

Significant activities

The Council undertakes work on 16 'significant activities', which together contribute to the state of the local economy, the environment, community wellbeing and the identity of Nelson and its inhabitants. Each activity contains a summary of its sub-activities. For example the community facilities activity includes the sub-activities of libraries, halls, public toilets etc. The 16 Council activities are:

- Water supply
- Sewage disposal
- Storm water and flood protection
- Roads and transport
- Solid waste management
- Environment management
- Regulatory compliance
- Parks and open spaces
- Recreation and leisure
- Community facilities
- Economic and tourism support
- Managing emergencies and natural hazards
- Social development
- Culture, heritage and arts
- Democracy and administration
- Financial reserves and trusts

The Council's 2006 Long term Council Community Plan (LTCCP) set out the targets for each Council activity, the issues ahead and the objectives for the next three years. This Annual Report sets out the actual results for each target.

These targets and objectives have been chosen as suitable ways of measuring progress towards the Council's desired outcomes.

There are also reports on the following associated activities and investments, which are detailed in the section on Council Controlled Organisations beginning on page 171:

- Nelmac Limited
- Nelson Airport Limited
- Port Nelson Limited
- Nelson Tasman Tourism
- Ridgeways Joint Venture
- Nelson Regional Economic Development Agency



Key to results

- ☺ Target met or exceeded,
- ☹ Close to target or on track for multi-year projects
- ☹ Target not achieved

If blank the Council has not assessed the results for this performance measure



Water supply

How the service is delivered to achieve the outcomes

The Council manages 364 km of water pipes and supplies urban and some rural areas of Nelson. There are two water supply sources - the Maitai and the Roding. A new water treatment plant opened in August 2004 and treats water from both rivers.

What this includes

Water supply is managed as a single activity with no sub-activities. Components of this activity include:

- planning the sustainable management of Nelson's water supply;
- processing relevant consents and monitoring compliance with the consents once granted;
- operating and maintaining the water supply pumping and storage system, the reticulation/distribution system, and treatment facility; and
- Council requiring commercial property owners to prevent backflow into the reticulation system.

Links to outcomes

Council supplying safe water to Nelson residents and businesses contributes to achieving the following community outcomes:

Outcomes	How the activity contributes
Healthy land, sea, air and water We protect the natural environment.	A city wide water system ensures that water resources are well managed and reduces the human impact on the environment.
A strong economy We all benefit from a sustainable, innovative and diversified economy.	High quality water encourages businesses to move to Nelson. It also supports economic growth.
Kind, healthy people We are part of a welcoming, safe, inclusive and healthy community.	Clean drinking water prevents diseases and means healthier people.

Because a reliable water supply is an essential 'lifeline' utility, Council has established procedures to ensure continuity of supply, or a rapid return of service, in the event of a civil

emergency such as an earthquake. These provisions include locating a generator at the water treatment plant to provide an energy source should there be an interruption to electricity supplies.

Highlights of the year

Highlights of the year included the reassessment in May 2008 of the water supply grading for the Tantragee Water Treatment Facility. The facility received a confirmed Ab grading, which is A at source, and b at the point of distribution, from the Ministry of Health.

During the year Council has also included seismic shutoffs to all major reservoirs and completed the Wastney Terrace pump station.

Levels of service - water pressure, flow and reliability

Criteria	Service level	Performance measures and targets	Current results
Resident satisfaction	Residents' approval	80% satisfied or very satisfied	☹ The 2008 residents survey show this target as being slightly below target at 70%.
Water quality	Ministry of Health water supply grading	'A' for source and 'b' for distribution	☺ Achieved Ab grading confirmed in May 2008
Reliability	Provide residents with a reliable water supply	<ul style="list-style-type: none"> Maintain supply during 1 in 60 year drought Provide continuity of supply > 99.6% of time. Maximum disruption time 24 hours Usual disruption < 8 hours. 	☺ All achieved <ul style="list-style-type: none"> 1 in 60 year drought security was maintained. 99.85% (maximum outage for any one property was 13 hours 30 minutes) in the year. Maximum outage was 9 hours 30 minutes 1 disruption of 9 hours 30 minutes out of 363 shutdowns

