

SOUTH TARANAKI DISTRICT COUNCIL'S
LONG TERM PLAN 2018 - 2028

TE KAUNIHERA Ō TARANAKI KI TE TONGA
HŌTAKA ANGA WHAKAMUA 2018 - 2028

MAKING SOUTH TARANAKI

THE MOST
liveable

DISTRICT IN NZ



Mihi

Ko Taranaki kei runga.
Ko Aotea, ko Kurahaupo e urunga mai ki uta.
Ko Turi, ko Ruatea ngā tūpuna,
Tihei mauri tū ki runga!

Mai i Okurukuru ki Rāwa o Turi,
Rāwa o Turi ki Waingongoro,
Waingōngoro ki Whenuakura,
Whenuakura ki Waitōtara.

Ko wai tērā, ko Taranaki ki te Tonga.

E ngā tini wairua, kua whetūrangihia, koutou e
korowaitia ana te tauheke rā, ko Pukehaupapa, ko
Pukeonaki, e moe. Haere I raro I te kahu kōrako ki
tua whakarere. Ki te kāinga o tāua te tangata.

Hoki atu rā koutou ki Hawaiki nui, Hawaiki roa,
Hawaiki pāmamao.

Ki a tātou ngā uri o Tiki, ki ngā kanohi kitea. Tātou
mā e kawea nei ngā kete matauranga o te ao
tūroa, o te ao hurihuri. Tihei mouri ora.

Ko te kaupapa e anga atu nei, ko te Hōtaka o te
wā, hei tirohanga ki mua mā tātou ki te Tonga. Kia
whai nei I ngā wawata kia pākari ai te rohe.

Kāti rā, ki a koutou, ki a tātou, rire, rire Hau Pai
marire!

*So stands Taranaki above
Aotea and Kurahaupo are anchored ashore,
Turi and Ruatea are our ancestors.
So, we share the breath of life!*

*From Okurukuru to Rāwa o Turi,
From Rāwa o Turi to the Waingongoro River,
From the Waingōngoro to the Whenuakura River,
From the Whenuakura to the Waitōtara River.*

Who are we, South Taranaki.

*To those spirits, who have passed beyond, you who
cloak our mountain, Pukehaupapa, Pukeonaki, rest
in peace. Go beyond the veil with the protection of
peace. To the ancestral home of us, the people.*

*Return to Hawaiki nui, Hawaiki roa and Hawaiki
pāmamao.*

*To those of us who remain, the descendants of
Tiki, the living. We, the bearers of the baskets of
knowledge from the past and present. So, the
breath of life.*

*So, the focus for this is the Long Term Plan, to
look forward for us the people of South Taranaki.
To achieve the hopes and dreams to enhance our
region.*

*In conclusion, to you and us all, Peace flow across
us!*





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MAYOR & CE'S MESSAGE

TE REO MAIOHA TĀ TE KOROMATUA ME TE TUMU PAETAKI

MAKING SOUTH TARANAKI THE MOST LIVEABLE DISTRICT IN NEW ZEALAND KIA EKE A TARANAKI KI TE TONGA HEI TE TAKIWĀ HĪHIRI I AOTEAROA

South Taranaki is a unique place, blessed with abundant natural resources, stunning scenery and innovative people but we can't take our future wellbeing for granted.

Our Council has a vision to make South Taranaki the most liveable district in Aotearoa/New Zealand, with an attractive and affordable lifestyle, connected people, in sustainable and vibrant communities.

The Council's focus has been on upgrading our District's water and wastewater infrastructure, key community facilities and implementing projects designed to make South Taranaki a desirable place to live and do business, and this will continue into the foreseeable future. As the reliability of our water and wastewater network continues to improve, we now have the opportunity to progress other projects such as the Hāwera

Town Centre redevelopment, District Pathways Programme and the amalgamation of the Waimate West and Inaha water schemes.

Our focus for the next ten years is to complete these key projects, maintain our current assets and core services and continue to improve our water and wastewater infrastructure.

At the same time the Council is conscious of the **need to keep rates at an affordable level**, so we are funding key projects with existing reserves and earnings from the Council's Long Term Investment Fund, rather than through rates.

With an expected **average total rate increase of 3.08%** per year over the next ten years, we believe our Long Term Plan strikes the right balance between progress, providing the services and facilities our communities expect and affordability.



ROSS DUNLOP
South Taranaki Mayor



WAID CROCKETT
STDC Chief Executive



VISION & MISSION

COUNCIL WILL LEAD WITH FAIRNESS AND INTEGRITY, AND WORK TO INSPIRE A VIBRANT AND CARING SPIRIT OF COMMUNITY, WHILE REMAINING AN EFFICIENT AND SENSITIVE PROVIDER OF SERVICES AND FACILITIES.

SOUTH TARANAKI IS THE MOST LIVEABLE DISTRICT IN NZ; WITH AN ATTRACTIVE AND AFFORDABLE LIFESTYLE, CONNECTED PEOPLE, IN SUSTAINABLE AND VIBRANT COMMUNITIES

YOUR COUNCILLORS

Ō KOUTOU KAİKAUNIHERA



MAYOR ROSS DUNLOP
South Taranaki District



ANDY BECCARD



BONITA BIGHAM



KIRSTY BOURKE



GARY BROWN



CLEM COXHEAD



GORDON LAWSON



STEFFY MACKAY



PHIL NIXON



ROBERT NORTHCOTT



JACK RANGIWAHIA

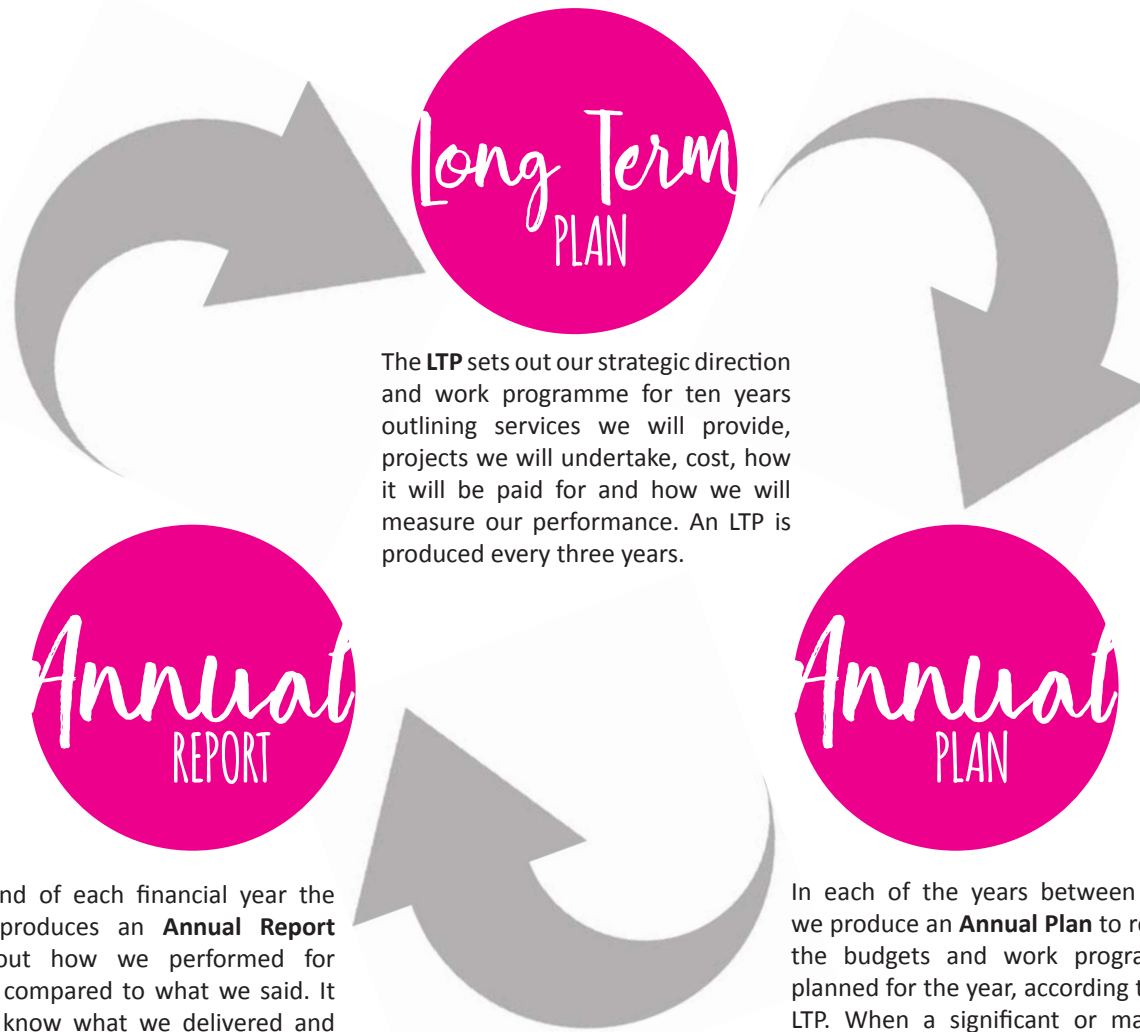


BRYAN ROACH



IAN WARDS

ABOUT THE LTP, ANNUAL PLAN & ANNUAL



The **LTP** sets out our strategic direction and work programme for ten years outlining services we will provide, projects we will undertake, cost, how it will be paid for and how we will measure our performance. An LTP is produced every three years.

At the end of each financial year the Council produces an **Annual Report** setting out how we performed for the year compared to what we said. It lets you know what we delivered and analyses whether we met our budgets and performance targets.

In each of the years between LTPs, we produce an **Annual Plan** to review the budgets and work programme planned for the year, according to the LTP. When a significant or material change from the LTP is proposed, the community will be consulted.

Section 93 clause 3 of the Local Government Act 2002 requires all councils to adopt their long term plan every three years, before the beginning of the financial year, which for this plan is 30 June 2018.

This Long Term Plan sets out the long term vision of the Council for the services it delivers. In developing this Plan the Council firstly considered the likely future economic situation for South Taranaki, as well as projected population levels, the Council's current strategies and the community's expectations towards services and our progress in achieving the community outcomes. Next the Council considered the service levels for each of the activities, matching them with appropriate customer-focused performance targets. The Council also reviewed the projects identified for each of the activities that were either needed to maintain agreed service levels or to enhance our current services.

The Consultation Document was audited by Audit NZ to ensure that the information and assumptions which underline the information in the Consultation Document are reasonable and that the Consultation Document provides an effective basis for public participation in the Council's decisions about the proposed content of the LTP.

REPORT CYCLE

A brief description of all the elements covered in the Plan is below:

A – STRATEGIC DIRECTION / RAUTAKI ANGA WHAKAMUA

- Introduction to the Plan from the Mayor and Chief Executive
- Council's Mission Statement and Vision
- How the Long Term Plan was developed and the key considerations of the Council in compiling it
- A description of the community outcomes
- Upcoming Projects, Highlights and Key Issues for the District
- A commentary on the financial health of the Council, the impacts on our debt profile, revenue sources and the significant differences
- About your rates – the impact of changes and increases in costs are represented by seven examples of different property values
- 30 Year Infrastructure Strategy

B – OUR ACTIVITIES / Ā MĀTOU AWHEAWHE

- Details of each of the Council's activities, including performance measures for reporting against, how the Council is planning for its significant assets.

