

Eleven significant activities have been identified which collectively encompass the Council's operations. Where appropriate, these activities have been further divided into functional components each with a single objective, separate programmes, performance measures, and separately identified costs. The significant activities and their functional components are as follows:

Significant activities and programmes

Policy and planning

- ▶ Statutory policies, plans and strategies
- ▶ Advocacy and response
- ▶ Public information

Civil defence emergency management

- ▶ Civil defence emergency management

Resource consents

- ▶ Consent processing and administration
- ▶ Compliance monitoring programmes
- ▶ Pollution incidents and response

Land management

- ▶ Property planning services
- ▶ Environmental enhancement grants
- ▶ General advice and facilitation

River control and flood protection

- ▶ River control schemes
- ▶ Advice, minor works and flood response

Land transport and harbour management

- ▶ Regional land transport planning
- ▶ Passenger transport
- ▶ Harbour management

Resource investigations and monitoring

- ▶ State of the environment monitoring
- ▶ Resource investigations and projects
- ▶ Waste minimisation

Pest animal management

- ▶ Pest animal management

Pest plant management

- ▶ Pest plant management

Recreation, culture and heritage

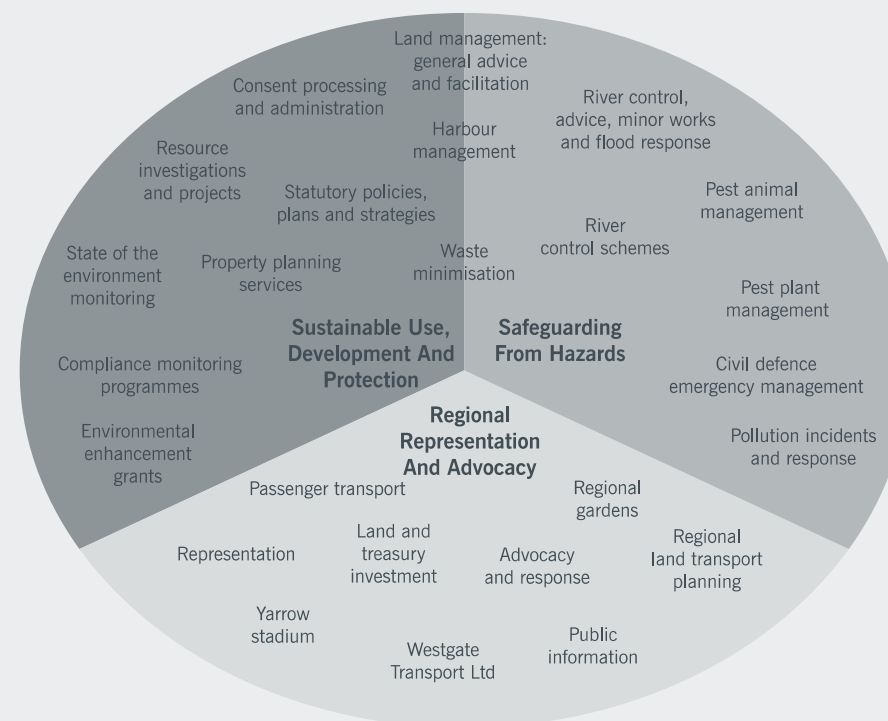
- ▶ Yarrow stadium
- ▶ Regional gardens

Investments

- ▶ Westgate Transport Ltd
- ▶ Land and treasury investments

The relationship between the Council's mission statement and the components of its significant activities is shown in the following diagram:

From mission statement to significant activities



To the readers of the Taranaki Regional Council and Group's Financial statements For the year ended 30 June 2004

Deloitte.

The Auditor-General is the auditor of Taranaki Regional Council (the Regional Council) and group. The Auditor-General has appointed me, Bruce Taylor, using the staff and resources of Deloitte to carry out the audit of the financial statements of the Regional Council and group, on his behalf, for the year ended 30 June 2004.

Unqualified Opinion

In our opinion the financial statements of the Regional Council and group on pages 21 to 63:

- comply with generally accepted accounting practice in New Zealand; and
- fairly reflect:
 - the Regional Council and group's financial position as at 30 June 2004;
 - the results of operations and cash flows for the year ended on that date; and
 - the service performance achievements measured against the performance targets adopted for the year ended on that date.

The audit was completed on 29 September 2004, and is the date at which our opinion is expressed. The basis of the opinion is explained below. In addition, we outline the responsibilities of the Council and the Auditor, and explain our independence.

Basis of Opinion

We carried out the audit in accordance with the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards.

We planned and performed our audit to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the financial statements did not have material misstatements, whether caused by fraud or error.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements. If we had found material misstatements that were not corrected, we would have referred to them in the opinion.

Our audit involved performing procedures to test the information presented in the financial statements. We assessed the results of those procedures in forming our opinion.

Audit procedures generally include:

- determining whether significant financial and management controls are working and can be relied on to produce complete and accurate data;

- verifying samples of transactions and account balances;
- performing analyses to identify anomalies in the reported data;
- reviewing significant estimates and judgements made by the Council;
- confirming year-end balances;
- determining whether accounting policies are appropriate and consistently applied; and
- determining whether all financial statement disclosures are adequate.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements.

We evaluated the overall adequacy of the presentation of information in the financial statements. We obtained all the information and explanations we required to support the opinion above.

Responsibilities of the Council and the Auditor

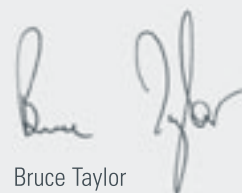
The Council is responsible for preparing financial statements in accordance with generally accepted accounting practice in New Zealand. Those financial statements must fairly reflect the financial position of the Regional Council and group as at 30 June 2004. They must also fairly reflect the results of operations and cash flows and service performance achievements for the year ended on that date. The Council's responsibilities arise from the Local Government Act 2002, which requires the Council to prepare financial statements under the Local Government Act 1974.

We are responsible for expressing an independent opinion on the financial statements and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001.

Independence

When carrying out the audit we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the Institute of Chartered Accountants of New Zealand.

Other than the audit and the provision of tax advice, we have no relationship with or interests in the Regional Council or any of its subsidiaries.



Bruce Taylor
Deloitte
On behalf of the Auditor-General
Hamilton, New Zealand

Matters Relating to the Electronic Presentation of the Audited Financial Statements

This audit report relates to the financial statements of Taranaki Regional Council for the year ended 30 June 2004 included on Taranaki Regional Council's web-site. Taranaki Regional Council's Board of Directors is responsible for the maintenance and integrity of Taranaki Regional Council's web site. We have not been engaged to report on the integrity of Taranaki Regional Council's web site. We accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the web site.