Criteria	Service level	Performance measures and targets	Current results
Pressure	Provide residents with a consistent water pressure and meet the NZ Fire Service standards	<ul style="list-style-type: none"> Min working pressure >30m head Max working pressure <90m head. <p>[Note: The service level was changed from <95m head to align with water supply grading criteria]</p>	<p>☺ Achieved 281 properties have less than 30m head as they are close to reservoirs, so they have pumps or oversize pipes to provide enough pressure.</p> <p>☹ Not fully achieved. Note that the changed level of service from 95m to 90m head means more properties are included. 3812 of a total of over 17,600 properties received over 90m head, of which 1752 received over 95m head (compared to 2852 <95m in 05/06). The trend is continuing improvement, despite threshold changing.</p>
Flow	Private residents with an acceptable flow of water	<ul style="list-style-type: none"> Min residential flow 30 litres/min Min fire flow of 25 litres/ second at fire hydrants 	<p>☺ Achieved</p> <p>☹ Not fully met but less than 20 properties are now affected.</p>
Environmental quality	Resource consents	All resource consent conditions complied with	<p>☺ Achieved All conditions complied with for the resource consents held for the two sources of the City's water supply, the Maitai and Roding rivers.</p>

Risk (from Asset Management Plan)

Backflow is the highest risk to the Nelson water supply. The 2007 amendments to the Health Act requires water suppliers to prepare Public Health Risk Management Plans including the management of risk from backflow. Council will propose an action plan for this risk in the 2009 Community Plan.

The Maitai pipeline is the second highest risk and the impact of closing of this pipeline was emphasised when it was damaged during the storms in July 2008. The 2009 Community Plan will include funding for the duplication of this pipeline.

Statement of financial performance

	Actual 2008	Estimate 2008	Actual 2007
	\$000	\$000	\$000
Revenue			
Water charges	(10,875)	(10,618)	(9,518)
Financial contributions	(640)	(300)	(567)
Other revenue	(100)	(93)	(123)
Total revenue	(11,615)	(11,011)	(10,208)
Expenses:			
Operating and maintenance	4,384	4,181	4,013
Interest on loans	2,535	2,584	2,677
Depreciation	3,608	3,115	3,204
Total operating expenses	10,527	9,880	9,894
Net (surplus)/deficit	(1,088)	(1,131)	(314)

Statement of funding requirement

	Actual 2008	Estimate 2008	Actual 2007
	\$000	\$000	\$000
Funds required			
Capital expenditure	1,167	1,086	1,860
Non Cash profits and writeups	0	0	5
Repayment of loan principal	3,632	3,160	1,858
Transfer to reserve funds	0	0	0
Total funds required	4,799	4,246	3,723
Source of funds:			
Net surplus/(deficit)	1,088	1,131	314
New loans raised	100	0	200
Transfer from reserve funds	0	0	0
Transfer from financial contributions reserve	0	0	0
Non cash expenditure (depreciation)	3,608	3,115	3,204
Sales of assets	3	0	5
Total source of funds	4,799	4,246	3,723

See Note 33 on pages 82 - 86 for explanation of variations

Sewage disposal

How the service is delivered to achieve the outcomes

Council maintains and operates reticulation, treatment and disposal systems in order to provide the wastewater disposal service for Nelson. Council manages 360 km of wastewater pipes, 27 pump stations and the Nelson North Wastewater Treatment Plant. This system serves the northern residential areas of the city. Nelson City Council also operates, as a joint venture with Tasman District Council, a second treatment plant at Bells Island. This facility, administered by the Nelson Regional Sewerage Business Unit (NRSBU), serves the Stoke and Tahunanui areas, several large industries, Richmond, the Waimea plains and Mapua.

What this includes

1. Collecting, treating and disposing of sewage Nelson City Council.
2. Collecting, treating and disposing of sewage Regional Scheme (Bells Island), 50% NCC ownership.

Links to outcomes

Council supplying sewage treatment and disposal to Nelson residents and businesses contributes to achieving the following community outcomes:

Outcomes	How the activity contributes
Healthy land, sea, air and water We protect the natural environment.	Through treatment and disposal of sewage to reduce the impact on the environment.
People-friendly places We build healthy accessible and attractive places and live in a sustainable region.	Through treatment and disposal of sewage to reduce harmful effects on the landscape and built environment.
A strong economy We all benefit from a sustainable, innovative and diversified economy.	Through treatment of industrial waste allowing businesses to operate in Nelson, and protecting tourism.
Kind, healthy people We are part of a welcoming, safe, inclusive and healthy community.	By minimising disease and health problems.

As reliable sewage disposal is an essential 'lifeline' utility, Council has established procedures to ensure continuity of supply, or a rapid return of service, in the event of a civil emergency such as an earthquake.