C – DECISION MAKING PROCESS / TUKANGA WHAKATAUNGA WHAKAARO

- Significance and Engagement Policy – how the Council determines significance for decisions and consultation
- Policy on Building Māori Capacity to Contribute to Council Decision-Making – Council's intended steps to build Māori capacity
- Significant Financial Assumptions

D – OUR COSTS / Ā MĀTOU UTUNGA

- Revenue and Financing Policy – sets out for each activity the funding sources to be used for operational and capital expenditure and the basis for selection
- Funding Impact Statement for each activity and the Funding Impact Statement Rating – how the different funding sources and rates are calculated and the amount collected from each funding tool
- Prospective financial information
- About your rates
- Financial Prudence Benchmarks
- A list of all the capital projects
- Debt Ratios for borrowing limits
- Statement of Special Reserves Funds
- The Statement of Accounting Policies

COMMUNITY OUTCOMES

The purpose of local government as outlined in the Local Government Act 2002 is to meet the current and future needs of communities for good quality local infrastructure, local public services and the performance of regulatory functions in a way that is most cost effective for households and businesses.

The South Taranaki District Council works towards this purpose through our Mission Statement and Community Outcomes and use these to guide us when making decisions, developing policies, strategies or determining priorities regarding the activities and services we provide.

These outcomes fall under four main headings:



A District that provides a high quality and diverse cultural and recreational experience and encourages independence and creativity.



A District that leads with care, works together, advocates for its people and enables people to have a strong and distinctive sense of identity.



A District that boasts a sustainable, resilient and innovative economy, has accessible and integrated infrastructure, community services and open space that prosper within the natural and social environment.



A District that appreciates its natural environment and its physical and human resources in planning, delivery and protection.

COMMUNITY OUTCOMES

Vibrant SOUTH TARANAKI

The elements of a **Vibrant South Taranaki** are:

1. People have access to and are encouraged to participate in a wide range of high quality recreational, sport, leisure, art and cultural activities.
2. The District has high-quality public amenities and facilities that all people have access to.
3. Individual responsibility, independence and creativity are encouraged.
4. A supportive and responsive learning environment exists where people are encouraged to participate and success is celebrated.
5. High quality education and training opportunities exist with strong links between businesses, schools and training institutions and there are excellent pre-schools, primary and secondary education providers.

Together SOUTH TARANAKI

The elements of a **Together South Taranaki** are:

1. All people feel valued and supported within a caring community and have a sense of equality and belonging.
2. A cohesive, united community exists based on strong relationships between people from different cultures, communities and organisations. Multi-ethnic diversity is celebrated and different cultural values are respected.
3. The place of Māori is recognised and respected. Relationships that are mutually beneficial are built between Māori and the wider community.
4. People from all sectors of the community are able and encouraged to contribute to their communities and opportunities to participate are enhanced.
5. South Taranaki people have a strong sense of place. The special significance of Mount Taranaki to the people of South Taranaki and its role in South Taranaki's identity is recognised and provided for.

Prosperous SOUTH TARANAKI

The elements of a **Prosperous South Taranaki** are:

1. South Taranaki is an attractive place to work, do business and to visit where the workforce has the skills to meet the needs of the District's employers.
2. The District is a birthplace of innovation, ideas and training opportunities, where technological developments and opportunities for added value are capitalised on.
3. South Taranaki's strengths are recognised and diversification of business and industry is valued and encouraged.
4. There is a high level of employment and adequate incomes where learning and the creation of knowledge is valued.
5. Development and population growth in the District is encouraged but managed in a manner that does not compromise our natural or social environment.
6. People are confident and are happy to invest in the future.
7. Effective, efficient, safe and reliable infrastructure is provided and maintained.

Sustainable SOUTH TARANAKI

The elements of a **Sustainable South Taranaki** are:

1. There is sustainable use, development and protection of resources. South Taranaki's land and soil, water, air and coast, its biodiversity and its natural features and landscapes are understood, valued, maintained and enhanced for future generations.
2. South Taranaki's historic heritage is identified, recognised and protected.
3. Built environments and environmental amenities are of a high standard and contribute significantly to the wellbeing of people and communities.
4. People are valued and their contribution to the economic, social, cultural and environmental wellbeing of the District is recognised and supported.

PRIORITIES FOR THE NEXT 10 YEARS

OUR VISION



WITH AN ATTRACTIVE AND AFFORDABLE
LIFESTYLE, CONNECTED PEOPLE IN
SUSTAINABLE AND VIBRANT COMMUNITIES



KEY PROJECTS & PRIORITIES TO SUPPORT OUR VISION

- Complete the **District Pathways Programme** outlined in our last Long Term Plan (2015) and put an additional (\$500,000, 2019-2021) aside for further development.
- Implement the **Ōpūnake Beach Management Plan** with approximately (\$500,000) worth of improvements budgeted for Ōpūnake Beach and the Holiday Park.
- Support the **Rotokare Scenic Reserve Trust** with an annual grant (\$50,000, 2019-2022).
- Support the development of **Turuturu Mokai** with a contribution to remediate the contaminated part of the site (\$50,000).
- Improve track access and build **new toilets at Waihi Beach Reserve** to complement the Denby Road pathway (\$225,000 Council contribution, 2019).
- Budgeted (\$130,000) to implement actions which will benefit South Taranaki, coming from 'Make Way for Taranaki, Tapuae Roa' – the **Regional Economic Development Strategy**.
- Undertake upgrades to the **Waverley Beach** Holiday Park (\$176,000).
- Maintain the **Pātea Moles** (\$1.72 million over 10 years).
- Replace the **toilets at the Ōpūnake Recreation Ground** (\$212,000).

WHAKAAROTAU HEI TE TĒKAU TAU E TU MAI NEI



KEY PROJECTS & PRIORITIES TO SUPPORT OUR VISION

- Continue to work on the Hāwera Town Centre Strategy.
- **Design and build 'CHALCI'** (Centre for Heritage, Arts, Library, Culture and Information).
- Develop Town Centre Strategies for Eltham, Manaia, Ōpūnake, Pātea and Waverley over the next five years (\$100,000).
- Earthquake strengthen the Hunter Shaw Building in Pātea and the Kaponga LibraryPlus.
- Upgrade the Manaia Swimming Pool (\$623,000 staged over three years starting in 2018/19).
- Upgrade the Pātea LibraryPlus (\$300,000 in 2018/19).
- Replace cladding on the Eltham Town Hall (\$222,000 in 2020/21).
- Design and build a new 'community facility' in Manaia in 2020/21.

Council has budgeted up to \$1 million to go towards rebuilding the Manaia Town Hall which was closed in 2015, due to it being an earthquake risk. We will work closely with the Manaia community to find out what they would like to see before starting the work sometime in 2020/21.



CHALCI is one of the Hāwera Town Centre Strategy's anchor projects and will bring much needed foot traffic, visitors and vibrancy to the town centre. The \$8 million (estimated*) centre will combine a number of facilities onto one site; including a library, meeting rooms, public toilets, art gallery, the i-SITE information centre, bus stop and café. So far the site for CHALCI has been purchased and initial concept designs have been completed. In this Long Term Plan the Council has budgeted \$1.2 million in addition to the \$3.6 million already put aside in our last Long Term Plan. This brings the Council's total contribution to \$4.8 million. The remaining \$3.2 million will be sought from external funding. If the full amount of

external funding is not able to be achieved the Council will need to reconsider options such as reducing the scope and overall cost or funding the balance from Council sources such as the Long Term Investment Fund (LTIF). The Council's contribution is being funded by taking out a loan. Annual drawdowns from the Council's LTIF will be used to repay the loan over a number of years so there is no impact on rates to fund this development.

**Detailed budgets are still being developed, however in this Plan the Council has allowed a budget of \$8m for this project. Once final costs have been established the Council will consider whether further public consultation will be needed.*

One of the key projects we outlined in our last (2015) Long Term Plan was the revitalisation of the Hāwera Central Business District (CBD) (called the **Hāwera Town Centre Strategy**). This Strategy included a number of projects designed to encourage vibrancy and economic growth in the town centre. These included improving pedestrian and carpark connections, lighting improvements, new streetscape and greenspace and looking at ways to encourage people into the town centre. Good progress has been made on this Strategy with Campbell Lane finished, Korimako Lane well underway and CHALCI in development. A number of private developments (e.g. Countdown, Warehouse Stationery, Paper Plus) either completed or underway, are evidence of the Strategy's success. We are only about 30% of the way through the Strategy and this will continue to be one of the Council's key projects over the next 3-5 years.

PRIORITIES FOR THE NEXT 10 YEARS



KEY PROJECTS & PRIORITIES TO SUPPORT OUR VISION

- Implement Council's Waste Management and Minimisation Plan.
- Merge the Waimate West and Inaha Water Supplies.
- Construct a new regional landfill, south of Eltham, called the **Central Landfill**.
- **Reduce the total amount of waste going to landfill by 5%** by 2023 through Council waste minimisation activities and introduce the ability to take **e-Waste** to the Hāwera Transfer Station.
- Complete the new Wai-inu Wastewater Treatment Plant by December 2018.
- Complete chlorination of the Pātea, Waverley, Waverley Beach and Wai-inu water supplies by 2019 (to meet changes that are expected to be made to the NZ Drinking Water Standards as a result of the recommendations of the Havelock North Inquiry).
- **Improve our water and wastewater infrastructure** by reducing water loss (leakage) within our water networks and reducing water entering our wastewater (sewers) networks.
- Build 1.8 km of main pipe linking the Kapuni Water Treatment Plant to Hāwera.
- Build a new reservoir for the Waimate West Water Supply.
- Find and develop a new water source for the interconnected Waimate West, Inaha and Kapuni water supplies.



KEY PROJECTS & PRIORITIES TO SUPPORT OUR VISION

- Develop a **Digital Strategy**
- Spend an average of \$26.36 million pa on the road network (includes average \$7.3 million pa for depreciation), including an average annual spend of \$635,000 on footpaths.
- Support the introduction of electric vehicle charging stations in the district by partnering with government funding agencies like EECA.
- Undertake a feasibility study to investigate the need for and location of a district Industrial/Business Park.



Digital technology presents one of the biggest opportunities and challenges for our district. In 2019 Council will develop a **Digital Strategy** with the goal of supporting initiatives that improve broadband accessibility and cellphone coverage across the district. The Digital Strategy will be supported by the Digital Development Fund, which is a \$1 million 'ring-fenced' portion of the Council's Long Term Investment Fund.



KEY PROJECTS & PRIORITIES TO SUPPORT OUR VISION

- Keep the average rate increase to 3.08%.
- Use **debt to fund key infrastructural projects**.
- Maintain or improve our credit rating.
- **Subsidise rates** on average by \$6.5 million pa using earnings from the Long Term Investment Fund.
- Fund key projects (e.g. Hāwera Town Centre, CHALCI, Digital Development Fund) by taking out a loan which is paid back over a number of years using annual drawdowns from Council's Long Term Investment Fund.
- Collaborate with other Taranaki Councils on procurement or service delivery where appropriate/beneficial.



Using **debt to fund key infrastructural projects** means the costs are spread over the lifetime of that asset and future generations, who will use and benefit from the asset, also contribute their fair share of the loan repayments.

HOW SUBMISSIONS SHAPED THE PLAN

YOUR FEEDBACK HAS HELPED SHAPE THIS PLAN

As part of the development of our LTP we asked the community about our key issues and proposals. Public consultation was open from 26 March to 2 May 2018. As part of this process our Consultation Document was distributed throughout the District accompanied by an awareness campaign involving radio, newspaper and social media. We listened to your feedback at our public meetings, coffee mornings, school events, clubs and associations and at the hearings we read through every submission that was received. In total 140 submissions were made with 43 submitters speaking to their submissions at the hearings.