The audit report refers only to the financial statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements and related audit report dated 29 September 2004 to confirm the information included in the audited financial statements presented on this web site.

Legislation in New Zealand governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The following pages explain in detail how the Council performed in achieving the objectives and performance targets established in the *2003/04 Annual Plan*. Financial information on the net cost of services delivered is also provided in conjunction with the budget established in the *2003/04 Annual Plan* and last year's actual net cost of services.

The most important measure by which performance may be judged is that of whether defined tasks have been performed or not.

The Council also intends that its performance be measured in terms of:

Timeliness – in all cases, unless stated otherwise, the target was to complete the task by 30 June 2004.

Cost – in all cases the target was to complete the tasks defined for each significant activity within the budgeted expenditure and/or within any additionally stated, specific expenditure targets.

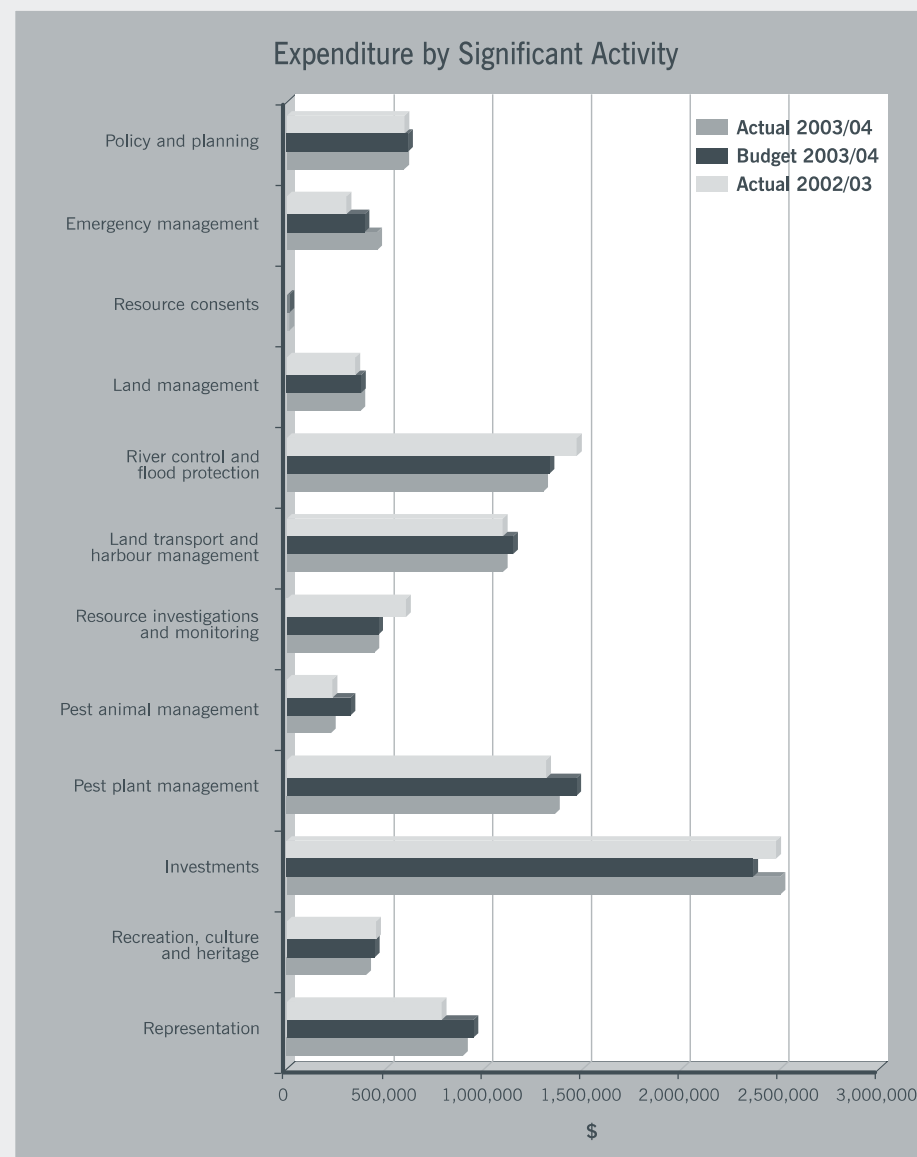
Quantity – in all cases where a quantity measure was specified, the target was to meet that specified quantity.

Quality – in all cases the target was to meet the quality expectations of the elected Councillors. The Council has extensive quality control procedures in place to ensure a high level of quality is present in the undertaking of activities.

Location – in all cases where a location was specified, the target is to deliver the service in that location.

The actual and estimated levels of expenditure are in accordance with the Council's adopted *Revenue and Financing Policy*.

Principal legislation and policy references for each significant activity are included in the *2003/2004 Annual Plan*.



Description

This activity comprises the analysis, development and dissemination of policy associated with all Council functions, with particular emphasis on resource management and pest management. The activity includes responding to the policy initiatives of other agencies where there are implications for the Taranaki region. It also includes developing and implementing a programme of information transfer, responding to general information requests and providing information and advice on Council activities.

Statutory policies, plans and strategies

Objective

Prepare, adopt and maintain comprehensive and publicly considered policies, plans and strategies for the efficient and effective management of the Council's functions.

Programme

Implement a programme of policy, plan and strategy development and review, including:

- commencing a review of the *Regional Policy Statement Plan for Taranaki*
- undertaking the policy analysis, consultation and research associated with the accountability requirements of the Local Government Act 2002 including a process for identifying community outcomes.
- releasing a discussion document in conjunction with the New Plymouth and South Taranaki district councils on public access to significant coastal areas
- assisting, in conjunction with the region's district councils, the completion of an upgrade of the New Zealand Archaeological Association's site recording scheme for Taranaki.

2003/2004 Actual Performance

Commenced a review of the *Regional Policy Statement for Taranaki*.

Undertook and completed policy analysis, consultation and research associated with the accountability requirements of the Local Government Act 2002 including a process for identifying community outcomes.

Released a discussion document entitled *Inventory of Coastal Areas of local or regional significance in the Taranaki Region* in conjunction with the New Plymouth and South Taranaki district councils on public access to significant coastal areas.

Contributed financially to the upgrade of the NZAA site recording scheme. The upgrade project is on-going and expected to be complete by 30 June 2005.

Advocacy and response

Objective

Advocate and respond, on behalf of the Taranaki community, to initiatives proposed by other agencies, when those initiatives affect the statutory responsibilities of the Council or relate to matters of regional significance, which are of interest or concern to the people of Taranaki.

Programme

Assess the implications of the policy initiatives proposed by other agencies including discussion documents, proposed policies, strategies, plans and draft legislation, and respond within required timeframes.

2003/2004 Actual Performance

Assessed the implications of the policy initiatives proposed by other agencies resulting in the preparation of 17 submissions (18–2002/03).

