC through tenure review. <p>Proportion of new dwellings in the rural general zone.</p> <p>Mapped residential building platforms (as an indicator of cumulative effect).</p> <p>Wilding Pine Control undertaken each year to achieve containment lines.</p>
Public access to environment/open spaces (including the District's rivers, lakes and wetlands and public reserves).	<p>Total hectares of 'green space' (Council/DOC owned/leased public open spaces/reserves)</p> <p>Community satisfaction with the sports grounds.</p> <p>Increase in the number of sports grounds</p> <p>Community satisfaction with public gardens.</p> <p>Users of the NZ Cycleway.</p> <p>Length of stream/lake edge protected by marginal strip (DOC administered) or Esplanade Reserve (LTA) or other reserves in the Queenstown Lakes District.</p>



Issues	Indicators
Affordable Housing	<p>Percentage of weekly household income spent on housing costs.</p> <p>Percentage of houses owned or rented by low and high household incomes.</p> <p>Median rental prices.</p> <p>Median flat/apartment and vacant land sale prices.</p> <p>Percentage of people living in crowded households.</p>
A Diverse Community	<p>Age.</p> <p>Ethnicity.</p> <p>Number of Volunteers.</p> <p>Employment by industry type.</p> <p>Income brackets.</p> <p>Educational attainment.</p> <p>Religious affiliation.</p>
Full Range of Community Services (including health services, education and community facilities)	<p>Community satisfaction and access to a range of health services.</p> <p>Community satisfaction with availability of primary and secondary educational facilities.</p> <p>Teacher to student ratios in local area schools.</p> <p>Community satisfaction with availability of tertiary and other adult education opportunities.</p> <p>Number of full time GPs.</p> <p>Number, and type of public funded community facilities (halls, sports grounds, swimming pools etc) /per capita (full time residents, peak population including tourists).</p> <p>Number of children currently in early childhood care and the number of children on waiting lists.</p> <p>Community satisfaction with the availability of childcare facilities.</p>



Issues	Indicators
Improved transport network (including roading, public transport, airport, walkways and cycle ways).	<p>Community satisfaction with roads.</p> <p>Community satisfaction with footpaths.</p> <p>Community satisfaction with parking provision.</p> <p>Residents frequency of use of public transport in previous 12 months.</p> <p>Residents rating of whether public transport is convenient.</p> <p>Community satisfaction with provision of cycle ways and trails.</p> <p>Length and location of cycle ways, walkways and trails.</p> <p>Users of non-car and ride and share options.</p> <p>Users of the NZ Cycleway.</p> <p>Airport (Wanaka and Queenstown) continued growth in passenger numbers.</p> <p>Customers believe the transport network is accessible for all users year round.</p>
Water and waste infrastructure to keep up with the needs of the community.	<p>Community satisfaction with reliability of water supply.</p> <p>Community satisfaction with the quality of water supply.</p> <p>Community satisfaction with waste refuse collection.</p> <p>Average household water consumption.</p> <p>Volume of wastewater treated by Council services.</p> <p>Volume and source of waste going to landfills (WAP analysis).</p> <p>Percentage of dwellings on reticulated water and waste.</p> <p>Level of compliance with resource consent conditions achieved by Council's water supply, waste water and landfill</p> <p>Volume of waste being diverted from landfill (recycle stations, compost operations, reuse).</p> <p>Number of residents who report undertaking waste reduction and recycling practices.</p> <p>Remaining life and years of landfill projected.</p>



Issues	Indicators
Amenity and character of townscapes and residential areas maintained or enhanced.	<p>Residents rating of sense of pride in the way their town (centre) and residential area looks and feels.</p> <p>Community satisfaction with the level of protection given to urban amenity by the District Plan.</p> <p>Number of consents applied for/granted that are non-complying with permitted activity performance standards in the plan for town centre and residential areas; including:</p> <ul style="list-style-type: none">• Height• Setbacks• Yards• Site Coverage• Noise• Vehicle Movements• Streetscape• Amount of landscaping• Amount of open space being provided <p>Area, type, location and dollar value of streetscape improvements undertaken in CBDs.</p>
Efficient use of urban land.	<p>Density of dwellings in residential areas.</p> <p>Number/percentage of new multi unit dwellings.</p> <p>Area of vacant land in town centre and residential areas.</p> <p>Remaining commercial capacity in various zones.</p> <p>Number and occupancy (occupied or not) of apartments/dwellings used for visitor accommodation.</p> <p>Area and location of land zoned residential.</p>



Issues	Indicators
Increased economic strength.	Economic activity (GDP) by sector. Number of new businesses set up in the past year. Number and value of film/media industry productions. Retail sales. Number of guest nights purchased. Visitor numbers. Annual visitor spend increasing.
Increased economic diversification.	Number and type of business (by sector). Type of new businesses set up in past year. Number of jobs by sector. Total revenue by sector.



Issues	Indicators
Protection and awareness of cultural history and sense of identity.	<p>Number of protected heritage and cultural sites (by type and protection level).</p> <p>Number of consents applied for/granted to modify heritage features.</p> <p>Percentage of population fluent in Te Reo.</p> <p>Number of Kohanga Reo.</p> <p>Number of visits to Lakes District Museum.</p> <p>Number of events or activities educating the community or celebrating the District's heritage (Council and community based).</p> <p>Number of initiatives (eg brochures, restoration projects, grants, heritage trails) established by the Council.</p>

Governance

- Community Leadership
- Community Engagement

Governance Overview

This activity supports elected members (Council, Committees and Wanaka Community Board) in their leadership role, enabling them make informed decisions and monitor the delivery of services. The activity enables community participation in strategic agenda setting. Simply stated, this activity enables the exercise of powers to rate property owners and to use those funds in the wider public interest, enhancing the well-being of the community, establishing a strategic direction and advocating for and on behalf of the community.

Governance – Who Pays?

This activity is largely public good and is therefore funded 100% from the district-wide targeted Governance capital value based rate. This is a new rate proposed as a result of the 2011/12 Rates and Funding Review.

Governance Forecast Financial Performance

Governance - Summary of Forecasted Financial Performance				
Annual Plan 2011/12		LTP 2012/13	LTP 2013/14	LTP 2014/15
\$000	Expenditure	\$000	\$000	\$000
4,324	Governance	4,155	4,389	4,488
362	Communications	365	387	400
4,686	Operating Costs	4,520	4,777	4,888
2,712	Group Activity Income	2,492	3,702	3,633
1,974	Net Cost/(Surplus) of Service	2,028	1,075	1,255
-	Capital Expenditure	-	-	-
1,974	Funding Required/(Generated)	2,028	1,075	1,255
	Funded By:-			
2,206	Targeted Rates	4,307	4,569	4,676
2,338	General Rates	-	-	-
(2,569)	Transfers (to)/from Reserves	(2,279)	(3,494)	(3,421)
1,975	Total Funding	2,028	1,075	1,255
	Activity Income Includes (1)			
-	User Charges	-	-	-
-	Grants & Subsidies	-	-	-
2,712	Other	2,492	3,702	3,633
-	Vested Assets	-	-	-
-	Capital Contributions	-	-	-
2,712	Total Activity Income	2,492	3,702	3,633

Governance Significant Negative Effects

There are no significant negative effects associated with these activities.

Governance Assumptions

Please refer to page 3 of Volume 3 of the 10-Year Plan for Council Assumptions.

Community Leadership

Why we do it?

The Local Government Act creates a model of participative democracy to enable decision making for the benefit and well-being of the community. Elected members lead the decision making process for the community. Decisions are made taking into consideration the views of the community, but the elected members are accountable for those decisions. Decisions are largely made through open processes.

What we do?

Develop the strategic priorities for the activities that Council will deliver;

Develop and approve the long term strategic and financial plan for Council (the long-term plan);

Monitor the performance of Council in the achievement of the plans;

Communicate the priorities, plans and achievements to the community.

Council undertakes these activities directly and through a committee structure where the committee provides focus to a group of activities – infrastructure services (roads, water, sewerage, storm water, refuse and recycling), community services (parks, reserves, libraries etc.), strategy and planning (developing the district plan and strategic development plans) and finance and corporate (overview of subsidiary organisations, performance monitoring and financial planning).

Council staff plan and prepare the agendas for these meetings, ensure the meetings follow the approved procedures (standing orders) and minute the record of each meeting. Agenda and minutes are available to the community through the Council website and all meetings are open to the community and provide for a period of public forum where Councillors can be directly addressed.

Ensure that Council's obligations and responsibilities under more than sixty different laws and a large number of regulations are met on a continuing basis. Staff are responsible for advising Council on pending and actual changes to legislation that affects Council.

Provide access to public information held by Council, within the restrictions of the Privacy Act and complying with the Local Government Official Information and Meetings Act.

Where are we now?

The council has developed and agreed a set of strategic priorities and an action plan for the delivery of those priorities. This has been communicated through Council and with the CCO to ensure alignment of all areas of Council to focus on the achievement of those priorities.

Following from the issue of shares in Queenstown Airport, Council has reviewed the governance structures that it has in place for its CCO; Lakes Environmental, Lakes Leisure and Queenstown Airport. The changes introduce additional good governance practices adopted from central government and other jurisdictions together with a stronger focus on the compliance with the core governance responsibilities.

The continuing global financial crisis has impacted on the District's property markets, which has direct and indirect implications for Council and the members of the communities. Council has dealt with those challenges by refocusing on core activities in infrastructure delivery and ensuring that it achieves value for money in all of the activities it is involved with.

A performance management system is being introduced across Council to enable better and more regular monitoring of performance in each activity area.

Where do we want to be?

A sustainable financial strategy is in place that combines: affordability for the community; development of infrastructure to maintain current services and provide for growth; and achievement of Council's strategic priorities.

Decision making is undertaken in a transparent manner following engagement with an informed community who shape the choices made by Council;

Council's key strategic priorities have been delivered or are in the process of being delivered;

Council is trusted by the community to enhance the environmental, social, cultural and economic well-being of the district, now and in the future.

How are we going to get there?

Implementation of the performance management system that focusses the attention of staff on the achievement of the key objectives will make Council's performance in each area transparent on a continuing basis and enable the community to be better informed;

Continue to be an active partner in Shaping our Future, contributing and encouraging the continued contribution of others;

Monitor the delivery of the financial strategy and long term plan.

Continue to develop an open information approach to all the information Council holds that will enable the community direct access to public information.

Provide the community with better accountability mechanisms by: providing greater transparency of information; better involvement of the community in decision making; a robust and sustainable financial strategy; and enhanced reporting on overall performance.

Key Issue

Affordability

What was the position three years ago?

In 2009 the 10-Year Plan process found that years one (2009) to four (2013) were affordable but in the later years of the plan, the debt levels became unaffordable. It forecast a debt level of \$393 million by the year 2019. There were several reasons Council found itself in this position, they included: growth and the pressure of providing infrastructure for the peak day population; better knowledge of Council's infrastructure; and changes to Central Government standards (i.e. water quality).

The Council began a major review of its capital programme in 2009 with the single goal of producing an affordable 10-Year Plan in 2012. A steering group made up of Councillors and staff has spent the last three years delivering this goal. The Council's proposed Financial Strategy (Volume 3) provides transparency and ensures prudent financial management (see Financial Strategy). Financial affordability is a big Council issue that needs community input through the 10-Year Plan consultation process. We need to know what you think.

How has Council delivered an affordable 10-Year Plan?

The 2012 10-Year Plan is affordable. The 10-Year Plan steering group (Councillors and staff) has systematically worked through the entire capital program testing all of the projects that were included in the 2009 10-Year Plan. Each project was examined to see if it was the best solution, if the timing of the project was right and to work out Council's priorities. Prioritisation of projects across the board saw the development of a new model to help the steering group make important decisions. The new prioritisation process was developed with the steering group in a number of workshops using best practice guidelines. Where possible the model incorporates existing Council systems and processes, such as infrastructure services risk framework. Another important factor was to make sure Council continues to provide the right level of infrastructure and that our communities' expectations around level of service are met. The result has seen the capital program and debt significantly reduced over the next 10-Years.

Debt Ratios

Debt ratios

	2012	2009
Total Capital Asset Expenditure	\$552m	\$832m
Total External Debt (end of period)	\$171m	\$393m
NetDebt/Total Revenue <200% (end of period)	117.9%	250.5%
NetDebt/Equity <20% (end of period)	13.3%	30.9%
Average Annual Rates Increase (over 10 years)	4.6%	6.9%

Capital expenditure on physical works over the next 10 years is much lower than previously forecast. It amounts to \$552m (2009: \$832m) which represents a reduction of \$280m or around 33% compared to 2009. The capital expenditure programs for infrastructure have been developed from revised asset management plans that include the latest growth projections. The debt ratios in the table above show that the affordability position has improved significantly. In the 2009 plan, both of these ratios were exceeded. The 2012 10-Year Plan shows not only compliance but also considerable headroom is provided. Only projects that are absolutely necessary have been included and scheduled at the latest possible time of delivery.

Debt

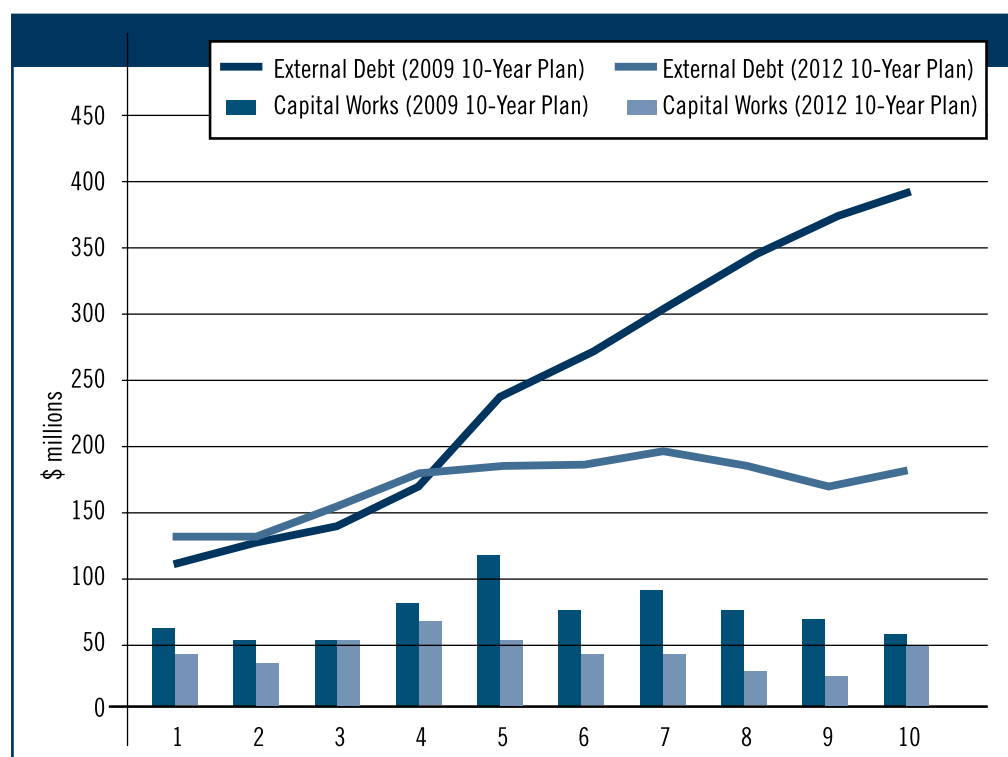
The reduction in capital expenditure has led to a significant reduction in forecast debt. Debt reaches \$171 million by the end of the next 10-Year period but this is a big improvement from the forecast in 2009. This means the 10-Year-Plan is affordable. With the reduction in capital expenditure and debt, forecast rates increases are also reduced. The average annual increase over the 10 years is now 4.6% down from 6.9%.

The graph below shows a comparison of the 2012 10-Year Plan to the 2009 for capital works and external debt over the 10 years. The improvement in the debt position is very obvious as the gap between the two lines is over \$220m.

As outlined, debt is still a very important tool when looking to build assets that have a long life so that not all the burden falls on today's ratepayers and residents. To share the cost into the future, Council needs to strike the right balance when it comes to debt.

Therefore the growth portion of the Capital Programme (some \$169m) will be funded by development contributions as growth occurs, but must be funded largely by debt in the first instance.

10 Year Financial Comparison – External Debt vs Capital Works



Roading

The level of investment in roading has reduced. The Council was able to do this because it has delivered a big programme of roads rehabilitation over the last three years. The investment in roading can reduce without a change in the level of service.

It should still be noted that roading and parking continues to absorb a large part of the overall budget costing approximately \$225 m or 41% of the capital expenditure budget.

3 Waters

Another key factor is a reduction in expenditure in the area of 3 waters (water supply, stormwater, waste water). Council wants to see savings through water demand management instead of spending money to provide more capacity (see Water Demand Management).

The future of the disposal of waste water in the Wakatipu Basin (Project Shotover) has also been closely reviewed. The Council currently disposes treated wastewater to the Shotover River, the original Project Shotover proposal involved disposing the wastewater to land at the Shotover Delta instead.

The Council has been able to come up with a more affordable proposal for this multi-million dollar project (see Project Shotover).

Rates

Operating expenditure is shown to increase over the 10 year period by an average of 5.5% (2009:6.6%) per annum. The forecasts do include a provision for inflation after the first year as well as increases as a result of projected growth within the district.

Operating revenue for the same period increases by an average of 4.5% (2009:5.9%) per annum. With the reduction in capital expenditure and debt, forecast rates increases are also reduced. The average annual increase over the 10 years is now 4.6% down from 6.9% (2009).

It is proposed therefore to set a rates increase limit of 4% subject to growth changes and the effect of increased levels of service. This will be a challenge for Council and will require disclosure of the base rate increase and separately identify the impact of growth changes and the effect of increased levels of service.

All the work that has been done means that the proposed rates increase for the first year of the 10-Year-Plan (July 2012 to June 2013) is 2.7%. This is subject to some changes in the way Council allocates the rates (see Rates Review). The Council's aim is to make the rates more transparent and fairer.

Airport Dividend

The future use for the Queenstown Airport dividend needs community input through this 10-Year Plan consultation process. The Council has included in the 10-Year Plan the assumption that the Queenstown Airport Corporation will pay a dividend to its shareholders (QLDC and Auckland International Airport). It assumes a dividend of \$41.8m in the next 10-years. The Council is proposing that 50% should be used to repay debt with the other 50% to be set aside as a potential funding source for local community projects. A working party is currently looking to establish the guidelines which will be subject to full community consultation.

In response to the 10-Year Plan survey 59% (82) supported Council's approach to affordability and 11% (15) did not, the remainder were neutral. The Council's approach to affordability remains unchanged in the final plan.

Community Engagement

Why we do it?

The current Local Government Act changed the basis of local democracy from a model of representative democracy – where elected members represent the community and make decisions on their behalf – to participative democracy where the community are engaged and involved in making decisions about the community they live in.

This activity aims to empower the communities of the Queenstown Lakes District to participate meaningfully in shaping the district's services, facilities and policies.

What we do?

At a compliance level, we inform and consult with the community on an issue by issue basis to provide useful information about the particular issue and receive community feedback on the options for its resolution. That feedback is then factored into Council's decision-making.

At a strategic level, Council is leading a broader community dialogue about defining what the district will look and feel like in the future. This conversation is focussed on developing a shared vision for the future and considering the paths available. Council is engaging with the communities of the district and other agencies that contribute to the future well-beings of the district.

At a community level, we support the activities of individual community associations. Modest activity grants are made to smaller communities to seed funding for local initiatives. Councillors have individual responsibilities as a conduit for each of the community associations. Community planning is supported by Council staff and through limited funding support.

Where are we now?

We have a well-developed communications plan and established channels for delivering information on overall Council activities and for specific issues.

We have embraced new social media (web, text, facebook, twitter etc.) to allow us to reach different segments of the community.

New systems have been introduced to enable us to record and manage community feedback on large and complex consultation projects, such as the review of the district plan.

Shaping our Future has commenced the process of developing a district vision and has identified a number of work streams for developing ideas into actions.

Where do we want to be?

Improve the way that Council interacts with and involves the community in its decision making processes so that the public are involved in and influence the decisions and shape the direction of Council in ways that are meaningful to them;

The community has a greater influence in developing Council priorities.

A greater number and range of members of the community are engaged in Council processes;

We have a shared sense of vision and purpose. The community is actively engaged in shaping the Council strategy.

How are we going to get there?

Continue the community engagement process;

Build the capacity and capability of the community members to influence the decisions of Council;
Act on feedback received to continually improve what we do and to prioritise investment in services for the community;
Build trust by being open and transparent, providing information about financial and non-financial performance.

Key Issue

Rates Review

In 2011 the Council began public consultation around a complete review of rates in our district. The main task of the Rates Review Working Party has been to look at how the general rates work.

The outcomes of the review which included public consultation are now included in this 10-Year Plan for further public input.

Until now the way general rates have been apportioned (differentials) has been largely historic. The working party wanted to review the rates to provide transparency regarding who pays and why.

The review focusses on how rates are allocated and decides who pays what share. An important part of this is to understand what impact the 2.8 million visitors to our community annually have on our costs. More importantly the review has considered how we best recover the costs.

The Council has tested the idea of a bed tax in the past with Central Government and it is reluctant to legislate for one. We have also listened to our community which has been vocal in the need to fairly apportion cost to visitors.

The next best thing is to use a series of targeted rates with the aim of recovering the impact of costs associated with visitors. To do this in a fair and transparent way, Council is looking to include a visitor cost in the rates of businesses in a region that benefits from tourism. In this way, Council will indirectly recover visitor costs in the rates charged to local businesses.

This is not a new concept for the district as there has been an element of indirect recovery already a part of the rates charged for the last 20-years. What has changed is the level of analysis and complete transparency within the new proposals.

For example the new recreation and events rate which will recover the costs associated with parks, reserves, trails, walkways, public toilets and events is designed to recover around 50 cents per day from each visitor. It's important that businesses first understand the concept and then give Council feedback on the proposal.

The focus of the review has been around making the general rate more understandable by breaking it down into a series of targeted rates. The new rates proposed are:

Recreation and Events Rate (as outlined)
Governance Rate
Regulatory Rate
Sports Halls and Libraries Charge

The general rate and uniform annual general charge are retained under the proposal but only fund a small amount of the costs previously collected this way.

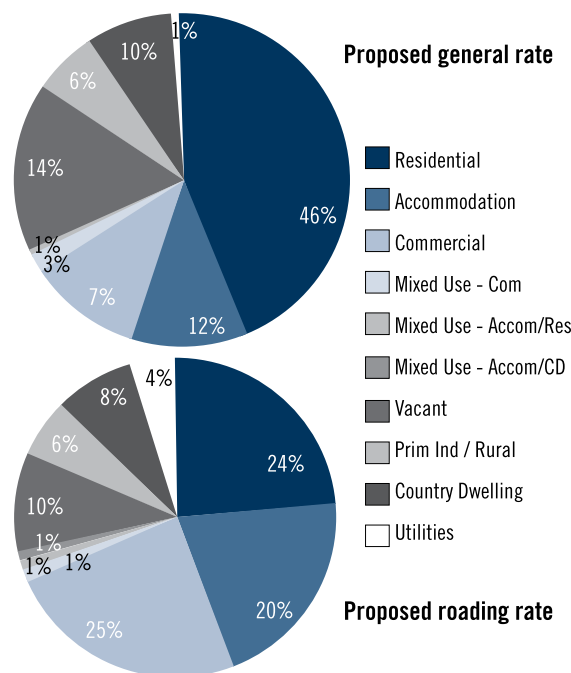
The differentials which apply to the Roothing Rate have also been re-calculated with the latest data.

For the General rate activities, the main impacts are as follows:

Residential
- increased allocation now 46% (was 42%)
Accommodation
- same allocation now 12% (was 12%)
Commercial
- decreased allocation now 7% (was 11%)
Vacant Land
- decreased allocation now 14% (was 17%)

For the Roothing rate activities, the main impacts are as follows:

Commercial
- increased allocation now 25% (was 19%)
Residential
- decreased allocation now 24% (was 26%)
Accommodation
- decreased allocation now 20% (was 22%)
Vacant Land
- decreased allocation now 10% (was 12%)



The Council is consulting in the 10-Year Plan on the proposed changes to rates policy. More detail about rates is available in Volume 3 page 39.

There were 87 submissions received that included a response on the rates review. In summary the main focus of the submissions was the proposal to introduce a new recreation and events rate, which included a differential for accommodation properties. The accommodation sector opposed the proposal.

The balance of submitters generally supported the outcome of the review and more importantly the principle that visitors should contribute (indirectly) to costs.

Several submitters asked Council to review the impact factor of 2.8. This has a significant effect on the allocation of this rate. Council has now completed this review. The factor of 2.8 was taken directly from a survey conducted several years ago. It is based on the relative time available on an average day for a visitor compared to a resident.