Through this process you told us what you liked and did not like about the proposals that we were looking to include in our LTP and you provided insight into the things you consider are important for the future of our District. We would like to thank everyone for their time and effort taken to engage with us in this process.

The feedback provided has been valuable to the Council in finalising the plan that reflects and balances various priorities in our communities.



WASTE MANAGEMENT AND MINIMISATION PLAN

We asked about the level of support for the Proposed Waste Management and Minimisation Plan (WMMP) and of the responses received there was a clear preference (80%) for supporting the WMMP without any changes (Option 1). A number of responses (20%) supported the WMMP with changes that were focused on extending the current services and the communities that received the service. Given the overwhelming support we have chosen to implement the WMMP without changes as this will enable the Council to manage the District's solid waste, encourage waste minimisation, reduce the amount of waste sent to landfill and reduce the harmful and costly effects of waste.

SUPPORT FOR PROPOSED WASTE MANAGEMENT AND MINIMISATION PLAN



MERGING THE WAIMATE WEST AND INAHA WATER SUPPLIES

There was a clear level of support (92%) from those who responded to the question about whether we amalgamate two of our rural water schemes. Given this response we will proceed with amalgamating the Waimate West and Inaha Rural Water Supplies as this will maintain existing levels of service, provide operational flexibility and efficiencies, ensure greater security of supply for Waimate West and enable cost savings through economies of scale for Inaha consumers.

SUPPORT FOR MERGING THE WAIMATE WEST AND INAHA WATER SUPPLIES



WE WENT OUT WITH THREE 'BIG' QUESTIONS.
HERE'S WHAT YOU TOLD US.

HOW SUBMISSIONS SHAPED THE PLAN



DISTRICT PATHWAYS PROGRAMME

We also got very clear support (83%) for Option 1 to budget \$500,000 (spread over 2 years) to extend the Pathways Programme and potentially integrate them with others in the region. The second largest response (13%) was for Option 2, to include a budget of \$250,000 and there were a smaller number of responses (4%) for Option 3, no support for the proposal. Given the high level of support and community interest and the low impact on rates to fund this programme, we have decided to include \$500,000 in the LTP for the District Pathways Programmes. We believe this is an effective way to add value to the district by making it more attractive to existing and potential residents and supports our vision of making South Taranaki the most liveable district in New Zealand.

SUPPORT FOR PROPOSED ADDITIONAL BUDGET FOR PATHWAYS PROGRAMME



COMMUNITY FUNDING

We received 14 funding requests and we supported 11 of those requests. We were impressed with the voluntary work carried out by these groups/organisations in our community and thought they were deserving of support. We increased the total grants budget from \$157,600 to \$201,000 per annum for the next three years. We also increased the Rural Halls Fund from \$20,000 to \$40,000 per annum in response to submissions from rural hall committees who are facing increasing insurance costs. We included \$30,000 for pathways maintenance throughout the District and added a further \$12,000 for our share of the Civil Defence costs. We absorbed all of these additional costs within our current budgets so that the rates increase stays the same at 3.18% for 2018/19, maintaining the proposed average of 3.08% over the ten years of the LTP.

AOTEA UTANGANUI MUSEUM OF SOUTH TARANAKI

We heard from the Trustees of Aotea Utanganui Museum of South Taranaki who requested a one-off grant of \$285,000 to go towards the Stage 2 expansion. Stage 2 includes a large, new low-tech space suitable for housing and displaying the collection which is currently in various sheds across the District. We have supported the Museum re-development in the past and Council is keen to continue to be involved in this District asset. The Council indicated support in principle for Stage 2 for up to \$200,000, subject to the balance of funding being secured. This proposal, and how it will be funded, is to be fully considered when a more detailed report is brought back to the Council at a later date.

FINANCIAL STRATEGY

OVERVIEW

This Long Term Plan (LTP) focuses on four main themes. They are:

- **Consolidation** – Twelve years ago we began a programme to upgrade our roading, water, wastewater and community facilities infrastructure. This work was largely completed three years ago at a cost of \$253 million and the upgraded infrastructure will last well into the future.
- **Paying off Debt** – These infrastructure upgrades were funded by borrowing and the Council intends to reduce our overall debt levels while keeping rates at an affordable level.
- **Population Retention and Economic Sustainability** – To maintain/grow current population levels we need to continue to improve the Hāwera Central Business District (CBD) which can be used as a model for the District's other towns.
- **Rates Affordability** – we want to achieve all of the above without increasing our annual rates above a 3.65% cap (the Local Government Cost Index ten year average of 2.65% plus 1% for growth).

The priorities in our Financial Strategy are:

- Continue the implementation of the Hāwera Town Centre Strategy.
- Maintain the infrastructural assets we have.
- Maintain the core services we currently provide as efficiently and effectively as possible.
- Reduce our debt prudently and affordably.

- Limit our rates increases to inflation (the Local Government Cost Index 2.65% plus 1%).

The following sections of this Financial Strategy provide the detail of how the priorities will be achieved.

BACKGROUND

Our Financial History – Where Have We Been?

The South Taranaki District Council (the Council) was created in 1989 as a result of local government reform that re-organised over 800 local authorities into 86.

The Council itself was created by amalgamating five Territorial Local Authorities (Hāwera, Egmont, Waimate Plains, Eltham and Pātea Councils). Much of the existing infrastructure needed renewal or replacement in order to be up to standard for existing and future generations.

From 2005 the Council also needed to comply with the New Zealand Drinking Water Standards requirement for potable water for most of its existing water supply schemes.

Twelve years ago the Council embarked on a capital works programme to bring its core infrastructure up to standard. This work was largely completed three years ago after an investment of almost \$253 million was allocated to building new reservoirs and water treatment plants, upgrading wastewater plants (e.g. Eltham-Hāwera wastewater pipeline) and renewing the roading network and community facilities (such as TSB Hub, Aotea Utanganui District Museum, the Waverley and Normanby Community Centre, public toilet and swimming pool upgrades at Eltham, Kaponga, Waverley, Pātea and the Aquatic Centre).

Water treatment plant upgrades have been focused around meeting the Drinking Water Standards with significant upgrades completed at Kapuni, Ōpūnake, Eltham, Rahotu, Pātea, Waverley and Waimate West, all of which now comply with the latest standards.

How We Funded This Infrastructure

The Council decided to fund this infrastructure in a way that did not unfairly impact on existing ratepayers so the capital work was funded primarily from borrowing. This meant that the costs of the infrastructure would be shared between current and future users by borrowing to cover the full life of the assets (typically 25-50 years).

As a result of this capital expenditure the Council's debt increased to \$124 million (as at 30 June 2017) Note, this includes internal borrowing.

Our Investments

In 1997 the Council sold its shares in the power company, Egmont Electricity. The net proceeds from the sale (\$88 million) were transferred to a Long Term Investment Fund (LTIF). The LTIF remains the Council's only long term investment fund and since that time the money held in the Fund has grown to \$137.4 million (as at 30 June 2017), \$145 million (as at 31 January 2018) Note, this includes internal borrowing.

Our Net Debt

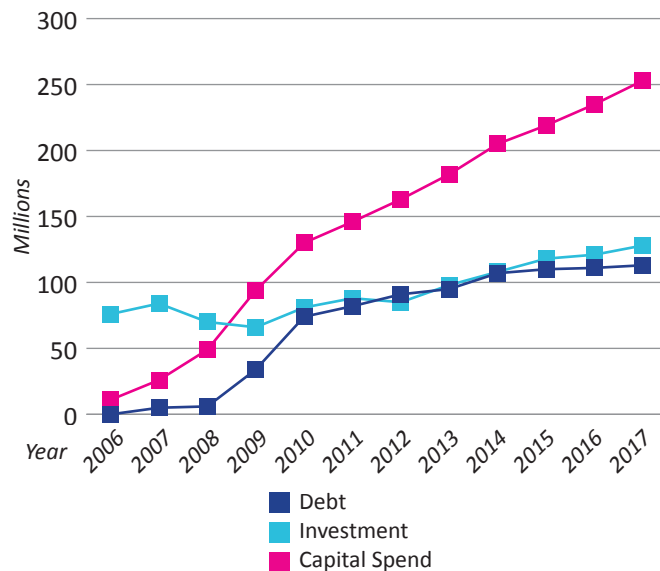
If you consider the Council's debt of \$124 million and its investment fund of \$137.4 million including internal borrowing, the Council's net debt was zero as at 30 June 2017.

FINANCIAL STRATEGY

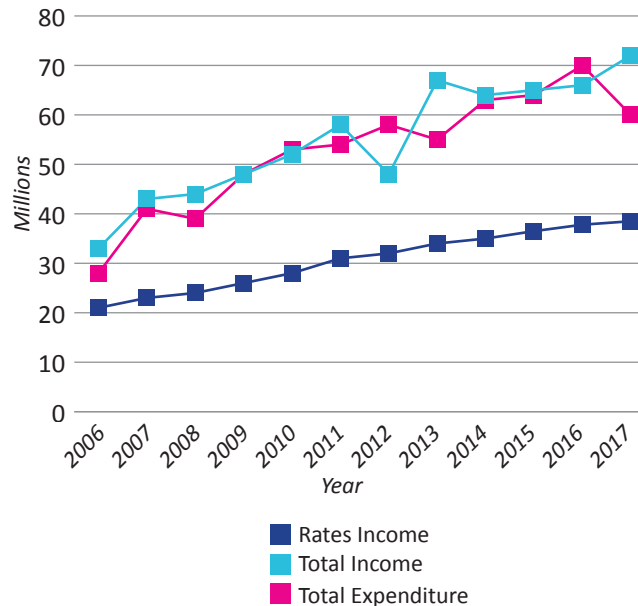
Council's Current Financial Position – Where Are We Now

The Council's financial position is strong in terms of an increase in investments and total net assets and as at 30 June 2017 the Council's net debt was zero. Three years ago the Council was also at the end of nine years of major infrastructure upgrades and moved into a period of paying off existing debt used to fund the upgrades and new infrastructure. The District's infrastructure is now of a high standard and will meet the needs of the ratepayers well into the future. The following two graphs demonstrate this.

CURRENT FINANCIAL POSITION (\$M)



INCOME AND EXPENDITURE (\$M)



Prudent Management of Investments and Debt

The Council manages its investments and debt prudently. The Council's debt has been incurred as a result of investing in the District's water, wastewater and community facilities infrastructure. The Council could pay off its debt by using its investments, however it is more prudent to continue borrowing while the return on investments outweighs the cost of financing debt and associated debt repayment.

The Council also contributes \$3.87 million for a rates subsidy from returns on the LTIF on an annual basis, \$1.73 million for servicing the interest and loan repayments for specific community facilities/projects and \$960,000 for servicing the interest and loan repayments for the Hāwera Town Centre Strategy and projects associated with Earthquake Prone Buildings. In this way the LTIF has returned \$98 million back to the community since 1997.

Since it began in 1997 to 30 June 2017 the LTIF has achieved an average gross return (before subsidy and inflation) of 7.14%.