Public information

Objective

Promote community awareness and understanding of sustainable resource management and of the Council's functions and activities, and make quality and timely information publicly available.

Programme

Implement a programme of information transfer, advice and education on the Council's activities including:

- the regular publication and distribution of *Recount* newsletters
- an on-going resource management programme for school children and the wider community
- ongoing use of display and presentation material at the Puke Ariki regional museum and library.

2003/2004 Actual Performance

Published 3 editions of the external newsletter *Recount* (4 – 2002/03) and 0 special editions (1).

Distributed 4 (4 – 2002/03) issues of the *SITE* (Schools in the Environment) newsletter to schools, prepared 0 (0) units of work, sent out 53 (75) units to teachers and carried out 230 (229) class visits. Organised 4 (4) professional development days for teachers.

Continued to develop and display presentation material in the *Taranaki Naturally* gallery covering the range of the Council's functions and activities. Commenced a review of the gallery content and display material for 2004/05 onwards.

Costs and sources of funds

	2003/04 Actual \$	2003/04 Budget \$	2002/03 Actual \$	2001/02 Actual \$	Adopted Revenue and Financing Policy	Comments
Expenditure						
Statutory policies, plans and strategies	516,782	545,449	434,688	387,771	100% general funds.	Achieved
Advocacy and response	103,650	125,627	76,977	94,408	100% general funds.	Achieved
Public information	273,001	274,489	272,903	268,330	Fees and charges for specific large information requests. General funds for regional services.	Achieved
Total expenditure	893,433	945,565	784,568	750,509		
Revenue						
Direct charges	109,322	61,450	313	523		
Total revenue	109,322	61,450	313	523		
Net cost of service	784,111	884,115	784,255	749,986		
Funded by:						
General funds	784,111	884,115	784,255	749,986		
Total funding	784,111	884,115	784,255	749,986		

Description

Civil defence emergency management (CDEM) involves the application of knowledge, measures and practices to ensure the safety and well-being of the public and the protection of property. It includes planning and preparation for emergencies and for response and recovery in the event of an emergency. The Council's Emergency Management Office is involved in the day-to-day administration, recruiting and training of staff, and maintenance of organisations capable of responding at short notice.

New legislation (Civil Defence Emergency Management Act 2002) has changed the structure and delivery of CDEM services in the region. Previously Taranaki Regional Council staff were contracted by the New Plymouth and Stratford District Councils to provide district council CDEM services in addition to the regional CDEM services. Under the new legislation, a single CDEM Group, comprising elected representatives of the four councils in Taranaki, with the Taranaki Regional Council as the administering authority, is responsible for all CDEM services in the region. The Act requires a new CDEM Group Plan to be prepared with a wider scope than previously.

Civil defence emergency management

Objective

Promote and enhance, within the Taranaki community, an integrated comprehensive emergency management system.

Programme

Provide and maintain a regional civil defence emergency management organisation capable of fulfilling its responsibilities in the event of an emergency declaration.

2003/2004 Actual Performance

Reviewed and maintained all required emergency management documentation and plans. Maintained response facilities and systems throughout the Group area.

Conducted 20 (20 – 2002/03) training courses throughout the year, attended by 176 (360) persons. Conducted a total of 8 (22) seminars, including 4 (7) based on CIMS (Co-ordinated Incident Management Systems), and attended by 106 (298) persons. Presented awareness programme to 12 (67) community groups totalling 260 (1,517) persons.

Participated in the response to the South Taranaki District Council state of emergency and recovery at Waitotara, February 2004.

Programme

Provide contracted district civil defence and emergency management services to Stratford District Council and New Plymouth District Council.

Implement those changes required by the new Civil Defence Emergency Management legislation.

2003/2004 Actual Performance

Agreed and implemented the 2003/2004 Business Plan for the CDEM Group. Developed and agreed the 2004/2005 Business Plan.

Commenced the process of reviewing and integrating existing resources and services within the South Taranaki district into those provided within the other two districts, towards achieving a single region-wide response model.

- Development of the CDEM Group Plan to first draft stage
- Co-ordinated meetings of CDEM, CDEM Co-ordinating Executive Group and Advisory Groups
- Convened 5 advisory groups—welfare, rural, lifelines, Hazardous Substance Technical Liaison Committee and Egmont Volcano
- Agreed and implemented a transitional Memorandum of Understanding with South Taranaki District Council.

Costs and sources of funds

	2003/04 Actual \$	2003/04 Budget \$	2002/03 Actual \$	2001/02 Actual \$	Adopted Revenue and Financing Policy	Comments
Expenditure						
Civil defence emergency management	401,533	445,656	452,408	404,655	Government grants for national services. Fees and charges from the four local authority members of the Civil Defence Emergency Management Group. General funds for Taranaki Regional Council portion of these services.	Achieved
Total expenditure	401,533	445,656	452,408	404,655		
Revenue						
Direct charges	207,158	247,158	187,158	160,500		
Government grants	33,058	33,000	34,738	38,485		
Total revenue	240,216	280,158	221,896	198,985		
Net cost of service	161,317	165,498	230,512	205,670		
Funded by:						
General funds	161,317	165,498	230,512	205,670		
Total funding	161,317	165,498	230,512	205,670		

Description

This activity encompasses the processing of applications made under the Resource Management Act 1991 for water, coastal and discharge permits, and land use consents. It also comprises monitoring and reporting on compliance with the policies established by the Council as well as the conditions of specific resource consents issued. This activity includes response to pollution and unauthorised incidents and follow-up action and enforcement.

Consent processing and administration

Objective

Process all applications for resource consents and administer resource consents in an efficient effective manner.

Programme

Provide appropriate and timely information in response to all requests for assistance in undertaking or complying with the consents process under the Resource Management Act 1991.

Process and administer 98% of accepted resource consent applications in compliance with statutory timeframes prescribed in the Resource Management Act 1991 and the Council's *Resource Consents Procedures* document.

Resolve, through the pre-hearing process, at least 50% of all submissions received on resource consent applications and to successfully defend all consent decisions appealed to the Environment Court.

2003/2004 Actual Performance

Provided information, which assisted the processing of 568 (511 – 2002/03) resource consent applications, comprising 6 (29) notified and 562 (482) non-notified applications, in accordance with the requirements of the Resource Management Act 1991.

Processed 100% of the 568 (100%) applications within the specified timeframe outlined in the Resource Management Act 1991. All resource consents were processed in accordance with the statutory procedures of the Act, and the Council's *Resource Consents Procedures* document.

Resolved 94% (30%) of applications attracting submissions without recourse to a formal hearing. 83% (80%) of applications attracting submissions resolved through the pre-hearing process. There were 0 (0) successful references (appeals) against Council decisions.