Council has reviewed the original survey findings and has applied the results over a full year. This approach is in line with the People/Days concept used to allocate the costs by a people related factor. The result is a reduction in the impact factor for Accommodation and Commercial within the Recreation & Events Rate. The impact factor reduces from 2.8 to 1.8.

The impact of the change is that \$480,355 of the cost previously allocated to Accommodation (\$375,450) and Commercial (\$104,905) is now allocated to Residential (\$334,195); Vacant (\$92,103); Primary Industry (\$11,729) and Country Dwelling (\$42,328). This reduces the allocation to Accommodation and Commercial by 18.5% and reflects a much fairer allocation of cost. The overall proposed increase to Accommodation rates is now roughly half of what was proposed in the draft.

Key Issue

Shaping Our Future Events Funding

The area of events in our district was considered a priority issue for the first Shaping Our Future forums. These district-wide forums concluded that a centralised event agency was required in the district and the Shaping Our Future Events Taskforce has produced a report with recommendations that the Council intends to consult on through the 10-Year Plan process.

The taskforce has recommended that the Council and the community endorse a 5-Year Plan. This includes the Council committing to the establishment and funding of a District Events Office. The key platforms upon which the District Events Office could be established are:

1. Strengthen and develop the Lakes District's ability and reputation as an event-friendly destination.
2. Provide a strategic framework and guiding principles for a balanced and coordinated calendar of events which provide community, economic and destination marketing benefit to the district.
3. Develop and coordinate the infrastructure and support services required to support events across the district.
4. Establish a framework and funding model to facilitate the provision of financial assistance to support the sustainability and growth of events in the district.

The Council has included \$50k for the establishment of a new event role plus an additional \$50k for community events in Year One of the 10-Year-Plan. It has budgeted an additional 100k per annum.







Proposal to be considered as a recommendation to the Annual Plan 2013

Council has not yet made provision for the indicative costs for years 2-5 of the recommended 5-Year-Plan.


In response to the 10-Year Plan survey question 36% (50) respondents supported a District Events Office and 40% (55) did not, the remainder were neutral. The Council's approach to events funding remains unchanged in the final plan.

Governance

Community Leadership ... To provide strategic direction to the Council and work towards community wellbeing

Community Wellbeing	Council Priorities (Strategic)	Council Objectives (Organisational)	Our Service	Measure	Actual Performance 2010/11	Target 2012-2015	Target 2015-2022					
 Quality landscapes and natural environment and enhanced public access	An enabling forward-looking financial strategy that is sustainable in the long term	Relationship Service Improvement	Meeting Councils statutory obligations and providing leadership	Community Satisfaction with overall Elected Member Performance	This question will be asked for the first time in 2012. The average for peer Councils that do survey this question is 87% (Hutt City Council)	80%	80%					
 A safe and healthy community that is strong, diverse and inclusive for people of all age groups and incomes	A balanced growth strategy that promotes employment and business opportunities and supports a strong and diverse community	Leadership and Organisational Capacity		Community Satisfaction with overall Council Performance	64%	65%	65%					
 Effective and efficient infrastructure that meets the needs of growth	A resilient and participating community that celebrates success, has pride in the district and its heritage and has thriving arts, cultural and sporting groups	Results and Performance Management										
 High quality urban environments respectful of the character of individual communities	Councillors and Council staff are respected for their approach, attitude, service delivery and governance											
 A strong and diverse economy	A natural and built environment that makes the Queenstown Lakes District a place of choice to live, work and visit.											
 Preservation and celebration of the District's local cultural heritage.		Value for Money	Working towards community wellbeing	Community satisfaction in District pride	79.5%	80%	80%					

Community Engagement... To enable the community to be informed and to choose to participate in decision making.

Community Wellbeing	Council Priorities (Strategic)	Council Objectives (Organisational)	Our Service	Measure	Actual Performance 2010/11	Target 2012-2015	Target 2015-2022
 A safe and healthy community that is strong, diverse and inclusive for people of all age groups and incomes.	A resilient and participating community that celebrates success, has pride in the district and its heritage and has thriving arts, cultural and sporting groups.	To strengthen and improve the way in which Council interacts with and involves the community in its decision making processes	Ensuring the community has 'a voice'	Community satisfaction with Council's consultation	50.3%	55%	60%
			To enable and inform the community	Percentage of community that feels well informed.	60.4%	65%	65%
				Council's websites benchmarked nationally, scored out of a possible 100%. (NB: QLDC is benchmarked nationally with other local governments on a range of best practice website functionality)	77.58%	80%	80%

Economic Development

- Tourism Promotion
- Council Land
- Forestry
- Wanaka Airport
- Camping Grounds
- Housing

Economic Development Overview

The Council is committed to the economic success of the district. It assumes roles on behalf of its communities around investment and economic development.

Economic Development – Who Pays?

Tourism Promotion - This activity exhibits a large degree of private benefit with a distinct group of beneficiaries and will be funded 95% from the Targeted Rate for Tourism Promotion based on capital value and applied on a ward basis, and 5% from the Uniform Annual General Charge.

Council Land - Funded by user charges with any surplus derived used to reduce general rate requirement.

Forestry - Funded by user charges with any surplus derived used to reduce general rate requirement.

Wanaka Airport - Funded by user charges with any surplus derived used to reduce general rate requirement.

Camping Grounds - Funded by user charges with any surplus derived used to reduce general rate requirement.

Economic Development Forecast Financial Performance

Economic Development - Summary of Forecasted Financial Performance				
Annual Plan 2011/12		10-Year 2012/13	10-Year 2013/14	10-Year 2014/15
\$000	Expenditure	\$000	\$000	\$000
3,902	Tourism Promotion	3,958	4,036	4,114
574	Council Land	512	497	476
173	Housing	201	207	215
389	Wanaka Airport	473	568	634
295	Forestry	296	308	319
4,863	Holiday Parks	4,919	5,027	5,143
10,196	Operating Costs	10,359	10,643	10,901

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6,426	Group Activity Income (1)	6,278	6,465	6,657
3,770	Net Cost/(Surplus) of Service	4,081	4,178	4,244
Capital Expenditure				
1,200	Council Land	8	-	55
301	Housing	5	56	33
1,110	Wanaka Airport	965	685	474
101	Holiday Parks	104	107	120
2,712	Capital Works	1,082	848	682
249	Debt Repayment	211	722	719
-	Vested Assets	-	-	-
2,961	Capital and Debt Repayment	1,293	1,570	1,401
6,731	Funding Required/(Generated)	5,374	5,748	5,645
Funded By:-				
3,706	Targeted Rates	3,672	3,741	3,810
586	General Rates	755	784	784
-	Asset Sales	-	-	-
1,441	Loans (Internal & External)	1,159	916	782
959	Transfers to/from Reserves	(241)	278	240
38	Depreciation not Funded	29	29	29
6,730	Total Funding	5,374	5,748	5,645
Activity Income Includes (1)				
6,426	User Charges	6,278	6,465	6,657
-	Property Sales	-	-	-
6,426	Total Activity Income	6,278	6,465	6,657

Economic Development Significant Negative Effects

Significant Negative Effects	How will Council mitigate the risk?
Forestry can have an effect on the natural environment in the short term.	The Council has a policy of ecological restoration by replanting areas denuded of wilding pine with native species.
Events can cause some inconvenience to the community through noise, traffic restrictions and littering	Events are monitored activities subject to traffic management plans, waste management plans and compliance with event-specific consent conditions.

Economic Development Assumptions

Please refer to page 3 of Volume 3 of the 10-Year Plan for Council Assumptions.

Tourism Promotion

Why we do it?

This activity supports the commercial interests of the district by collecting tourism promotional funding and providing it to the representative bodies of those commercial interests for distribution through targeted promotion. Tourism is this district's single biggest economic driver.

What we do?

- Over 25 years ago, the commercial sector of Queenstown formed a collective tourism marketing body (now known as Destination Queenstown) and approached the Council to collect and distribute a tourism marketing levy on each business that benefited from tourism growth. This took the form of a rate on every commercial premise (including mixed use) within the Wakatipu Basin. Later, a similar scheme was adopted for Lake Wanaka Tourism and the Arrowtown Promotion Association. Destination Queenstown and Lake Wanaka Tourism are part of the nationwide Regional Tourism Organisation (RTO) network and work closely with Tourism New Zealand, the National Tourism Organisation (NTO) to promote their regions.
- Each region's levy is collected on behalf of the Commercial sector to ensure that all businesses contribute fairly to tourism marketing, which in turn contributes to their individual success. It has worked well throughout that period.
- The funds are distributed to Destination Queenstown, Lake Wanaka Tourism and the Arrowtown Promotion Association. These membership organisations, through their constitutions, are not-for-profit Incorporated Societies which are fully representative of the contributing businesses. They, in turn, apply the funds in accordance with business plans agreed by their membership.
- The Council also supplements this funding by \$198,000 per annum from general rates to reflect the wider community benefit gained from tourism.
- As the rating authority, the Council achieves its accountability by satisfying itself that the funding reflects the strategic planning and business plans of each Regional Tourism Organisation.
- The Council and Destination Queenstown have concluded a strategic statement which places priority for marketing on development of the shoulder seasons, longer stay and high yield business. A similar strategic statement is planned for the relationship between Council and Lake Wanaka Tourism.

Where are we now?

Queenstown Lakes District Council currently provides funding for the promotion of the district's visitor/tourism industry to:

Destination Queenstown.
Lake Wanaka Tourism.
Arrowtown Promotion and Business Association.

Grants paid to promotional organisations

Expenditure \$000	2012/13	2013/14	2014/15
Destination Queenstown	3,172	3,233	3,294
Lake Wanaka Tourism	626	638	650
Arrowtown Promotion	113	116	118

The promotion bodies undertake some or all of the following activities:

- Travel Agent marketing.
- Attendance at Trade Shows promoting the District.
- Operation of a Convention Bureau to facilitate conventions and handle enquiries.
- Maintenance of a database of local products.
- Advertising.
- Maintenance of a website.
- Development and distribution of brochures promoting local products, for example accommodation, activities and services.
- Facilitation of marketing groups such as the NZ Ski Marketing Network.
- Provide regular media releases on activities and host international media when they visit.
- Management of events such as the Queenstown Winter Festival, Arrowtown Autumn Festival and Wanakafest.

Where do we want to be?

- Destination Queenstown's mandate is to work with its members to build sustainable demand for Queenstown tourism through innovative marketing. Success will position Queenstown as the Southern Hemisphere's premier four season lake and alpine resort.
- Destination Queenstown is committed to working with members to achieve \$1 billion p.a. in visitor spend in the resort by 2015 (currently about \$800 million).

How are we going to get there?

- A 10-year Tourism Marketing Strategic Plan facilitates alignment of core directional strategies with the aspirations of the broader community.
- In line with future strategies of Local and Central Government, Destination Queenstown has a 10-year strategic plan (current until 2014) that reflects its mandate as a membership organisation while overlapping relevant initiatives at local and central government level. Destination Queenstown recognises its position as a leading community-based organisation and acknowledges that its business and marketing strategies need to dovetail with members' and community's vision for the future of Queenstown.
- The overarching 10-year marketing plan outlines goals to ensure a sustainable tourism visitor mix that can deliver economic benefit to the community while preserving the unique nature of the environment for residents and visitors alike. Destination Queenstown also, in consultation with its members, drafts

an annual business plan with more specific objectives and actions. This acts as the reference for budget setting and marketing decisions that will drive sustainability, including:

- Seasonality - increase guest nights in the shoulder seasons.
- Increase visitor length of stay – at all times of year.
- Increase visitor yield.
- It is important to note that tourism is a collection of many diverse industries that can be variously affected by regional, national and international events and market conditions so while a 10-year plan is intended to indicate a strategic direction for Queenstown tourism marketing and development, strategic plans must have the flexibility to quickly adjust to changing market conditions. Destination Queenstown undertakes to review the 10-year strategic plan in line with its annual business planning process.

Council Land

Why we do it?

The Council is involved in this activity to provide the maximum possible return and benefit for the community. The Council portfolio includes residential and commercial subdivisions, freehold land, leased camping grounds, reserve land, airports, rental properties.

Land under cemeteries, community and recreational facilities or utility land are regarded part of those activities. The Council is involved in land ownership for many reasons and with many restrictions. Land is owned for the provision of community facilities including the various types of community buildings, recreational facilities and infrastructural requirements such as parking, cemeteries, oxidation ponds, water reservoirs and airports.

What we do?

Community Assets - has been categorised into land, subdivisions, camping grounds and housing. Land includes all land owned by Council regardless of its designation or use. In some cases, blocks of land will also be covered under other plans such as community facilities, recreation facilities, waterways facilities, cemeteries, libraries, sewerage disposal, waste management, parking facilities or water supply.

The Council owns land with the specific intention of developing it for subdivision to gain income for use in supporting other community projects. At present the two main areas are Scurr Heights in Wanaka and The Commonage in Queenstown. The land of the latter is governed by legislation.

There are a number of Council owned camping grounds in the district. Frankton and Hawea camps are leased to private operators who own the improvements and the lease only covers the land. The Camping Ground Strategy was adopted by Council in 2005 and will be reviewed in 2012. All of the district's camps will be managed by the Council as the leases expire under the current policy. Council currently manages Queenstown Lake View Holiday Park, Arrowtown Born of Gold Holiday Park, Wanaka Lake View Holiday Park, Glendhu Bay Camp, and Albert Town Camping Ground.

Subdivision - The purpose of the subdivision and sale of Council land is to obtain much needed revenue to fund community projects.

Road Legislation - The service of Council road stoppages, closures and legislation processes.

Where are we now?

Reserves

The Council owns a large number of reserves for uses such as sports grounds, district reserves, neighbourhood reserves, local reserves, community building reserves and open space or passive reserves.

Non reserve

Non-reserve land is held for various reasons including car parking, transfer stations, oxidation ponds, civic centre, residential leasehold and development or subdivision.

Services Provided

- Development and sale of Council subdivisions at Scurr Heights in Wanaka and the Commonage in Queenstown. No further subdivision of Scurr Heights is planned for this period, however further subdivision of the Commonage is scheduled.
- Accurate budgeting and forecasting of subdivisions, showing all related costs against income.
- Forward planning to match future demand with supply, bearing in mind the cyclical nature of the area's property market.
- Strategic overview of property portfolio to identify opportunities for increasing the utilisation of, or revenue to be gained from, Council-owned land.

Over time, the community's investment in some assets can become less relevant. New priorities could mean that funds tied up in land and buildings will need to be re-apportioned. The comprehensive redevelopment of the Lakeview Project is a good example.

Road Legislation

- Update Rapid number
- Update Urban Street Numbering
- Co-ordinate with GIS department
- Process temporary road closures
- Process permanent stoppages

Where do we want to be?

To maximise the utilisation and returns from Council-owned and managed assets and land through appropriate development and management.

How are we going to get there?

- To provide community assets for the present and strategic benefit of the community.
- To generate revenues from section sales that will assist in the financing of major projects such as water and sewerage, other infrastructure developments and community facilities.
- To rationalise Council-owned and managed land that has no amenity value or benefit to the community.
- To rationalise land holding with the Department of Conservation.
- To provide community facilities.
- To rezone or designate land to better protect the public purposes for whom it was acquired.
- To maintain heritage buildings to a good standard and obtain a commercial return from leasing where practical.

Forestry

Why we do it?

QLDC owns three forests, Ben Lomond Reserve, Queenstown Hill Reserve and owns part of the Coronet Forest with Central Otago District Council (CODC), 75:25 split.

The reserve forests of Ben Lomond and Queenstown Hill need to be managed because:

1. The exotic species are spreading, smothering indigenous vegetation within the reserves and spreading well beyond the reserve boundaries. There is a need to contain the forest and remove it from areas where native forest can be restored.
2. The forests form the backdrop to Queenstown providing both a recreation resource and a unique scenic landscape. There is a need to protect Queenstown's scenic appeal and enhance recreation opportunities.
3. The forest protects the town from rock fall but also poses a significant fire risk, particularly if wood volumes are left unchecked.
4. The forests contain some of the fastest growing Douglas fir in New Zealand so there is an opportunity to harvest timber in a sustainable manner to generate revenue for the management of the districts' parks and reserves and wilding conifer control.

The forestry objectives:

Forestry Management

1. Management of exotic forest to recover merchantable timber where amenity can be improved and recreational opportunities and indigenous vegetation enhanced.
2. To ensure the logging operations minimise impacts on landscape and recreation values and existing facilities.
3. To ensure the safety of the public and other facilities on the reserve

Coronet Forest is a production forest and needs to be managed so that maximum return is realised at harvest.

The management objectives for the Coronet Forest are:

- To grow a crop of Douglas fir for maximum profitability within the constraints of
 - Good forestry practice
 - Sustainable land use
 - Respecting the wider social objectives (of landscape and public use) of the QLDC as contained within the District Plan

Coronet Forest only contains one recreational licence holder.

Most of the QLDC forests have been classified as Pre-1990 forests under the Governments Emissions Trading scheme. QLDC must replant if the forests are felled under this scheme. QLDC has been allocated carbon credits for the restriction on land use.

What we do?

We have recently designated the QLDC forest areas as 'forests' under the QLDC Operative District Plan.

This means that the land can be used primarily for the purpose of planting, tending, managing and harvesting of trees for timber and wood production.

The forests are production forests and by designating the forests we can take advantage of spikes in export and domestic log markets by obtaining a profitable return for the valuable timber resource.

All forests have a forestry plan and management of the forests is carried in line with these plans.

Where are we now?

We have been following both forestry plans;

- Ben Lomond and Queenstown Hill Forestry Plan
- Management plan for Coronet Forest, Arrowtown

Both plans are ready to be updated, this was agreed as part of the designation process, and will happen with public consultation.

We are currently harvesting 4ha of Ben Lomond Forest, supplying timber to local sawmills, maximising return to rate payers by offsetting reserve costs.

Where do we want to be?

We want to update the two plans with consultation from the community.

Once the plans have been updated we want to continue to carry out managing the forests to maximum future returns (thinning, planting, silvicultural operations).

We would also want to carry out harvesting operations where viable, replacing the forest with a non-spreading species, and managing the forest for safety.

How are we going to get there?

Once the plans have been updated, we will carry out the management objectives within the plans.

Wanaka Airport

Why do we do it?

Airports are drivers of economic growth and Wanaka Airport is set to experience significant growth over the next 30 years. The Airport is a business hub for the Wanaka Community and the host of the internationally recognised biannual Warbirds Over Wanaka Airshow.

In terms of Airport locations, Wanaka Airport is well sited. It is located away from populated urban areas and has topographical and climatic advantages. It has frontage and vehicle access to State Highway 6. The Council has made a significant investment in the current Airport site to acquire additional land and seal the 1200m main runway.

What do we do?

Wanaka Airport is located off the Wanaka-Luggate Highway (SH6) approximately 13km to the south-east of Wanaka and 2.5km west of the township of Luggate. The Airport occupies approximately 38ha of land.

The Airport has two parallel runways. The main runway is sealed and is 1200m long and 30m wide. The secondary grass runway is 840m long and 40m wide and is primarily used for smaller and vintage aircraft for landing.

The Airport has a number of established commercial and private facilities on leased sites, including a range of aviation maintenance businesses, a skydive facility and a helicopter training establishment. The Airport also has a small terminal servicing Eagle Airways, which provides a daily scheduled service to and from Christchurch.

The Airport is also the location for the new Warbirds Over Wanaka Community Trust tourist attraction, featuring Warbirds aircraft, vintage cars, other museum attractions and a diner-style Café.

Where are we now?

In 2006, the total number of passenger movements was 21,432. The Airport is set to experience significantly increased demand for services providing aircraft movements over the next 30 years. The forecasts see this increasing to 32,000 in 2016 and 109,900 passenger movements by 2036.

Where do we want to be?

The Airport will need to expand in the medium term to accommodate some of the elements identified in the Wanaka Airport Master Plan and the 2010 Addendum to the Master Plan. Of particular importance is the need for an extension to the existing main runway or the alternative new runway to enable the Airport to service larger aircraft.

In 2011, the Airport completed hearings on two Designations and a Noise Plan Change to protect the land around the Airport for future growth. These planning instruments are currently on appeal to the Environment Court with mediation scheduled for early 2012.

How are we going to get there?

As noted above, the Airport is putting in place the planning instruments necessary to protect its future growth. The Airport Committee is also working with local operators and the scheduled service provider Eagle Airways to improve the facilities at the Airport, including expanding the apron, sealing additional roads and improving the terminal facility.

Camping Grounds

Why we do it?

Council involvement in camping grounds has traditionally existed to ensure an affordable accommodation option is available, while giving a regular and market based income from both leased camps and the Council managed Queenstown Lakeview Holiday Park.

Historically throughout New Zealand, low-cost accommodation options like camping and cabins were not profitable. To fill the gap, local Councils started providing these facilities, often on reserve land. This is the case of the Queenstown Lakeview Holiday Park which is located on land covered under the Reserves Act.

The district continues to be an important visitor destination. This activity ensures that a full range of accommodation options are available to domestic and international visitors by providing affordable camping options close to major populated centres, without incurring a cost to the ratepayer.

What we do?

- Lease camping grounds to private operators or clubs on a commercial basis at Luggate (lease expiring 2012) Frankton (lease expiring 2018) and Lake Hawea (lease expiring 2037) under current policy but to be reviewed 2012.
- Manage and operate the Arrowtown Camp Ground, Queenstown Lakeview Holiday Park, Albert Town Camp Ground, Glendhu Bay Camp Ground and Wanaka Camp Ground.
- The Lakeview development project drew to a close in late 2008 when the selected developer could not proceed due to the impact of the recession. The Council at the time decided to shelve the project until the economic outlook improved. The current status is on hold pending improved market conditions.
- To ensure that existing facilities are maintained to a high standard that meets the needs of users.

Where are we now?

The Council ensures there are broad opportunities for affordable 'kiwi camping style' accommodation in seven different iconic parts of the district. The facilities and range of accommodation options have been upgraded in both Queenstown and Arrowtown, however camp and caravan sites remains a core part of the facilities on offer. The Council has commenced the upgrade of the Glendhu Bay camp ground. Council intends to revise its existing 2006 Camp Ground Strategy, with many of the recommendations having now been implemented.

Where do we want to be?

Continuing to offer a range of affordable 'kiwi camping' style accommodation into perpetuity, that delivers value for money for the ratepayer. This would include a definition of service levels as part of the review.

How are we going to get there?

Future demand will be closely linked to the growth and type of visitors, and community expectation. Council will monitor demand and respond with new or updated policies as necessary.

The Council intends to undertake a review of the 2006 Camp Ground Strategy in 2012/13. The aim of the review is to examine the provision, effectiveness of operation including lease arrangements, location and asset ownership of the camping grounds in the long-term. In particular the Council will review the Glendhu Bay upgrade in line with users needs, review the feasibility and funding options for the proposed redevelopment of the Wanaka Lakeview Holiday Park, consider the future of the Luggate Camp (lease expires 2012) and consider the possible development of addition freedom camping sites.

Housing

Why we do it?

Residential properties are generally owned by the Council as an investment for future infrastructure development. Elderly housing was introduced to Arrowtown and Wanaka in the 1970's and 1980's respectively to meet the demand. The Council supports the provision of affordable housing in the district.

What we do?

The Council manages and maintains nine, one bedroom elderly person's flats. It further manages and maintains five residential houses and six residential apartments. In 2005 the Council adopted the Housing Our People in our Environment (HOPE) Strategy. Council continues to implement on going actions and supports the Queenstown Lakes District Housing Trust in the provision of affordable housing in the district.

Where are we now?

The Council developed four elderly persons flats in the 1970's and a further five in Wanaka in the 1980's. All nine units are currently occupied and there is a waiting list. The flats are rented out at between \$50-64 per week and the rent has not been increased for at least 10 years. The properties earn Wanaka (\$15,000) and Arrowtown (\$11,500) in total per annum in terms of rental. The cost of repairs and maintenance varies annually. In the 2010/11 year the budget for maintenance and repairs was Wanaka (\$16,000) and Arrowtown (\$12,000).

Of the residential properties owned, some are 'land banking' for future infrastructure development and some are sited on Council reserve.

Where do we want to be?

The Council will need to consider and implement policy around the provision of this activity.


How are we going to get there?

- To consider the provision of the existing portfolio of elderly housing.
- To maximise returns from all other Council-owned housing.



- To continue to undertake to implement the outcomes of the HOPE Strategy 2005 and support the Queenstown Lakes Community Housing Trust.