Current Management of the LTIF

The LTIF carries a degree of risk as the value of the Fund can go down as well as up, and may diminish the original amount the Council invested. To mitigate the risk the Council employs Investment Advisors, "Mercer" to advise on the LTIF. The Council also has a Statement of Investment Policy and Objectives which outlines its preferred approach to portfolio diversification. Mercer monitor the Fund's performance on a daily basis and the Council's Audit and Risk Committee also meet quarterly to review the Fund's performance and make any required decisions.

The impact on the Council not receiving investment returns great enough to fund the annual rates subsidy, the servicing of repayments for specific community projects and facilities and the Hāwera Town Centre Strategy and projects associated with Earthquake Prone Buildings would be \$6.5 million.

RAUTAKI PĀKIHI

LONG TERM FORECASTS - WHERE ARE WE GOING?

Previously, Council's focus has been on upgrading our District's water infrastructure, key community facilities and implementing projects designed to make South Taranaki an attractive and desirable place to live and do business.

We now have a much improved and reliable water supply network and since our last Long Term Plan (three years ago) we have made good progress with key projects such as the Hāwera Town Centre Strategy, CHALCI, the District Pathways Programme, the Ōpūnake Beach Masterplan and the Regional Landfill, all well underway.

Our focus for the next ten years will be on completing these key projects (see more below), maintaining our current assets and core services and improving our wastewater infrastructure, in particular reducing the amount of water entering our sewers.

The Hāwera Town Centre Strategy

In 2015, we adopted the Hāwera Town Centre Strategy. This Strategy includes a series of specific actions that will enable positive change to take place in the Hāwera Town Centre over time. The creation of the Campbell Lane and Korimako Lane arcades, the redevelopment of the Countdown Supermarket, other private developments and the realignment of various roading networks in the centre are evidence of the momentum and success of the Strategy.

The development of CHALCI (Centre for Heritage, Arts, Library Culture and Information), along with a new civic green space in the centre of town are key projects for the Council in this LTP.

The Council intends that its investment in infrastructure within the Hāwera Town Centre will be a catalyst to other investors, property owners and business people to further enhance and grow the economic base of Hāwera and the District by further investment. We are also open to discussions with investors on possible joint venture opportunities if there is proven benefit for the betterment of the District.

The Hāwera Town Centre Strategy implementation projects were included in the 2015-25 LTP and will continue in the 2018-28 LTP. These projects are:

Urban Upgrade Projects

- CHALCI (Centre for Heritage, Arts, Library, Culture and Information)
- Civic Greenspace
- Hāwera CBD Public Toilets
- Property Acquisition and/or Demolition
- Possible Retail Development

Other Town Centre Strategies

We are proposing to develop Town Centre Strategies, called Spatial Plans, for five of our town centres, Eltham, Manaia, Ōpūnake, Pātea and Waverley over the next five years. \$20,000 per year for five years has been included in this LTP to develop these Strategies. We know it is important that we take a long term approach to the development of these town centres, and, like the Hāwera Town Centre Strategy, it is important that we include the community, and we will be undertaking community engagement during the development

of these Spatial Plans.

Earthquake Prone Buildings Projects

The Council has recognised the risks that earthquake-prone buildings and the resultant commercial influences will have on town centres in South Taranaki, and we need to deal with these issues as part of the development of our town centres in a holistic way. An Earthquake-prone Buildings Council Assistance Package Policy was developed as a method of assisting our town centres and owners of earthquake-prone buildings, as the Council recognises that there is a public benefit for buildings to be retained and potentially a purpose change. This provides financial assistance in the form of grants, or rates relief for building owners seeking to strengthen buildings.

District Pathways

The Council will focus on completing the current projects and has included \$250,000 each in Years 2 and 3 for future projects.

Funding

The initial estimated capital cost of these projects (this includes Urban Upgrade Projects and Earthquake Prone Buildings Projects) was \$16 million to which the Council is now proposing additional funding of \$3 million in this Plan. The Council had \$2.6 million in existing reserves and \$3.2 million in external funding which was earmarked for these projects and the remaining amounts including additional funds will be funded by taking out a loan which is repaid with earnings from the Council's Long Term Investment Fund (LTIF) over a number of years. This means there will be no impact on rates to fund these projects.

FINANCIAL STRATEGY

The estimated cost of the Initial Seismic Assessment Project and the Council Assistance Package was \$1.6 million which is budgeted within the operating costs over a number of years which will be funded by earnings from the LTIF.

As a result, there will be an average increase from \$820,000 to \$960,000 on the annual drawdown from the LTIF.

30 Year Infrastructure Strategy

The Council has developed a 30 Year Infrastructure Strategy to cover all of the Council's main infrastructure areas including Roads, Water Supply, Wastewater, Stormwater and Flood protection. However, the Council has also included other projects with significant capital expenditure. It covers the financial overview of these assets and the operational and capital expenditure over a 30 year period. The Strategy considers the costs associated with renewals, increase in levels of service and growth. Future commitments have been identified and managed, to ensure its affordability for the community.

The projections for all Infrastructure activities are driven by the Asset Management Plans (AMPs) and the Infrastructure Strategy.

Water Supply

The Council is projecting to spend \$138.6 million in the next ten years on Operational Expenditure across the Urban, Waimate West and Inaha Water Supply Schemes. The Operational Expenditure is funded from the Targeted Rate and Other Income.

The Council is projecting to spend \$57.2 million in the next ten years on Capital Expenditure for Water Supply. The Capital

Expenditure is funded by Depreciation, Capital Contributions and Loans.

Wastewater

The Council is projecting to spend \$65.1 million in the next ten years on Operational Expenditure for the Wastewater activity. The Operational Expenditure is funded from the Targeted Rate, Trade Waste Charges and Other Income.

The Council is projecting to spend \$16.1 million in the next ten years on Capital Expenditure for Wastewater. The Capital Expenditure is funded from Depreciation, Capital Contributions and Loans.

Roading

The Council is projecting to spend \$180.3 million in the next ten years on Operational Expenditure for the Roothing activity. The Operational Expenditure is funded from the Roothing Rate, NZTA Subsidy, Grants and Other Income.

The Council is projecting to spend \$82.1 million in the next ten years on Capital Expenditure for the Roothing activity. The Capital Expenditure is funded by Depreciation, Capital Contributions, NZTA Subsidy and the Roothing Rate.

Stormwater

The Council is projecting to spend \$13.9 million in the next ten years on Operational Expenditure for the Stormwater activity. The Operational Expenditure is funded from the General Rate.

The Council is projecting to spend \$5.3 million in the next ten years on Capital Expenditure for the Stormwater activity. The Capital Expenditure is funded from Depreciation, Capital Contributions and Loans.

The Infrastructure Strategy highlights risks in the Water and Wastewater Reticulation Renewals Programme as follows:

Water Supply

Based on the information within the asset database there is a significant apparent spike in renewals of \$8.4 million in 2019/20, \$10.3 million in 2022/23 and \$13.1 million in 2024/25. The impact of spending an additional \$4.9 million in 2019/20, \$5.3 million in 2022/23 and \$7.9 million in 2024/25 would result in an additional average rate increases of 2.5% in 2019/20, 2.6% in 2022/23 and 3.7% in 2024/25 in water rates. The likelihood of this scenario is extremely low. In this Plan we have allowed for this expenditure to be spread over a number of years. The Infrastructure Strategy further explains this risk and reasons for instead spreading the Renewals Programme over a number of years.

Wastewater

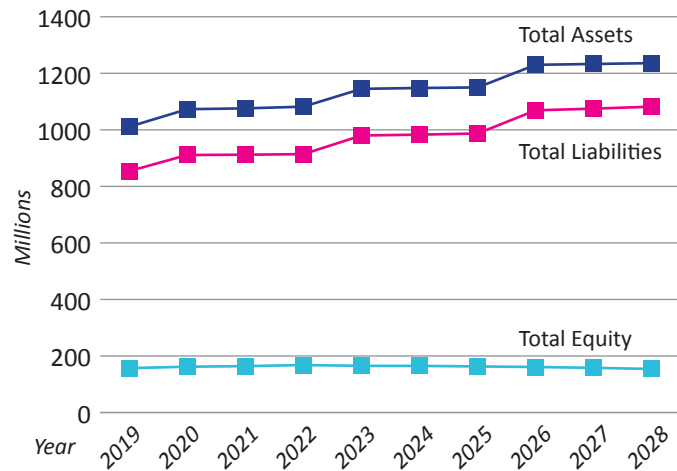
The wastewater asset database is predicting renewals based wholly on the installation year, however, analysis of the wastewater network performance shows there is a significant rehabilitation required to reduce the amount of water that enters the wastewater networks. Wastewater renewals have been predicted based on network performance, and over the coming years, condition assessment of the reticulation network will be used to improve our predicted renewal dates. Improved asset data will be reconciled with the amount we have invested to improve the network performance and depending on the result, the ongoing expenditure planned may be different to what is currently being predicted in the LTP. The Infrastructure Strategy further explains this risk and reasons for spreading the Renewals Programme over a number of years.

RAUTAKI PĀKIHI

FORECAST FINANCIAL POSITION – SO WHAT WILL HAPPEN TO OUR FINANCIAL POSITION FOR THE NEXT 10 YEARS?

The forecast projected financial position shows what the Council owns (Assets) and what it owes (Liabilities) and the difference between (Equity) is effectively the net value belonging to the Council. Over the ten years it is forecast that the Council's equity will grow from about \$845.7 million to \$1.08 billion. The anticipated increase in the value of the Council's fixed assets, including the Hāwera Town Centre Strategy implementation, Water, Wastewater and Roding assets clearly reflects the investment that has been made in these areas as well as the revaluations of the assets over the next ten years.

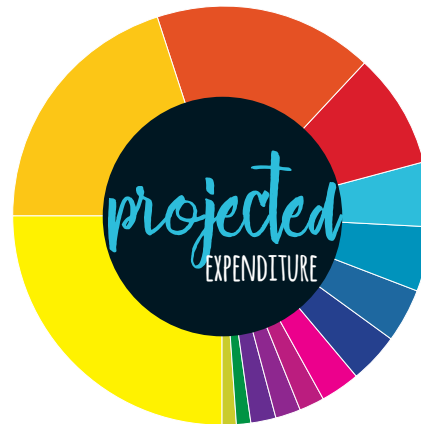
FORECAST FINANCIAL POSITION (\$M)



FORECAST EXPENDITURE AND INCOME (OVER THE NEXT 10 YEARS)

The forecast expenditure of the Council shows what the Council intends to spend on each group of activities. The forecast spending on Roding, Water, Community Facilities, Solid Waste and Wastewater totals about 76% of the Council's overall spending.

TOTAL EXPENDITURE (\$710M)

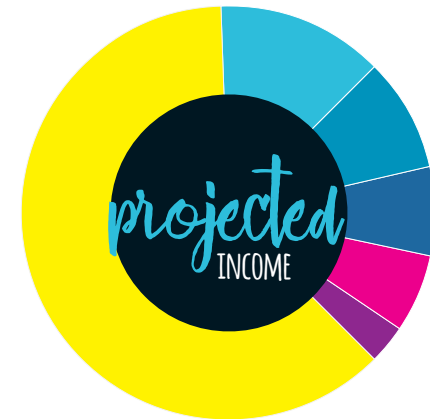


- Roding & Footpaths (\$180.2m)
- Water (\$138.6m)
- Community Facilities (\$118.2m)
- Wastewater (\$65.1m)
- Solid Waste (\$37.0m)
- Arts & Culture (\$35.3m)
- Democracy & Leadership (\$31.9m)
- Regulatory Services (\$27.7m)
- District Economy (\$24.0m)
- Stormwater (\$13.9m)
- Environmental Sustainability (\$11.5m)
- Community Development (\$11.6m)
- Other (\$10.5m)
- Coastal Structures (\$4.4m)

FORECAST INCOME (OVER THE NEXT 10 YEARS)

The following graph shows what the Council is forecasting as income from different income sources. The Council's total income from rates makes up about 62% of the total income, followed by 13% from the LTIF.