Highlights of the year

The major project for the 2007/08 year was completing the upgrading of the Nelson North wastewater treatment plant in July 2008.

Council now has a network model of the sewer system, which became operational in August 2007. This enables better monitoring of the system's capacity and assists with the design of new infrastructure and developments.

Levels of service – reliability and capacity

Criteria	Service levels	Performance measures and targets	Current results
Resident satisfaction	Results from 2004 residents' survey	80% satisfied or very satisfied	☺ Results of the 2008 residents survey show 86% satisfaction
Environmental quality	Odour events	No complaints after treatment plant upgrade <3 complaints per annum re reticulation network	☹ There was one odour event from the Nelson North ponds which might have been a result of the work being undertaken as part of the upgrade. ☺ 1 verified complaint in 2007/08.
Capacity	Amount of flow during wet weather	Infiltration during wet weather < 10 times the flow during dry weather	☹ New monitoring systems installed at pump stations. Initial data shows that the wet weather flows might be as high as 15 times.
Reliability	The number of pump station overflows	< 2 dry weather overflows per annum	☺ No dry weather overflows recorded in 2007/08.
Reliability	Sewer blockages	< 100 blockages per 100 km of pipes	☺ 308 blockages in 366 km of pipes during 2007/08, which is 84 per 100km*
<i>* Note that odour complaints can also be logged because of blockages. These are addressed by renewals and upgrades as necessary, if persistent blockages occur.</i>			

Criteria	Service levels	Performance measures and targets	Current results
Customer response	Speed of response to problems raised by public	Respond and investigate emergency works within 30 minutes. Repair within 8 hours.	☺ Council aims to achieve these targets at least 90% of the time. 100% compliance with response within 30 minutes and 97% compliance with repair within 8 hours were achieved.
Environmental quality	Resource consents	All resource consent conditions complied with, once they take effect	The new resource consents came into effect once the new plant became operational in July 2008.

** Note that odour complaints can also be logged because of blockages. These are addressed by renewals and upgrades as necessary, if persistent blockages occur.*

Levels of service – environmental impacts

Risk (as identified in 2005-2008 Asset Management Plan)

- i. Overflow due to storm water infiltration (trunk mains). This high risk is being addressed by the network model. The door to door inspection programme looking for crossed and illegal storm water connections to sewer has been terminated following three rounds of the City. A new programme began involving investigating older private laterals that might be allowing infiltration into the system.
- ii. Overflow due to sewer blockages (trunk mains). Moderate risk. The Hansen system (Council's asset management database) has been used to identify locations of repeat blockages. Most of these are on smaller reticulation lines, often caused by tree roots on private property. Investigations are underway regarding renewing or rehabilitating these lines to reduce risk of overflows.
- iii. Reticulation pipe failure. Moderate risk.
- iv. Acid attack on rising mains. Moderate. This is still a known problem. Regular maintenance of air valves has been conducted. Investigations into the correct sizing, number and location of air valves have identified some shortfalls and a programme for improving this has been developed.
- v. Power and system failure at pump station. High risk. The renewal of electrics and controls at nearly all of the pump stations has seen a dramatic reduction in system faults. The In-Touch SCADA system allows remote control of pump station sites and accordingly greatly reduced risk of

overflows as well as reduced costs. The gradual replacement of older pumps that are prone to blocking is also reducing the risk of overflows. Council can now monitor all pump stations remotely in the event of a power blackout.

- vi. Odours (pump stations). Moderate risk. The occurrence of pump station odour complaints has reduced significantly. In the last year Parkers No. 1 was the only station that generated odour complaints. These persisted for several weeks during the warmest weather. An activated carbon bio filter will be fitted to address this issue.
- vii. Odours (treatment plant). Extreme risk. There were no reported odours from the treatment plant (ponds). The upgrade of the treatment plant is underway with construction completed in July 2008.
- viii. Failure to achieve consents. Extreme risk. The treatment plant design and construction process was behind schedule and construction will not be complete in time to ensure compliance with the discharge consent conditions by the consented deadline of 24 November 2006. A variation to the consent was sought to cover the delay. Works are progressing (albeit behind schedule) and there are no anticipated significant consequences due to this non compliance with the consent.