Economic Development

Tourism Promotion ... To build sustainable demand for visiting our district through innovative marketing

Community Wellbeing	Council Priorities (Strategic)	Council Objectives (Organisational)	Our Service	Measure	Actual Performance 2010/11	Target 2012-2015	Target 2015-2022
 A strong and diverse economy	An enabling forward-looking financial strategy that is sustainable in the long term	Build sustainable demand for visiting our district through innovative marketing	Ensuring that our district is well marketed to the world to ensure a strong tourism market for businesses	Annual visitor spend is increasing (Queenstown)	\$874m (2009 – latest figure from MED)	\$1B	\$1.2B
				Annual visitor bed nights increase (Queenstown)	2.4m guest nights - Destination Queenstown Commercial Accommodation Monitor	2.6m guest nights (3% increase per annum as per DQ target)	2.8m guest nights

Camping Grounds ...To provide affordable accommodation to visitors of the district without creating a cost burden on the ratepayer

Community Wellbeing	Council Priorities (Strategic)	Council Objectives (organisational)	Our Service	Measure	Actual Performance 2010/11	Target 2012-2015	Target 2015-2022
 A strong and diverse economy  A safe and healthy community that is strong, diverse and inclusive for people of all age groups and incomes	An enabling forward-looking financial strategy that is sustainable in the long term	To provide affordable accommodation to visitors of the district without creating a cost burden on the ratepayer	Creating revenue to maintain zero cost to ratepayers	Cost to ratepayer	\$0	\$0	\$0
			Keeping accommodation costs affordable to help visitors	Average cost per night tent site (Queenstown)	\$20 Charge	\$22 Charge	>\$30 Charge

Community

- Library Services
- Community Development
- Community Grants
- Public Toilets
- Cemeteries
- Community Facilities
- Waterway Facilities
- Parks and Recreation Facilities

Community Overview

Community – Who Pays?

This activity is largely public good with little scope for user charges and is therefore largely funded by rates. Those activities which provide largely local benefit: sportsfields, libraries and community halls will be funded from the new targeted Sports Halls and Libraries Annual Charge. Most other activities will be funded by the district-wide targeted Recreation and Events Capital Value General Rate.

Library Services - This activity provides a relatively high degree of private good but there is also a significant element of public good. Council wishes to encourage the use of library facilities and will therefore limit the user charge element to the minimum. The activity will therefore be funded 90% from the proposed district-wide targeted fixed Sports, Halls & Libraries Charge and 10% from user charges for some specialised or high demand services. The Sports, Halls & Libraries Charge will be targeted at properties with a residential component and not at businesses.

Community Development - This activity is largely public good with for the recreational and cultural activities and will therefore be funded 90% from the proposed district-wide targeted capital value based Recreation and Events Rate with the remainder provided by cost recoveries

Community Grants - This activity is largely public good with no scope for user charges and will therefore will be 84% funded from the Uniform Annual General Charge and 16% funded from the proposed district-wide targeted capital value based Recreation and Events Rate for the grants made to organisations for recreational purposes. This analysis relates to the cost of the activity after allowing for the receipt of grants by Council in its role as agent.

Public Toilets - This activity provides a relatively high degree of private good but there is also a significant element of public good. Council recognises that these facilities are used to large degree by visitors to the district and has considered the option of user charges but has rejected this on the basis of efficiency. The activity will therefore be funded 100% from the proposed district-wide targeted capital value based Recreation and Events Rate.

Cemeteries - This activity provides a relatively high degree of private good but there is also a significant element of public good. This activity will therefore be funded 60% from user charges in the form of plot sales and burial fees with the balance of 40% coming from the Uniform Annual General Charge.

Community Facilities - This activity provides a relatively high degree of private good but there is also a significant element of public good. Council wishes to encourage the use of community facilities and will therefore limit the user charge element to 30%. Council has also determined that it will not seek to fund the depreciation expense associated with these assets. The activity will therefore be funded 70% from the proposed district-wide targeted fixed Sports, Halls & Libraries Charge and 30% from user charges. The Sports, Halls & Libraries Charge will be targeted at properties with a residential component and not at businesses.

Waterway Facilities - Over the past five years, Council has made a substantial investment to improve waterways assets throughout the district. It is now appropriate for the target for recovery from user charges be increased from 10% to 40%. It is recognised that there are real difficulties in terms of designing an effective and efficient regime for the collection of boating user fees and that we must rely on our local by-law for fees.

Aquatics - Council wishes to encourage the use of aquatic facilities and will therefore limit the user charge element to 60%; this is in line with the original feasibility report which indicated that 60% of operational costs should be recovered from users directly. Council has also determined that it will not seek to fund the depreciation expense associated with these assets. This activity will therefore be funded 40% from the Aquatic Centre Charge which is targeted to the Queenstown/Wakatipu and Arrowtown wards only and 60% from user charges. The Aquatic Centre Charge will be targeted at properties with a residential component and not at businesses. The remaining 10% of the operating short-fall attributable to visitors will be funded from the proposed district-wide targeted capital value based Recreation and Events Rate.

Parks and Recreation -Community Forecast Financial Performance

Community - Summary of Forecasted Financial Performance				
Annual Plan 2011/12		10-Year 2012/13	10-Year 2013/14	10-Year 2014/15
\$000	Expenditure	\$000	\$000	\$000
4,030	Community Facilities	4,231	4,420	4,811
6,207	Active & Passive Recreation	6,749	7,389	8,071
562	Community Development	623	662	683
492	Community Grants	646	596	615
2,063	Libraries	2,091	2,159	2,223
198	Waterways	206	208	209
140	Cemeteries	164	172	187
779	Public Toilets	770	816	857
14,471	Operating Costs	15,480	16,422	17,656
5,124	Group Activity Income (1)	3,516	4,928	7,503
9,347	Net Cost/(Surplus) of Service	11,964	11,494	10,153
	Capital Expenditure			

1,593	Community Facilities	1,679	895	17,098
5,336	Active & Passive Recreation	5,606	6,242	4,739
387	Libraries	290	326	341
73	Waterways	83	34	35
11	Cemeteries	66	166	12
200	Public Toilets	324	294	190
7,600	Capital Works	8,048	7,957	22,415
1,531	Debt Repayment	732	1,496	1,686
-	Vested Assets	-	-	-
9,131	Capital and Debt Repayment	8,780	9,453	24,101
18,478	Funding Required/(Generated)	20,744	20,947	34,254
Funded By:-				
6,608	Targeted Rates	10,771	11,704	12,618
3,903	General Rates	582	541	558
2,553	Loans (Internal & External)	3,982	2,776	12,603
3,973	Transfers (to)/from Reserves	3,864	4,201	6,562
1,443	Depreciation not Funded	1,545	1,725	1,913
18,480	Total Funding	20,744	20,947	34,254
Activity Income Includes (1)				
1,333	User Charges	1,421	1,480	1,541
525	Grants & Subsidies	80	82	2,546
267	Other	197	199	200
-	Vested Assets	-	-	-
2,999	Capital Contributions	1,818	3,167	3,216
5,124	Total Activity Income	3,516	4,928	7,503

Capital Expenditure

Major Projects (\$000)	2012/13	2013/14	2014/15
Halls - Wanaka Sports Facility			
Wanaka sports facilities building - Stage 1	208	214	16,415
Parks and Reserves - Wakatipu Ward			
Roading Improvements (parking and driveway)	-	393	-
Compact Ride-on Pavement Sweeper	200	-	-
Lighting improvements Queenstown Gardens	-	-	217
Signs and Furniture	66	68	70
Parks and Reserves - Wanaka Ward			
Kellys Flat field development	468	-	-
Halls - Queenstown			
Queenstown Memorial Hall Upgrade	265	-	-
Libraries - Queenstown			
Book Replacements - Queenstown	75	77	80
Libraries - Wanaka			
Wanaka - Book Replacement	75	77	80
Walkways - Wakatipu Ward			
Wakatipu Trail Development	229	-	-
Wanaka Aquatic Centre			
Wanaka aquatic centre - learners pool	208	-	-

Community Significant Negative Effects

Significant Negative Effects	How will Council mitigate the risk?
Weed spraying can affect the public and the environment.	All contractors will be qualified for spraying. A 'no' spray register is available and notification of spraying undertaken.
Anti-social behaviour, vandalism and graffiti can occur in toilets, parks and public places	Council includes safe design principles in parks and street amenity.
Parks and reserves could impact on neighbours through noise, security and privacy issues.	Council will ensure parks and reserves are monitored and complaints acted upon.

Community Assumptions

Please refer to page 3 of Volume 3 of the 10-Year Plan for Council Assumptions.

Community Development

Why we do it?

Community development is aimed at informing, involving and empowering the community and to ensure the wellbeing of all sectors of the community.

What we do?

- Offer community support in terms of community group advocacy, promotion and publicity.
- Maintain relationships with community groups, for example Smaller Community Network.
- Work with groups such as youth, happiness house and other agencies to support the community.

Where are we now?

We provide support and administration via the Arts and Events facilitator role.

Where do we want to be?

- Continue to support and maintain relationships with all sectors of the community.
- Ensure that Council is engaged with youth and that the necessary facilities and services are available to ensure the wellbeing of youth in the district.

How are we going to get there?

Development of a Youth Strategy to support the wellbeing of youth in the district.

Library Services

Why we do it?

- To ensure all members of the community have ready access to a wide range of resources in a range of formats for information, education, leisure and cultural enrichment.

What we do?

- Provide libraries in Queenstown, Arrowtown, Wanaka, Lake Hawea, Kingston, Glenorchy and Makarora
- Operate libraries as a joint library service with the Central Otago District Council
- Provide professional assistance and training to customers seeking information.
- Provide events and activities which support literacy, learning and cultural experience.
- Provide informal community space where people meet, read, study and attend programmes.
- Provide a wide range of resources for the community that individuals may not afford for themselves. These include books, magazines, newspapers, talking books, music, videos, DVDs, e- resources and access to information databases.

Where We Are Now?

- There were 382,040 issues from the libraries in 2010/11 which was a 4.87% increase over the previous year.
- Stock is currently at 108143, 4.71 per head (based on 2006 census population figure: 22956).

Where Do We Want To Be?

- To meet agreed levels of service in a cost effective manner.
- To provide a collection of information, recreational and cultural resources which meet customer demand for quantity, quality and format.
- To provide attractive buildings in locations convenient to the community, with sufficient space for community demand, as well as adequate shelving for the collection at convenient height and spacing.
- To meet increasing customer demand for speed and convenience, especially by increasing resources and services available through the library website, and increasing efficiency of the library management software system.
- To support local business competitiveness by providing business information and training for business people, in partnership with local training providers. The library will also support Council staff with information and research as required.
- To encourage literacy and lifelong learning, supporting formal and informal education. Good reading and information skills are essential for daily life and economic performance of a community.

How We Are Going To Get There?

- Complete the planned extension for the Hawea Library.
- Provide Learning Centres within current library facilities to assist customers to understand and use information technology for learning and living.
- Provide adequate technology and well-trained staff, to meet the needs of the community for high quality information and assistance with lifelong learning.
- Improve the quality and range of services which can be accessed through the website.
- Increase resources and professional skills which assist local business, in consultation with local business training providers.
- Provide a programme of events for adults and children to encourage literacy and celebrate our heritage and cultures.
- Review and improve service to Maori and other cultural groups within our communities.
- Continue to collect, preserve, digitise and catalogue local heritage materials in written or audio-visual formats. Work in partnership with museum staff, iwi and community groups.
- Carry out planned programme of collection of data from/about our customers and potential customers, and their needs.
- Seek sponsorships, partnerships, and alternative funding sources to improve

Community Grants

Why we do it?

- To provide financial support to community associations for the delivery of small projects and encouragement of community engagement.
- To ensure community groups can access funding available through other agencies

What we do?

- Provide grants to community associations to support their activities.
- Administer other grants such as the Sport New Zealand Rural Travel Fund and Creative Communities Fund
- Provide advice and support to groups seeking to raise funds for community projects

Where are we now?

We provide support and administration via the Arts and Events facilitator role.

Where do we want to be?

Continue to provide timely advice and support to community groups so they can access and lever funding to provide community outcomes.

How are we going to get there?

Maintain access to funding databases and provide timely information and support to community groups.

Public Toilets

Why we do it?

Public toilets are provided in town centres and major parks for the comfort and convenience of visitors. Back country toilets are provided in more remote locations to protect the environment.

What we do?

We provide a range of public toilets that are accessible 24/7. All facilities other than back country toilets include disabled access and baby change facilities.

Where are we now?

Over 80% of public toilets are less than 10 years old with the majority of these facilities featuring high quality durable interiors that are clean, modern and safe. We provide toilets at three service levels. 1. Tiled interiors in town centers and high use parks, 2. Timber and concrete interiors in rural parks and 3. Fiberglass hold all toilets in remote locations. Cleaning is scheduled according to use and season and varies from six times per day to once per week.

Where do we want to be?

Replace the remaining toilet blocks that are more than 10 years old with modern facilities and continue to maintain, refurbish and renew those facilities which are less than 10 years old to maintain high standards of hygiene and comfort for users.

Both the Wanaka and Queenstown town centres would benefit from additional toilet facilities and these have been included in the plan. Additional toilet facilities have also been included for the New Zealand Cycleway.

How are we going to get there?

Continue with programmed and routine maintenance at current levels and undertake capital works to renew and refurbish toilet buildings as required.

Cemeteries

Why we do it?

To promote wellness in the community by enabling healthy grieving and memorialisation.

What we do?

We undertake interments, maintain 10 cemeteries throughout the district and provide on-line access to cemetery records.

Where are we now?

The Council controls the interment process and coordinates interments with funeral directors and families. Interments are carried out by contractors and the Council maintains cemetery grounds. The Councils cemetery strategy ensures sufficient land is available to accommodate interments as population grows while the Cemetery Policy provides fair and consistent direction to the allocation of plots.

The Queenstown and Frankton Cemeteries are nearing the end of their viable life for burials and may be limited to ash interments after 2012.

Where do we want to be?

We will continue to provide cemetery services that are respectful of the needs of families and loved ones and maintain cemetery grounds as park like settings.

The Shotover Cemetery will be developed during 2012 to accommodate interments from the Queenstown and Frankton Communities

How are we going to get there?

- Continue to maintain cemeteries and provide interment services to current service levels.
- Develop the Shotover Cemetery to replace the Queenstown and Frankton Cemeteries as the main cemetery for the Wakatipu basin (excluding Arrowtown).

Community Facilities

Why we do it?

To provide facilities for the community to meet, perform and undertake other leisure activity such as swimming.

What we do?

- We provide a range of halls and similar multi-use indoor facilities throughout the District.
- Alpine Aqualand is the major aquatic facility in the district with smaller community pools provided in Glenorchy, Arrowtown and Wanaka. Funding assistance is also provided to the Hawea Flat School Pool.

Where are we now?

- We have a range of multi-purpose halls and venues that provide space for a wide range of public and private functions and events. These facilities are managed by Lakes Leisure Ltd.
- Community Halls in Cardrona, Luggate, Hawea and Glenorchy are maintained and managed by Councils property manager in conjunction with the local hall committees.
- Halls require continual upkeep and improvement to meet community needs and expectations.
- Capacity at the Wanaka Pool is an issue and in particular there is a conflict between learn to swim requirements and adult training requirements.

Where do we want to be?

- We want to provide a range of cost effective venues that are fit for purpose, are economic to run and cater for the range of uses.
- We want to improve learn to swim facilities at the Wanaka Pool as an interim step to the redevelopment of swim facilities in Wanaka.

How are we going to get there?

- Continue to maintain and improve community halls and venues to meet user requirements.
- Upgrade Memorial Hall to cater for a wider range of uses including small conferences
- Build a dedicated learn to swim pool alongside the Wanaka Pool. (A redevelopment of the Wanaka Pool as part of the Wanaka Sports Facilities will not take place within this LTP)
- Construct the Wanaka Sports Facility to provide for the sporting needs of the Wanaka Community.

Key Issue

Community Facilities - increased level of service



An artist's impression of the proposed Wanaka Sports Facility Complex

Wanaka Sports Facility

A priority project for community facilities is the Wanaka Sports Facility project. The 10-Year Plan proposes that stage 1 of the development (indoor sports facility and hard court area) will be completed in year three 2014/15.

The Working Party has completed a Facilities Mix report and produced concept design plans, perspective drawings and the landscape design concept report.

The quantity surveyor's capital cost estimate has been received and the first cut of the operating cost and impact on rates has been prepared.

The Notice of Requirement for the land has been lodged and stakeholder agreements with Ballantyne Investments Limited and Willowridge Developments Limited have now been signed.

The Cost

The Cost - Wanaka sports facility

Key Financial Details

Capital cost	\$16.84 million
Project Timing	2013-2015

Operating Revenue (User Fees)	165,000
Operating Expenditure:	
Direct Costs	460,000
Depreciation (Funded)	167,153
Interest	402,597
	1,029,750

Operating Deficit	864,750
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Impact on Rates

Estimated Deficit From above:	864,750
Chargeable Properties (per new Sports, Halls & Libraries Charge)	
District wide chargeable properties:	18,078
Additional Amount to Charge (incl GST)	\$55.01
Increase on 2015/16 Total Rates	2.35%

Rate Funding of Deficit

1. Area of Benefit will be District wide as for the Events Centre (excluding the aquatic centre)
2. Funding by way new differential Annual Charge (Sports, Halls & Libraries Charge)

It's important that the Upper Clutha community understands the impact of this project. There are financial implications and increased and ongoing (operational) costs as a result of this decision.

In response to the 10-Year Plan survey question 34% (49) thought the Wanaka Sports Facility was a priority and 41% (60) said it was not, the remainder were neutral. The Wanaka sports facility funding and timing remains unchanged in the final plan.

Event Centre Extension

The major projects for the Queenstown Event Centre campus (extension to sports hall and sports field development and the covered courts project) have been included in this 10-Year Plan but prioritisation and financial constraints (especially the need to deliver an affordable 10-Year Plan) mean they won't start until year four (2015).

This is later than indicated in the Lakes Leisure Master Facility Plan consultation for the site. Demand on these facilities is therefore likely to increase in the interim.

The community may need to be more flexible regarding sports scheduling to optimise the existing facilities.

In response to the 10-Year Plan survey 68% agreed with the Council's approach to defer QEC projects and 17% (25) were against, the remainder were neutral. The Council's approach to the Event Centre Extension remains unchanged in the final plan.

Convention Centre

In August 2011 Mayor van Uden established a Convention Centre Working Party to investigate the viability of developing such a facility for Queenstown.

The group includes membership from the Queenstown Chamber, Destination Queenstown Convention Bureau, the arts, business and accommodation sectors. The working party is narrowing its focus on a number of issues (location, size, cost, economic benefit and challenges). The goal has been to find ways to deliver the project so that it will be affordable to the community.

Although the working party currently sits outside any formal Council process it should be flagged that whilst major funders, including Central Government, will be sought to commit to the project, it is likely that the Council will reach a position where it will need to consult with its community before it can proceed.

The Council has committed to undertake a feasibility study, which will be done in two stages being firstly the establishment of demand and secondly consideration of location.

No other funding has been included in the 10-Year Plan for a convention centre but this could be revisited with the community in next year's Annual Plan or through a Special Consultation Process.

Memorial Hall

In response to a submission to the Annual Plan a working party was formed in 2010 to investigate the potential upgrade of the Memorial Hall to make it a better performing arts and community venue.

Research and consultation with stakeholders showed an upgrade was both needed and viable and a charitable trust was formed to oversee fundraising for the \$3 million project. Subject to funding targets being reached, the hall is scheduled to close for renovation on 22 July 2012.

The Council has included \$220,000 in this 10-Year Plan for the Queenstown Memorial Hall Upgrade project.

Waterways Facilities

Why we do it?

To provide a range of recreational boating facilities so the community can safely utilise waterways for recreation and commercial activity

What we do?

- Provide a harbourmaster to administer bylaws and regulations and promote water safety
- Provide a range of boat ramps, jetties and moorings to facilitate the use of waterways
- Maintain a register of waterway structures and foreshore licences

Where are we now?

In general jetties and boat ramps are well maintained with adequate facilities to meet the needs of commercial and recreational waterway users

Where do we want to be?

- To continue to provide safe and well sited boating facilities
- How are we going to get there?
- By maintaining existing levels of service
- By continuing a programme of asset inspections and maintenance.

Parks and Recreation Facilities

Why we do it?

To provide for the health and well being of the community.
To protect the ecological health of the district and enhance and protect the landscape.

What we do?

- Provide, manage and maintain over 1000 hectares of parks and reserves from neighbourhood parks to natural areas, forests and sports parks.
- Provide an extensive network of modern playgrounds.
- Facilitate a wide range of activity including golf, bowls, specialised mountain biking parks, skateparks, cross country skiing and other sporting activities.
- Provide and maintain a network of walking and cycle trails across the district including the New Zealand Cycleway and Te Araroa Walkway.

Where are we now?

- We have a good network of parks and reserves providing a neighbourhood park within 500m of most homes within residential areas.
- We provide more playgrounds per child than any other local authority in New Zealand.
- We maintain the parks and gardens to a high standard
- We are developing trails and cycle-ways to connect communities and provide further facilities for locals and visitors to enjoy.
- The maintenance and restoration of the environment remains a key challenge with invasive weeds such as broom and wilding conifers.

Where do we want to be?


- To maintain existing service levels with respect to the provision and maintenance of parks and reserves.
- To develop land set aside for sports parks as demand develops
- To complete the walking and cycling network and refocus efforts on maintenance.
- To continue to control weeds including wilding conifers to protect our iconic landscape and ensure the land can be fully utilised.

How are we going to get there?


- By maintaining current service levels and standards.
- By continuing to follow best practice in parks management and look for efficiencies in the maintenance of parks and gardens.
- By implementing the various strategic planning documents and management plans prepared by Council in consultation with the community.

Community

Library Services ... To enhance the informational, educational, recreational and cultural needs of the community

Community Wellbeing	Council Priorities (Strategic)	Council Objectives (Organisational)	Our Service	Measure	Actual Performance 2010/11	Target 2012-2015	Target 2015-2022
 <p>A safe and healthy community that is strong, diverse and inclusive for people of all age groups and incomes.</p>	<p>A resilient and participating community that celebrates success, has pride in the district and its heritage and has thriving arts, cultural and sporting groups.</p>	<p>All members of the community can access library resources and services in the manner most appropriate to their needs</p>	<p>The range of library services is accessible and meets the community's needs</p>	<p>Increase in active members</p>	<p>15,780 (55% of the usually resident population)</p>	<p>As population rises maintain 55% of the usually resident population</p>	<p>As population rises maintain 55% of the usually resident population</p>
		<p>Deliver the best service we can with our available resources</p>	<p>The cost of libraries to ratepayers and members remains unchanged</p>	<p>Cost of the library service per ratepayer</p>	<p>\$82.79 per rateable property per year</p>	<p>≤ \$82.79 per rateable property per year</p>	<p>≤ \$82.79 per rateable property per year</p>
		<p>Provide, maintain and enhance our library as a community space.</p>	<p>The library is a community space that is enjoyable (safe, clean, comfortable etc)</p>	<p>Customer satisfaction around the enjoyment of the community space</p>	<p>This will be measured for the first time in 2012.</p>	<p>85%</p>	<p>85%</p>



Community Facilities (community pools & community halls) ... To enhance the health and wellbeing of the community, improving their quality of life through shared facilities

Community Wellbeing	Council Priorities (Strategic)	Council Objectives (Organisational)	Our Service	Measure	Actual Performance 2010/11	Target 2012-2015	Target 2015-2022
 <p>A safe and healthy community that is strong, diverse and inclusive for people of all age groups and incomes.</p>	<p>A resilient and participating community that celebrates success, has pride in the district and its heritage and has thriving arts, cultural and sporting groups.</p>	<p>To enhance the health and wellbeing of the community, improving their quality of life through shared facilities</p>	<p>The pools are safe and clean and suitable to community need.</p>	<p>Number of health and safety incidents decrease (Aquatic Centre)</p>	<p><1% of total visits (132 incidents)</p>	<p><1% of total visits</p>	<p><0.75% of total visits (1)</p>
				<p>Community satisfaction with pools (safe and clean)</p>	<p>65.2%</p>	<p>65%</p>	<p>65%</p>
			<p>Provide a suitable capacity and quality of public halls for the communities enjoyment</p>	<p>Community satisfaction with the community halls</p>	<p>65.3%</p>	<p>70% (2)</p>	<p>70%</p>

(1) Incident reduction through scheduled hazard identification, assessment and management; consistency of reporting, investigation and action steps.

(2) Memorial Hall upgrade.