TOTAL INCOME (\$750M)



- Rates (\$465.9m)
- LTIF and other investments (\$92.5m)
- Operational Subsidy (\$54.6m)
- Capital Contribution (\$46.8m)
- User Fees and Charges (\$66.1m)
- Sundry Revenue (\$24.2m)

FINANCIAL STRATEGY

FUTURE RATES

Limits on Rates and Rates Increases

Our total rates income is forecast to increase from \$39.9 million in 2017/18 to \$41.3 million in 2018/19 and to \$53.9 million by 2027/28.

The Council wants to provide ratepayers with a degree of certainty over future rates movements and proposes to limit average rate increases over the next ten years to no more than 3.65%. This 'cap' is made up of the forecast 2.65% increase in the Local Government Cost Index (LGCI) plus 1%, for District growth. The Council's forecast income for 2018/19 will be made up of rates 62%, investment income and subsidies 26% and 9% from user fees and charges.

The Council aims to limit rates income each year to a range of 60-65% of total forecast revenue, and will seek to reduce the amount collected by rates while continuing to fund activities as per its Revenue and Finance Policy.

The District Rate (includes General Rates, UAGC and Rooding Rate)

In 2018/19 the District Rate will increase by 3.18%. Over the ten years it will increase by an average 3.08% per annum. The increase mainly reflects inflation and increased costs related to anticipated maintenance, repairs and renewal spend.

Targeted Rates

The **wastewater targeted rate** will increase by an average 4.8% per annum over ten years.

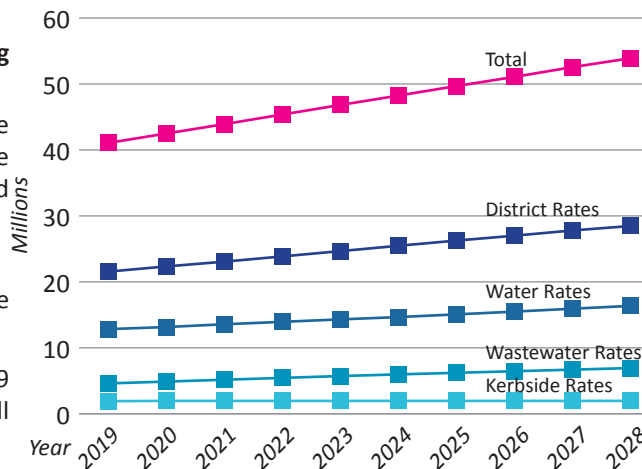
The **kerbside collection rate** will reduce by 6.12% in 2018/19 and increase by 2.17% in 2019/20. After 2019/20 the rate will remain unchanged.

The **urban water targeted rate** will increase by an average

2.43% per annum over ten years.

The Council has different Urban Water Supply rates for various **metered water users**. For extra high users, the per cubic metre rate will increase by an average 2.86% per annum, over ten years. The high users per cubic metre rate will increase by an average 3.04% per annum over ten years. For all other users the per cubic metre rate will increase by an average 3.47% per annum over ten years. The increase reflects the move towards a 48/52% split in costs generated by metered and non-metered water consumers. From 2020/21, the per cubic metre rate for Town and High Users will be the same. From 2025/26, the per cubic metre rate for Town, High and Extra High users will be the same.

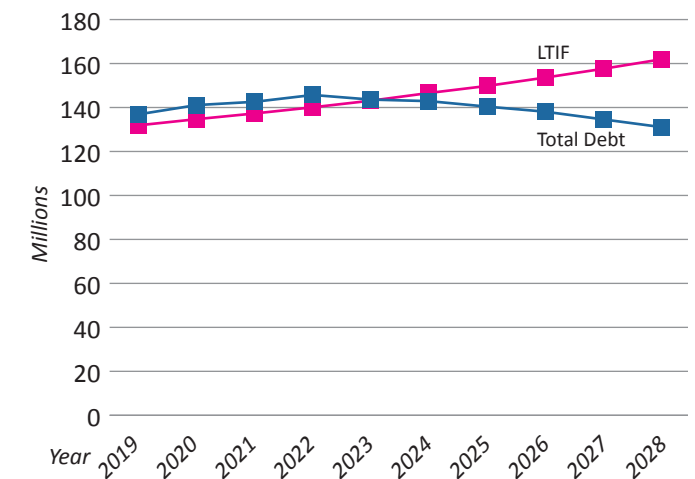
FUTURE RATES (\$M)



The Council's debt is forecast to be at \$136.9 million in 2018/19, reducing to \$131.1 million in 2027/28. (These numbers exclude internal borrowing).

The LTIF is forecast to be at \$131.9 million in 2018/19 increasing to \$161.9 million in 2027/28. (These numbers exclude internal borrowing).

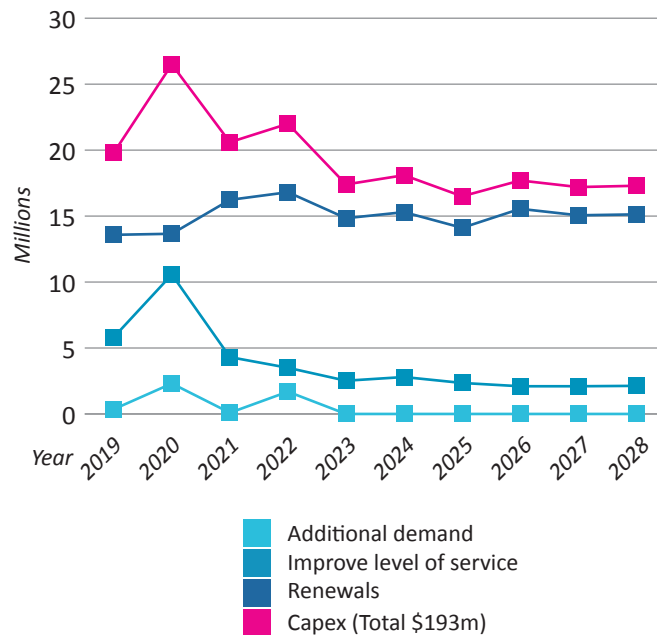
FORECAST DEBT & LTIF



RAUTAKI PĀKIHI

The total forecast capital spending of the Council is \$193 million for the ten years. The total capital spent on infrastructure assets is forecast at \$165 million for the ten years. The Council has completed the final stages of its major network infrastructural improvements and spending will mostly be on renewals for the 10 years except for the Hāwera Town Centre Strategy projects.

FORECAST CAPITAL EXPENDITURE



OUR CHALLENGES

There are a number of challenges facing the Council which are expected to impact on the Council's finances over the next 10 years.

Demographics

As with most rural councils the geographic land area of the District is large (362,000 ha) and includes several distinct urban settlements (seven main ones) connected by a sizeable network of roads. Each of the seven urban settlements has its own facilities (e.g. LibraryPlus, halls, swimming pools, transfer station, parks, cemeteries etc) and services (e.g. kerbside rubbish and recycling collection). With only 14,800 rateable properties this is inherently a higher cost model than say for a city/large urban area which can provide one set of facilities in a more compact area. However this relatively higher cost model is considerably offset by the annual rates subsidy which the Council's LTIF provides to the ratepayers.

The Council provides:

- 7 libraries
- 7 campgrounds
- 7 swimming pools
- 9 urban halls and support to 34 privately owned halls
- 38 playgrounds
- 10 cemeteries
- 36 public toilets
- 7 transfer stations
- 8 wastewater plants
- 10 water treatment facilities
- 37 reservoirs
- 68 pensioner housing units

- Maintains 1,632 kms of roads, 227 bridges, 2,405 streetlights, 188 km footpaths and more than 89 km of stormwater pipes.
- 700ha of parks and reserves
- As well as the TSB Hub, South Taranaki District Museum, Hāwera Cinemas and the i-SITE

In 2010 the Council proposed some rationalisation of duplicated facilities and consulted the public on the possibility of reducing the level of service or discontinuing some services. However during the consultation process the public soundly rejected the proposals preferring to keep the model the same as it was and therefore pay a bit more for the services they received.

Our ongoing challenge is how to provide the services and facilities our communities expect, while keeping rates at an affordable level, from a relatively small base of ratepayers spread across a large geographic area.

The Council has a strategy of entering into shared services or other collaborative arrangements with the councils of Taranaki where there is a financial or economic benefit due to economies of scale to the ratepayers of the region.

During the 2018-28 LTP process the Council considered total expenditure (including capital expenditure) in maintaining current levels of service (factoring in inflation and additional demand/increase in levels of service) and the Council believes it will be able to meet existing levels of service with the forecast rate increases for the next ten years.

FINANCIAL STRATEGY

DEBT – HOW WILL WE MANAGE OUR DEBT?

The focus of the Council is to make sure the debt repayment profile matches the life of the assets and the repayment period for loans will on average be within 35-40 years.

Before taking on new debt, the Council first considers other funding mechanisms such as funded depreciation, external contributions, capital contributions and special reserves as well as considering the correct method of ensuring that intergenerational equity is maintained.

Renewal expenditure is usually funded from depreciation reserves. The loan repayments and interest costs are funded from depreciation, savings made from the Local Government Funding Agency (LGFA) and the rates.

As a Principal Shareholding Local Authority (PSLA) of the LGFA the Council is able to access long term funding at cheaper rates than previously. Over the last six years the Council has used these savings to increase loan repayments.

The Council is forecasting to repay about \$52.4 million (including \$9.8 million for Internal Loan Repayment) in loan repayments for the next ten years and has forecast \$40.5 million increase in new loans.

While debt is increasing, the LTIF is also forecast to increase resulting in a net debt balance of about -\$30.8 million by 2027/28. However it is important to highlight the risk associated with the LTIF and as a result the net debt position

can go down or up depending on the performance of the Fund. The worst case scenario is the Council could end up with the net debt position being \$121 million by 2027/28 if the fund performed at a negative return for the next ten years, although the risk of this happening is extremely remote. The Council believes the forecast debt levels are sustainable as they are within the Council's Liability Management Policy limits.

The debt limits and interest rate limits are as follows for the next ten years:

The Council will maintain its liquidity ratio to a minimum of 110% as per the Policy depending on the cash and capital expenditure over the ten years.

Year	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Net Debt as a % of total income <150%	(13%)	(6%)	(8%)	(6%)	(13%)	(20%)	(30%)	(39%)	(51%)	(63%)
Net Interest Exp.% of total Rates <25%	12%	13%	13%	13%	13%	12%	11%	10%	9%	8%
Net Interest Exp.% of Total Annual Income < 15%	8%	8%	9%	9%	8%	8%	7%	7%	6%	5%
Net Debt per Capita < \$2000	(\$300)	(\$149)	(\$182)	(\$153)	(\$323)	(\$521)	(\$798)	(\$1,085)	(\$1,447)	(\$1,829)
Balance Budget Benchmark	103%	109%	102%	103%	105%	105%	105%	108%	107%	108%

If the Council reduces loan repayments, it will result in loan balances remaining at higher levels and will put pressure on the Council's future borrowings. The Council has to comply with its Liability Management Policy and as a result, future projects may have to be delayed if loans are not repaid within time. If the Council increases loan repayments, resulting in paying off loans before the time, it will result in overcharging current ratepayers.