Capital projects – over \$500,000

Project	Estimate	Carried over	Total budget	Actual
	(\$000)	(\$000)	(\$000)	(\$000)
Nelson North Wastewater Treatment plant Stage one completed within budget. Remainder carried over for stage two (wetlands)	632	1,000	1,632	1,218

Regional Sewerage Business Unit - NRSBU

Sewerage scheme (50%) Multi year project. Work delayed and will continue into 2008/09 and 2009/10.	74	2,543	2,617	187
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Statement of financial performance

	Actual 2008	Estimate 2008	Actual 2007
	\$000	\$000	\$000
Revenue			
Waste Water Rate	(5,127)	(5,109)	(4,420)
Financial contributions	(581)	(250)	(517)
Other revenue	(3,204)	(3,895)	(3,404)
Total revenue	(8,911)	(9,254)	(8,341)
Expenses:			
Operating	3,640	4,419	3,496
Interest	763	982	566
Depreciation	2,473	2,671	2,280
Total operating expenses	6,876	8,072	6,342
Net (surplus)/deficit	(2,035)	(1,182)	(1,999)

Sewage disposal

Statement of funding requirement

	Actual 2008	Estimate 2008	Actual 2007
	\$000	\$000	\$000
Funds required			
Capital expenditure	3,487	4,915	9,047
Repayment of loan	894	1,686	800
Transfer to reserve funds	696	0	405
Total funding requirement	5,077	6,601	10,252
Source of funds:			
Net surplus	2,035	1,182	1,999
New loans raised	567	2,654	5,365
Transfer from reserve funds	0	94	608
Transfer from financial contributions reserve	0	0	0
Non cash expenditure	2,473	2,671	2,280
Sales of assets	2	0	0
Total funds provided	5,077	6,601	10,252

SIGNIFICANT ACTIVITIES

See Note 33 on pages 82 - 86 for explanation of variations



Storm water and flood protection

How the service is delivered to achieve the outcomes

The Council manages 26km of rivers and streams, 167km of storm water pipes, 23km of river and stream bank protection, 2 storm water pump stations, 6 detention dams, channels, culverts, tide gates, access points, intakes, outfalls, accessholes, sumps and secondary flow paths. The purpose of these assets is to safely manage storm water flows from rainfall.

What this includes

There are no sub-activities included in storm water and flood protection. It is managed as a single financial activity.

Links to outcomes

Storm water management and flood protection for Nelson contributes to achieving the following community outcomes:

Outcomes	How the activity contributes
Healthy land, sea, air and water We protect the natural environment.	Through reducing the effects of floods on the environment.
People-friendly places We build healthy, accessible and attractive places and live in a sustainable region.	Through reducing the likelihood of floods damaging homes, businesses or essential infrastructure.
A strong economy We all benefit from a sustainable, innovative and diversified economy.	Through removing restrictions on developing land when adequate drainage is provided.
Kind, healthy people We are part of a welcoming, safe, inclusive and healthy community.	Through reducing the likelihood of people being affected by a flood.

Highlights of the year

During the year the Trafalgar St storm water upgrade project was completed.

Levels of service targets

Criteria	Service level	Performance measures and targets	Current results
Customer approval	Resident satisfaction	80% satisfied or very satisfied	☺ The 2008 residents survey show 81% of residents are satisfied
Efficiency	Response times	Blocked inlet structures during rain complete repair within one hour 90% of time	☺ 97% compliance
Efficiency	Response times	Flooding and overtopping of streams and rivers, complete repair within 1 day 90% of the time	Data not yet collected
Efficiency		Clearance of obstructions from inlet structures, watercourses and outlet structures within 2 working days 90% of the time	☺ 100% compliance with target
Environmental quality	Resource consents	All resource consent conditions complied with, once they take effect	☺ Applications for 3 consents being processed (for freshwater, saltwater and stream structures)
Effective planning	Asset Management Plan	Planned for June 2006 but will be completed to align with 2009 LTCCP.	
Effectiveness	Managing floods	Activities meet Q ₁₅ or Q ₅₀ floods for Nelson rivers and streams	☹ The 1 in 50 year event in Stoke earlier this year overwhelmed some streams, except for those upgraded to the Q ₅₀ standard

Capital projects – over \$500,000

Project	Estimate	Carried over	Total budget	Actual
	(\$000)	(\$000)	(\$000)	(\$000)
Arapiki Stream Two year project, ongoing in 2008/09	483	992	1,475	979
Orchard Creek Completed over two years in multiple staging, continuing in 2008/09. Some stage work was completed early to minimise tender price.	196	186	382	606
Cleveland terrace Work not yet completed. Remainder will be carried over to 2008/09 for completion.		633	633	343