Parks and Recreation Facilities (parks, reserves, sports fields and cycleways) ... To provide sufficient green space for the community to enjoy sports and leisure

Community Wellbeing	Council Priorities (Strategic)	Council Objectives (organisational)	Our Service	Measure	Actual Performance 2010/11	Target 2012-2015	Target 2015-2022
 <p>A safe and healthy community that is strong, diverse and inclusive for people of all age groups and incomes.</p>  <p>Quality landscapes and natural environment and enhanced public access</p>	A natural and built environment that makes the Queenstown Lakes District a place of choice to live, work and visit	Councils green network will be well presented, meeting the needs of the community in sufficient quantity	To provide sufficient green space for the community to enjoy sports and leisure	Maintain approximately the same amount of sports fields	2.9 ha / 1000 residents	2.4ha/1000 (1)	2.4ha/1000
				Presentation of parks is of a high standard with service levels met or exceeded	84.1% (2)	>75%	>75%
			The communities green space is maintained to keep it accessible and looking good	Use of the Queenstown Trail (NZ Cycleway) increases	New measure to be developed	30,000	35,000
			Provide trails and cycle ways for the community to enjoy sports and leisure	Customer Satisfaction with the Queenstown Trail	New measure to be developed	>75%	>75%

(1) This target accounts for growth

(2) This is the score from the contractors audit

Addendum – Community Activity Future Proposed Capital Works Projects (\$000)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Grand Total
Alpine Aqualand	134	72	14	14	100	17	13	-	35	32	431
Alpine Aqualand - plant & equipment	86	19	14	14	100	17	13	-	35	32	330
Alpine Aqualand - building	48	53	-	-	-	-	-	-	-	-	101
Buildings - Toilets - Wakatipu Ward	192	147	190	288	111	127	406	-	-	203	1,663
Existing Toilets Refurbishment - 10 Year Refits	-	-	29	60	-	127	65	-	-	203	485
Kingston South - New Novaloo	-	-	-	-	-	-	170	-	-	-	170
Arrowtown - Jack Reid Park Novaloo	-	-	-	-	-	-	170	-	-	-	170
Arrowtown - Ramshaw Lane Refurbish	-	-	161	-	-	-	-	-	-	-	161
Arrowtown - Rose Douglas Novaloo	-	-	-	156	-	-	-	-	-	-	156
Brecon Street - New Novaloo	-	147	-	-	-	-	-	-	-	-	147
Frankton - Replace with Novaloo	-	-	-	-	111	-	-	-	-	-	111
Arrowtown - Millbrook Landmark	104	-	-	-	-	-	-	-	-	-	104
Shotover Bridge - New Landmark	88	-	-	-	-	-	-	-	-	-	88
Glenorchy Waterfront - Replace Norski with Landmark	-	-	-	72	-	-	-	-	-	-	72
Buildings - Toilets - Wanaka Ward	132	147	-	210	327	32	284	127	262	135	1,657
Existing Toilets Refurbishment - 10 Year Refits	-	-	-	30	154	32	33	127	262	135	773
Lake Hawea Boat Ramp - New Novaloo and dump station	-	-	-	180	-	-	-	-	-	-	180
Aspiring Road - replace Permaloo with Novaloo	-	-	-	-	-	-	170	-	-	-	170
Ardmore Street - New Novaloo	-	147	-	-	-	-	-	-	-	-	147
Kellys Flat - New Landmark	132	-	-	-	-	-	-	-	-	-	132
Clutha Outlet - Replace Norski with Landmark	-	-	-	-	86	-	-	-	-	-	86
Lake Hawea North Beach - Replace NZED Block with Landmark	-	-	-	-	86	-	-	-	-	-	86
Lake Hawea Scotts Beach - Norski Toilet	-	-	-	-	-	-	81	-	-	-	81
Cemeteries - Wakatipu Ward	60	113	6	6	6	6	7	7	7	7	225
Lower Shotover Cemetery Development	55	107	-	-	-	-	-	-	-	-	162
New Beams	5	6	6	6	6	6	7	7	7	7	63
Cemeteries - Wanaka Ward	5	54	6	6	6	6	7	7	40	7	144
Wanaka Cemetery Development	-	48	-	-	-	-	-	-	33	-	81
New Beams	5	6	6	6	6	6	7	7	7	7	63

[illegible]

[illegible]

[illegible]

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Grand Total
Parks and Reserves - Wakatipu Ward	1,205	814	802	1,063	787	358	513	393	370	621	6,926
Signs and Furniture	66	68	70	72	74	76	79	81	83	86	754
Neighbourhood Park Improvements	52	53	55	57	58	60	62	64	65	68	594
Playground Renewals	-	-	93	-	99	32	105	-	111	-	439
Marine Parade Playground	-	-	-	-	408	-	-	-	-	-	408
Roading Improvements (parking and driveway)	-	393	-	-	-	-	-	-	-	-	393
Lighting improvements Queenstown Gardens	-	-	217	-	-	-	-	135	-	-	352
Street Trees	27	28	29	30	31	32	33	34	35	36	314
Frankton Domain	10	-	-	295	-	-	-	-	-	-	305
Compact Ride-in Pavement Sweeper	200	-	-	-	-	-	-	-	-	-	200
Millbrook Corner	-	-	-	270	-	-	-	-	-	-	270
St Omer Park Improvements	-	-	64	180	-	-	-	-	-	-	244
Frankton Golf Club Assets	240	-	-	-	-	-	-	-	-	-	240
McBride Park - Lake Hayes Estate bike track/path network	-	-	-	-	-	-	-	-	-	203	203
Park Garden enhancements	16	17	17	18	19	19	20	20	21	21	189
Glenorchy Reserve Purchase	156	-	-	-	-	-	-	-	-	-	156
Jacks Point Playground	149	-	-	-	-	-	-	-	-	-	149
Park Street Foreshore Enhancement	-	-	85	30	-	-	33	-	-	-	148
Jubilee Playground	-	-	-	-	-	-	-	-	-	143	143
Fencing and Entrances	27	11	12	12	12	13	13	13	14	14	142
BBQs, Fountains, Shelters	22	11	12	12	12	13	13	13	14	14	136
Bridge and barrier renewals	22	11	12	12	12	13	13	13	14	14	136
Lake Hayes Estate Lower Fields	-	57	-	-	-	-	65	-	-	-	122
Frankton Track Foreshore Beautification	54	-	57	-	-	-	-	-	-	-	110
Replacement of Flatdeck Utes	-	-	-	-	49	51	-	-	-	-	100
Lighting Renewals	21	11	-	12	-	13	-	13	-	14	85
Lake Hayes Reserve	-	57	12	-	-	-	-	-	-	-	68
Irrigation Renewals	5	6	6	6	6	6	7	7	7	7	63
Jardine Park	-	51	-	-	-	-	-	-	-	-	51
Replacement of Double Cab Utes	48	-	-	-	-	-	-	-	-	-	48
New Tractor Queenstown Gardens	40	-	-	-	-	-	-	-	-	-	40
Small plant/tools replacements	5	6	-	6	6	-	7	-	7	-	37
Shotover Ponds	17	-	17	-	-	-	-	-	-	-	34
Replacement of light tip truck	-	34	-	-	-	-	-	-	-	-	34
Rees Reserve, Willow Place	-	-	-	-	-	-	33	-	-	-	33

[illegible]

Addendum – Community Activity Future Proposed Capital Works Projects (\$000)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Grand Total
Reserve Land Wakatipu	2,816	4,506	2,572	3,516	2,903	2,583	4,789	-	-	-	23,685
Land Acquisition - Queenstown	2,330	3,318	2,572	3,302	2,903	2,023	4,789	-	-	-	21,237
Land Acquisition - Arrowtown	-	1,188	-	-	-	560	-	-	-	-	1,748
Land Acquisition - Glenorchy	486	-	-	214	-	-	-	-	-	-	700
Reserve Land Wanaka	671	682	1,206	829	279	1,201	742	-	-	-	5,610
Land Acquisition - Wanaka	671	287	423	315	279	284	742	-	-	-	3,001
Land Acquisition - Hawea/Luggate	-	395	783	514	-	917	-	-	-	-	2,609
Walkways - Wakatipu Ward	229	-	-	226	-	241	-	254	-	270	1,220
Wakatipu Trail Development	229	-	-	226	-	241	-	254	-	270	1,220
Wanaka Aquatic Centre	218	-	-	-	122	54	-	-	-	-	395
Wanaka Aquatic Centre - Learners Pool	208	-	-	-	-	-	-	-	-	-	208
Wanaka Swimming Pool - Equipment Renewals & Renovations	10	-	-	-	122	54	-	-	-	-	186
Waterways Facilities - Wakatipu Ward	66	17	17	18	19	19	20	20	21	21	238
Minor Repairs and renewal	16	17	17	18	19	19	20	20	21	21	188
Frankton Marina Parking Area	50	-	-	-	-	-	-	-	-	-	50
Waterways Facilities - Wanaka Ward	16	17	17	66	68	500	638	20	21	21	1,385
Roys Bay Marina - Stage 2 (carparks) & 3 (reclamation)	-	-	-	-	-	481	618	-	-	-	1,099
Minor Repairs and renewal	16	17	17	18	19	19	20	20	21	21	188
Clutha Outlet - Ramp Extension and upgrade	-	-	-	-	49	-	-	-	-	-	49
Albert Town - Ramp Extension and upgrade	-	-	-	48	-	-	-	-	-	-	48
Grand Total	8,046	7,955	22,414	16,082	10,437	6335	8,206	1,546	1,451	7,682	90,150

Environmental Management

- District Plan
- Regulatory Services
- Waterways Control
- Waste Management
- Emergency Management

Environmental Management Overview

The environment of the Queenstown Lakes District is the area's single biggest asset. It is an environment that is held up as iconic not only nationally but globally. Our clean and green image has established a reputation that Council chooses to sustain in order to protect the environment and Council's commitment to economic development.

The combination of rapid community growth and a sensitive landscape make environmental management an essential function of this Council. The Resource Management Act is a critical tool that enables Council to protect the environment and allow the community to grow in a sustainable way. The District Plan allows Council to influence and manage both growth and the environment.

Environmental Management – Who Pays?

District Plan - This activity is largely public good with some scope for user charges (private plan changes and district plan sales). The balance of the cost of this activity will be funded from the targeted capital value based Regulatory Rate.

Regulatory Services - The private benefit element of resource consent processing activities (assessed at 90%) will be funded from user charges, with the public element funded by the targeted capital value based Regulatory Rate.

Waterways Control - This activity provides some degree of private good but there is also a significant element of public good. Waterways Control will therefore be funded from user charges under the bylaw as far as practicable (estimated at 35%), and thereafter from the revenue generated from waterways based concessions.

Waste Management - This activity provides some degree of private good but there is also a significant element of public good and exacerbator factor. This activity will therefore be funded 60% from user charges in the form of transfer station fees and disposal fees (excluding landfill levy), 35% coming from the targeted fixed Waste Management Charge, with the balance of 5% coming from the general capital value based rate to cover the cost of existing waste management loans and the rehabilitation of disused tips.

Recycling - This activity provides some degree of private good but there is also a significant element of public good and exacerbator factor. This activity will therefore be funded 50% from user charges in the form of landfill levy and disposal fees, and 50% coming from the targeted fixed Waste Management Charge.

Refuse Collection - This activity is largely private good and will be funded 100% from user charges.

Emergency Management - This activity is largely public good with little scope for user charges and will therefore will be largely funded by the capital value based General Rate.

Environmental Management Forecast Financial Performance

Environmental Management - Summary of Forecasted Financial Performance				
Annual Plan 2011/12		10-Year 2012/13	10-Year 2013/14	10-Year 2014/15
\$000	Expenditure	\$000	\$000	\$000
4,394	Regulatory Services	4,116	4,234	4,363
422	Waterways Regulation	452	466	482
6,430	Waste Management	6,235	6,594	6,873
616	Emergency Management	588	625	640
2,553	District Plan	2,528	2,367	2,377
14,415	Operating Costs	13,919	14,286	14,735
5,035	Group Activity Income (1)	5,076	5,509	5,722
9,380	Net Cost/(Surplus) of Service	8,843	8,777	9,013
	Capital Expenditure			
-	Regulatory Services	-	-	-
216	Waste Management	556	49	113
37	Emergency Management	19	11	50
-	District Plan	-	-	-
253	Capital Works	575	60	163
1,589	Debt Repayment	747	1,206	1,193
-	Vested Assets	-	-	-
1,842	Capital and Debt Repayment	1,322	1,266	1,356
11,222	Funding Required/(Generated)	10,165	10,043	10,369
	Funded By:-			
2,629	Targeted Rates	7,833	7,929	8,161
6,684	General Rates	567	539	537
373	Loans (Internal & External)	624	164	272
1,504	Transfers (to)/from Reserves	1,009	1,280	1,2678
31	Depreciation not Funded	132	131	131
11,221	Total Funding	10,165	10,043	10,369
	Activity Income Includes (1)			
3,654	User Charges	3,602	3,989	4,153
150	Grants & Subsidies	152	167	174
1,231	Other	1,322	1,353	1,395
5,035	Total Activity Income	5,076	5,509	5,722

Capital Expenditure

Major Projects (\$000)	2012/13	2013/14	2014/15
Refuse Wanaka			
Closed Landfills - Wanaka	460	-	-

Environmental Management Significant Negative Effects

Significant Negative Effects	How will Council mitigate the risk?
Our natural and cultural heritage protection could result in restrictions to what landowners and developers can do on particular sites.	We will mitigate this by creating incentives where possible and through reviewing the District Plan (2013), which will involve public consultation and submissions.
Protection or enhancement of outstanding natural landscape requires formal rules and restrictions on development or requirements to lessen the impact of development for the community and future generations places costs or restrictions on developers.	This is only done after consultation and any such decisions are made in a public way where those affected can put forward their views.

Environmental Management Assumptions

Please refer to page 3 of Volume 3 of the 10-Year Plan for Council Assumptions.

District Plan

Why we do it?

The single most effective way the Council can manage the effects of growth and development in the district is the District Plan. The primary purpose of this activity is to continue to align the District Plan with the objectives of this 10-Year Plan. The District Plan therefore aims to enable development so that people and communities can meet their social, economic and cultural wellbeing while protecting the environment. For this district that can mean for example, providing for development, while protecting its outstanding landscapes.

The form and nature of the plan is governed by the Resource Management Act 1991 (RMA). That legislation contains extensive checks and balances to protect all parties to the process.

What we do?

The District Plan activity includes work on the development, adoption, ongoing changes to, and monitoring of the District Plan. This activity also develops wider strategy for the Council including town centre strategies, a heritage strategy and an urban design strategy.

The District Plan is now operative. Over the last few years in excess of 40 plan changes have been developed and notified for public submission. These covered a number of areas from town centres and small communities, growth management, urban design, rural to a number of district wide issues such as trails and visitor accommodation. The combination of rapid community growth and a sensitive environment will result in the continuing evolution of the District Plan.

Where are we now?

- The Council has agreed to move from its programme of a series of separate plan changes each year to a comprehensive review of most of the District Plan over the next three years. This is being done as much of the plan will be due for review from 2013. The process will allow the plan to be restructured and simplified. Council will be able to take advantage of reforms to the RMA and fix the numerous minor problems with the plan. The review will also update references and include amendments arising from National Policy Statements and Environmental Standards.
- It will also provide an opportunity to review much of the philosophy underpinning the plan, most of which was developed about 20 years ago.
- While the District Plan Review project has begun, a number of Council initiated plan changes are still to be completed and made operative. A number of private plan changes are still to be completed and further ones may be received before the reviewed district plan is notified.

Where do we want to be?

- The project plan for the District Plan Review anticipates that the reviewed plan will be ready for public notification in November 2013. Following notification submissions and further submissions will be called for and public hearings will occur.

How are we going to get there?

In preparation for the notification of the reviewed plan a process of district plan monitoring, consultation on issues and options and policy drafting will occur.

Regulatory Services

Why we do it?

There are a number of reasons why Council is involved in the delivery of regulatory services:

Legal Compliance

As a territorial authority, the Council has certain regulatory functions that it is obliged to administer. The Council is generally obliged to observe the wording of the relevant act and must generally act as an impartial decision maker weighing the evidence placed in front of it by the parties. To the extent possible, Council is required to separate its regulatory functions from the other activities it is involved with. Because of this, Council has chosen to contract the delivery of these services to third parties.

The principle statutes that Council is required to administer are the: Resource Management Act 1991, Building Act 2004, Local Government Act 2002, Food Act 1981 and Food Hygiene Regulations, Health Act 1956, Sale of Liquor Act 1989, Dog Control Act 1996 and the Litter Act. Council also makes bylaws to deal with specific issues of public health and safety.

Community Choice

There is a general expectation that a substantial amount of public information and assistance will be made available by Council in the area of Regulatory Services and that compliance will be sought when regulations and bylaws are breached.

Public Health and Safety

Resource management helps protect public health and safety from negative effects associated with development and ensures environmental standards are met. Dog control and registration helps protect the public's health and safety from uncontrolled and wandering dogs. Several of these activities relate to road safety such as removal of abandoned vehicles and enforcement of no stopping areas and other safety regulations.

Environmental

Resource management helps ensure protection of the environment from the negative effects of development. Where subdivision and development occurs provision is made for the development of recreational reserves to meet the recreational needs of new residents and for extensions to the current infrastructure.

Economic Development

The District Plan establishes zones for alternative land use. The public then know where specific economic activity can occur within the district.

What we do?

Resource Consents

Council is responsible for the administration of all aspects of the resource consent process including; receiving, assessing, considering and issuing of consents development activity within the district. The range of consents includes: land use consents, subdivision consents, certificates of compliance, designations, outline plan approvals and certifications and approvals associated with subdivision processes . It also includes work undertaken in relation to the inspection, monitoring and enforcement of resource consent conditions and work in relation to appeals and other matters that relate to hearings. Formal decision making under the legislation is delegated to independent commissioners. Elected representatives who have passed national qualifications are entitled to be appointed as independent commissioners.

Building Control

Providing the necessary controls relating to building work and use of buildings, and ensuring buildings are safe, sanitary and have adequate means of escape from fire. This activity primarily relates to the administration of the Building Act and Regulations. Activities include receiving, considering and, where appropriate, issuing building consents within the prescribed time limits, carrying out inspections of building work in progress and certifying buildings on completion. Other activities are issuing Project Information Memoranda, Land Information Memoranda, Compliance Schedules and Building Warrants of Fitness.

General Environmental Health

Council is responsible for licensing, monitoring and inspecting a range of services that are provided by local businesses which have the potential to cause harm to the public. These businesses include; food premises, camping grounds, hairdressers, mortuaries, wine makers, offensive trades and liquor licensing services. In addition, Council is responsible for monitoring water supplies and providing advice on drinking water quality, investigating notifiable diseases and providing a noise control service.

Dog and Animal Control

Enforcement of the Dog Control Act and Council Bylaws relating to Dog Control, and also enforcement of the Animal Welfare Act as it relates to dogs, so that residents are safe, annoyance factors are minimised and the welfare of animals is protected.

Bylaw and General Enforcement

Administration and enforcement of Council Bylaws and various regulations that if left unactioned would cause negative effects in the community (eg. fire ban bylaws).

Car Parking Enforcement

Regular patrolling of restricted parking areas on urban roads and Council operating parking areas to ensure compliance with restrictions, regular turnover of public car parking spaces and ensuring that appropriate enforcement action is taken where required in an effective, timely correct and considerate manner.

Waterways Control

Provide a Harbourmaster service within the district which is responsible for monitoring the activities of recreational craft on the Districts waterways and enforcement of bylaws. The Harbourmaster also provides and educational and informational service to build public awareness of the risks associated with boating in the District

Where are we now?

Consent services are generally being delivered in a timely fashion. A considerable investment has been made by Lakes Environmental in developing internal processes to ensure that consent processing is systematically applied. Building consent processing follows an ISO9000 type approach. The same approach is being developed for resource consent processing. Council monitors service timeliness for resource consents and building consents on a monthly basis to ensure that the statutory times are being met.

General compliance and enforcement is undertaken on a complaints basis. Council does not actively seek out breaches of statutes or bylaws, but responds to complaints from the community, investigates those complaints, seeks to get compliance by negotiation, but will if necessary take enforcement action to require compliance.

Over the last three years, Council has invested significantly in digitising its historical resource consent and property records. By the time this plan commences, all the historical development information will be available electronically.

Where do we want to be?

Over the term of this plan, the focus will be on maintaining the timeliness of resource and building consent processing and improving the cost effectiveness and quality of resource consent services. Government is currently reviewing the delivery of building consent services. If a decision is made to centralise or regionalise those services, Council will endeavour to have a consenting authority based in the District.

Continue with the current complaints based approach to compliance and enforcement. Council will not develop a proactive compliance strategy but continue to rely on the community to be its “eyes and ears”.

Council will be better able to manage the built or developable environment with better information than it is currently able to access. Over the term of this plan the community will have on-line access to property and development information. Building control and planning staff will have immediate access to historical consent and development information for each plot and surrounding areas. Council will have better intelligence about development trends and better information about what has been built.

How are we going to get there?

The reconfiguration of the resource consent process and development of a standard, documented processing system will identify areas where significant cost savings can be identified. As a part of this development, standard templates and standard times for certain activities will be developed. Variance reporting to identify where over time activity is occurring will be developed. Development of a standardised system is expected to improve both quality and timeliness.

Council will continue to be involved through industry groups (at both political and officer levels) with the proposals to change the building consent authority structure. Council will continue to advocate for the development interests of the community in having a locally based consent authority.

Council will continue to work on the integration of its geographic information system (GIS) with the core consent management system (NCS) and the document management systems (TRIM) to enable community and staff access to comprehensive information about consents and development.

Waterways Control

Why we do it?

The purpose of this function is to control, by way of inspection, enforcement and promotion, the safe use of waterways and safety in waterways based activities in the district. It includes the provision of Harbourmaster services, which is contracted to Southern Lakes Monitoring Services.

Adventure tourism and increasing recreational use of waterways has meant that the Council has a long history of involvement in waterways safety. This dates from the early days of jet boating and deaths on rivers or lakes has enhanced the Council's resolve to protect our image as a safe destination for visitors.

What we do?

The Waterways Control services that are provided for under the contracted terms are:

- Harbourmaster services provided 365 days a year, with emphasis on peak holiday periods.
- Enforcement of bylaws, annual production of a boating guide and promoting water safety over the Christmas period.
- By audit of Safe Operation Plans for commercial operators and monitoring all water based commercial activities.
- Audit and inspection of structures.

Where are we now?

Supporting and encouraging community and visitor safety when participating in water-based recreation activities.

Where do we want to be?

- Continue to provide regular monitoring of waterways to ensure that users are behaving in a safe and appropriate manner in compliance with Bylaws.
- Increase public awareness of safety on the water and designated areas for particular activities.
- Liaise with commercial operators and provide guidance and auditing with regard to the safety of their customers.
- Ensure that foreshore structures are safe.

How are we going to get there?

Council will continue to support the provision of Harbourmaster services and work collaboratively with other agencies in the interests of water safety.

Waste Management

Why we do it?

To ensure sustainable waste management that protects public health and the environment.

What we do?

The Waste Management activity is managed in three sub-activities. These are:

- Waste Minimisation and Recycling provides recycling and waste diversion services throughout the district. This includes kerbside recycling collection, recycling litterbins, resource recovery parks, greenwaste drop off sites, composting facilities and promoting other waste minimisation initiatives.
- Refuse Collection provides a weekly residential kerbside refuse collection service in the urban areas in the district. Rural areas are serviced by rural drop off points where economically viable.
- Landfill Provision and Management provides facilities for disposing of solid waste and the provision of hazardous waste facilities.

This sub-activity includes the Victoria Flats landfill, transfer stations in Queenstown and Wanaka, collection of litterbin waste and ongoing management of the closed landfills and dump sites. There are only a small number of Waste Management assets. The most significant assets are the land where the landfills, transfer stations, resource recovery parks and greenwaste sites are located. Council also own some buildings on these sites.

The total asset value is around \$7M. Council contracts out the operation of the waste management sites and the delivery of waste management services to third parties. The contracts where assets are involved are Build, Own, Operate, Transfer (BOOT) contracts. The Victoria Flats landfill and the Transfer Stations are operated under BOOT contracts. This allows Council to retain overall control of the sites but utilise the contractor's technical expertise in managing the activity.

Where are we now?

The main challenge for the Waste Management activity in the next 10 years is the Climate Change (Emissions Trading Scheme, ETS) Amendment Act 2008 (For more information on this please go to the Council website www.qldc.govt.nz.) From the 1st January 2013 landfill operators will be required to surrender emission units to cover methane emissions generated from the landfill.

The increasing costs of waste disposal highlights the importance of the first four levels of the waste hierarchy; Reduce, Reuse, Recycle and Recover. The desired levels of service are based on the benefits of diverting waste from the landfill. Waste diversion is in line with the goals of the WMMP and ensures a sustainable and cost effective service for residents.

The Council has considered two other levels of service options, 1) retaining the status quo, and 2) removing all diversion measures. These options do not achieve the goals in the WMMP and it is not proposed to consider these further.

The Council will Consult with the community in the 2013 Annual Plan regarding the possible introduction of a user pays organic waste collection for residents and businesses (proposed composting facility at the Victoria Landfill).

The goal is to facilitate diversion of organic waste from the landfill.