The Council's Liability Management Policy explains how the Council manages its interest rate risk by various ratios between fixed and floating interest rates. The Council reviews the Policy on a regular basis and PriceWaterhouse Coopers (PWC) provides the Council with regular advice to manage the risk.

The Council joined the LGFA as a PSLA in October 2011 to take advantage of reduced funding costs.

With the establishment of the LGFA, the Council is able to access long term funding at cheaper funding costs which helps in reducing risk. The Council has used the savings as a result of the LGFA to increase loan repayments.

RAUTAKI PĀKIHI

Limits on Borrowing

The Council manages its borrowings prudently. The Council demonstrates its prudence by borrowing within its ability to service and repay debt without increasing the various limits in its Treasury policies and managing its future borrowing needs within these limits.

Security for Borrowing

The Council provides securities against its borrowings from external lenders. The Council recently provided a guarantee to the LGFA. The amount of guarantee will be reduced as more councils join the LGFA as shareholders in the future.

The Council provides different types of guarantees e.g. the Council's assets and rates revenue.

Economic Climate and Population

South Taranaki's population continues to grow marginally and is mostly residential in nature. The District will continue to feel pressure to maintain, create and improve infrastructure at affordable rates.

The Council's forecasting assumption for population change and change in land use assumes the risks for growth and change in land use are low. While the population is static or declining and land use is constant, these could change as a result of oil exploration. The impact which increased oil exploration could have on the District is unclear at this stage.

The Council has contributed to the development of Tapuae Roa the Taranaki Regional Economic Development Strategy Make Way for Taranaki (August 2017). The core focus of Tapuae Roa is people. It is people that take economies forward.

The Council's partnership with Venture Taranaki continues to provide valuable information relating to economic trends on the local economy and statistics which assists the Council in

planning for the future.

Digital technology presents one of the biggest opportunities and challenges for our District. The roll out of ultrafast fibre by the Government will impact on our rural townships. A Digital Strategy is to be developed to ensure some groups do not miss out on the social and economic opportunities to access and adapt to new technologies and new ways of doing things.

Return on Investments

The Council's LTIF Strategy clearly states the objectives and risks associated with the Investment Fund. After seeking advice from its Investment Advisor, the Council believes the investment mix (listed below) reflects the appropriate mix to achieve our objectives.

In order of priority the objectives of the LTIF are:

- To deliver income to the Council to subsidise rates by \$3.87 million each year and an additional subsidy of \$1.73 million to service loans for specific community projects and \$960,000 for the Hāwera Town Centre Upgrade and Earthquake Projects. The subsidies are reviewed every three years.
- To maintain the real value (as opposed to face value) of the capital of the Fund over time with respect to inflation.
- An investment fluctuation reserve will be established at a level appropriate for the risk.
- The Fund aims to earn an overall net real return (i.e. after fees and inflation) of 4% per annum over the longer term (rolling over 10 year periods).

After seeking advice from its Investment Advisor, the Council has determined a Strategic Asset Allocation or Benchmark

Portfolio that, in its view, best reflects the Council's risk preference and that is appropriate given the Council's investment objectives (as follows):

Sector	Bench-mark %	Ranges %
Trans-Tasman Equities	12.0	7.0 – 17.0
Global Equities	25.0	15.0 – 35.0
Low Volatility	6.5	0.0 – 13.0
Total Equities	43.5	
Alternatives	6.5	0.0 – 13.0
Global Property	5.0	0.0 – 10.0
Global Listed Infrastructure	5.0	0.0 – 10.0
Total Real Assets and Alternatives	16.5	
Total Growth Assets	60.0	50.0 – 66.0
NZ Fixed Interest	9.0	6.0 – 12.0
Global Fixed Interest	22.0	14.0 – 30.0
Cash and Short Term Securities	9.0	5.0 – 20.0
Total Income Assets	40.0	34.0 – 50.0

Over the next 10 years the Council has budgeted for the LTIF to return an average of 4%. According to the risk associated with the Fund, 67% of the Fund is currently invested in Global Equities, Trans-Tasman Shares, Global Property and Trans-Tasman Property. These investments are subject to market movements and the Fund has a potential risk of losing its value completely; however as mentioned previously the risk is extremely remote.

FINANCIAL STRATEGY

Affordability

The Council's Local Government Cost Index (LGCI) are increasing at a higher rate than the consumer price index (CPI). The ongoing cost of servicing existing infrastructure and new assets is projected to continue to increase at higher rates.

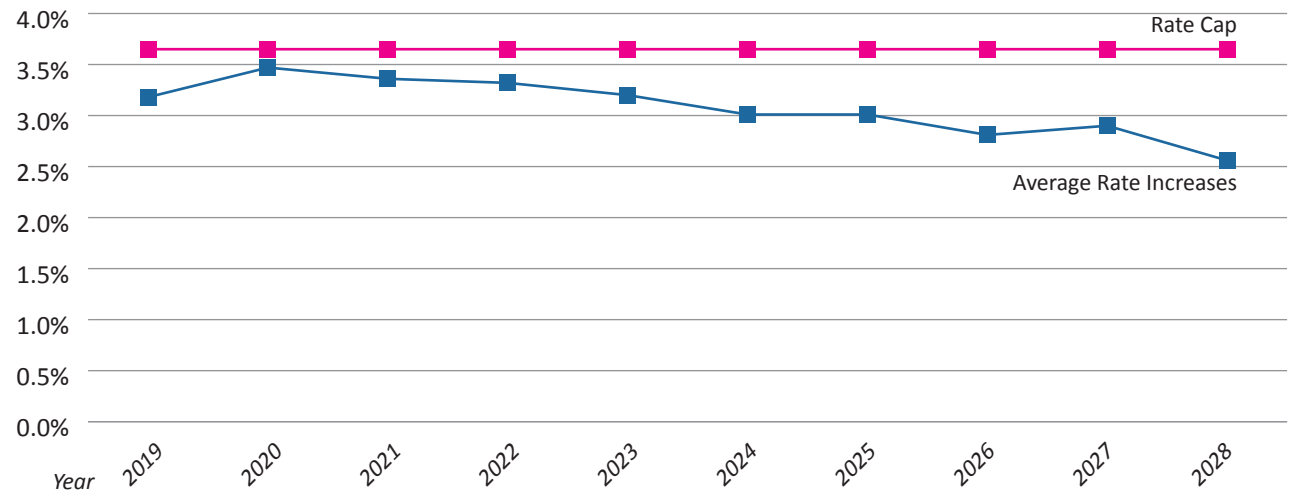
The Council acknowledges that balancing the increase in rates and maintaining and improving levels of service is a challenge and is actively trying to encourage economic activity in our District.

The Council is also taking the following actions to maintain affordability of services:

- Collaboration and Shared Services with other Taranaki Councils where it has benefits to the ratepayers
- Rates Cap to be kept at LGCI plus 1%
- Annual rates subsidy from the LTIF
- Encouraging population and economic growth – e.g. Hāwera Town Centre Strategy

TOTAL RATE LIMIT (REVIEW FOR THE NEXT 10 YEARS)

Rate Cap	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
LGCI	2.65%	2.65%	2.65%	2.65%	2.65%	2.65%	2.65%	2.65%	2.65%	2.65%
Plus 1%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Total Rate Cap	3.65%	3.65%	3.65%	3.65%	3.65%	3.65%	3.65%	3.65%	3.65%	3.65%
Average Rate Increases	3.18%	3.47%	3.36%	3.32%	3.20%	3.01%	3.01%	2.81%	2.90%	2.56%
Difference	0.47%	0.18%	0.29%	0.33%	0.45%	0.64%	0.64%	0.84%	0.75%	1.09%



Explanation:

The total rate limits on the overall rate collection is on average 3.65% for the ten years. The Council's rate increases for the next ten years is 3.08% on average.

RAUTAKI PĀKIHI

ABOUT YOUR RATES - TEN YEAR PROJECTIONS FOR GENERAL AND TARGETED RATES (INCLUDES AN ALLOWANCE OF INFLATION)

Rate	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
District Rate*		2.95%	3.63%	3.25%	3.46%	3.36%	3.29%	3.10%	2.82%	2.93%	2.43%
General Rate - Cents per \$	0.08389	0.08716	0.09101	0.09456	0.09804	0.10147	0.10456	0.10803	0.10787	0.10979	0.11162
Roading Rate - Cents per \$	0.07538	0.07449	0.07635	0.07742	0.07928	0.08125	0.08378	0.08560	0.09060	0.09390	0.09631
UAGC Only	\$555	\$586	\$609	\$634	\$661	\$687	\$713	\$739	\$764	\$791	\$815
Targeted Rates**											
Water targeted rate	\$592	\$610	\$624	\$639	\$654	\$669	\$685	\$702	\$719	\$736	\$753
Wastewater targeted rate	\$619	\$656	\$696	\$736	\$776	\$817	\$851	\$886	\$920	\$955	\$989
Kerbside Collection rate	\$282	\$265	\$270	\$270	\$270	\$270	\$270	\$270	\$270	\$270	\$270
Water meter only charge <= 32mm	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150
Water meter and backflow charge <= 32mm	\$260	\$260	\$260	\$260	\$260	\$260	\$260	\$260	\$260	\$260	\$260
Water meter only <= 40mm	\$175	\$175	\$175	\$175	\$175	\$175	\$175	\$175	\$175	\$175	\$175
Water meter and backflow charge <= 40mm	\$325	\$325	\$325	\$325	\$325	\$325	\$325	\$325	\$325	\$325	\$325
Water meter and backflow charge <= 50mm	\$460	\$460	\$460	\$460	\$460	\$460	\$460	\$460	\$460	\$460	\$460
Water meter and backflow charge >50mm	\$630	\$630	\$630	\$630	\$630	\$630	\$630	\$630	\$630	\$630	\$630
Water by meter rates per cubic metre											
Town	\$2.48	\$2.58	\$2.67	\$2.76	\$2.85	\$2.93	\$3.05	\$3.17	\$3.28	\$3.40	\$3.52
Urban water High User	\$2.61	\$2.70	\$2.76	\$2.76	\$2.85	\$2.93	\$3.05	\$3.17	\$3.28	\$3.40	\$3.52
Urban water Extra High User	\$2.66	\$2.74	\$2.84	\$2.94	\$3.01	\$3.08	\$3.08	\$3.17	\$3.28	\$3.40	\$3.52
Waimate West	\$1.01	\$1.05	\$1.08	\$1.12	\$1.15	\$1.18	\$1.22	\$1.25	\$1.29	\$1.32	\$1.36
Inaha water	\$1.04	Now included in Waimate West									

* The district rate includes the UAGC, general rate and roading rate. The general and roading rates are calculated on the capital value of the property, so each property pays a different amount.

**Targeted rates are uniform charges (every property pays the same amount) with the exception of the water by meter charges which are volumetric (you pay for what you use).

FINANCIAL STRATEGY

RATING EXAMPLES - INCLUDING GST

Below are seven property examples to show the impact of the rates increases for the next ten years.