Statement of financial performance

	Actual 2008	Estimate 2008	Actual 2007
	\$000	\$000	\$000
Revenue			
Stormwater rates	(4,137)	(4,123)	(3,901)
Financial contributions	(560)	(220)	(446)
Other revenue	(14)	0	(28)
Total revenue	(4,711)	(4,343)	(4,375)
Expenses:			
Operating and maintenance	1,206	824	910
Interest on loans	1,180	1,327	1,210
Depreciation	1,589	1,460	1,397
Total operating expenses	3,975	3,611	3,517
Net (surplus)/deficit	(736)	(732)	(858)

Statement of funding requirement

	Actual 2008	Estimate 2008	Actual 2007
	\$000	\$000	\$000
Funds required			
Capital expenditure	2,978	3,788	2,367
Repayment of loan principal	691	561	515
Transfer to reserve funds	0	0	0
Total funds required	3,669	4,349	2,882
Source of funds:			
Net surplus	736	732	858
New loans raised	959	2,115	446
Transfer from reserve funds	385	42	181
Transfer from financial contributions reserve	0	0	0
Non cash expenditure (depreciation)	1,589	1,460	1,397
Sales of assets	0	0	0
Total source of funds	3,669	4,349	2,882

See Note 33 on pages 82 - 86 for explanation of variations



Transport

What this includes

1. Provision of a road network including road safety and street cleaning
2. Footpaths
3. Cycle ways
4. Street lighting
5. Inner city parking and development
6. Subsidised public transport including the Total Mobility Scheme
7. Street gardens and trees

Links to outcomes

Council-supplied transport infrastructure and transport planning contributes to achieving the following community outcomes:

Outcomes	How the activity contributes
Healthy land, sea, air and water We protect the natural environment.	Through providing a range of transport systems that minimise the impact on the environment.
People-friendly places We build healthy, accessible and attractive places and live in a sustainable region.	Through taking into account the impact on public spaces when providing transport infrastructure.
A strong economy We all benefit from a sustainable, innovative and diversified economy.	Through providing and effective and efficient transport system that meets the needs of residents and businesses.
Kind, healthy people We are part of a welcoming, safe, inclusive and healthy community.	Through providing a safe transport network that provides for traffic, cyclists and pedestrians.

Highlights of the year

Highlights of the past year have included, at a strategic level, completion of the Nelson North to Brightwater Corridor Study, and the preparation of the long awaited Regional Land Transport Strategy, incorporating a Passenger Transport Plan and Travel Demand Management Strategy.

At a projects level Council completed the Cordon Park cycleway (in conjunction with the construction of the Atawhai cycleway by Transit), the Airport cycleway, the Stansell Avenue upgrade, the Enner Glynn culverts, Cambria Street upgrade and commenced the Cleveland Terrace upgrade and the

footpath to Days Track, the Normanby Bridge and the Tahuna Beach enhancements.

Transportation safety management

The total number of fatal and serious casualties across the whole city was 23 in 2007, slightly higher than the five year average (2003-07) of 22.

The five year average (2003-07) crash rate per 10,000 population was 25 which is similar to comparable cities in New Zealand.

There were 22 cycle casualties in Nelson city in 2007, compared to a five year average (2003-07) of 25. With the exception of a peak of 37 in 2006 the number of cycle casualties is trending between 20 and 24 per year. The data shows that around 17% of all casualties are cyclists, which is greater than our peer group cities' rate of around 10%.

There were six pedestrian casualties in the city in 2007, compared to a five year average (2003-07) of 13. This category of accidents has been progressively trending down since 1998 and Nelson's rates are now lower than equivalent cities in New Zealand.

Public Satisfaction

The 2007 Residents Survey found the trend of increasing dissatisfaction with transport evident in 2004 has developed further, with a significant increase to more than half being dissatisfied. The increase appears to be driven by a considerable increase in the dissatisfaction with public transport and roads. Preliminary 2008 results show satisfaction increasing and dissatisfaction decreasing.