The Council also proposes the inclusion in year three of the 10-Year-Plan for the provision of an alternative disposal option for construction and deconstruction waste. This service diverts waste from the landfill and mitigates the risk to Council's landfill expected life should another construction boom occur.

Informing the draft 10-Year-Plan content was an online survey 'Waste 2010' for a period of four weeks during November and December 2010. Around 190 people responded, the key findings are summarised below.

- 95% want the kerbside recycling services to continue;
- 84% want the current rubbish service options to continue;
- 44% believe there are other options Council could consider:
 - Respondents seemed to favour systems that provided encouragement or incentives for those who keep their waste levels to a minimum while passing the majority of the cost on to those who produced greater quantities of waste;
- 45% believe Council should introduce a kerbside organic collection service;
- 40% believe the Council should not introduce a kerbside organic collection service:
 - There was a very strong theme in the comments regarding kerbside organic collection that if introduced it should be a fully user pays system as many respondents already carry out their own composting at home;
- 68% believe the current services offered to rural communities should stay the same;
- 87% believe Council should try to extend the life of the landfill through diversion targets;
- 74% support the services offered to downtown retailers to keep the streets looking good;
- 38% believe Queenstown streets are looking better.

These results have been used to determine the levels of service the community desire.

Where do we want to be?

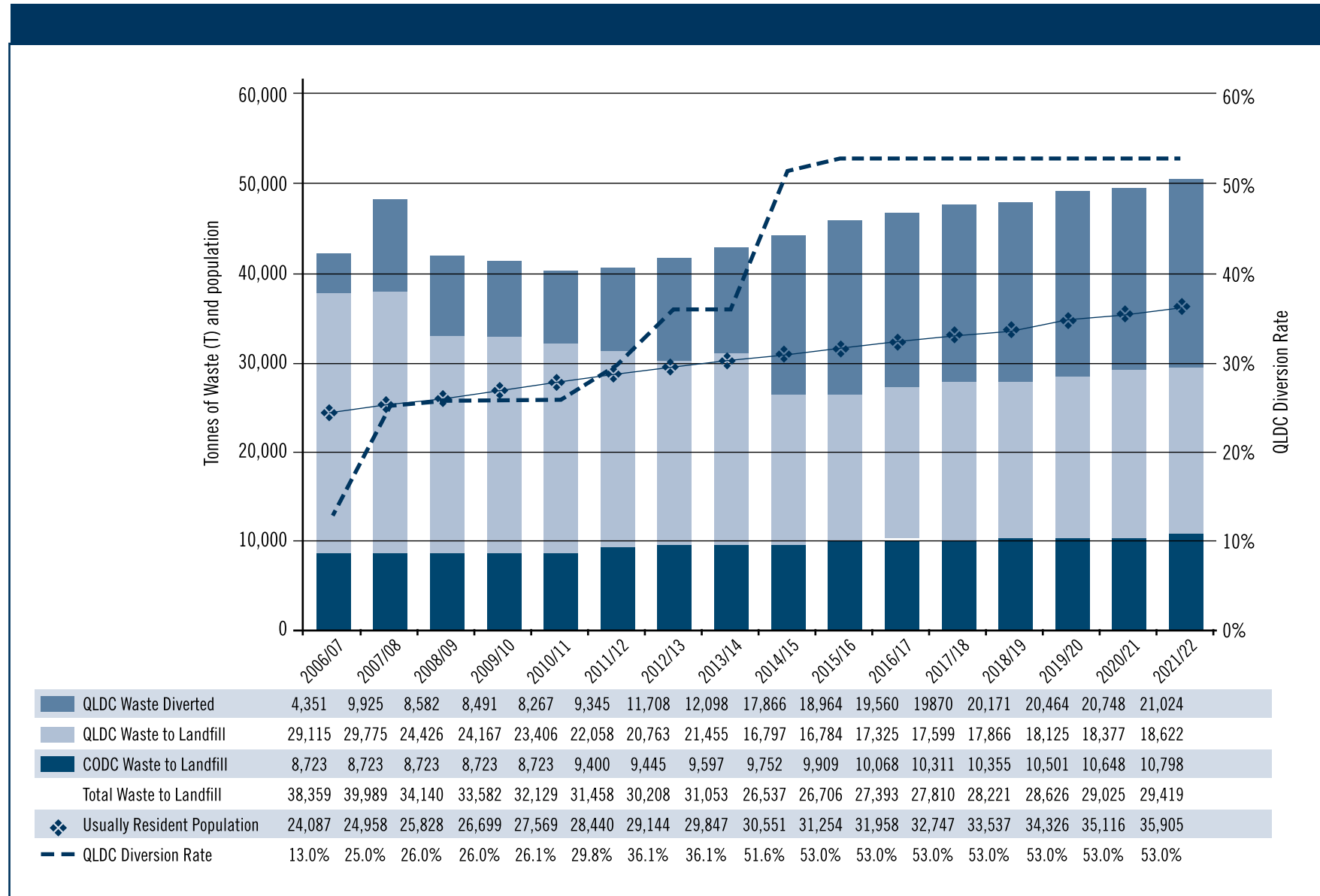
Towards zero waste and a sustainable district is the community vision for the solid waste activity.

The demand forecasts for the 10-year planning period and for the long-term are based on the projection methodology in Council's Waste Assessment.

The forecasts have been updated with the latest waste tracking data and Council's 2011 Growth Projections (see Volume One).

The graph shows that although QLDC's population, and therefore total waste produced, is projected to increase the waste sent to landfill remains relatively stable. This is due to the increased waste diversion due to the organic composting service and other waste diversion initiatives.

Population and Diversion Rate Graph



The most significant uncertainty in the landfill demand projections is the impact of another construction boom. Waste diversion measures are being put in place to mitigate this risk. Council's most significant Waste Management asset is the Victoria Flats landfill. The total capacity is 4,400,000m³, of which only 400,000m³ has been used to date. Based on the above projected growth and diversion rates the landfill is not projected to reach capacity until around 2097. This is 11 years longer than the status quo option and 31 years longer than the no diversion option. The expected life is also a lot longer than previously considered in the 2009 10-Year Plan.

The lifecycle management of Council's smaller assets has also been considered in the expenditure forecasts in this AMP.

Expenditure

The forecast expenditure in the 2012 AMP is a lot lower compared to the 2009 LTCCP forecast. This is due to a number of factors:

- The waste demand projections were a lot higher in the 2009 LTCCP.
- Council decided not to buy the kerbside refuse collection bins.
- The cost to provide the organic composting service has been reduced significantly to provide a more cost effective option.

The operational expenditure for each sub-activity includes maintenance costs, contract costs, interest costs, overheads and depreciation. The expenditure stabilises after the introduction of the Emission Trading Scheme (Years 1 and 2) and organic composting (Year 3).

Waste Management Funding Structure

Solid Waste Sub-Activity	Funding Stream	Portion of Costs
Waste Minimisation and Recycling		
Waste Minimisation	Landfill Levy WMC 1	35% 65%
Recycling	Sundry Income Landfill Levy WMC 1	35% 65%
Refuse Collection		
Household Collection	HHC Bin and Bag Fees	100%
Landfill Provision and Management		
Landfill	Sundry Income WMC 1 Transfer Station Fees General Rates	43% 52% 5%
Transfer Station	WMC 1 Transfer Station Fees General Rates	43% 52% 5%

The increases for Transfer Station, Household Collection (HHC) and Landfill Levy between 2011/12 and 2014/15 are due to the introduction of the ETS charges. This provides incentive to reduce, reuse, recycle and recover waste. Note WMC refers to waste management charge.

Fees and charges

		2011/12	2012/13	Percentage Change
Landfill Levy (inc GST)	per tonne	\$44.75	\$40.16	-10%
T/S Cars/Small Loads (inc. GST)	per car	\$14.50	\$15.00	3%
T/S Small Trailer (inc. GST)	per trailer	\$31.00	\$32.00	3%
T/S Large Trailer (inc. GST)	per tonne	\$182.50	\$187.50	3%
30 L Bag (incl. margin + GST)	per bag	\$2.20	\$2.30	5%
60 L Bag (incl. margin + GST)	per bag	\$3.30	\$3.50	6%
120 L Bin (inc. margin + GST)	per bin per year	\$219.50	\$230.00	5%
240 L Bin (inc. margin + GST)	per bin per year	\$382.10	\$400.00	5%
Private Waste to landfill (inc GST)	per tonne	\$137.18	\$148.15	8%
Waste Management Charge 1 (inc. GST) (commercial)	per property	\$111.00	\$103.40	-7%
Waste Management Charge 2 (inc. GST) (residential)	per property	\$153.00	\$144.49	-6%
Recycling Centre Recoveries	per tonne	\$40.00	\$40.00	0%
Green Waste Gate Charges (\$/T)	per tonne	\$65.00	\$65.00	0%

Civil Defence Emergency Management

Why we do it?

To ensure our communities and the Council are able to respond to, effectively manage and recover from emergency situations such that Council is able to function to the fullest possible extent, even though this may be at a reduced level, during and after an emergency, as defined in the Civil Defence Emergency Management Act 2002.

What we do?

Civil Defence Emergency Management (CDEM) has four aspects:

- reduction – which is about identifying the hazards and taking appropriate steps to reduce and manage the risks associated with those hazards;
- readiness – which is about being prepared to respond to an emergency event which could occur at anytime and having suitably trained staff and other physical resources available at short notice;
- response – which is about responding at short notice to an emergency; and
- recovery – which is defined as: “the coordinated efforts of processes to effect the immediate, medium and long-term holistic rehabilitation of a community following disaster.”

There are two key elements to Council's responsibilities within this activity. Both roles are critical to the health, well-being and smooth operation of the District in the event of an emergency:

- Regional, sub-regional and city-wide emergency management where the Council works in partnership with neighbouring Council's and the Otago Civil Defence Emergency Management Group (CDEMG) to ensure processes are in place covering reduction, readiness, response and recovery from any civil defence emergency affecting the sub-region or region.
- Organisational emergency management where linkages amongst Council's own business continuity plans is critical.

Council is the Rural Fire Authority for all areas of the District other than the main urban townships and Department of Conservation areas. The role of this function is twofold, firstly, to mitigate the risk of rural fires by planning and prevention and secondly, to manage any rural fire suppression and to provide resources to fight any fire outbreaks. The Council provides contracted Rural Fire Units operated by the Council's horticultural team and Voluntary Rural Fire Forces based at Kingston, Glenorchy, Makarora and Arrowtown. Council also supports the Upper Clutha area with a tanker based at Luggate Fire Station.

Council provides Rural Fire Units in Queenstown and Wanaka. These units comprise around 40 trained personnel and trailers containing fire suppression equipment.

Council also supports community Voluntary Rural Fire Forces at Kingston, Glenorchy, Arrowtown and Makarora by providing appliances, equipment buildings and training.

Council is responsible for rural fire control through:

- Monitoring of the fire danger.
- Implementation of fire restrictions.
- Administration of a fire permit system.
- Provision of public information.
- Suppression of all uncontrolled fires in rural areas except Department of Conservation property and urban townships covered by NZFS.

Where are we now?

Structure

- The Otago CDEM Group Plan was reviewed in November 2011. That Plan provides the basis for CDEM in Otago and ensures that hazard management within the region occurs in an integrated and coordinated way. It provides a framework for CDEM decisions to be made across the region. The Plan also creates a commitment to the implementation of tasks and actions.

Reduction

- The CDEM Group Plan identifies the various hazards across Otago. The national building code provides acceptable methods for the construction of buildings when exposed to certain hazards such as earthquake and wind. The District Plan provides various rules for the development of land in areas that may be prone to flooding, landslide or liquefaction.

Readiness

- Council has limited numbers of staff trained in Coordinated Incident Management including 2 alternate controllers, 1 public information officer and 1 recovery manager, available to respond at anytime.

Response

- The Emergency Operations Centre can be actioned within 1 hour's notice.

Recovery

- The recovery aspect of CDEM is often overlooked yet it has the potential of long-term adverse effects on a community if not managed effectively. Financial and resource constraints will often determine the effectiveness of a recovery operation.

Where we want to be



- The Council, must at anytime be in a position to respond to and recover from any emergency as defined by the Civil Defence Emergency Management Act 2002.
- Maintain effective working relationships with all utility providers regarding CDEM issues within the city and across the region.
- Maintain an effective pandemic plan which includes business continuity plans for those essential services identified in the pandemic plan.
- Continue seasonal public awareness campaigns focusing flooding, fire risk, earthquakes, major snow events

How we are going to get there?





- Appointment of an Emergency Management Officer
- Ensure appropriate staff resources are available for and able to attend regular CDEM training to provide full coverage of the Emergency Management Office
- Develop resilient community based emergency management plans for each local community

Environmental Management

District Plan ... Ensuring beautiful landscapes and vibrant and attractive urban areas

Community Wellbeing	Council Priorities (Strategic)	Council Objectives (Organisational)	Our Service	Measure	Actual Performance 2010/11	Target 2012-2015	Target 2015-2022
 Quality landscapes and natural environment and enhanced public access	A natural and built environment that makes the Queenstown Lakes District a place of choice to live, work and visit	Improve the district plan	We will provide a simple District Plan	Proportion of new building consents that require resource consent	34%	34%	30%
 High quality urban environments respectful of the character of individual communities		Provide value for money	We will make the process of influencing policy, cost effective.	Cost of processing private plan change compared to other Councils nationally	The cost has yet to be measured.	Cost < the median price identified in the Ministry For the Environment two yearly survey.	Cost < the median price identified in the Ministry For the Environment two yearly survey.




Regulatory Services ... Ensures the considered development of the natural environment and provides for the health and safety of the community

Community Wellbeing	Council Priorities (Strategic)	Council Objectives (Organisational)	Our Service	Measure	Actual Performance 2010/11	Target 2012-2015	Target 2015-2022
 Quality landscapes and natural environment and enhanced public access	A natural and built environment that makes Queenstown Lakes District a place of choice to live, work and visit.	Ensures the considered development of the natural environment and provides for the health and safety of the community .	To provide cost effective resource consenting facilities to the community	Cost per consent	\$3,651	<\$3,500	<\$3,250 (1)
 High quality urban environments respectful of the character of individual communities			To provide a quick processing service when a member of the community is building	Building consent and LIM applications processed within statutory timeframes	99.6%	100%	100%
 Sustainable Growth Management			To process resource consents quickly and efficiently	Community Satisfaction with resource consent planning	28.3%	30%	35% (2)
 A safe and healthy community that is strong, diverse and inclusive for people of all age groups and incomes			To ensure the houses built in our district are safe	Building Inspections completed within 24 hours of request to minimise risk to occupants and owners	99.8%	100%	100%

(1) The decreasing target reflects the Council's drive towards efficiencies and value for money in the delivery of regulatory services

(2) A projected increase in satisfaction with resource consent processing is reflected in this target due to Council's drive towards efficiencies around processing

Waste Management ... To manage an effective, safe and affordable waste management service, while working towards zero waste and a sustainable district

Community Wellbeing	Council Priorities (Strategic)	Council Objectives (Organisational)	Our Service	Measure	Actual Performance 2010/11	Target 2012-2015	Target 2015-2022
 Sustainable Growth Management  Quality landscapes and natural environment and enhanced public access  A safe and healthy community that is strong, diverse and inclusive for people of all age groups and incomes	A natural and built environment that makes Queenstown Lakes District a place of choice to live, work and visit.	Reduce per capita waste to landfill without introducing adverse effects	To manage the cost of collection, treatment and disposal	Cost per tonne of waste minimisation and recycling services provided by the Council	\$275 per Tonne (1)	\$225 per Tonne	\$155 per Tonne
			Enhancing the landscapes and environment by educating communities on alternative, more sustainable waste management options	The quantity of residential residual waste per capita to landfill for the district	0.78 Tonnes per person (2)	0.72 Tonnes per person	0.52 Tonnes per person
			To provide effective recycling services and refuse collection to communities	Number of complaints about the effectiveness of the recycling and refuse service reduce	195 (3)	190	180
			To provide safe and secure disposal facilities & waste and recycling services	Number of health and safety incidences	1	Zero	Zero

(1) Efficiencies are gained from more tonnage.

(2) The estimated growth in recycling will reduce waste to landfill over time.

(3) Through monitoring and managing contracts the level of complaints has been reducing over time.

Water Supply

Overview

The Council is responsible for approximately 414km of water mains and 11 treatment plants serving approximately 15,000 properties that between them use a total of approximately 18,200 cubic metres of water per day.

Council Water Strategy

The Council has adopted a draft 3 Waters Strategy in June 2011. The strategy recognises that the key to the management of the water infrastructure is balancing the affordability of maintaining the existing network and creating additional capacity with an aging network, a reduction in risk, a demand for growth, and an improved level of service. The strategy reviewed the water network, identified key issues and likely problems with the drivers or challenges and planning assumptions which Council would apply when addressing these.

The strategy has provided input to the drafting of the Activity Management Plan which has in turn provided the input to the 10-Year Plan. The adoption of a 10-Year Plan will in turn modify the Activity Management Plan as the Council takes into account the factors that determine where the balance of what is affordable should be.

Who Pays?

This activity is largely private good in nature and Council recognises that the best way of recovering cost would be via volumetric charges and water meters. However, the costs of introducing such a system are seen as prohibitive at present, and this activity will therefore be funded 40% from the Targeted Uniform Rate (Water) which will be charged to all serviceable properties in the nature of a supply charge and 60% from a Targeted Water Rate based on Capital Value and applied on a scheme basis to all properties connected to the public water supply.

Water Supply Forecast Financial Performance

Water Supply - Summary of Forecasted Financial Performance				
Annual Plan 2011/12		10-Year 2012/13	10-Year 2013/14	10-Year 2014/15
\$000	Expenditure	\$000	\$000	\$000
7,842	Water Supply	8,288	8,878	9,378
7,842	Operating Costs	8,288	8,878	9,378
3,005	Group Activity Income (1)	1,919	2,372	2,473
4,837	Net Cost/(Surplus) of Service	6,369	6,506	6,905
	Capital Expenditure			
4,836	Water Supply	5,149	4,475	4,174
4,836	Capital Works	5,149	4,475	4,174

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531	Debt Repayment	117	503	919
1,360	Vested Assets	1,331	1,377	1,426
6,727	Capital and Debt Repayment	6,597	6,355	6,519
11,564	Funding Required/(Generated)	12,966	12,861	13,424
	Funded By:-			
6,613	Targeted Rates	6,999	7,496	7,930
-	General Rates	26	27	28
3,215	Loans (Internal & External)	3,925	3,692	5,251
1,162	Transfers (to)/from Reserves	1,411	1,020	(438)
574	Depreciation not Funded	605	626	653
11,564	Total Funding	12,966	12,861	13,424
	Activity Income Includes (1)			
-	User Charges	-	-	-
-	Grants & Subsidies	-	-	-
56	Other	56	59	62
1,360	Vested Assets	1,331	1,377	1,426
1,589	Capital Contributions	532	936	985
3,005	Total Activity Income	1,919	2,372	2,473

Capital Expenditure

Major Projects (\$000)	2012/13	2013/14	2014/15
Queenstown			
Water Supply - Renewals - Queenstown	800	800	800
Installation of interim UV treatment at Kelvin Heights Intake	366	-	-
Installation of interim UV treatment at Two Mile Intake	366	-	-
Two Mile to Fernhill Roundabout Main	332	-	-
Scada Upgrade - District Wide	160	167	-
Ben Lomond Pressure Zone	-	-	226
Fernhill Pressure Zone	-	-	226
Wanaka			
Water Supply - Renewals - Wanaka	545	545	545
Beacon Point filtration/UV (provisional on testing outcomes)	-	605	600
Western filtration/UV (provisional on testing outcomes)	-	501	329
Albert Town Ring Main	371	-	-

Hawea

Hawea Water Supply Upgrades - Relocation of Intake to Scott's Beach Borefield	470	490	-
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Arrowtown

Water Supply - Renewals - Arrowtown	149	149	149
Arrowtown water supply treatment upgrade	-	201	-

Glenorchy

Glenorchy Water Reservoir Upgrade	52	-	446
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Arthurs Point

Arthurs Point Water Supply - Accuflow	-	218	-
Arthur's Point Water Supply Upgrades, Stage 1 (Treatment Only)	-	208	-

Water Supply Significant Negative Effects

Significant Negative Effects	How will Council mitigate the risk?
Health and safety risks associated with the construction, maintenance or operation of the water supply infrastructure.	Staff and contractors are required to be trained to identify and manage health and safety risks before commencing work. Public Health Risk Management Plans are used to mitigate such risks.
Cross mixing of water or more general degradation of the water resource through drainage, pollution and damming.	Council consult with Iwi, the Otago Regional Council and the Historic Places trust.
Excavation of archaeological or waihi tapu site.	
Affordability of higher levels of treatment and new schemes to un-serviced communities	Consider lower cost, lower level of service schemes and ensure all communities are consulted with on financial impact.
Disruption to the water supply in CBD and other areas can have significant flow on effects including the direct impact of property damage resulting from main failures.	Critical water supply infrastructure is identified and managed to reduce risk to an appropriate level.
The effects on the environment of discharges of chlorinated water from maintenance activities or pipeline failures.	Public Health Risk Management Plans are used to mitigate such risks.
The effects on the environment of carbon discharges associated with energy use (Pumping and treatment).	The 3-Waters Strategy defines a clear path to reducing energy usage and planning for the impacts of Climate Change.

Water Supply Assumptions

Please refer to page 3 of Volume 3 of the 10-Year Plan for Council Assumptions.

Why we do it?

The Council believes the provision of network infrastructure is the most efficient method of delivering the water supply activity and its associated community outcomes. This activity is essential to the health and wellbeing of our community. The ownership of network infrastructure is regarded as a core service within the Local Government Act 2002.

What we do?

The Council provides safe, potable water at an agreed level of service to the community. This system is designed and managed in such a manner that the user of the system is able to give minimal thought and appreciation to the service and can assume that they have a right to a continuously available and efficient network.

The Council:

- Manages, operates, maintains and renews existing intakes, pump stations, treatment plants, pipes and manholes.
- Complies with the requirements of legislation that govern this activity.
- Facilitates the planning and development that has been approved to occur within the district.
- Contracts work to various parties to complete the above works.
- Works with other external organisations to ensure that appropriate consultation and standard of work occurs.

Where are we now and where do we want to be?

The Council, in the last 10-Year Plan, identified a significant forward programme of works in response to projected growth. It was identified that there were difficulties with the long term funding of these projects. The council has determined that by managing the demand on its assets and by optimising the use of its existing assets some of the significant works in its forward programme may be postponed.

High water demand due to leakage and irrigation significantly affects the cost of operating and the requirement for improvements on the water supplies. A reduction in non-core water use can reduce both present and future costs to the networks.

Aging water pipes will show a rapid increase in failures as they reach the end of their economic life. It has been identified that a significant percentage of the council pipes are at risk of reaching this point during the next 10 years. The Council will want to optimise the renewal of its pipes in this period.

Most of the water delivered to the end user does not meet the full requirements of the Ministry of Health Drinking Water Standards for New Zealand 2005 (Revised 2008). This does not mean that the water is substandard it identifies that the water supply does not have all the enhancements that are possible. The Drinking Water Standards for New Zealand 2005 (Revised 2008) gives time for compliance based on the population size with the earliest requirement for a public health management plan to be approved being Queenstown and Wanaka on 1 July 2012 with smaller schemes thereafter. This has been achieved. It also allows for an alternative means of compliance by taking "all practicable steps" which allows for a more pragmatic approach that is approved by the Ministry of Health. As identified in the 2009 LTCCP Council have developed Public Health Risk Management Plans (PHRMPs) to monitor for compliance against the drinking water standards. Public Health South on behalf of the Ministry of Health have viewed progress on these plans and identified that the council is following the plan. The projects and improvements that are needed for more complete compliance are included within the 10-Year Plan.

How are we going to get there?

Significant Issues	Significant Projects
Most existing users do not receive water to the Drinking-water Standards for New Zealand 2005 (Revised 2008).	Implement the work, particularly the upgrades to water treatment, identified within PHRMPs
Increasing age of water pipes	A well planned renewals forward programme
High level of water demand due to leakage and irrigation	Water Demand Management Plans to be updated and water demand to be actively managed
Future development in Queenstown and Wanaka is remote from the major sources of water	Identify and implement cost effective and staged projects to deliver water to areas of growth
The Wanaka Water Supply has ongoing problems with algae blocking water filters	Upgrade the existing intakes/treatment to remove algae from the water supply
Affordability of reticulation and treatment in small towns	Investigate lower cost options for improvements to Glenorchy and for new scheme in small townships.
Optimisation of management, operations and improvements to the existing network	Continue with the tasks identified in the Activity Management Plan that are necessary to ensure that the present infrastructure is used and improved in a planned manner.
Management of data collection and data systems	Ensure that the relevant data is collected, is accurate and made available in a usable format.