\$101,200 CAPITAL VALUE - URBAN

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
General	\$84.90	\$88.20	\$92.10	\$95.70	\$99.22	\$102.69	\$105.81	\$109.32	\$109.17	\$111.11	\$112.96
Roading	\$76.28	\$75.38	\$77.27	\$78.35	\$80.23	\$82.22	\$84.78	\$86.62	\$91.68	\$95.02	\$97.46
UAGC	\$554.93	\$586.10	\$608.49	\$634.29	\$660.69	\$687.00	\$712.52	\$738.78	\$764.07	\$790.84	\$815.25
Water	\$592.46	\$609.50	\$624.45	\$639.40	\$654.35	\$669.30	\$685.40	\$701.50	\$718.75	\$736.00	\$753.25
Wastewater	\$619.28	\$655.50	\$695.75	\$736.00	\$776.25	\$816.50	\$851.00	\$885.50	\$920.00	\$954.50	\$989.00
Kerbside Collection	\$281.75	\$264.50	\$270.25	\$270.25	\$270.25	\$270.25	\$270.25	\$270.25	\$270.25	\$270.25	\$270.25
Total Rates	\$2,209.59	\$2,279.18	\$2,368.30	\$2,453.99	\$2,540.99	\$2,627.96	\$2,709.77	\$2,791.98	\$2,873.92	\$2,957.72	\$3,038.17
Increase each year		\$69.59	\$89.12	\$85.69	\$87.00	\$86.97	\$81.81	\$82.21	\$81.94	\$83.80	\$80.44
% increase		3.15%	3.91%	3.62%	3.55%	3.42%	3.11%	3.03%	2.93%	2.92%	2.72%



URBAN

\$161,920 CAPITAL VALUE - URBAN

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
General	\$135.84	\$141.13	\$147.36	\$153.12	\$158.75	\$164.30	\$169.30	\$174.92	\$174.67	\$177.77	\$180.73
Roading	\$122.05	\$120.61	\$123.62	\$125.36	\$128.37	\$131.56	\$135.66	\$138.60	\$146.70	\$152.04	\$155.94
UAGC	\$554.93	\$586.10	\$608.49	\$634.29	\$660.69	\$687.00	\$712.52	\$738.78	\$764.07	\$790.84	\$815.25
Water	\$592.46	\$609.50	\$624.45	\$639.40	\$654.35	\$669.30	\$685.40	\$701.50	\$718.75	\$736.00	\$753.25
Wastewater	\$619.28	\$655.50	\$695.75	\$736.00	\$776.25	\$816.50	\$851.00	\$885.50	\$920.00	\$954.50	\$989.00
Kerbside Collection	\$281.75	\$264.50	\$270.25	\$270.25	\$270.25	\$270.25	\$270.25	\$270.25	\$270.25	\$270.25	\$270.25
Total Rates	\$2,306.30	\$2,377.33	\$2,469.92	\$2,558.42	\$2,648.66	\$2,738.90	\$2,824.12	\$2,909.55	\$2,994.43	\$3,081.40	\$3,164.42
Increase each year		\$71.03	\$92.59	\$88.50	\$90.24	\$90.25	\$85.22	\$85.42	\$84.89	\$86.97	\$83.02
% increase		3.08%	3.89%	3.58%	3.53%	3.41%	3.11%	3.02%	2.92%	2.90%	2.69%

RAUTAKI PĀKIHI



URBAN

\$242,880 CAPITAL VALUE - URBAN

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
General	\$203.76	\$211.69	\$221.04	\$229.68	\$238.13	\$246.45	\$253.95	\$262.37	\$262.00	\$266.65	\$271.10
Roading	\$183.07	\$180.91	\$185.44	\$188.04	\$192.55	\$197.33	\$203.48	\$207.90	\$220.04	\$228.06	\$233.91
UAGC	\$554.93	\$586.10	\$608.49	\$634.29	\$660.69	\$687.00	\$712.52	\$738.78	\$764.07	\$790.84	\$815.25
Water	\$592.46	\$609.50	\$624.45	\$639.40	\$654.35	\$669.30	\$685.40	\$701.50	\$718.75	\$736.00	\$753.25
Wastewater	\$619.28	\$655.50	\$695.75	\$736.00	\$776.25	\$816.50	\$851.00	\$885.50	\$920.00	\$954.50	\$989.00
Kerbside Collection	\$281.75	\$264.50	\$270.25	\$270.25	\$270.25	\$270.25	\$270.25	\$270.25	\$270.25	\$270.25	\$270.25
Total Rates	\$2,435.24	\$2,508.20	\$2,605.41	\$2,697.66	\$2,792.22	\$2,886.83	\$2,976.60	\$3,066.30	\$3,155.12	\$3,246.31	\$3,332.75
Increase each year		\$72.96	\$97.21	\$92.25	\$94.56	\$94.61	\$89.77	\$89.70	\$88.81	\$91.19	\$86.45
% increase		3.00%	3.88%	3.54%	3.51%	3.39%	3.11%	3.01%	2.90%	2.89%	2.66%

\$404,800 CAPITAL VALUE - URBAN

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
General	\$339.60	\$352.81	\$368.39	\$382.80	\$396.88	\$410.75	\$423.26	\$437.29	\$436.67	\$444.42	\$451.84
Roading	\$305.12	\$301.52	\$309.06	\$313.39	\$320.92	\$328.89	\$339.14	\$346.49	\$366.74	\$380.10	\$389.84
UAGC	\$554.93	\$586.10	\$608.49	\$634.29	\$660.69	\$687.00	\$712.52	\$738.78	\$764.07	\$790.84	\$815.25
Water	\$592.46	\$609.50	\$624.45	\$639.40	\$654.35	\$669.30	\$685.40	\$701.50	\$718.75	\$736.00	\$753.25
Wastewater	\$619.28	\$655.50	\$695.75	\$736.00	\$776.25	\$816.50	\$851.00	\$885.50	\$920.00	\$954.50	\$989.00
Kerbside Collection	\$281.75	\$264.50	\$270.25	\$270.25	\$270.25	\$270.25	\$270.25	\$270.25	\$270.25	\$270.25	\$270.25
Total Rates	\$2,693.13	\$2,769.93	\$2,876.39	\$2,976.13	\$3,079.34	\$3,182.69	\$3,281.56	\$3,379.82	\$3,476.48	\$3,576.12	\$3,669.43
Increase each year		\$76.80	\$106.46	\$99.74	\$103.20	\$103.35	\$98.88	\$98.25	\$96.66	\$99.64	\$93.31
% increase		2.85%	3.84%	3.47%	3.47%	3.36%	3.11%	2.99%	2.86%	2.87%	2.61%

FINANCIAL STRATEGY



HĀWERA COMMERCIAL

\$500,160 CAPITAL VALUE - HĀWERA COMMERCIAL/INDUSTRIAL

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
General	419.60	435.93	455.18	472.97	490.38	507.51	522.97	540.30	539.54	549.12	558.28
Roading	377.00	372.55	381.87	387.22	396.52	406.37	419.03	428.12	453.13	469.64	481.68
UAGC	554.93	586.10	608.49	634.29	660.69	687.00	712.52	738.78	764.07	790.84	815.25
Water	592.46	609.50	624.45	639.40	654.35	669.30	685.40	701.50	718.75	736.00	753.25
Wastewater	619.28	655.50	695.75	736.00	776.25	816.50	851.00	885.50	920.00	954.50	989.00
Hāwera Business Rate	532.96	540.54	549.19	557.97	567.46	577.11	587.50	598.07	609.43	621.01	633.43
Total Rates	3,096.22	3,200.11	3,314.92	3,427.86	3,545.64	3,663.78	3,778.41	3,892.27	4,004.92	4,121.11	4,230.89
Increase each year		103.89	114.81	112.94	117.78	118.14	114.62	113.87	112.65	116.19	109.77
% increase		3.36%	3.59%	3.41%	3.44%	3.33%	3.13%	3.01%	2.89%	2.90%	2.66%



RURAL

\$5,164,000 CAPITAL VALUE PROPERTY - RURAL

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
General	4,332.25	4,500.81	4,699.57	4,883.32	5,063.00	5,239.88	5,399.46	5,578.45	5,570.54	5,669.47	5,764.04
Roading	3,892.37	3,846.46	3,942.68	3,997.92	4,093.94	4,195.62	4,326.35	4,420.21	4,678.45	4,848.89	4,973.21
UAGC	554.93	586.10	608.49	634.29	660.69	687.00	712.52	738.78	764.07	790.84	815.25
Total Rates	8,779.55	8,933.37	9,250.74	9,515.53	9,817.62	10,122.49	10,438.33	10,737.44	11,013.06	11,309.20	11,552.49
Increase each year		153.82	317.37	264.78	302.10	304.87	315.83	299.12	275.62	296.14	243.29
% increase		1.75%	3.55%	2.86%	3.17%	3.11%	3.12%	2.87%	2.57%	2.69%	2.15%

\$7,746,000 CAPITAL VALUE PROPERTY - RURAL

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
General	6,498.38	6,751.22	7,049.36	7,324.97	7,594.50	7,859.81	8,099.19	8,367.68	8,355.80	8,504.21	8,646.06
Roading	5,838.55	5,769.69	5,914.02	5,996.87	6,140.91	6,293.43	6,489.53	6,630.31	7,017.68	7,273.33	7,459.81
UAGC	554.93	586.10	608.49	634.29	660.69	687.00	712.52	738.78	764.07	790.84	815.25
Total Rates	12,891.86	13,107.00	13,571.87	13,956.14	14,396.09	14,840.24	15,301.23	15,736.77	16,137.56	16,568.38	16,921.12
Increase each year		215.14	464.86	384.27	439.95	444.15	460.99	435.54	400.78	430.83	352.74
% increase		1.67%	3.55%	2.83%	3.15%	3.09%	3.11%	2.85%	2.55%	2.67%	2.13%

This does not include all rate examples so if you require further explanation please feel free to contact the Rates Department.

MAKING SOUTH TARANAKI

INFRASTRUCTURE STRATEGY RAUTAKI

THE MOST
liveable

DISTRICT IN NZ



INFRASTRUCTURE STRATEGY

GEOGRAPHIC AND ECONOMIC CONTEXT

South Taranaki is situated on the West Coast of the North Island covering 361,834 hectares and has a population of 26,577 (2013 Census). There are many small towns in the District, the largest of which is Hāwera where the District Council is based. The dispersed nature of the towns in the District means that there are ten water supplies, eight wastewater schemes and an extensive roading network of 1,632km. The Council owns infrastructure assets valued at \$832 million, which are used in the delivery of its services to its communities.

The dominant industry in South Taranaki is dairying. There is a large milk processing plant at Whareroa and associated industries such as cheese making, freezing works, protein processing works and light industrial businesses. Large quantities of oil and gas are also extracted and processed in South Taranaki.

This concentration on two key sectors – dairy and energy – has been a source of growth in the past, but recent events have highlighted the volatility and vulnerability of the South Taranaki economy. In the context of global trends that are having profound effects on communities, a continuing heavy reliance on natural resources and exporting basic commodities makes the Taranaki region vulnerable. The way in which it has bounced back from softer oil and dairy commodity prices indicates a strong underlying resilience, as well as vulnerability. The dominant primary industry – dairy – is gradually moving towards a value-added model with increased processing in the region. Sectors such as engineering, poultry and timber are also advancing in this direction. The Taranaki region is transitioning from an economy based on natural comparative advantage – water, land, climate, minerals and oil – to a value-adding

economy that is much more reliant on human comparative advantage – talent, enterprise, skills and knowledge¹.