Levels of Service










Criteria	Service levels	Performance measures and targets	Current results
Residents' survey	Resident satisfaction with:	target (% resident approval)	Result from the 2008 Residents' Survey.
	Roads	80%	☺ 85%
	Cycle ways	80%	☺ 80%
	Public transport	80%	☹ 43%
	Footpaths	80%	☺ 81%



Transport

SIGNIFICANT ACTIVITIES

Criteria	Service levels	Performance measures and targets	Current results
	Car parking	80%	☹ 72%
	Street lighting	80%	☺ 87%
Reported crashes	Number of crashes	Reduce reported crashes in the region by 3% annually, measured over a five year period.	☹ 107 injury crashes in the whole city in 2007. The five year average increased from 93 (1999-03) to 110 (2003-07)
Travel time to/ from Richmond	Minutes, compared to base time	Regularly monitor and work to reduce travel time.	☹ Average travel time along Rocks Road is delayed by one to two minutes in the AM peak and one to three minutes in the PM peak. No analysis of changes since the Tahunanui roundabouts have been removed has been carried out to date. Along Waimea Road the AM peak delays averaged 2.5 minutes but have been up to 5 minutes. In the PM peak, delays range from one to three minutes. Since monitoring began in 2001 there is not conclusive trends in delays, either longer or shorter.
Public transport use	Numbers	Maintain existing patronage on 'The Bus' service.	☺ Patronage on target at 45,466 (45,000 in 2007/08)
Structure loading	Strength of bridges	Maintain all bridges to full heavy normal (HN) loading restriction.	☺ Normanby bridge upgrade completed in 2007/08.
Environmental quality	Resource consents	All resource consent conditions complied with.	☺ Achieved

Criteria	Service levels	Performance measures and targets	Current results
Roads	Widen 2 km of road, resurface 8 km road, install 2 km of new kerb and channel and reconstruct 2 km of existing road each year.		Most close to achieved or exceeded  1.0km widened  4.9km resurfaced  1.9km new kerb and channel installed  1.0km road reconstructed
		Complete the Corridor Study and revision of the Regional Land Transport Strategy (RLTS).	 Corridor Study completed. Regional Land Transport Strategy under development
Structures	Monitor bridge condition annually.		 Visual inspection undertaken. Council is working towards if bridge assets within its Roding Asset Management database.
	Replace Normanby Bridge in 2006/07.		 Completed in 2008.
Footpaths	Construct on average 2km of new footpath and renew 4km of existing footpath each year. Target halved for 2006/07 due to reduction in capital expenditure. Aim is to have at least one footpath beside each street in Nelson by 2013.		 1.3km of new footpath.
Cycle ways	Review strategy in 2006.		 The cycle strategy was adopted in December 2006. 1.3km of new cycleway
Car parking	Council will consider the need for a car parking building in the central city on completion of the Corridor Study.		This will now be considered as part of the Central City Strategy.

Capital projects – over \$500,000

Project	Estimate	Carried over	Total budget	Actual
	\$(000)	\$(000)	\$(000)	\$(000)
Normanby Bridge Project completed with some delays. Slightly over budget due to cost of moving telecom and water services and inclusion of art work.	1,501	10	1,511	1,585
Campbell Street Carried over. Work began July 2008.		818	818	28
Parking:				
Land purchases Strategic opportunity to enable purchase of property in Wakatu Square (transaction completed in following financial year)	376	0	376	690
Collingwood Street Project underway in 2008/09 so budget carried over		921	921	66



Statement of financial performance

	Actual 2008 \$000	Estimate 2008 \$000	Actual 2007 \$000
Revenue			
Rates	(5,355)	(6,115)	(5,659)
Financial contributions	(587)	(250)	(486)
Other revenue	(6,155)	(5,071)	(4,508)
Total revenue	(12,097)	(11,436)	(10,653)
Expenses:			
Operating and maintenance	5,535	5,806	5,070
Interest on loans	948	1,063	919
Depreciation	3,558	3,094	3,287
Total operating expenses	10,041	9,963	9,276
Net (surplus)/deficit	(2,056)	(1,473)	(1,377)

Statement of funding requirement

	Actual 2008 \$000	Estimate 2008 \$000	Actual 2007 \$000
Funds required			
Capital expenditure	6,363	6,506	7,094
Non Cash profits and writeups	0	0	6
Repayment of loan principal	456	961	280
Transfer to reserve funds	272	69	78
Total funds required	7,091	7,536	7,458
Source of funds:			
Net surplus	2,056	1,473	1,377
New loans raised	573	2,733	1,981
Transfer from reserve funds	382	107	522
Transfer from financial contributions reserve	41	0	43
Non cash expenditure (depreciation)	3,558	3,094	3,287
Sales of assets	481	129	248
Total source of funds	7,091	7,536	7,458

See Note 33 on pages 82 - 86 for explanation of variations