Key Issues

1. Water Demand Management

The amount of water used in our district changes a lot between winter and summer with variables including the number of visitors and climate. Our biggest problem is meeting the peak time flows at the height of summer. In Queenstown the peak day in summer is one and a half times the average day in winter. At Lake Hawea the summer peak is eight times as much as it is during winter. If our communities can reduce peak usage then Council can reduce its investment in infrastructure. Water Demand Management is key to reducing these peaks including initiatives such as irrigation timers to optimise night flow and irrigation restrictors.

High Water Use

The Queenstown Lakes District continues to be one of the highest areas of water usage per person in New Zealand. Leakage mitigation work is continuing however water use is high even after leakage is factored. There are a number of reasons including the perception that we have an endless supply of water (lakes and rivers), the dry summer climate, the high value of property and the associated need for green (manicured lawns and landscaping). Water Demand Management includes an education component.

The water costs we can't change

Within the next ten years the Public Health Risk Management Plans will need to be implemented for the majority of the district.

The Otago Regional Council requires the Council to develop Water Demand Management Plans for any new consents. This requires Council to be a 'responsible citizen' when it comes to Water Demand Management.

The Council is also designing a forward programme of renewals for replacement of aging pipes. The estimated cost over the next ten years is in the Capital Expenditure table.

Water costs we can change through Water Demand Management

Development beyond the boundaries of existing schemes is where Council has identified the greatest future demand for water.

These areas will require new infrastructure and that will come at a cost. Water Demand Management will be factored into any investment in new infrastructure.

It can lead to potential savings around the size, capacity and timing of any new projects.

For main projects/ timing for the next 10-years see Capital Expenditure.

Leaks

The Council has continued to carry out an on-going programme of leak detection and repair. Some pipes (particularly Queenstown) are aging and therefore the rate of leakage continues. The Council manages this issue with regular leakage checks. Overall the Council has reduced leakage since 2008.

Volumetric Charging

Council has made no policy decision regarding volumetric charging (user pays water charge through metering), however this method of Water Demand Management will continue to be considered over the next 10-years. Issues regarding the introduction of water metering include the cost of installation, reading frequency and the unknown effect.

The Council has undertaken some preliminary investigation work through the small scale installation of meters. The Council has installed 30 meters in the Central Business District in Queenstown and discovered significant private leaks. The second project has involved installing metres at Luggate to monitor and understand water usage in a small community.

Looking forward

Further leak detection work will be needed for Council assets and private properties. The Council will need to continue to understand who uses water and when. The Council will need to undertake significant public education and campaigns around Water Demand Management, including the cost of water and how to use water wisely (i.e. using timers for watering and irrigation during optimal hours (overnight).

On a scheme by scheme basis if the Council continues to find that individual supplies are having difficulties meeting their demands the Council will continue with full or partial irrigation restrictions. The updating of the Water Supply Bylaw, programmed for 2012/13, will give the Council more ability to curb water use and to require individual water consumers to take affirmative action by improving the water usage on their property. The bylaw can consider restrictions, modification to private water assets, and/or the charging on an individual or communal basis.

The Council is seeking feedback on its position on Water Demand Management. Do you agree that Council should promote this position in order to reduce debt? Would you agree with a more restrictive approach should education and voluntary reduction in water use fail to achieve the necessary savings? Please have your say.

In response to the 10-Year Plan survey 59% (79) supported the Council's approach to water demand management, 14% (19) did not, the remainder were neutral. The approach to water demand management remains unchanged in the final plan.

2. Wanaka Algae Mitigation

The Council has been continuing to work on the problem associated with algae in the Wanaka water supply. Algae has been present in the lake for a number of years but increasing significantly in the last five years. Notably the last 12 months has not seen an increase in problems reported to the Council.

It has been shown that there are no health issues associated with the algae. Problems encountered typically are blocked filters on washing machines and domestic irrigation systems. Some households have opted to install a 'pre-filter' adjacent to the toby at the street boundary. This is termed 'point of use treatment'.

This filter must be cleaned by the owner on a regular basis but does not stop algae from entering the home water supply as some smaller particles will be passing through the filter. Filters at the street boundary should be sized to match the downstream filter size to avoid excessive cleaning.

Larger commercial filters also have automatic back washing to prevent blockage as well as being size matched to the downstream filters.

Council has been working through the recommendations contained in the 2011 MWH report on Wanaka Water Supply Algae.

The following has been undertaken to date:

- Regular cleaning of the two lake intakes by divers.
- Changes to the operational timing of the automatic water backwash on the Beacon Point intake.
- Investigation drilling to locate suitable sites for 'bankside filtration' bores as recommended.
- Despite quite widespread investigation no suitable site has been found on the Wanaka waterfront or in the vicinity of the two intakes.
- Installation of a pilot plant at the Western intake to assess the effectiveness of the recommended micro strainers. The monitoring has provided a high level of confidence in this method of algae filtration. The capital cost estimate is \$3.3m for each of the two intakes.
- Extending the intakes to a greater depth – still under investigation.
- Continued monitoring of algae in the lake and in the reticulation.

Before committing to a significant capital project, being microstrainers with automatic back washing estimated at \$6.6m, Council wants to fully investigate other options. The option of continuing with individual treatment by household filtration (i.e. 'point of use') is the lowest cost as only those households that are affected need to install filters.

Should the Council continue with requiring mitigation at the 'point of use' then the Council will need to advise the public in more detail about working with the algae and the most appropriate solutions. In the interim the Council will continue with the detailed investigation of residential mitigation options (filters etc).

The apparent reduction in issues is being investigated. It is not clear whether the work that has already been undertaken has made a difference or whether those most affected have simply become used to managing the problem of blocked filters.

The costs at right are indicative and relate to the option of microfiltration at the two intakes. Remember, Council has not included the cost at this time.

Impact on Rates and Cost

The Cost - Microfiltration

Key financial details

Capital Cost (in 2011 dollars)	\$6.6m
Operating cost	\$350,000
Depreciation (Funded)	\$105,600
Interest	\$299,000
Total additional annual cost	\$754,600

Impact on Rates

Chargeable properties connected to the Wanaka Water Supply	5,573
Additional Amount to Charge (incl GST)	\$155.71
Indicative increase 2012/13 TOTAL RATES	6.8%



Council has sought feedback from users of the Wanaka Water Supply as to whether the increase in water rates would be acceptable compared to the 'point of use' treatment alternative. As outlined the Council has not included the \$6.6m in the Draft 10-Year Plan.

In response to the 10-Year Plan survey 51% (72) agreed with investing in further mitigation of algae with 16% (23) against, the remainder being neutral, although only 26% (38) supported investing \$6.2 million and 39% (57) were opposed to the significant investment, the remainder were neutral.

Council's approach to Wanaka Algae Mitigation remains unchanged in the final plan.

Water Supply

Providing and maintaining a healthy, reliable and affordable water supply for the community now and into the future

Community Wellbeing	Council Priorities (Strategic)	Council Objectives (organisational)	Our Service	Measure	Actual Performance 2010/11	Target 2012-2015	Target 2015-2022
<div></div> <div>Effective and efficient infrastructure that meets the needs of growth</div> <div></div> <div>A safe and healthy community that is strong, diverse and inclusive for people of all age groups and incomes</div>	A natural and built environment that makes the Queenstown Lakes District a place of choice to live, work and visit	Continuity of water services for customers around quality and quantity	Providing a reliable water service	As pipes age and increase, maintain the current level of unplanned outages	67 (1)	<70/year	<70/year
			Providing quality water to the community	Compliance with national drinking water quality standards (2)	New measure to be developed	100%	100%
				Community satisfaction with the quality of water	69.4%	70%	75% (3)
		Providing cost efficiencies by managing water demand	Per connection average consumption (exclusive of leakages)	New measure to be developed (4)	1600L	1500L (5)	
			Leakage of a measure of night flow (6) per connection	849 litres per connection per day	825 litres per connection per day	800 litres per person per day (7)	

(1) This Level of Service is new in line with the development of a new Asset Management Plan for this activity leading to the introduction of new and improved measures in the Council's revised organisational performance framework.

(2) The national standards are taken from the Drinking Water Standards NZ 2005 (updated 2008). Council conducts water supply monitoring as specified in the standards, which are subject to Ministry of Health Review (most recently undertaken in December 2011).

(3) This target has increased in the later years of the 10-Year-Plan to reflect potential investment in algae mitigation for the Wanaka supply (this is a key consultation issue).

(4) The system recording this information is currently being worked on to improve the quality and accuracy of the information. Until this project is completed this measure cannot be reported on.

(5) The target reduces in line with Council's Water Demand Management - 3 Waters Strategy (key consultation issue in the 10-Year-Plan).

(6) Council uses the results of night flow surveys to estimate total leakage across a scheme or zone. This is then divided by the number of connections to that scheme or zone to produce a meaningful measurement that Council will want to see reduce over time - in line with Water Demand Management.

(7) Target reduces due to continued investment in leak detection, pipe renewal and Water Demand Management Education.

[illegible]

Addendum – Water Supply Future Proposed Capital Works Projects (\$000)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Grand Total
Wanaka	1,292	1,899	1,603	2,081	458	353	949	4,228	4,995	5,016	22,875
Water Supply - Renewals - Wanaka	545	545	545	688	458	332	594	270	281	292	4,548
Beacon Point filtration/UV (provisional on testing outcomes)	-	605	600	-	-	-	-	1,137	1,181	-	3,523
Albert Town Ring Main	371	-	-	-	-	-	-	-	-	2,971	3,342
Western filtration/UV (provisional on testing outcomes)	-	501	328	-	-	-	-	1,137	1,181	-	3,147
Riverbank Road Connection	-	-	-	-	-	-	-	-	276	1,509	1,785
Second Western Reservoir	-	-	-	-	-	-	-	198	1,263	-	1,461
Upper Mount Iron Reservoir	-	-	-	-	-	21	151	940	-	-	1,112
Western Reservoir Trunk Main Connection Upgrade	-	-	-	-	-	-	-	-	780	-	780
Upper Mt. Iron - Reservoir to Upper Pressure Zone reticulation	-	-	-	-	-	-	100	546	-	-	646
Kelleher Drive Extension	-	-	-	468	-	-	-	-	-	-	468
Old Station Ave Booster Pump	-	-	-	351	-	-	-	-	-	-	351
Bills Way / Aspiring Road / Far Horizon	-	-	-	293	-	-	-	-	-	-	293
Wanaka Water Supply, Anderson Road Extension	-	-	-	281	-	-	-	-	-	-	281
Western PS and RM	-	-	-	-	-	-	-	-	33	244	277
Scada Upgrade - District Wide	81	85	-	-	-	-	-	-	-	-	166
Beacon Point Pump # 4	-	163	-	-	-	-	-	-	-	-	163
Beacon Point Road Duplication	-	-	130	-	-	-	-	-	-	-	130
Connection of The Terraces development to Beacon Point Reservoir	122	-	-	-	-	-	-	-	-	-	122
Wanaka Water Supply - Aubrey Rd duplicate main	-	-	-	-	-	-	104	-	-	-	104
Wanaka Algae Issues	100	-	-	-	-	-	-	-	-	-	100
Beacon Point Standby generator for one pump	73	-	-	-	-	-	-	-	-	-	73
Grand Total	5,148	4,474	4,175	4,815	4,792	4,095	7,920	6,247	6,775	8,277	56,719

Stormwater

Overview

The Council is responsible for approximately 198km of stormwater mains, 13 detention basins and a number of interceptors (basic stormwater separators) serving approximately 10,900 properties that approximately cater for an average 10 year flood event.

Council Wastewater Strategy

The Council adopted a draft 3 Waters Strategy in June 2011. The strategy recognises that the key to the management of the stormwater infrastructure is balancing the affordability of creating additional capacity for an improved level of service. The strategy reviewed the stormwater network, identified key issues and likely problems with the drivers or challenges and planning assumptions which council would apply when addressing these.

The strategy has provided input to the drafting of the Activity Management Plan which has in turn provided the input to the 10-Year Plan. The adoption of a 10-Year Plan will in turn modify the Activity Management Plan as the council takes into account the factors that determine where the balance of what is affordable should be.

Who Pays?

This activity is largely public good in nature and will therefore be funded 100% from a Targeted Stormwater Rate based on Capital Value and applied on a ward basis to all urban properties.

Forecast Financial Performance

Stormwater - Summary of Forecasted Financial Performance				
Annual Plan 2011/12		10-Year 2012/13	10-Year 2013/14	10-Year 2014/15
\$000	Expenditure	\$000	\$000	\$000
2,336	Stormwater	2,439	2,543	2,601
2,336	Operating Costs	2,439	2,543	2,601
3,322	Group Activity Income (1)	2,956	3,169	3,288
(986)	Net Cost/(Surplus) of Service	(517)	(626)	(687)
Capital Expenditure				
645	Stormwater	1,167	475	877
645	Capital Works	1,167	475	877
610	Debt Repayment	669	616	951
2,720	Vested Assets	2,527	2,614	2,707
3,975	Capital and Debt Repayment	4,363	3,705	4,535

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2,989	Funding Required/(Generated)	3,846	3,079	3,848
Funded By:-				
1,367	Targeted Rates	1,350	1,436	1,555
-	General Rates	0	0	0
905	Loans (Internal & External)	1,682	801	1,450
247	Transfers (to)/from Reserves	324	336	322
470	Depreciation not Funded	490	506	521
2,989	Total Funding	3,846	3,079	3,848
Activity Income Includes (1)				
-	User Charges	0	0	0
-	Grants & Subsidies	0	0	0
278	Other	274	285	301
2,720	Vested Assets	2,527	2,614	2,707
324	Capital Contributions	155	270	280
3,322	Total Activity Income	2,956	3,169	3,288

Capital Expenditure

Major Projects (\$000)	2012/13	2013/14	2014/15
Wakatipu Ward			
Stormwater - Renewals - Wakatipu	215	215	215
Frankton Flats Stormwater - Outlet and Reticulation	765	-	-
Wanaka			
Bremner Park Stormwater Upgrade - Interim Solution	-	137	365
Stormwater - Renewals - Wanaka	80	80	80

Stormwater Significant Negative Effects

Significant Negative Effects	How will Council mitigate the negative effects?
Health and safety risks associated with the construction, maintenance or operation of the stormwater infrastructure. This includes the risks to the public associated with flooding and open drainage channels.	Staff and contractors are required to be trained to identify and manage health and safety risks before commencing work. Public Health Risk Management Plans are used to mitigate such risks. Ensure that high risk areas are identified and remedial actions undertaken
Cross mixing of water or more general degradation of the water resource through drainage, pollution and damming. Excavation of archaeological or waihi tapu site. Stormwater from built up areas may have a detrimental effect on the environment.	Council consult with Iwi, the Otago Regional Council and the Historic Places trust. Identify the likely levels of contaminants and identify catchments that would have the most beneficial effect on the environment by having treatment added.

Stormwater Assumptions

Please refer to page 3 of Volume 3 of the 10-Year Plan for Council Assumptions.

Why we do it?

The Council believes the provision of network infrastructure is the most efficient method of delivering the wastewater activity and our community outcomes. This activity enables the Council to better protect public and private property against rainfall events. The ownership of network infrastructure is regarded as a core service within the Local Government Act 2002.

What we do?

The Council provides a network of stormwater infrastructure that conveys stormwater to an approved receiving environment. The stormwater system should satisfy the individual needs of each property in providing an efficient service that protects people and property from damage.

The Council:

- Manages, operates, maintains and renews existing pipes, manholes, treatment devices and outfall sites.
- Complies with the requirements of legislation that govern this activity
- Facilitates the planning and development that has been approved to occur within the district
- Contracts work to various parties to complete the above works
- Works with other external organisations to ensure that an appropriate standard of work occurs

Where are we now and where do we want to be?



The council, in the last 10-Year Plan, did not include a significant forward programme of works that had been identified due to both an acknowledgement that many of the projects were not yet optimised and that there were difficulties with the long term funding of these projects. The council has determined that by aligning with associated projects, usually roading, and ensuring that the project is the most appropriate for the catchment an acceptable programme can be achieved.

How are we going to get there?

Significant Issues	Significant Projects
The existing Catchment Management Plans are required to be confirmed as appropriate and some areas are not yet covered.	Complete Catchment Management Plans
Affordability of reticulation	Investigate appropriate cost options for catchments and integrate with other projects where possible.
Management of data collection and data systems	Ensure that the relevant data is collected, is accurate and made available in a usable format.
Potential for significant flood events to have major adverse effects	Ensure that risks are identified and managed as part of the Catchment Management Plans.

Stormwater

To provide the infrastructure to allow the safe removal of stormwater

Community Wellbeing	Council Priorities (Strategic)	Council Objectives (organisational)	Our Service	Measure	Actual Performance 2010/11	Target 2012-2015	Target 2015-2022
 Effective and efficient infrastructure that meets the needs of growth  A safe and healthy community that is strong, diverse and inclusive for people of all age groups and incomes	A natural and built environment that makes the Queenstown Lakes District a place of choice to live, work and visit	Continuity of storm water services for customers around quality and quantity Value for money around storm water	A reliable storm water service is provided	The percentage of stormwater service requests responded to on time.	New measure to be developed (1)	100%	100%
			Quality infrastructure is in place to adequately channel all storm water away	No flooding of buildings due to a failure of the public storm water system (excluding a 1 in 50 year storm event)	0 (to May 2011)	0	0
				Number of storm water blockages	35 (2)	Less than 20 blockages per year	Less than 20 blockages per year
			A cost effective storm water service is provided	Maintenance cost per ratepayer increases by less than the cost of inflation per year	New measure to be developed (1)	Increase per ratepayer is less than inflation	Increase per ratepayer is less than inflation

(1) Two of the measures in this Level of Service are new in line with the development of a new Asset Management Plan for this activity leading to the introduction of new and improved measures in the Council's revised organisational performance framework.

(2) Although blockages can be very weather dependent (heavy rain events and high winds can lead to blockages) manhole inspections have been introduced to the new Veolia (3 Waters) contract and it is hoped this will lead to a reduction in blockages.

Addendum – Stormwater Future Proposed Capital Works Projects (\$000)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Grand Total
Queenstown	872	43	217	-	-	88	396	2,082	-	-	3,698
Queenstown Stormwater - Belfast Terrace to Horne Creek	-	-	-	-	-	-	-	2,082	-	-	2,082
Frankton Flats Stormwater - Outlet and Reticulation	765	-	-	-	-	-	-	-	-	-	765
Fernhill Stormwater - Wynyard Crescent	-	-	-	-	-	-	396	-	-	-	396
Fernhill Stormwater - Arawata Terrace	-	-	140	-	-	-	-	-	-	-	140
Panorama Terrace Upgrade	107	-	-	-	-	-	-	-	-	-	107
Beach Street Stormwater Reticulation Renewal and Upgrade	-	-	-	-	-	88	-	-	-	-	88
Fernhill Stormwater - O'Leary's Paddock	-	-	77	-	-	-	-	-	-	-	77
Fernhill Stormwater - Sainsbury Road	-	43	-	-	-	-	-	-	-	-	43
Wakatipu Ward	215	215	215	216	220	228	255	270	281	292	2,407
Stormwater - Renewals - Wakatipu	215	215	215	216	220	228	255	270	281	292	2,407
Wanaka	-	137	365	-	-	-	-	-	-	-	502
Bremner Park Stormwater Upgrade - Interim Solution (Stage 1)	-	137	365	-	-	-	-	-	-	-	502
Wanaka Ward	80	80	80	70	73	98	102	108	112	117	919
Stormwater - Renewals - Wanaka	80	80	80	70	73	98	102	108	112	117	919
Grand Total	1,167	475	877	286	293	414	753	2,460	393	409	7,525

Wastewater

Overview

The Council is responsible for approximately 362km of wastewater mains, 54 pump stations and four treatment plants serving approximately 13,400 properties that between them discharge a total of approximately 8,700 cubic metres of sewerage per day. This includes the larger plants, namely Project Pure (wastewater treatment plant and disposal to land at Wanaka) and the Lower Shotover Ponds (wastewater treatment and disposal to the Shotover River).

Wastewater Strategy

The Council has adopted a draft 3-Waters Strategy in June 2011. The Strategy recognises that the key to the management of the wastewater infrastructure is balancing the affordability of maintaining the existing network and creating additional capacity with an aging network, a reduction in risk, a demand for growth, and an improved level of service. The Strategy reviewed the wastewater network, identified key issues and likely problems with the drivers or challenges and planning assumptions which the Council would apply when addressing these.

The strategy has provided input to the drafting of the Activity Management Plan which has in turn provided the input to the 10-Year Plan. The adoption of a 10-Year Plan will in turn modify the Activity Management Plan as the Council takes into account the factors that determine where the balance of what is affordable should be.

Who Pays?

This activity is largely private good and the operational costs will therefore be funded by a Targeted Uniform Sewerage Charge which is charged out on the basis of the number of connected pans / urinals within the property. A rating unit used primarily as a residence for one household shall be deemed to have not more than one pan / urinal in accordance with the Local Government (Rating) Act 2002. Remission policies have been developed in relation to the application of this rate to businesses with multiple connections and to various non profit organisations.

Forecast Financial Performance

Wastewater - Summary of Forecasted Financial Performance				
Annual Plan 2011/12		10-Year 2012/13	10-Year 2013/14	10-Year 2014/15
\$000	Expenditure	\$000	\$000	\$000
8,885	Wastewater	9,424	9,831	10,889
8,885	Operating Costs	9,424	9,831	10,889
3,760	Group Activity Income (1)	2,624	3,271	3,384
5,125	Net Cost/(Surplus) of Service	6,800	6,560	7,505
	Capital Expenditure			
11,001	Wastewater	3,348	7,300	21,186
11,001	Capital Works	3,348	7,300	21,186
738	Debt Repayment	796	593	757
1,904	Vested Assets	1,799	1,861	1,927
13,643	Capital and Debt Repayment	5,943	9,754	23,870
18,768	Funding Required/(Generated)	12,743	16,314	31,375
	Funded By:-			
6,258	Targeted Rates	6,471	6,823	7,625
75	General Rates	229	237	332
7,290	Loans (Internal & External)	3,319	4,679	21,442
3,811	Transfers (to)/from Reserves	1,245	3,071	432
1,334	Depreciation not Funded	1,479	1,504	1,544
18,768	Total Funding	12,743	16,314	31,375
	Activity Income Includes (1)			
-	User Charges	-	-	-
354	Grants & Subsidies	-	-	-
29	Other	34	36	38
1,904	Vested Assets	1,799	1,861	1,927
1,473	Capital Contributions	791	1,374	1,419
3,760	Total Activity Income	2,624	3,271	3,384

Capital Expenditure

Major Projects (\$000)	2012/13	2013/14	2014/15
Queenstown			
Project Shotover - Stage 1	396	4,424	13,783
Wastewater - Renewals - Queenstown	535	535	535
Marine Parade Pump Station Upgrade with Generator	250	-	-
Frankton Flats Development - WW Servicing (Stage 1)	-	327	-
Scada Upgrade - District Wide	158	165	-
Glenorchy			
Glenorchy New Wastewater Scheme	56	58	2,922
Arrowtown			
Wastewater - Renewals - Arrowtown	123	123	123
Project Shotover - Stage 1	46	509	1,587
Wanaka			
Wastewater - Renewals - Wanaka	260	260	260
New and upgraded Aubrey Road West Reticulation	-	-	252
Hawea			
Hawea Land Disposal Option	438	-	-
Arthurs Point			
Project Shotover - Stage 1	23	257	801
Lake Hayes			
Project Shotover - Stage 1	23	255	794

Wastewater Significant Negative Effects

Significant Negative Effects	How will Council mitigate the risk?
Health and safety risks associated with the construction, maintenance or operation of the wastewater infrastructure.	Staff and contractors are required to be trained to identify and manage health and safety risks before commencing work. Public Health Risk Management Plans are used to mitigate such risks.

Odours from wastewater infrastructure such as pumping stations, treatment facilities and pipeline vents	Proactively manage odours and discharges to minimise the impact on the surrounding environment and where standards are unable to be met consider the appropriate means of compliance
The discharge of treated wastewater to rivers and streams and the degradation of this natural resource that may result.	Council consult with Iwi, the Otago Regional Council and the Historic Places Trust.
Excavation of archaeological or waihi tapu site.	
The effects on the environment of solid waste disposal to land-fill. Particularly from wastewater sludge.	
Affordability of high growth and of higher levels of treatment for existing communities and new schemes for unserviced communities.	Consider lower cost, lower level of service schemes and ensure all communities are consulted on likely financial impact.
Overflows of untreated wastewater into the environment due to blockages and age related defects.	A proactive investigation of pipes to confirm maintenance and renewal requirements.
The effects on the environment of carbon discharges associated with energy use (Pumping and treatment).	The 3-Waters Strategy defines a clear path to reducing energy usage and planning for the impacts of Climate Change.
Risk of overflows due to blocking of sewers due to age related defects	A proactive investigation of pipes to confirm maintenance and renewal requirements
Small unserviced communities are faced with a high cost to install a new network	Consider lower cost, lower level of service schemes

Wastewater Assumptions

Please refer to page 3 of Volume 3 of the 10-Year Plan for Council Assumptions.