Compliance monitoring programmes

Objective

Undertake effective and efficient monitoring of resource consents and, where necessary, undertake enforcement action.

Programme

Design and implement compliance monitoring programmes for major consents within the individual budgets negotiated with consent holders, and publicly report on all programmes by 31 March each year or within nine months of the end of the monitoring period.

Implement annual programmes for compliance inspections of agricultural discharges and minor industrial operations providing advice to resource users and, where necessary, enforcement actions to ensure compliance with resource consents and/or regional plans.

2003/2004 Actual Performance

Implemented 168 (149 – 2002/03) programmes within agreed budgets. Reported publicly 3 programmes for the 2002 year, 4 programmes for the 2003 year, 64 programmes for the 2002/03 year and 12 programmes for the 2001 – 2003 period within nine months of the end of the respective monitoring periods. Designed and negotiated agreement on 183 (178) programmes for 2004/05.

Completed the annual inspection round of discharges of agricultural waste, including dairy, poultry and piggery farms – 2,196 inspections (2,353). The reinspection rate for failure to meet Council policy, consents and conditions was 5.1% (5.1%).

Undertook 862 (847) inspections of minor industrial operations ensuring good environmental practices were being achieved. Only 25 (12) reinspections were required to ensure unacceptable practices had been addressed.

Pollution incidents and response

Objective

Respond effectively to pollution incidents, reduce the occurrence and effects of pollution and other unauthorised incidents and, where necessary, undertake enforcement action.

Programme

Maintain and publicly report the Council's *Unauthorised Incidents Register*.

2003/2004 Actual Performance

Maintained the *Unauthorised Incidents Register* and publicly reported on 558 (491 – 2002/03) incidents.

Programme

Respond to all pollution and other complaints within four hours of receipt, instigating control, clean up and enforcement procedures where appropriate.

Administer and implement the *Taranaki Regional Oil Spill Response Plan* as agreed with the Maritime Safety Authority.

2003/2004 Actual Performance

Responded to 558 (491) incidents within the required timeframe. Instigated control and clean-up where required. Issued 146 (160) abatement notices and 9 (6) infringement notices. One (3) prosecution was pursued as a result of unauthorised incidents.

Administered the *Tier II Taranaki Regional Oil Spill Response Plan* in accordance with the programme agreed with the Maritime Safety Authority. Three (1) significant marine oil spills occurred that warranted actioning the plan.

Costs and sources of funds

	2003/04 Actual \$	2003/04 Budget \$	2002/03 Actual \$	2001/02 Actual \$	Adopted Revenue and Financing Policy	Comments
Expenditure						
Consent processing and administration	612,994	551,290	724,376	742,389	60% fees and charges. 40% general funds.	Achieved
Compliance monitoring programmes	1,524,150	1,347,260	1,394,567	1,231,055	70% fees and charges. 30% general funds.	Achieved
Pollution incidents and response	363,105	463,906	359,852	441,445	100% fees and charges from the party responsible for the pollution. General funds when fees and charges are unable to be applied. Maritime Safety Authority grants for national services (oil spills).	Achieved
Total expenditure	2,500,249	2,362,456	2,478,795	2,414,889		
Revenue						
Direct charges	1,634,388	1,371,885	1,655,169	1,508,083		
Total revenue	1,634,388	1,371,885	1,655,169	1,508,083		
Net cost of service	865,861	990,571	823,626	906,806		
Funded by:						
General funds	865,861	990,571	823,626	906,806		
Total funding	865,861	990,571	823,626	906,806		

Description

This activity involves the promotion of sustainable land use, soil conservation and appropriate riparian management. Advisory and extension services are provided to landholders to promote voluntary change towards sustainable land use practices.

Property planning services

Objective

Promote sustainable land and riparian management by providing farm-planning services that identify actions for land use on individual properties.

Programme

Provide property planning services to land holders including:

- comprehensive, agroforestry and conservation farm plans covering not less than an additional 15,000 hectares from an estimated 45 properties
- riparian management plans covering not less than an additional 1,000 kilometres from an estimated 300 properties.

Liaise with and provide supplementary advice to the 800 landholders with existing plans.

2003/2004 Actual Performance

Fifty two (34 – 2002/03) comprehensive, agroforestry and conservation farm plans covering 16,884 (16,997) hectares of farmland were prepared for landholders throughout the region.

Two hundred and ninety-nine (112) riparian plans were prepared covering 1,544 (481) kilometres of riparian margins to protect streams on properties on the ring plain.

One thousand five hundred and sixty-four (1,190) follow-up contacts were made with land occupiers for whom plans have been previously prepared.

Environmental enhancement grants

Objective

Promote the protection of the environment through a programme of enhancement grants.

Programme

Implement a programme using environmental enhancement grants for the protection of wetlands identified as significant in the Council's wetlands inventory and in the *Regional Fresh Water Plan for Taranaki*.

Implement a programme using environmental enhancement grants for the protection of aspects of the environment identified as regionally significant.

2003/2004 Actual Performance

Protection by physical works and legal arrangements has continued in order to secure:

- twelve of the 20 wetlands classed as regionally significant
- three of the 18 wetlands over 5 hectares
- eight of the 12 wetlands with rare or uncommon indigenous species.

No additional wetlands were secured during 2003/04.

Undertook site remediation works at seven sites where the level of contamination posed unacceptable risks and intervention was appropriate.

General advice and facilitation

Objective

Promote sustainable land and riparian management to the regional community through advocacy and facilitation.

Ensure quality conservation plant materials are available at reasonable cost to support sustainable land management, soil conservation and riparian management programmes.

Programme

Respond to all requests for general advice and assistance on sustainable land management, soil conservation and riparian management practices within ten working days.

2003/2004 Actual Performance

A total of 455 (389 – 2002/03) inquiries were received with all of them being actioned within 10 days.

Programme

Provide, on a cost-recovery basis, planting material for soil and water protection.

2003/2004 Actual Performance

Poplar and willow harvesting arrangements changed during the year causing the supply of this material to shift into 2004/2005. In total, 9,500 items of poplar and willow planting material were distributed to 113 landholders in 2002/03. A total of 95,000 (113,759) plants were grown on contract and provided at cost to 240 (229) landholders, to plant 63 (62) kms of stream margin as part of their riparian management programmes.

Provide servicing and support to the Taranaki Tree Trust and other organisations involved in promoting sustainable land management.

Administrative and treasury services were provided, as required, to the Taranaki Tree Trust.