Why we do it?

The Council believes the provision of network infrastructure is the most efficient method of delivering the wastewater activity and our community outcomes. This activity contributes not only to the health and wellbeing of the community but also the Queenstown Lakes District's reputation as a clean green destination (through disposal of treated wastewater to land as opposed to a waterway (Clutha River)). The ownership of network infrastructure is regarded as a core service within the Local Government Act 2002.

What we do?

The Council provides a network of wastewater reticulation from each property boundary to a treatment plant, via pump stations. Treated wastewater is then disposed of to an approved receiving environment. This system is designed and managed in such a manner that the user is provided a continuously available and efficient network.

The Council:

- Manages, operates, maintains and renews existing pipes, manholes, pump stations, treatment plants and disposal sites.

- Complies with the requirements of legislation that govern this activity.
- Facilitates the planning and development that has been approved to occur within the district.
- Contracts work to various parties to complete the above works.
- Works with other external organisations to ensure that an appropriate standard of work occurs.

Where are we now and where do we want to be?

The Council, in the last 10-Year Plan, identified a significant forward programme of works that was heavily reliant on projected growth. It was identified that there were difficulties with the long-term funding of these projects. The Council has determined that by managing the demand on its assets and by optimising the use of its existing assets some of the significant works in its forward programme may be postponed.

How are we going to get there?

Significant Issues	Significant Projects
The Shotover Ponds are no longer functioning at a standard commensurate with the receiving environment. Two options exist; either enhancement of the existing facility or replacement.	Investigate the operation of the Shotover Ponds to enable the deferment of replacement option by completing improvements on the existing system.
Affordability of reticulation and treatment in small towns	Investigate lower cost options for schemes in Glenorchy, Cardrona and Kingston.
Optimisation of management, operations and improvements to the existing network	Continue with the tasks identified in the Activity Management Plan that are necessary to ensure that the present infrastructure is used and improved in a planned manner.
Management of data collection and data systems	Ensure that the relevant data is collected, is accurate and made available in a usable format.

Key Issue - Project Shotover

Wakatipu Wastewater Treatment

An upgrade to the existing treatment system is needed. This is to meet forecast increases to wastewater flows and because we are required by the Otago Regional Council to treat wastewater to a much higher environmental standard. This is needed to meet long term consent conditions.

Other stakeholders also desire an improved level of treatment around issues such as iwi considerations, health requirements and environmental perceptions. An alternative view exists that the disposal of treated wastewater to the Shotover River has no measurable effect. In other words QLDC has raised questions regarding the stringency of the long term consent. All of these matters must be considered in the context of affordability and need to be fully debated by this community. It is the community that will be paying for the upgrade through rates and development contributions.

This is the single most costly project in the 10-Year-Plan so Council has spent a lot of time testing it on a number of levels.

The current consent for the Shotover Ponds (Shotover Delta) and the disposal of treated waste water to the Shotover River will expire in 2014 and the new, long term consent comes into effect at that time. Council is clear that its intention is to improve the level of treatment of wastewater in the Wakatipu. It has already commenced a process to clean the existing ponds and upgrade filtering to improve the treatment ability of the ponds until the upgrade can be delivered. Not only do we need to consider what level of treatment will be palatable for the community but Council must also give considerable regard to affordability. Affecting both these considerations will be the issue of timing. Stakeholders (ORC, Public Health South, Iwi and Fish and Game) would like to see this project sooner than later but what does the community think? The project has been estimated to cost in the region of \$36.9 million and is included in the 10-Year Plan.

At this stage the project has been separated into two parts. A treatment plant would be developed first to improve the quality of the wastewater. Delivering this part of the project would mean Council would achieve the quality requirement of its long term consent conditions. The cost is estimated to be \$28 million.

The second part of the project would end the disposal of treated wastewater to the Shotover River through disposal to land at the Shotover Delta. The Council's intention in 2009 to deliver this part of the project means it was included as a condition of the long term consent.

The Council would like to flag that it would like to revisit and test whether disposal to land is still required in 2012. The Council acknowledges that disposal to land is an important cultural and aesthetic part of the project, however it adds significant cost to the ratepayer. The cost is estimated to be \$8.8 million (31% of the overall project cost).

The treatment plant is contained in the 10-Year Plan to be delivered by year three, the Council has included the disposal field at a much later time (year ten).

Because of the significant impact the inclusion of a disposal field will have on rates (more than anticipated when the project was first included in the 2009 10-Year Plan) the Council encouraged robust debate on this issue.

The Council sought feedback on this matter.

Rates Impact with and without disposal

Indicative rate increases 2021/2022		
	Without land disposal	With land disposal
Queenstown	14.5%	16.1%
Arrowtown	9.7%	11.5%
Lake Hayes	10.7%	11.6%
Arthurs Point	9.8%	10.9%

So what are we proposing for now?

The Council has included in this 10-Year Plan a proposal that would deliver an upgrade in the Wakatipu Basin on the same basis as Project Pure in Wanaka (disposal of waste water to land).

The cost estimates that have been included in this 10-Year Plan have not been tested with the industry in the current market. The Council proposes that we now (May 2012) call for expressions of interest around the project. What we want to know is: are there more affordable solutions that we have not fully considered? Getting this process underway means we are committing to an upgrade.

By calling for Expressions of Interest the Council will know what its achievable options are. The Council will want to have a conversation about these options with the community and stakeholders with a view to tender the project in 2012/13. The intention would see an upgrade completed by 2015/16.

The Cost - Project Shotover	
Key Financial Details	
Capital Cost	\$35.9m
Project Timing:	
Treatment Plant	2013-2016
Disposal Field	2022
Operating Expenditure:	
Direct Costs	2,024,650
Depreciation (Funded)	228,736
Interest	1,405,234
	3,658,620
Operating Deficit	3,658,620
Impact on Rates	
Estimated deficit from above	3,658,620
Chargeable Properties (Queenstown, Arthurs Pt, Arrowtown and Lake Hayes)	13,194
Additional amount to charge (incl GST)	\$318.89
Increase on 2016/17 Total Rates	13.5%
Rate Funding of Deficit	
1. Area of benefit will be Queenstown, Arthurs Point, Arrowtown and Lake Hayes	
2. Rates impact will vary according to area. Estimated range of increase: 10 to 15%	
3. Excludes land disposal costs	

Remember the cost is based on estimates only and over the next 12 months Council will know if the market can deliver a more affordable option.



Want more detail?

More detailed information is available on the Council website www.qldc.govt.nz

The response from the 10-Year Plan survey had 53% (68) in support of the Council's approach to Project Shotover and 11% (14) against, the remainder were neutral. The Council's approach to Project Shotover remains unchanged in the final plan.

Wastewater

To provide safe, reliable and discreet removal and processing of the communities' waste products

Community Wellbeing	Council Priorities (Strategic)	Council Objectives (organisational)	Our Service	Measure	Actual Performance 2010/11	Target 2012-2015	Target 2015-2022
 Effective and efficient infrastructure that meets the needs of growth  A safe and healthy community that is strong, diverse and inclusive for people of all age groups and incomes	A natural and built environment that makes the Queenstown Lakes District a place of choice to live, work and visit	Continuity of Wastewater services for customers around quality and quantity	A reliable wastewater service is provided	Notice of any planned service interruptions (excluding emergencies)	100%	100% of customers receive 24 hours notice.	100% of customers receive 24 hours notice.
				Customer satisfaction with wastewater	68%	68%	75% (1)
		Value for money around the water service	A good quality wastewater service is provided	No more than 30 odour complaints per year are received	35	Less than 30	Less than 30
			A safe wastewater service is provided	Sewerage overflows into habitable buildings due to faults in the public wastewater system is zero	2	0	0

(1) This target is set to increase with the proposed development of Project Shotover (disposal of waste water to land instead of the Shotover River). This is a key issue for consultation in the 10-Year Plan.

Addendum – Wastewater Future Proposed Capital Works Projects (\$000)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Grand Total
Queenstown	1,650	5,450	14,318	4,486	3,502	10,207	5,099	473	491	7,734	53,406
Project Shotover - Stage 1	396	4,424	13,783	3,436	-	-	-	-	-	-	22,039
Project Shotover - Disposal Field	-	-	-	-	-	-	-	-	-	7,208	7,208
Wastewater - Renewals - Queenstown	535	535	535	636	837	637	854	473	491	511	6,042
Remarkables Park Pump Station Upgrades - New PS2	-	-	-	-	609	3,282	869	-	-	-	4,760
CBD to Frankton	-	-	-	-	2,056	2,136	-	-	-	-	4,192
Recreation Ground Pumpstation - Stage 1	-	-	-	-	-	3,783	-	-	-	-	3,783
Kelvin Heights Wastewater Upgrades	-	-	-	-	-	369	2,723	-	-	-	3,092
Marine Parade Pump Station Upgrade with Generator	250	-	-	-	-	-	-	-	-	-	250
Frankton to Ponds Wastewater Reticulation - Smaller Diameter Pumping Main	-	-	-	-	-	-	653	-	-	-	653
Kawarau Falls Bridge Crossing	-	-	-	414	-	-	-	-	-	-	414
Frankton Flats Development - WW Servicing (Stage 1)	-	327	-	-	-	-	-	-	-	-	327
Scada Upgrade - District Wide	158	165	-	-	-	-	-	-	-	-	323
Park Street Storage Upgrade	115	-	-	-	-	-	-	-	-	-	115
Sunshine Bay Storage	105	-	-	-	-	-	-	-	-	-	105
Park Street Generator	73	-	-	-	-	-	-	-	-	-	73
Marine Parade Pump Station Flowmeter Renewal	19	-	-	-	-	-	-	-	-	-	19
Lake Esplanade Catchment Diversion to Recreation Ground Pumpstation	-	-	-	-	-	-	-	-	-	15	15
Wanaka	480	372	512	615	104	625	1,277	237	245	2,225	6,691
Upgrade Lakeside Road reticulation from Eely Point to near McKay Street.	-	-	-	-	-	-	-	-	-	1,542	1,542
Wastewater - Renewals - Wanaka	260	260	260	123	64	132	187	203	210	219	1,918
Aubrey Road East Reticulation	-	-	-	-	-	-	1,065	-	-	-	1,065
Gordon Road Pump Station Upgrade	26	-	-	492	-	-	-	-	-	-	518
Wiley Road to Lakeside Road Trunkmain	-	-	-	-	40	398	-	-	-	-	438
Upgrade Meadowstone Drive - Warren Street reticulation	-	-	-	-	-	-	-	-	-	398	398
Wastewater - Renewals - Albert Town	-	46	-	-	-	95	25	34	35	37	272
New and upgraded Aubrey Road West Reticulation	-	-	252	-	-	-	-	-	-	-	252
Scada Upgrade - District Wide	64	66	-	-	-	-	-	-	-	-	130
Wanaka Wastewater Flow Meters	105	-	-	-	-	-	-	-	-	-	105
Project Pure Capacity Review	-	-	-	-	-	-	-	-	-	29	29
Wanaka Rain Gauges	16	-	-	-	-	-	-	-	-	-	16
Albert Town Upgrades	10	-	-	-	-	-	-	-	-	-	10
Grand Total	3,348	7,300	21,185	6,471	4,542	11,365	7,747	1,124	1,124	12,050	76,252

Roading and Footpaths

- Roding
- Parking Facilities

Overview

The Council is accountable for just over 800km of local roading and public carparks located in Arrowtown, Queenstown, and Wanaka. In addition there are 232km of State highways within the District and these are managed by New Zealand Transport Agency (NZTA).

The Council's transport activities are funded from a combination of local and central government funding sources.

Council Transport Strategies

The development of transport strategies for the Wanaka and Wakatipu Wards took place over the period from 2006/07 to 2008/09 when the two key strategies the Wakatipu Transportation Strategy and the Wanaka Transportation and Parking Strategy were adopted. Both strategies were endorsed by NZTA (or its predecessors). The Council has also adopted strategies for road safety, cycling and walking, and the Transport Asset Management Plan.

The Council's strategies promote an integrated approach to projects that together will achieve significant changes to the district's transport system and travel behaviour over the next twenty years. Key drivers for the strategies have been the need to cater for growing transport demands (as a consequence of forecast resident and visitor growth) and the need to protect and – where possible - enhance district amenity.

These strategies have been instrumental to changes in the Council's transport activity over the past three years.

The transport strategies have provided input to this 10-Year Plan. Within the next three years the key projects to have come out of transport strategies relate to the design of new roads in Wanaka and Wakatipu, and ongoing parking management.

It is planned that the Council's transport strategies will be reviewed in 2013/14 in order to continue strategic input to the next 10-Year Plan.

Who Pays?

Roding - This activity provides some degree of private good but there is also a significant element of public good and exacerbator factor. After allowing for any New Zealand Transport Agency (NZTA) subsidy and Petrol Tax (estimated at 45%), this activity will be funded from a Targeted Roding Rate based on Capital Value and applied on a ward basis to all properties.

Parking - This activity provides a large degree of private good but there is also a minor element of public good. This activity will therefore be funded 100% from user charges.

Forecast Financial Performance

Roding and parking - Summary of Forecasted Financial Performance				
Annual Plan 2011/12		10-Year 2012/13	10-Year 2013/14	10-Year 2014/15
\$000	Expenditure	\$000	\$000	\$000
17,229	Roding and Parking	18,073	19,709	20,574
561	Parking Provision	420	414	405
17,790	Operating Costs	18,493	20,123	20,979
21,205	Group Activity Income (1)	18,449	16,760	15,709
(3,415)	Net Cost/(Surplus) of Service	44	3,363	5,270
	Capital Expenditure			
24,065	Roding	19,739	15,153	12,074
-	Parking Provision	-	173	-
24,065	Capital Works	19,739	15,326	12,074
1,146	Debt Repayment	3,903	3,705	5,500
3,699	Vested Assets	3,473	3,593	3,721
28,910	Capital and Debt Repayment	27,115	22,624	21,295
25,495	Funding Required/(Generated)	27,159	25,987	26,565
	Funded By:-			
11,193	Targeted Rates	12,651	12,836	12,755
9,254	Loans (Internal & External)	9,420	7,623	8,026
2,567	Transfers (to)/from Reserves	1,847	1,944	1,939
2,481	Depreciation not Funded	3,241	3,584	3,845
25,495	Total Funding	27,159	25,987	26,565
	Activity Income Includes (1)			
928	User Charges	928	963	993
15,621	Grants & Subsidies	12,906	10,491	9,222
391	Other	391	414	434
3,699	Vested Assets	3,473	3,593	3,721
566	Capital Contributions	751	1,299	1,339
21,205	Total Activity Income	18,449	16,760	15,709

Capital Expenditure

Major Projects (\$000)	2012/13	2013/14	2014/15
Wakatipu - NZTA			
Wakatipu - Sealed Road Resurfacing	1,823	2,189	1,832
Frankton Flats Road 2 - New Roads	3,479	-	-
Wakatipu - Unsealed Road Metalling	711	867	578
Wakatipu - Associated Improvements	853	580	430
Wakatipu - Minor Improvements	625	501	383
Arthurs Point Road	1,395	-	-
Inner Links, Stage 1 - Melbourne Henry (Design and Land Purchase)	267	920	-
Wakatipu - Sealed Road Pavement Upgrade (Design)	626	276	139
Malaghans Road	-	720	-
Crown Range Road	-	706	-
Arawata Terrace	-	-	686
Panorama Terrace	657	-	-
Eastern Access Road - New Roads	-	300	310
Wanaka - NZTA			
Wanaka - Sealed Road Resurfacing	1,842	1,789	1,321
Wanaka - Unsealed Road Metalling	595	617	636
Wanaka Mount Aspiring Rd - Road Reconstruction	-	934	-
Cardrona Valley Road	737	-	-
Beacon Point Road	-	-	693
Wanaka CBD Intersection Improvements	506	141	-
Wakatipu Other			
Wakatipu Transportation - Minor Improvements, Non-Sub	626	649	669
Wanaka Other			
Wanaka Transportation - Minor Improvements, Non-Sub	313	325	335

Significant Negative Effects

Significant Negative Effects	How will Council mitigate the risk?
<p>The key significant potential negative effects of roading and footpaths are:</p> <ul style="list-style-type: none"> Road trauma (injuries and fatalities that occur through the use of the roads and footpaths) Network unreliability, due to asset failure and growing traffic demands 	<p>Council mitigates the effects of road trauma by seeking to reduce risks associated with use of the roads and footpaths. All new works and renewals consider opportunity for safety improvements. Council – working with the Police, Public Health South, and NZTA -promotes safety through its road safety programmes and minor improvements programmes.</p>
<p>During construction, potentially significant negative effects include:</p> <ul style="list-style-type: none"> Disruption to traffic and pedestrian flow Temporary loss of property access Risks to health and safety of people working and in the vicinity of the site 	<p>Council mitigates the risks of asset failure through its development and review of the transport and roading asset management plan. This identifies the “levels of service” that council expects the transport and roading to deliver, and how these will be achieved through expenditure on new works, renewals, operation and maintenance.</p> <p>Council mitigates construction risks through following established procedures for the development and approval of road opening notices, temporary traffic management plans and health and safety plans.</p> <p>Traffic management plan will include communications with people likely to be affected by the construction work, enabling them to also take steps to reduce the impact of the work on their activity.</p>

Roading and Footpaths Assumptions

As with all road controlling authorities, there is a heavy reliance on the New Zealand Transport Agency (NZTA) for funding of transport projects and programmes. This however is not the case for parking facilities, which do not receive NZTA funding. Parking expenditure is funded by parking revenue.

Key assumptions for general transport are that NZTA financial assistance rates will be maintained at current rates for the Crown Range and Glenorchy Special Purpose Roads and that funding rates for the remaining local roads will increase incrementally over the next 3 years, consistent with advice from the NZTA earlier this year.

NZTA is responsible for the allocation of Central Government transport funding to ‘approved organisations’. This takes place through the National Land Transport Programme that is expected to be released in August 2012.

The Government’s directions to NZTA regarding the use of its transport funding are set out in the Government Policy Statement on Land Transport Funding (GPS). The most recent GPS was released in July 2011. The GPS sets national funding levels for NZTA. Although this Statement is cast at a national level of funding,

broad directions for local spending are given. Key is that operations and maintenance expenditure is not expected to rise significantly over the next ten years – although many road controlling authorities face the prospect of expanding networks, the increased activity to maintain and operate this network is to be funded through improved efficiencies

It should also be noted that the development of the National/Regional Land Transport Programme is progressing in parallel with this long term plan. The process is iterative with both processes 'informing' the other. However while this 10-Year Plan is to be adopted by end of June 2012 the National Land Transport Programme will not be released until two months later in August 2012. As with the release of the 10-Year-Plan and the National Land Transport Programme in 2009, there is potential for this 10-Year Plan's assumptions around NZTA funding to be proven incorrect.

Please refer to page 3 of Volume 3 of the 10-Year Plan for Council Assumptions.

Roading

Why we do it?

The council's roading activity seeks to provide a cost effective transport system that meets the district's changing needs. This reflects transport's role as a means to achieving community outcomes rather than necessarily being an end in itself. While the community outcomes are relatively stable, strategies and policies that influence the role and effects of transport are evolving.

What we do?

Council provides a network of roads, passenger transport infrastructure and footpaths that connect our communities and provide for safe and efficient transport around the district. Council's transport activity encompasses :

- Operation, maintenance and renewal of existing roads, footpaths and streetlights and installation of new roads, footpaths and streetlights
- Parking regulation (with enforcement carried out on the council's behalf by Lakes Environmental Ltd)
- Installation and maintenance of bus stop facilities

These activities are delivered through a combination of in-house resources that include a transport business unit and a capital projects section.

Significant contracts exist between council for :

- The maintenance of the roads: This work is contracted to Downer. The contract has a 5 year term that will end in 2014.
- The maintenance of streetlights: This work is contracted to Delta. The contract has a 3+1+1 year term with the initial three year term ending in 2014
- The reseal of roads (work contracted to Fulton Hogan) and renewal of roads (individual contracts for each 'project')
- The design of "capital" projects. Up to 80% of this work (by value) is allocated to a consultant's panel comprising GHD Ltd, Hadley Consultants Ltd and MWH Ltd. The design consultants for the remaining projects are procured through open tender.

For the most part these activities are confined to council roads. However, council is required by NZTA to maintain its footpaths and street cleaning.

The nature of the transport activity is such that to achieve what it wants council must work closely with other transport agencies. Key amongst these are:

- NZTA – transport funding, transport regulation/enforcement and State highway (excluding footpaths) management
- NZ Police – road safety and enforcement of transport rules and bylaws (particularly relating to moving vehicle offences)
- Otago Regional Council – convenor of Regional Transport Committee and planning / contracting functions relating to public transport

Where are we now and where do we want to be?

Over the past three years Council has, with NZTA support,

- Invested heavily in roading renewals (reseals and sealed pavement rehabilitation)
- Commenced implementation of its transport strategies with projects that have included
 - The extension of parking charges in the Queenstown Town Centre (implemented alongside the introduction of changes by Otago Regional Council and local bus operator (Connectabus) to urban scheduled bus services (Wakatipu)
 - Reviews of parking controls in Town Centres (Wakatipu and Wanaka)
 - Development of a school travel planning programme (Wakatipu and Wanaka)
 - The construction of initial elements of the Frankton Flats arterial road network through the Glenda Drive Roundabout and local roads project (Wakatipu)
 - Installation of new bus stops and bus shelters (Wakatipu)
 - Completion of the Ardmore Brownston Street project that included undergrounding of power lines, lighting upgrades, intersection improvements at the Ardmore Brownston Street intersection and safety improvements on Ardmore Street (Wanaka).

The transport activity is seeking to deliver the following outcomes

- The transport system is accessible to all users using the most practical mode
- An affordable transport system throughout the District
- Travelling is comfortable and within expectations
- The look and feel of the transport system is considerate to the visual amenity of the district
- Provide a safe and secure transport system
- The transport network accommodates seasonal and future growth without hindering users experience

How are we going to get there?

To work towards achieving these outcomes, key drivers over the coming three years are

- Ongoing implementation of transport strategies, with a focus on design work for
 - strategic road links on the fringe of Queenstown Town Centre (the Inner Links projects),
 - the Frankton Flats arterials (Eastern Access Road and Frankton Flats - West) and
 - the North Eastern corridor in Wanaka.
- Improved efficiencies in roading operations and maintenance. It is noted that the existing roading maintenance contract expires in 2014, and council is examining opportunities for changes in the way these important works are delivered.
- Maintaining the quality of the roading network through continuation of the renewals programme

Parking Facilities

Why we do it?

“Parking” is a fundamental part of the transport activity and as such contributes to provision of a cost effective transport system that meets the district’s changing needs.

The Council uses parking supply and management to ensure that high demand destinations such as town centres are accessible and, where alternatives to car based travel exist, to influence how people travel. Key drivers of the parking activity, particularly in the Queenstown Town Centre (which is serviced by a public transport network) are:

- To reduce debt associated with the past acquisition of land for parking
- Ensure parking is available for visitors
- Encourage awareness and use of alternatives to the single occupant car

What we do?

The transport activity:

- Plans for the future provision of carparking
- Maintains parking areas (including signage and parking equipment)
- Regulates the way off-street parking areas are used through bylaw instruments such as time restrictions and parking fees.

Where are we now?

Parking management is playing a key role in the implementation of Council's transport strategies, complementing the introduction and development of a high quality public transport network.

The public transport system is in its early stages of development and accordingly parking management will need to evolve as to match public transport improvements.

Where do we want to be?

The carparking outcomes being sought are:

- Carparking facilities are suitable to population and needs
- Carparks are well lit and safe for customers

How are we going to get there?




Over the next three years the following actions will occur:

- Parking reviews: although these are dominated by reviews of on-street controls, they do include consideration of the parking controls within the council's off-street carparks. In the last review these included regard for mobility parks and the introduction of carpooling spaces.
- Annual Reviews of parking charges: the council will review parking charges annually as part of its annual plan process

- Institution of improved maintenance programmes: off-street carparks have in the past been maintained in response to faults and safety issues as they arise. Car-parks have now been recorded in the Council's RAMM database and will be maintained under a maintenance programme funded from within the parking activity.

Roading and Footpaths

Roading ... To provide a cost effective transport system that meets the districts changing needs

Community Wellbeing	Council Priorities (Strategic)	Council Objectives (Organisational)	Our Service	Measure	Actual Performance 2010/11	Target 2012-2015	Target 2015-2022
 Effective and efficient infrastructure that meets the needs of growth  Sustainable growth management  A safe and healthy community that is strong, diverse and inclusive for people of all age groups and incomes	A natural and built environment that makes the Queenstown Lakes District a place of choice to live, work and visit	Operate within our budgets for the best result possible	Provide an affordable transport system throughout the district	Annual increase in total cost of maintaining the transport networks are less than the cost of inflation (accounting for population growth)	New Measure (1)	100%	100%
			The transport network accommodates seasonal and future growth without hindering users experience	Use of non-car and ride sharing options increases (measured travellers through Queenstown CBD from all directions) (2)	34%	40%	44%
				Community Satisfaction with: Roads Unsealed Roads Footpaths	70.5% 52.1% 62.7%	70.5% 55% (3) 63%	70.5% 55% 63%
		Stakeholder confidence in what we do	Provide a safe and secure transport system	Sealed Roads do not exceed the maximum roughness - National Association of Australian State Roads Authority (NAASRA) Survey	6% exceeds limits	>5% exceeds limits (4)	>5% exceeds limits
				3 year average serious casualties (fatal and serious injuries) on the local road network does not increase above the 2008-10 average	17 (2008-10 average only)	3 yr average <15	3 yr average <15

(1) This measure is reflected in the roading capital expenditure budgets contained in this 10-Year Plan.

(2) Vehicle movement and screenline counts are measured annually in March by placing surveyors on the main arterial of Queenstown's CBD. Note the Frankton Track is also part of the survey for walking and bike movements.

(3) Satisfaction with unsealed roads is expected to increase with the delivery of the Ottaseal programme (temporary seal) with a lifespan of approximately seven years.

(4) A significant investment in increasing the level of service in roading has been undertaken in the last three years and we are now entering a consolidation period. The survey is anticipated to reflect the investment.

Parking Facilities ... To provide a cost effective transport system that meets the districts changing needs

Community Wellbeing	Council Priorities (Strategic)	Council Objectives (Organisational)	Our Service	Measure	Actual Performance 2010/11	Target 2012-2015	Target 2015-2022
 Effective and efficient infrastructure that meets the needs of growth  A safe and healthy community that is strong, diverse and inclusive for people of all age groups and incomes	A natural and built environment that makes the Queenstown Lakes District a place of choice to live, work and visit	Stakeholder confidence in what we do	Carparking facilities are suitable to population and need	Percentage of designated short term parking spaces are available	New measure to be developed	20% available on audit	20% available on audit
			Customers feel safe using the carpark at night	Customer satisfaction with street lighting	63.8%	65%	65%

Addendum – Roading Future Proposed Capital Works Projects (\$000)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Grand Total
Crown Range	1,405	144	73	115	544	260	1,125	1,188	1,185	151	6,190
Crown Range Spr - Sealed Road Resurfacing	-	48	-	38	434	-	167	143	805	58	1,693
Crown Range Road - Sealed Road Pavement Rehabilitation	-	-	-	-	-	150	710	781	188	-	1,829
Crown Range Spr - Associated Improvements	170	-	-	-	-	30	142	156	38	-	536
Crown Range Road (Start Rp: 10494, End Rp: 11025)	433	-	-	-	-	-	-	-	-	-	433
Crown Range Road (Start Rp: 14002, End Rp: 14400)	365	-	-	-	-	-	-	-	-	-	365
Crown Range Spr - Drainage Renewals	29	30	31	32	33	34	35	37	38	39	338
Crown Range Spr - Structures Component Replacements	26	27	28	29	30	31	32	33	34	35	305
Crown Range Spr - Minor Improvements	22	32	7	9	40	8	31	30	74	11	264
Crown Range Road (Start Rp: 6612, End Rp: 7012)	201	-	-	-	-	-	-	-	-	-	201
Crown Range Road (Start Rp: 21133, End Rp: 21441)	154	-	-	-	-	-	-	-	-	-	154
Crown Range Spr - Traffic Services Renewals	6	6	7	7	7	7	8	8	8	8	72
Glenorchy	232	45	159	3,169	1,292	1,453	434	54	344	374	7,556
Glenorchy Spr - Sealed Road Resurfacing	176	-	-	995	860	277	354	-	266	293	3,221
Glenorchy Spr - Sealed Road Pavement Rehabilitation	-	-	112	1,657	242	-	-	-	-	-	2,011
Glenorchy Spr - Associated Improvements	-	-	-	263	48	746	-	-	-	-	1,057
Glenorchy Spr - Minor Improvements	17	4	4	210	96	384	32	4	26	28	805
Glenorchy Spr - Structures Component Replacements	16	16	17	17	18	18	19	20	20	21	182
Glenorchy Spr - Drainage Renewals	10	11	11	12	12	12	13	13	14	14	122
Glenorchy Spr - Traffic Services Renewals	8	9	9	9	10	10	10	10	11	11	97
Glenorchy Spr - Unsealed Road Metalling	5	5	6	6	6	6	6	7	7	7	61
Parking Facilities	-	173	-	-	-	-	-	-	-	-	173
Brownston Street - Parking Along Pembroke Park	-	173	-	-	-	-	-	-	-	-	173
Wakatipu - NZTA	12,501	10,007	7,002	12,197	14,342	10,803	7,964	8,581	5,802	8,993	98,668
Wakatipu - Sealed Road Pavement Rehabilitation	626	276	139	1,177	4,837	5,530	3,598	3,304	2,254	3,890	25,631
Wakatipu - Sealed Road Resurfacing	1,823	2,189	1,832	1,574	2,140	2,059	2,592	2,923	1,254	2,432	20,817
Eastern Access Road - New Roads	-	300	310	4,387	4,317	-	-	-	-	-	9,314
Wakatipu - Associated Improvements	711	867	578	448	1,177	1,267	367	716	662	854	7,647
Wakatipu - Unsealed Road Metalling	626	649	669	693	715	736	760	786	815	843	7,292
Wakatipu - Minor Improvements	625	501	383	420	794	839	264	455	406	548	5,235
Frankton Flats Road 2 - New Roads	3,479	-	-	-	-	-	-	-	-	-	3,479
Wakatipu - Drainage Renewals	125	130	134	139	143	147	152	157	163	169	1,459
Arthurs Point Road	1,395	-	-	-	-	-	-	-	-	-	1,395
Wakatipu - Traffic Services Renewals	118	122	126	131	135	139	143	148	153	159	1,374

Addendum – Roading Future Proposed Capital Works Projects (\$000)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Grand Total
Inner Links, Stage 1 - Melbourne Henry (Design and Land Purchase)	267	920	-	-	-	-	-	-	-	-	1,187
Skippers Bridge	-	-	-	1,155	-	-	-	-	-	-	1,155
Highview Terrace (Start Rp: 70, End Rp: 980)	-	-	-	915	-	-	-	-	-	-	915
Malaghans Road (Start Rp: 8892, End Rp: 10051)	-	720	-	-	-	-	-	-	-	-	720
Crown Range Road (Start Rp: 0, End Rp: 870)	-	706	-	-	-	-	-	-	-	-	706
Arawata Terrace (Start Rp: 0, End Rp: 717)	-	-	686	-	-	-	-	-	-	-	686
Panorama Terrace (Start Rp: 0, End Rp: 665)	657	-	-	-	-	-	-	-	-	-	657
Wakatipu - Structures Component Replacements	52	54	56	58	60	61	63	66	68	70	608
Fernhill Road (Start Rp: 0, End Rp: 500)	-	581	-	-	-	-	-	-	-	-	581
Ramshaw Lane (Start Rp: 0, End Rp: 330)	-	511	-	-	-	-	-	-	-	-	511
Glenorchy-Queenstown Road (Start Rp: 8901, End Rp: 9830)	-	-	446	-	-	-	-	-	-	-	446
Greenstone Place (Start Rp: 0, End Rp: 643)	-	-	425	-	-	-	-	-	-	-	425
Malaghans Road (Start Rp: 4404, End Rp: 5398)	-	-	398	-	-	-	-	-	-	-	398
Gorge Road (Start Rp: 1513, End Rp: 2250)	-	-	-	396	-	-	-	-	-	-	396
Man Street (Start Rp: 30, End Rp: 337)	-	380	-	-	-	-	-	-	-	-	380
Sainsbury Road (Start Rp: 0, End Rp: 335)	-	350	-	-	-	-	-	-	-	-	350
Crown Range Road (Start Rp: 2299, End Rp: 2715)	-	338	-	-	-	-	-	-	-	-	338
Peninsula Rd (Start Rp: 3470, End Rp: 4170)	329	-	-	-	-	-	-	-	-	-	329
Wynyard Crescent (Start Rp: 715, End Rp: 1030)	-	-	314	-	-	-	-	-	-	-	314
Crown Range Road (Start Rp: 1215, End Rp: 1600)	-	313	-	-	-	-	-	-	-	-	313
Inner Links, Stage 2 - Henry Man (Design)	286	-	-	-	-	-	-	-	-	-	286
McChesney Road (Start Rp: 0, End Rp: 701)	261	-	-	-	-	-	-	-	-	-	261
Earl Street (Start Rp: 0, End Rp: 145)	255	-	-	-	-	-	-	-	-	-	255
Crown Range Road (Start Rp: 1660, End Rp: 1970)	-	252	-	-	-	-	-	-	-	-	252
Cycling And Walking Strategy Implementation	21	22	22	23	24	25	25	26	27	28	243
Crown Range Road (Start Rp: 2785, End Rp: 3085)	-	234	-	-	-	-	-	-	-	-	234
McMillan Road (Start Rp: 0, End Rp: 572)	215	-	-	-	-	-	-	-	-	-	215
Crown Range Road (Start Rp: 2010, End Rp: 2265)	-	207	-	-	-	-	-	-	-	-	207
Glenorchy-Queenstown Road (Start Rp: 40, End Rp: 425)	-	198	-	-	-	-	-	-	-	-	198
Crown Range Road (Start Rp: 940, End Rp: 1175)	-	191	-	-	-	-	-	-	-	-	191
Hertford Street (Start Rp: 0, End Rp: 352)	-	-	190	-	-	-	-	-	-	-	190
Isle Street (Start Rp: 0, End Rp: 124)	-	176	-	-	-	-	-	-	-	-	176
Preston Drive (Start Rp: 0, End Rp: 316)	145	-	-	-	-	-	-	-	-	-	145
Cardigan Street (Start Rp: 0, End Rp: 316)	-	-	135	-	-	-	-	-	-	-	135
Gorge Road (Start Rp: 1393, End Rp: 1513)	-	-	-	113	-	-	-	-	-	-	113

Addendum – Roading Future Proposed Capital Works Projects (\$000)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Grand Total
Inverness Crescent (Start Rp: 0, End Rp: 180)	-	-	95	-	-	-	-	-	-	-	95
Merioneth Street(South) (Start Rp: 0, End Rp: 171)	-	-	92	-	-	-	-	-	-	-	92
Marine Parade (Start Rp: 98, End Rp: 176)	87	-	-	-	-	-	-	-	-	-	87
Cow Lane (Start Rp: 0, End Rp: 156)	-	-	84	-	-	-	-	-	-	-	84
Inverness Crescent (Start Rp: 180, End Rp: 328)	-	-	78	-	-	-	-	-	-	-	78
Athol Street (Start Rp: 15, End Rp: 102)	72	-	-	-	-	-	-	-	-	-	72
Wakatipu Other	1,025	649	669	693	715	736	760	786	815	843	7,690
Wakatipu Transportation - Minor Improvements, Non-Sub	626	649	669	693	715	736	760	786	815	843	7,292
Frankton Flats Arterial - Western End - New roads	104	-	-	-	-	-	-	-	-	-	104
Atley Road Extension	210	-	-	-	-	-	-	-	-	-	210
Brunswick St Land acquisition	60	-	-	-	-	-	-	-	-	-	60
Rafters Road - upgrade	25	-	-	-	-	-	-	-	-	-	25
Wanaka - NZTA	4,142	3,185	3,837	9,624	4,133	5,304	7,636	5,044	7,190	7,385	60,581
Wanaka - Sealed Road Pavement Rehabilitation	-	151	418	5,464	1,627	2,407	3,900	1,099	3,715	3,446	22,227
Wanaka - Sealed Road Resurfacing	1,842	1,789	1,321	1,231	2,008	703	902	2,510	1,278	1,955	15,538
Wanaka - Unsealed Road Metalling	595	617	636	658	679	699	722	747	774	801	6,928
Wanaka - Associated Improvements	148	30	222	1,084	459	499	958	308	784	654	5,146
Wanaka - Minor Improvements	184	96	313	638	347	414	553	216	469	354	3,584
Wanaka North Eastern Corridor	-	92	95	404	417	429	443	-	-	-	1,880
Wanaka Mount Aspiring Rd - Road Reconstruction	-	934	-	-	-	-	-	-	-	-	934
Aubrey Road (Start Rp: 0, End Rp: 1373)	-	-	-	-	746	-	-	-	-	-	746
Cardrona Valley Road (Start Rp: 6800, End Rp: 8770)	737	-	-	-	-	-	-	-	-	-	737
Beacon Point Road (Start Rp: 1092, End Rp: 2631)	-	-	693	-	-	-	-	-	-	-	693
Wanaka CBD Intersection Improvements	506	141	-	-	-	-	-	-	-	-	647
Wanaka - Structures Component Replacements	52	54	56	58	60	61	63	66	68	70	608
Wanaka - Traffic Services Renewals	31	32	33	35	36	37	38	39	41	42	364
Wanaka - Drainage Renewals	26	27	28	29	30	31	32	33	34	35	305
Cycling And Walking Strategy Implementation	21	22	22	23	24	25	25	26	27	28	243
Wanaka Other	313	325	335	347	357	368	380	393	407	422	3,647
Wanaka Transportation - Minor Improvements, Non-Sub	313	325	335	347	357	368	380	393	407	422	3,647
Grand Total	19,293	16,507	12,265	25,577	23,683	18,925	18,299	16,046	15,743	18,168	184,506

Council Controlled Organisations

There are two Council Controlled Organisations in the Queenstown Lakes District. They are:

- Lakes Environmental Limited
- Lakes Leisure Limited.

There is one Council Controlled Trading Organisation in the Queenstown Lakes District. This is:

- Queenstown Airport Corporation

Queenstown Airport Corporation

The Queenstown Airport Corporation owns and manages the assets and operations of the Queenstown Airport at Frankton.

Members

A board of directors is selected by the Council, and they appoint an Airport Manager.

John Gilks (Chairman)
Murray Valentine
James Hadley
Alison Gerry
Grant Lilly
Richard Tweedie

The board appointed chief executive Scott Paterson in March 2012.

Corporate Mission

To provide airport and related facilities in the district and meet the growing needs for airport services to the Southern Lakes District, to the highest quality and at a level within the means and in the best interest of the Community.

Principal Objectives and Goals

Objectives

The company has established the following objectives in order to achieve the given goals:

Provide suitable airfield and terminal facilities for satisfactory trans–Tasman and domestic operations which satisfy our customers' needs.

Maximise the Airport's existing operating hours to maximise the utilisation of its assets.

Provide suitable land transport options for access to and from the Airport.

Promote regional planning measures designed to ensure the mission and goals of QAC can be achieved.

Ensure appropriate communication exists between the QAC, the community and its elected representatives by way of an ongoing public information service and the holding of regular open meetings with a liaison group comprising community group representatives, interested individuals, airport users, etc., while continuing

existing reporting systems.

Manage the noise impact of the Airport in accordance with the District Plan taking into account the surrounding residential and business areas.

Promote environmental sustainability and minimise airport impact on the environment.

Manage Risk

Continue to work with strategic alliance partner, Auckland International Airport Limited (AIAL)>

Achieve targeted financial forecasts.

Goals

To achieve its mission the Company has a number of goals. These are:

1. To provide a quality of service to its customers and take all reasonable steps to enhance safety wherever possible.
2. To continue operating the Company as a successful business and in an effective and efficient manner maximising the return on funds invested in the medium and long term.
3. To expand, maintain and plan the facilities at the Airport to allow for full domestic and trans-Tasman operational capability of aircraft types currently in use, and likely to be in use in the foreseeable future, by New Zealand's major domestic airlines and international airlines likely to operate here.
4. To promote Lake District's tourism, commercial and non-commercial air travel and maximise the usage of the Airport facilities.
5. To seek and develop profitable business opportunities that make best use of the people, technical and financial resources of the Company.
6. To act as a good employer by providing equal employment opportunities, good and safe working conditions as well as opportunities for individual career development.
7. To act as a good corporate citizen in regard to the needs of the greater Lakes District Community and the environment.
8. To act as a 'responsible neighbour' to the adjacent residential areas.

Financial Performance Targets

The Company's long term goal is to achieve an average tax paid rate of return on Shareholder's Funds plus Revaluation Gains commensurate with that achieved by similar organisations.

For the year ending 30 June 2013 the target is 7%.

The Company will operate with the aim of maintaining financial "good health" in accordance with performance and ratio targets set by the Company

Lakes Environmental Limited

Lakes Environmental Limited undertakes the delivery of the Councils regulatory and resource management services.

Members

The Council appointed a board of directors in March 2007 to lead the new company. The four directors currently are:

Anne Urlwin (Chairman)
Dr Nick Brown
(two appointments pending in April 2012)

The board appointed chief executive Hamish Dobbie in September 2007.

Vision and Mission

Vision 2012

To be respected by our customers and recognised by the community as a leader in regulatory service delivery through:

- Innovation,
- Accountability, and
- Continuous improvement.

Mission Statement

“To contribute to the environmental, economic, social and cultural well being of the communities of the Queenstown Lakes and other Districts through delivery of customer focussed, efficient and cost effective regulatory services.”

Strategic Direction and Values

Values

- Honesty, Integrity
- Accountability
- High Standards
- Professional and ethical conduct
- Fairness and consistency

Key Result Areas

- People
- Business Process and Technology
- Stakeholder Relationships
- Financial Performance

Principal objectives and Goals

Our operational execution of the initiatives detailed below for each of these key result areas will determine the degree to which our mission is delivered and our vision is achieved.

People

Develop and maintain an aspirational structure that supports business processes and recognises seniority. Encourage high standards of performance by implementing a standardised performance review system, which rewards individual contribution.

Ensure a full team of experienced competent, staff is maintained at all times by targeted recruitment and professional development of staff.

Focus on building and retaining institutional knowledge through retention of senior staff and documenting business knowledge to ensure we provide the best possible service for stakeholders.

Business Processes and Technology

Work co-operatively with Queenstown Lakes District Council to expedite its file backscanning project.

Develop and maintain a whole of company quality management system to ensure business processes are properly recorded and to provide a base for process improvement.

Train and develop staff so they are cross skilled across functions to give greater flexibility and better cover while maximising efficiency.

Develop customer service skills for all staff and in particular for the front office enquiries function to improve customer service.

Adopt a continuous process improvement culture to drive efficiency and customer service.

Upgrade our web presence to provide not only better information but to allow on line transactions and tracking of progress, improving efficiency and providing better, more transparent service for our customers.

Utilise mobile technology to provide real time data entry from the field, particularly in relation to inspection and monitoring activities to inform our processes and customers in a timely manner and ensure better data integrity.

Stakeholder Relationships

Promote a philosophy of customer focus in all stakeholder relationships to ensure we learn from our customer interactions.

Develop “Account Manager” roles where appropriate for major developments to provide a single point of contact between LE and the development, delivering a one stop shop for regulatory matters.

Improve the transparency of process relating to all services provided to QLDC and associated reporting by ensuring accountability through clearly documented contracts.

Develop co-operative relationships with QLDC to promote the spirit and intent of the District Plan by working co-operatively with the Policy department in QLDC on shared goals .

Assume responsibility for the management and publication of informational literature to ensure customers are well informed.

Host informational seminars for community and business groups and attending community group meetings to answer queries and proactively bring stakeholder attention to emerging issues.

Establish and maintain six monthly customer satisfaction surveys to measure progress in achieving strategic goals.

Financial Performance

Implement and maintain a “not for profit, not for loss” pricing and fee structure for the Queenstown Lakes District while ensuring debt is being repaid and investment in continuous improvement is maintained.

Develop new “for profit” business outside the Queenstown Lakes District which complements existing business and supports business initiatives within the District.

Implement continuous improvement processes relating to charging methods for consents, licenses and permits to meet or exceed best practice to ensure equitable charging for all customers.

Improve the hourly utilisation of staff (productivity) and consent throughput (efficiency) in line with our overall mission.

Lakes Leisure Limited

Lakes Leisure Limited manages Council's leisure and recreation facilities and the delivery of services from those facilities. Lakes Leisure Limited commenced 1 February, 2008

Members

Mike Saunders (chairperson)
Mark Elliott
Wayne Evans
Peter Faul

Fiona McKissock was appointed as Chief Executive in September 2008.

Vision and Mission

Vision – A vibrant, healthy community

Mission - To encourage and provide for sports, recreation and entertainment in our district.

Strategic Direction and Values

Lakes Leisure operates, manages and delivers leisure and recreation services and facilities to the community of the Lakes District. A Council controlled organisation (CCO), Lakes Leisure is a not for profit limited liability company formed in January 2008.

Lakes Leisure promotes community participation by presenting an exciting range of quality recreational and leisure facilities and services, activities and events. The objective is to offer physical and social opportunities to enhance the quality of lifestyle in the Lakes District.

Principal Objectives and Goals

Community and Recreation

Lakes Leisure offer fantastic opportunities for participation in sports and leisure activities.

Current programmes on offer are: basketball, volleyball, touch rugby, six-a-side cricket, kids rock climbing classes and housie. Holiday and after school programmes are also delivered at QEC.

New and innovative sports leagues, leisure and social activities are currently being developed that will be implemented in the coming year.

Aquatics

Swimming is a fun and healthy activity for all ages. Lakes Leisure drives the aquatic side of recreation and leisure services to the community at their three sites Alpine Aqualand, Wanaka Community Pool and Arrowtown Memorial Pool. Services offered by Lakes Leisure Aquatics include, learn to swim and the general supervision of great family fun. The goal is to provide a safe and enjoyable aquatics environment and opportunities for the public to participate in a variety of affordable activities. In line with the objective of affordability, pricing is discounted to Gold Card and Community Services card holders along with the provision of group and parent plus toddler rates.

Activities on offer include:

- Learn to swim
- Schools Aquatic Education Programme
- Children's birthday parties
- Abilities Programme for the disabled

- Adult swim lessons
- Tri Squad training
- Aquafit 60+ for seniors
- Water Polo

Health and Fitness

Lakes Leisure manage and operate Alpine Health & Fitness located within the Queenstown Events Centre. This centre completed the Aquatics project and is revenue funded through memberships and casual user charges. Alpine Health & Fitness offers a fully equipped gym, group fitness classes and swimming to its members, delivers funded community programmes and maintains a free outdoor running and fitness track at QEC for public use.

Events

The experienced events team specialises in organising and delivering major community events at Lakes Leisure venues and facilities. Many of the public events offer the community an opportunity to participate through attending and experiencing the excitement of events such as international rugby and cricket, the Royal New Zealand Ballet or the hugely successful Shotover Jet Remarkable Christmas.

Other events include: regional, national and international sporting events, arts and culture, concerts and entertainment, trade shows and exhibitions, gala dinners and receptions.

Venue And Facility Management

The Queenstown Lakes District Council has contracted Lakes Leisure to manage all council owned venues in Queenstown, Wanaka and Arrowtown. Lakes Leisure is responsible for all bookings and maintenance for the venues which include Queenstown Events Centre, Queenstown Memorial Hall, Lake Hayes Pavilion, Arrowtown Athenaeum Hall and Lake Wanaka Centre.

Turf Management

Lakes Leisure is responsible for providing a full maintenance programme for a number of sports fields throughout the district.

The Lakes Leisure Turf Management team are specialists in their field with both the qualifications and extensive experience that enables them to prepare and maintain sports fields to the appropriate level. Work includes mowing, autumn and spring renovation programmes, fertilizing programmes, spraying programmes and marking of sports fields.

Grounds include:

Queenstown Events Centre Sports Fields, Queenstown Recreation Ground, Jacks Point Sports Fields, Warren Park, Queenstown, Lake Hayes Estate multi-sports pitch, Lake Hayes Estate McBride Park, Lake Hayes Pavilion Show Grounds, Millbrook Corner, Jack Reid Park, Arrowtown, Wanaka Recreation Reserve, Pembroke Park, Wanaka, Allenby Park, Wanaka, Peter Fraser Park, Lake Hawea, Frankton Courts multi-sports pitch.

Lakes Leisure coordinates bookings for the following reserves and greens:

Earnslaw Park, St Omer Park, Queenstown Village Green, Queenstown Gardens, Butler Green, Buckingham Green, Library Green, Wanaka Station Park, Dinosaur Playground.

Financial Performance

QLDC has identified a priority of diversifying revenue. In line with this priority Lakes Leisure continues to develop revenue streams in order to become less reliant on rates funding.

The company is in a strong financial position and has robust management practices to ensure financial accountability.