Costs and sources of funds

	2003/04 Actual \$	2003/04 Budget \$	2002/03 Actual \$	2001/02 Actual \$	Adopted Revenue and Financing Policy	Comments
Expenditure						
Property planning services	743,721	771,996	676,839	664,686	100% general funds.	Achieved
Environmental enhancement grants	102,942	150,587	121,093	117,093	100% general funds.	Achieved
General advice and facilitation	512,194	543,746	516,197	473,067	General funds for the provision of advice and information. Fees and charges for the supply of poplar, willow poles and other plant materials.	Achieved
Total expenditure	1,358,857	1,466,328	1,314,129	1,254,846		
Revenue						
Direct charges	280,826	303,250	262,436	236,951		
Total revenue	280,826	303,250	262,436	236,951		
Net cost of service	1,078,031	1,163,078	1,051,693	1,017,895		
Funded by:						
General funds	1,078,031	1,163,078	1,051,693	1,017,895		
Total funding	1,078,031	1,163,078	1,051,693	1,017,895		

Description

This activity is undertaken by the Council, acting as a catchment authority in the exercise of its duties and functions under the Soil Conservation and Rivers Control Act 1941, which requires the Council to minimise and prevent damage by floods and erosion. Specifically, this involves providing advice and assistance to landholders on matters relating to the control of rivers and flooding. Flood protection schemes are constructed and maintained as necessary. These infrastructure assets are maintained according to the Council's policy, in as new condition. In addition, a regional flood event operating procedure is practised.

River control schemes

Objective

Manage and maintain river control scheme works to minimise and prevent damage by floods and river erosion.

Programme

Maintain the Waitara and Waiwhakaiho flood protection schemes to perform to design standards.

Manage other minor river schemes to standards as agreed with scheme participants.

2003/2004 Actual Performance

The flood protection schemes performed to design standards during the year. Work has been undertaken to bring some of the older parts of the scheme works up to standard. This activity will continue for the next few years. Routine maintenance was undertaken where required.

Works required in the minor schemes were undertaken and managed by Council, in association with landholders.

Advice, minor works and flood response

Objective

Provide flood warnings, flood control advice and undertake minor works and associated actions to minimise and prevent damage by floods and river erosion.

Programme

Monitor rainfall and river levels and issue flood warnings when necessary in accordance with the *Flood Event Standard Operating Procedure*.

Undertake minor emergency river and flood control works when necessary.

Respond to requests for drainage, river and flood control advice and assistance within ten working days.

Facilitate river control projects for the environmental enhancement of the region's waterways.

2003/2004 Actual Performance

Twenty two (28 – 2002/03) special weather watches and warnings were received from the MetService. In all instances flood monitoring was undertaken.

Twenty (0 – 2002/03) minor river and flood control projects were undertaken during 2003/04.

Investigated and reported on 59 (16) requests for advice and information on river control and flood protection.

No (0) projects were undertaken.

Costs and sources of funds

	2003/04 Actual \$	2003/04 Budget \$	2002/03 Actual \$	2001/02 Actual \$	Adopted Revenue and Financing Policy	Comments
Expenditure						
River control schemes	69,733	143,500	146,706	222,890	100% capital value based targeted rate over the New Plymouth district.	Achieved
Advice, minor works and flood response	153,387	179,159	84,518	64,060	70% general funds. 30% capital value based targeted rate over the New Plymouth district.	Achieved
Total expenditure	223,120	322,659	231,224	286,950		
Revenue						
Targeted rates	178,500	178,500	178,500	178,500		
Direct charges	7,080	450	-	176		
Total revenue	185,580	178,950	178,500	178,676		
Net cost of service	37,540	143,709	52,724	108,274		
Funded by:						
Transfer from reserves	-	18,613	-	63,555		
Transfer to reserves	(64,875)	-	(6,439)	-		
General funds	102,415	125,096	59,163	44,719		
Total funding	37,540	143,709	52,724	108,274		

Description

This activity promotes the attainment of a safe, efficient and cost-effective land transport system for the region. This involves a range of activities including the registering of public transport operators, providing for the needs of the transport disadvantaged and regional land transport planning. The promotion of safe navigation in Port Taranaki is a further component of this activity.

Regional land transport planning

Objective

Promote a safe, efficient and cost-effective land transport system within the region.

Programme

Report on the *Regional Land Transport Strategy for Taranaki* and implement the regional component of the strategy.

2003/2004 Actual Performance

The regional component of the *Strategy* was implemented and reported on.

Passenger transport

Objective

Promote the provision of community passenger transport in Taranaki on a fully commercial basis and assist the special transport needs of people with permanent disabilities, the elderly and students by providing fare concessions.

Programme

Provide subsidy assistance, through the Transfund supported Total Mobility Scheme, for people with permanent disabilities who are unable to use public bus services and who need taxi passenger transport services in New Plymouth, Waitara, Inglewood, Stratford and Hawera and for people with disabilities, the elderly and students using public bus services in the greater New Plymouth area.

2003/2004 Actual Performance

Total mobility services were provided to the targeted areas. Continued growth in usage was experienced.

Programme

Receive and register, within fourteen days, appropriate applications to operate a passenger transport service.

Maintain an overview of passenger transport requirements and facilitate the provision of appropriate services.

2003/2004 Actual Performance

No (1 – 2002/03) new registrations were received.

General oversight of passenger transport was maintained.

Harbour management

Objective

Promote safe navigation for all users of the waters of Port Taranaki.

Programme

Provide harbourmaster and harbour warden services for Port Taranaki to implement relevant harbour bylaws and regulations.

2003/2004 Actual Performance

External contract placed for the provision of Harbourmaster services. No significant incidents involving unsafe navigation practices were reported within Port Taranaki.

Costs and sources of funds

	2003/04 Actual \$	2003/04 Budget \$	2002/03 Actual \$	2001/02 Actual \$	Adopted Revenue and Financing Policy	Comments
Expenditure						
Regional land transport planning	35,890	47,540	240,826	225,563	Government grants for national services (Transfund). General funds for regional services.	Achieved
Passenger transport	388,508	393,873	345,950	339,053	Government grants for national services (Transfund). General funds for regional services. Capital value targeted rate for the New Plymouth disabled persons' bus subsidies.	Achieved
Harbour management	18,500	21,203	16,332	17,850	100% general funds.	Achieved
Total expenditure	442,898	462,616	603,108	582,466		
Revenue						
Targeted rates	50,000	50,000	50,000	50,000		
Direct charges	10,000	1,800	1,500	-		
Government grants	157,557	150,500	279,999	246,598		
Total revenue	217,557	202,300	331,499	296,598		
Net cost of service	225,341	260,316	271,609	285,868		
Funded by:						
General funds	225,341	260,316	271,609	285,868		
Total funding	225,341	260,316	271,609	285,868		

Description

This activity encompasses investigations and analyses of physical resources to allow the Council to develop and review policy and to promote sustainable resource management. The activity also includes monitoring conducted to provide long-term information on the state of the region's environment. Such information is fundamental for assessing the effectiveness of resource management policies and plans within medium and long-term timeframes consistent with the Council's statutory duties.

State of the environment monitoring

Objective

Monitor the state of the environment in Taranaki to enable periodic evaluation of trends in the state of the environment and of the effects of the implementation of the Council's policies and plans, in accordance with the Council's *State of the Environment Monitoring Procedures* document and *State of the Environment Monitoring Programme*.

Programme

Implement the Council's *State of the Environment Monitoring Programme* comprising monitoring of surface fresh water quantity, levels and flows, fresh water quality, groundwater quantity and quality, coastal waters, air quality and land use sustainability according to the documented individual programmes.

Monitor, review and where appropriate, further develop the programme for the 2004/05 year before 30 June 2004.

Maintain quality assurance programmes and information databases for hydrometric, air quality, physicochemical freshwater, freshwater biological and marine biological data.

Maintain public access to on-line live regional data on rainfall and bathing beach water quality.

2003/2004 Actual Performance

Implemented all specified programmes for freshwater, air quality and coastal waters as described in *State of the Environment Monitoring Programme 2003/04*.

Reviewed and amended where appropriate the air, coast, and soil programmes for the *State of the Environment Monitoring Programme 2004/05* by 30 June 2004.

Maintained the quality assurance programmes and associated databases for hydrometric, fresh water physicochemical, air quality, fresh water biology, and marine biology data. Retained IANZ registration for chemical analysis.

Maintained public access to live on-line regional data on rainfall, river levels, and wind speed and direction. Maintained public access to up to date information on marine and freshwater bathing site water quality.

Resource investigations and projects

Objective

Provide relevant and quality information for resource management purposes.

Programme

Undertake a range of resource investigations and applied research projects, normally in partnership with science providers, other councils or resource users, including:

- investigating the performance characteristics of farm dairy oxidation ponds and their effects on surface water quality
- implementing an investigation programme for assessing the water quality characteristics of the Maketawa Stream
- implementing a monitoring regime to assess the effectiveness of riparian planting programmes
- participating in studies on the effects and consequences of high density stocking rates in association with Dexcel and others
- supporting the dairying catchment water quality study being conducted by AgResearch and NIWA in the Waiokura Stream catchment

In addition to the Annual Plan programme:

2003/2004 Actual Performance

Continued to evaluate data characterising farm dairy oxidation ponds and their effects on surface water quality.

Completed and reported the investigation programme for assessing the water quality characteristics of the Maketawa Stream, which found high quality water in the Maketawa catchment, uptake of riparian plans and no justification for further regulatory methods.

Continued the monitoring regime assessing the effectiveness of riparian planting programmes.

Continued to support studies on the effects and consequences of high density stocking rates in association with Dexcel and others.

Continued to support the dairying catchment water quality study being conducted by AgResearch and NIWA in the Waiokura Stream catchment. Results to date indicate most relevant guidelines are satisfied by median if not maximum levels of analytes, and increasing uptake of riparian plans.

Prepared a coastal information inventory identifying sources of information on Taranaki's coastal environment.

Waste minimisation

Objective

To encourage and implement waste minimisation and cleaner production initiatives within industry in Taranaki.

Programme

Arising from the *Regional Waste Strategy for Taranaki* and in conjunction with the region's district councils, implement a programme promoting waste minimisation.

2003/2004 Actual Performance

Implemented a rural hazardous waste collection, recovering 16.5 tonnes.

Carried out a survey and ran a workshop on management of end-of-life tyres determining that current recycling practices result in no problematic stockpiles.

Programme

Work in conjunction with the dairy industry to conduct a survey of dairy farm wastes in Taranaki.

2003/2004 Actual Performance

Conducted waste minimisation pilot studies in the hospitality, accommodation, secondary metals smelting, joinery, education, professional services, veterinary, and marae sectors to characterise sector minimisation and recovery opportunities as a basis for subsequent waste minimisation programmes.

Designed and implemented a rural waste survey on behalf of the Taranaki Rural Sustainability Community Group to characterise rural waste service requirements.

Costs and sources of funds

	2003/04 Actual \$	2003/04 Budget \$	2002/03 Actual \$	2001/02 Actual \$	Adopted Revenue and Financing Policy	Comments
Expenditure						
State of the environment monitoring	670,374	738,970	683,970	685,740	100% general funds.	Achieved
Resource investigations and projects	325,989	303,203	410,394	323,143	100% general funds.	Achieved
Waste minimisation	98,006	103,645	-	-	Fees and charges from the region's three territorial authorities. General funds for the Taranaki Regional Council portion of these services.	Achieved
Total expenditure	1,094,369	1,145,818	1,094,364	1,008,883		
Revenue						
Direct charges	87,426	50,000	-	-		
Total revenue	87,426	50,000	-	-		
Net cost of service	1,006,943	1,095,818	1,094,364	1,008,883		
Funded by:						
General funds	1,006,943	1,095,818	1,094,364	1,008,883		
Total funding	1,006,943	1,095,818	1,094,364	1,008,883		

Description

Pest animal management involves the implementation of the Council's *Pest Management Strategy for Taranaki: Animals*, with its major focus on possum control. The key methodology for the control of possums is the Council's *self-help possum control programme*. Other components comprise the delivery of general functions under the Biosecurity Act 1993. These may include activities which focus on advice and education on unwanted organisms and, if necessary, the small-scale control of unwanted organisms (animals).

Pest animal management

Objective

Control pest animals thereby minimising their actual or potential adverse effects on biodiversity, primary production and the regional economy.

Programme

Implement the Council's *Pest Management Strategy for Taranaki: Animals* which, in brief, comprises:

- establishing and supporting a *self-help possum control programme* on the Taranaki ring plain by undertaking initial control operations on not less 12,000 hectares and ensuring that landholders maintain possum populations within acceptable limits on land already included (185,000 hectares).
- facilitating control of rabbit infestations.
- undertaking monitoring, surveillance and, where necessary, control of other pest animals
- undertaking control of rooks, hares and feral goats.

2003/2004 Actual Performance

Implemented the Strategy which comprised:

- adding a further 159 (110—2002/03) properties to the *self-help programme* with control being undertaken on 10,850 (6,820) hectares. The total area now included in the self-help programme is 190,370 ha involving 2,930 properties.
- maintaining 2,706 (2,484) properties over an area of 152,938 (143,116) hectares.
- undertaking control works on rabbit infestations on 26 occasions.
- receiving 60 (109) notifications of animal pests and, where appropriate, undertaking control action.
- undertaking control works on rook infestations on 8 occasions.

Programme

Undertake publicity and education to increase public awareness of the pest status of magpies and promote the voluntary control of these birds.

Monitor, provide advice on, and, if necessary, implement small-scale control of unwanted animal organisms.

Contribute to the implementation of the Animal Health Board's *National Pest Management Strategy for TB Bovine Tuberculosis*.

Respond to enquiries and information requests within ten working days.

2003/2004 Actual Performance

Advice and assistance on the status and control of magpies was given on 37 occasions.

Fifty-three (159) requests for advice and information were actioned.

The Council participated in the Animal Health Board's North Taranaki operation.

A total of 223 requests for information were received with all of them being actioned within 10 working days.

Costs and sources of funds

	2003/04 Actual \$	2003/04 Budget \$	2002/03 Actual \$	2001/02 Actual \$	Adopted Revenue and Financing Policy	Comments
Expenditure						
Pest animal management	1,298,755	1,331,014	1,469,081	1,239,503	Government grants for national services (Crown agencies' contributions). Fees and charges for bait stations and enforcement operations. General funds for other services.	Achieved
Total expenditure	1,298,755	1,331,014	1,469,081	1,239,503		
Revenue						
Direct charges	52,111	52,200	36,008	68,436		
Total revenue	52,111	52,200	36,008	68,436		
Net cost of service	1,246,644	1,278,814	1,433,073	1,171,067		
Funded by:						
General funds	1,246,644	1,278,814	1,433,073	1,171,067		
Total funding	1,246,644	1,278,814	1,433,073	1,171,067		

Description

Pest plant management comprises the implementation of the Council's *Pest Management Strategy for Taranaki: Plants*. This involves the application of a range of methods for the effective management of pest plants. Other components comprise the delivery of general functions under the Biosecurity Act 1993. These components focus on advice and education and monitoring of other potentially harmful plants and, if necessary, the small-scale control of unwanted plant organisms.

Pest plant management

Objective

Control and/or eradicate pest plants thereby minimising their actual or potential adverse effects on biodiversity, primary production and the regional economy.

Programme

Implement the Council's *Pest Management Strategy for Taranaki: Plants* which, in brief, comprises:

- implementing direct control programmes for the eradication of remaining infestations of *Climbing Spindleberry*, 80% of all known infestations of, *Giant Reed* and 33% of all known infestations of *Darwin's Barberry*.
- controlling and containing pest plants through a programme of inspections and, where necessary, enforcement on all Category C properties at least three times per year, on all Category B properties at least once per year, and on Category A properties as time permits
- responding to and taking necessary actions on all pest plants complaints within five days of receipt

2003/2004 Actual Performance

Implemented the Strategy which comprised:

- carrying out direct control on 100% of known infestations of *Climbing Spindleberry* and *Giant Reed*. Also initiated 100% control for *Mignonette Vine*, 40% for *Darwin's Barberry* and 100% for *Senegal Tea*.
- completing the annual inspection round for *total* and *boundary* plant pests, inspecting 127 (124 – 2002/03) category C properties on at least three occasions, 815 (325) category B properties at least once and 680 (522) urban properties at least once. In total, 169 (337) notices of direction were issued and complied with, with 0 (0) prosecutions resulting.
- receiving and responding to 103 (104) complaints, investigating all complaints within five working days and taking action where necessary. Sixty-eight (15) notices of direction were issued and complied with.

Programme

- inspecting all plant nurseries and retail outlets to promote and, where necessary, enforce the prohibition from propagation, sale or distribution, of all pest plants
- facilitating the development of effective biological control programmes for pest plants particularly *Old Man's Beard* and *Giant Buttercup*
- undertaking a publicity and education programme in relation to the control of *Mignonette Vine*, *Darwin's Barberry* and *Chilean Rhubarb*.

Monitor, provide advice on and, if necessary, implement small-scale control of unwanted plant organisms.

Implement the *National Pest Plant Accord*, inspecting all plant nurseries and retail outlets to promote and, where necessary, enforce the prohibition from propagation, sale or distribution of specified unwanted plant organisms.

2003/2004 Actual Performance

- inspecting 28 (38) nurseries and retail outlets. Two (1) requirement to remove plant pests from sale was made. Distributing information to all nurseries and retail outlets for identification of *National Pest Plant Accord* pest plants.
- making no (4) releases of control agents from local stock and 8 (1) releases from Landcare Research. Contributed to Landcare Research biological control research programme.
- undertaking a publicity and education programme in relation to the control of *Mignonette Vine*, *Darwin's Barberry*, *Chilean Rhubarb*, *Pampas* and *Climbing Spindleberry*.

Responded to 315 (324) requests for advice and information. In addition, advice and information was given in the field during the inspection rounds. Undertook small scale control of unwanted plant organisms on 7 (14) occasions.

Inspected 28 (38) nurseries and retail outlets. One requirement to remove plant pests from sale was made. Distributed information to all nurseries and retail outlets for identification of *National Pest Plant Accord* pest plants.

Costs and sources of funds

	2003/04 Actual \$	2003/04 Budget \$	2002/03 Actual \$	2001/02 Actual \$	Adopted Revenue and Financing Policy	Comments
Expenditure						
Pest plant management	373,014	374,877	346,589	351,873	Government grants for national services (Crown agencies' contributions). Fees and charges for enforcement operations. General funds for other services.	Achieved
Total expenditure	373,014	374,877	346,589	351,873		
Revenue						
Direct charges	1,131	1,000	1,642	966		
Government grants	7,686	8,564	8,187	8,564		
Total revenue	8,817	9,564	9,829	9,530		
Net cost of service	364,197	365,313	336,760	342,343		
Funded by:						
General funds	364,197	365,313	336,760	342,343		
Total funding	364,197	365,313	336,760	342,343		

Description

This activity encompasses responsibilities associated with the Council's ownership of the region's port company (Westgate Transport Ltd), investment properties and treasury investments.

The Taranaki Regional Council is the 100% owner of the Taranaki port company, Westgate Transport Ltd. Pursuant to the Port Companies Act 1988, the aim of the company is to operate as a successful business. The responsibility for operation of the port company rests with the appointed directors, two of whom are members of the Taranaki Regional Council. The Council also owns 1,000 shares in the Local Government Insurance Corporation Ltd. The Council owns a number of leasehold properties in New Plymouth. The Council also has a number of treasury investments with approved banks. These are mainly short-term investments for cash management purposes.

Westgate Transport Ltd

Objective

Ensure that the Council-owned port company, Westgate Transport Ltd, is efficiently managed as a successful business.

Programme

Receive and consider Westgate Transport Ltd's statement of corporate intent and monitor performance against established targets on an annual basis.

Appoint Westgate Transport Ltd's directors as required.

Liaise with the port company directorate and management in accordance with formal and informal reporting procedures.

2003/2004 Actual Performance

The Council received and considered Westgate Transport Limited's draft Statement of Corporate Intent (SCI) on 13 August 2003. Performance against the SCI was monitored when considering the Company's half and full year results.

Messrs Auld and Leuthart were re-elected to the Board at the Annual General Meeting on 26 September 2003.

Regular formal and informal briefings and discussions occurred between the Board and the Council throughout 2003/04.

Programmes and performance measures set in the statement of corporate intent

Return on average total assets
(Target 6%)

Return on average shareholder's funds
(Target 4%)

Wharf utilisation (berth occupancy):

Moturoa (Target 20 – 30%)

Newton King Tanker Terminal (Target 20 – 35%)

Blyde (Target 10 – 20%)

Health and safety.

Eliminate all work-related accidents.

2003/2004 Actual Performance (2002/2003 Actual Performance)

4.68% (8.61%)

6.87% (13.05%)

17% (18%)

29% (35%)

23% (20%)

Thirty-one work related accidents, of which 7 resulted in 59 days lost time. (35 work-related accidents resulting in 28 lost days).

Land and treasury investments

Objective

Ensure that property and treasury investments owned by the Council are efficiently managed.

Programme

Manage and, where appropriate, divest leasehold land in accordance with the Council's leasehold land policies.

Manage and maximise the returns from treasury investments in accordance with the Council's *Investment Policy*.

2003/2004 Actual Performance

Four leases were renewed (2—2002/03) in 2003/04. No leasehold land was divested during the year. Achieved a 5.87% (6.00%) return from leasehold land rentals.

All treasury investments were in accordance with the Council's *Investment Policy*. Achieved a 5.61% (5.62%) return from treasury investments.

Costs and sources of funds

	2003/04 Actual \$	2003/04 Budget \$	2002/03 Actual \$	2001/02 Actual \$	Adopted Revenue and Financing Policy	Comments
Expenditure						
Investment management	12,635	12,500	907	40,309	100% general funds	Achieved
Total expenditure	12,635	12,500	907	40,309		
Revenue						
Dividends	2,600,000	2,750,000	2,500,000	3,200,000		
Interest	973,811	1,020,811	938,133	1,174,044		
Property rental	399,188	374,350	395,992	433,176		
Other investment revenue	70,000	-	100,000	-		
Total revenue	4,042,999	4,145,161	3,934,125	4,807,220		
Surplus on investments	4,030,364	4,132,661	3,933,218	4,766,911		
Funded by:						
Interest transferred to reserves	23,407	19,662	-	16,574		
Transfer to significant activities	3,676,798	4,112,999	3,832,198	3,458,715		
Retained earnings	330,159	-	101,020	1,291,622		
Total allocations	4,030,364	4,132,661	3,933,218	4,766,911		

Description

This activity encompasses projects which are supported by the Council because the recreational, cultural and heritage benefits are regionally significant. Two projects are encompassed within this significant activity. The first is regional assistance for the redevelopment of Yarrow Stadium. The second is assistance in maintaining and enhancing three of Taranaki's regionally significant and nationally recognised garden amenities.

These projects are undertaken pursuant to the *Taranaki Regional Council Empowering Act 2001*.

Multi-events stadium

Objective

To facilitate the redevelopment of Yarrow Stadium appropriate for the needs of Taranaki.

Programme

A one-off grant of \$9.6m was provided to the Taranaki Events Centre Trust in 2001/2002 for the purposes of redeveloping Yarrow Stadium. The only activity in this area for 2003/04 was the repayment of the grant from targeted rates.

2003/2004 Actual Performance

Regional gardens

Objective

To ensure that the Pukeiti Rhododendron Trust gardens, Hollard Gardens and Tupare are maintained and enhanced as regionally significant recreational and heritage amenities.

Programme

Complete and commence the implementation of the asset management plans for the Council's regional gardens.

2003/2004 Actual Performance

Regular planting, tree surgery work, woody and herbaceous husbandry and weed control undertaken as part of the on-going maintenance and upkeep of Hollard and Tupare gardens.

Stakeholder/funding arrangements between the Pukeiti Rhododendron Trust and the Council continued.

Programme

Complete and commence the implementation of the asset management plans for the Council's regional gardens.

2003/2004 Actual Performance

Technical Advisory Group established to develop strategic directions for the regional gardens in 2002/03. The Group completed Stage I of the Regional Gardens Project setting out a vision, strategic objectives and directions in relation to Pukeiti, Hollard and Tupare gardens in 2002/03.

Stage II of the Regional Gardens Project, being the preparation of asset management plans for Pukeiti, Hollard and Tupare gardens, commenced in 2002/03 and was nearing completion by 30 June 2004.

By 30 June 2004 asset management plans, plant collection plans and conceptual master design, audience and development strategies were drafted and are being subjected to peer review. The asset management plans are to be completed and adopted in late 2004 for implementation to begin.

Costs and sources of funds

	2003/04 Actual \$	2003/04 Budget \$	2002/03 Actual \$	2001/02 Actual \$	Adopted Revenue and Financing Policy	Comments
Expenditure						
Yarrow Stadium	-	-	-	9,848,375	Targeted rates that recover 78% of the costs from the New Plymouth district, 5% of the costs from the Stratford district and 17% of the costs from South Taranaki district.	Achieved
Regional gardens	457,723	392,922	301,925	55,225	100% general funds.	Achieved
Total expenditure	457,723	392,922	301,925	9,903,600		
Revenue						
Direct charges	19,074	31,060	29,128	-		
Targeted rates	878,671	876,000	897,409	-		
Total revenue	897,745	907,060	926,537	-		
Net cost of service	(440,022)	(514,138)	(624,612)	9,903,600		
Funded by:						
Transfer to retained earnings	(878,671)	(876,000)	(897,409)	9,848,375		
General funds	438,649	361,862	272,797	55,225		
Total funding	(440,022)	(514,138)	(624,612)	9,903,600		

REPRESENTATION

Description

Representation encompasses public representation by the Council and its committees in accordance with statutory requirements. In carrying out these responsibilities, the Council conducts six-weekly meetings of the full Council and main Council committees and convenes other meetings as appropriate.

The full costs of operating the representation function of the Council include Councillor and appointed members' remuneration and travel costs, administrative costs in servicing the Council and its committees and processing requests for official information. Triennial election costs are also included.

The Council's membership and committee structure is outlined in the *Governance report*.

Costs and sources of funds

	2003/04 Actual \$	2003/04 Budget \$	2002/03 Actual \$	2001/02 Actual \$	Adopted Revenue and Financing Policy	Comments
Expenditure						
Representation	593,942	613,170	595,658	640,065	100% general funds.	Achieved
Net cost of service	593,942	613,170	595,658	640,065		
Funded by:						
General funds	593,942	613,170	595,658	640,065		
Total funding	593,942	613,170	595,658	640,065		