FIGURE 1: South Taranaki District

PURPOSE

The purpose of this Infrastructure Strategy is to outline how the South Taranaki District Council intends to manage its infrastructure assets over the next 30 years. The Council supplies a wide range of community services that rely on infrastructure assets. It is critical that those assets are managed well.

This Infrastructure Strategy outlines:

- The key infrastructural services issues the Council must address over the next 30 years;
- The main options for dealing with these issues;
- The cost and service delivery implications for residents and businesses of those options; and
- The Council's current preferred scenario for infrastructure provision

While the Council delivers a range of different services, this Strategy focuses on the following four core infrastructure services:

- Roads and Footpaths
- Water Supply
- Sewage treatment and disposal (more commonly known as Wastewater)
- Stormwater

The Council has included a section for Other Significant Projects to capture the other major areas of expenditure such as the Hāwera's Town Centre Strategy and the Regional Landfill.

¹Tapuae Roa: Make Way for Taranaki Regional Development Strategy, August 2017

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PLANNING FOR THE LONG TERM – THE NEXT 30 YEARS

Many of the Council's infrastructure assets have a very long life. For example, water pipes have an expected life of 60-100 years. There is therefore a long planning horizon for initial provision and renewal, both of which can present cost peaks that are best planned for well in advance. This Infrastructure Strategy provides the long-term perspective required to assess whether there are hidden investment gaps, or affordability issues, beyond the ten-year planning horizon provided in the LTP 2018-28.

Our ongoing challenge is how to provide the services and facilities our communities expect, while keeping rates at an affordable level, from a relatively small base of ratepayers spread across a large geographic area. Spending on infrastructure accounts for 62% of the Council's operating budget and 85% of capital expenditure.

Infrastructure assets cannot be planned for in isolation, because issues that shape our community can also influence the management of our infrastructure. Significant issues may include: demographic changes which affect the ability of the community to pay for infrastructure; growth or decline in population in particular areas within the District; natural hazards and climate change.

INFORMATION SUPPORTING THE DEVELOPMENT OF THIS STRATEGY

This Infrastructure Strategy has been developed in the context of a number of other documents and projects. In reading this Strategy you may wish to refer to the supporting documents for more information.

These include:

- Asset Management Plans – provide an outline of the asset management works required to prudently manage infrastructure and deliver essential services to the community.
- Financial Strategy – outlines the financial context in which the Council is operating and the financial implications of the projects planned through this Strategy.
- LTP 2018-28 – While this Strategy has a 30 year planning horizon, the projects planned for the first ten years are included in other sections of the LTP.
- The South Taranaki District Plan – identifies areas where new or upgraded infrastructure will be required to cater for growth in the District over the next ten years.
- Tapuae Roa: Make Way for Taranaki - the Taranaki Regional Economic Development Strategy (August 2017) – highlights economic development issues and opportunities for the Taranaki Region. The core focus of Tapuae Roa is on developing people.
- Hāwera Town Centre Strategy – includes a series of actions for the redevelopment of the Hāwera CBD.

FOUR MAIN THEMES FOR THE LTP 2018-28

The Council has identified four main themes for the development of the LTP 2018-28. These underlie the priorities and projects the Council is proposing to carry out over the next 30 years and form the basis of both the LTP 2018-28 and Council's Financial Strategy. They reflect the balance the Council must endeavour to achieve between focusing on the basics and providing value-added services for our community, at an affordable cost. The projects outlined through this Infrastructure Strategy have been planned to help achieve these key outcomes.

1. Consolidation

Previously, the Council's focus was on upgrading our District's water infrastructure, key community facilities and implementing projects designed to make South Taranaki a desirable place to live and do business. Twelve years ago the Council embarked on a capital works programme to bring its core infrastructure up to standard. This work was largely completed three years ago after an investment of almost \$205 million was allocated to building new reservoirs and water treatment plants, upgrading wastewater plants and renewing roading network and community facilities. Thanks largely to the investment the Council has made in our infrastructure over the last 12 years, and projected growth in demand being relatively minor, there are few major issues for the District going forward.

The majority of the works planned in this Strategy involve renewing existing infrastructure, reflecting the Council's primary focus on delivering and maintaining core infrastructure services. Our focus for the first ten years of the Strategy is to

INFRASTRUCTURE STRATEGY

complete the key projects, maintain our current assets and core services and improve our wastewater infrastructure. Our main focus is on reducing water loss (leakage) within our water networks and reducing water entering our wastewater networks (sewers), which will reduce the demand on our treatment plants and delay the need for further investment.

2. Paying off Debt

The infrastructure upgrades were funded by borrowing and the Council intends to reduce our overall debt levels while keeping rates at an affordable level. The Council decided to fund its core infrastructure assets in a way that did not unfairly impact on existing ratepayers, so the capital work was funded primarily from borrowing. Using debt to fund key infrastructural projects means the costs are spread over the lifetime of that asset and future generations who will use and benefit from the asset also contribute their fair share of the loan repayments. This is set out in more detail in the Financial Strategy.

3. Population Retention and Economic Sustainability

The Council will work to maintain and grow our current population levels by continuing to improve the Council's facilities. We now have a much improved and reliable water network, and, since our last Long Term Plan three years ago, we have made progress with the Hāwera Town Centre redevelopment, district pathways programme, Ōpūnake Beach Masterplan and the regional landfill.

4. Rates affordability

The Council wants to achieve all of the above without increasing our annual rates above a 3.65% cap. The Council intends to respond to the community's needs in a manner that is sensitive to economic factors, keeping costs down by

focusing on the basics, deferring or deleting projects where appropriate and utilising various funding mechanisms and rating systems.

WHAT IS INFRASTRUCTURE?

Infrastructure provides the very fabric that our communities are built on and is essential for public health, getting around and doing business. Without infrastructure there would be no sustainable communities. The challenge is that we look into the future and determine the most likely scenario for spending on infrastructure. The funds available for Council to spend are limited, so by determining the most likely scenario we are able to work out how much money is available to spend in other services that enhance the quality of life and attract people to South Taranaki. Infrastructure is a precursor to business development and is recognised as the foundation to economic development by the Council's "Economic Development Strategy". A challenge is to make sure we don't spend too much too early whilst ensuring we can meet the needs of a significant industry wishing to establish in South Taranaki.

The Council's three water services (water supply, wastewater and stormwater) work with the main types of water affecting people's lives – drinking water, wastewater from kitchen, bathrooms, toilets and laundries and commercial trade waste, and rainwater.

The Council ensures that people receive drinking water at their taps, that wastewater is removed and treated for environmentally safe discharge at sea, and ensures that rainwater going into the stormwater network from streets is removed and disposed of in accordance with our resource consent requirements.

The roading and footpaths activity group manages a large network of road carriageways, footpaths, cycleways, streetlights, signs and road markings, retaining walls, bridges and culverts. All of these assets contribute to the ability to move people and goods around the district.

Roading infrastructure also connects South Taranaki to the wider national and international road, rail, shipping and air transportation networks.

There is a strong community expectation to receive good quality drinking water. Water is recognised as essential for the health and well-being of our population and is required in large volumes to sustain our domestic, agricultural and industrial customers. There is also a strong community expectation that the Council will access additional water to facilitate economic development, reduce water wastage and make sure we manage our water resource in an environmentally sustainable way.

Similarly the community expects that we will protect public health by taking domestic sewage and wastes discharged by industry and treating them before discharging in a way that meets the community's desire for cleaner waterways.

The community also expects to be protected and safe within our homes. To respond to this, we build and operate stormwater infrastructure. Stormwater reticulation infrastructure is provided in urban areas to help prevent the flooding of properties. It also reduces, or eliminates, water ponding on roads that could create safety hazards. In extreme rainfall events however, when the pipe network is overloaded, stormwater will take overland flow paths, often along roads.

We also need to protect infrastructure, such as roads and sewerage systems, which can be negatively impacted by excessive floodwater.

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South Taranaki has no flood protection works as the vast majority of the coastline is well above sea level and rivers drain quickly from Mount Taranaki. However, the Council owns and maintains the moles at the mouth of the Pātea River, which have a significant replacement value, so coastal structures have been included in this Strategy.

MANAGING OUR ASSETS

Managing and maintaining these assets to ensure consistent and reliable service delivery to the community requires good asset management practices and strategic thinking. The maintenance, renewal, and capital expenditure programme for Council's core assets is based on the information in the Council's Asset Management Plans. This is the best information available to Council about these assets. For some assets (e.g. underground pipes) the information around age, type, and quantity is very reliable. However information around condition has some limitations and will be updated as new information becomes available. This could change the costs or timing of planned expenditure.

Table 1 shows the cost to replace our assets and their current values.

TABLE 1: ASSET VALUES

Category	Replacement Cost (\$ million)	Fair Value (\$ million)
Roads	547	477
Water Supply	255	138
Wastewater	108	59
Stormwater	40	23
Other Assets (buildings, land work in progress, etc)	197	135
Total Asset Values	1,147	832

We own a wide range of assets that are used in the delivery of services to our communities Table 2 below provides a summary of the asset inventory managed by the council.

TABLE 2: ASSET HOLDING

Category	Overview	Principal Assets
Roading and Footpaths	Extensive urban and rural roading network across the district.	1375 km sealed roads 257 km unsealed roads; of which based on the NZTA One Network Roding Classification <i>3 km Arterial</i> <i>218 km Primary Collector</i> <i>147 km Secondary Collector</i> <i>450 km Access</i> <i>555 km Low Volume</i> 238 bridges and major culverts
Water Supply	Eight urban and three rural water supply schemes	10 Treatment Plants 37 reservoirs 3 pumping stations 615 km reticulation pipework 25 resource consents

Category	Overview	Principal Assets
Wastewater	Eight wastewater schemes serving urban communities and a stock effluent disposal site	8 treatment plants 35 pumping stations 188 km reticulation pipework 17 resource consents
Stormwater	Stormwater reticulation provided in urban areas	89 km reticulation pipework
Other Assets	Community Facilities	7 libraries 7 campgrounds 7 swimming pools 9 urban halls and support to 34 privately owned halls 38 playgrounds 10 cemeteries 36 public toilets 7 transfer stations 68 pensioner housing units 700ha of parks and reserves TSB Hub South Taranaki District Museum Hāwera Cinemas i-SITE

INFRASTRUCTURE STRATEGY

LEVELS OF SERVICE

The Infrastructure Strategy is based on the assumption that the current levels of service provided by the roading and footpath and 'three waters' activities will be maintained across the next 30 years. In order to maintain existing levels of service, infrastructure networks and assets will need to be maintained in a condition that will support these levels. This means that the Council will be focused on the renewal of assets rather than major new projects, apart from those projects outlined in Figure 6. Any new projects that may be requested by the community would result in additional costs over and above the projected funding included in this Strategy and potentially result in an increase in rates. New projects would be viewed as an increase in service levels or a new service level.

The service that is provided for each of the infrastructure areas is defined by the levels of service. Levels of service are described and measured for each activity and these are set out in the Long Term Plan under the Chapter titled "Our Work in Detail". Levels of service are the things about each of our services that contribute to community well-being or result in a tangible impact for residents and users of services, such as the level of service that specifies a level of road smoothness.

Levels of service have a direct impact on whether rates and prices will increase over the coming years, stay the same or decrease. Levels of service are directly related to performance measures. Performance measures need to provide a balanced picture of the important aspects of the levels of service as well as the purpose of the activity. The Council is required to use a standard set of performance measures for the three waters and the roading and footpaths activities when reporting to their communities. In addition to the mandatory performance

measures the Council includes performance measures that show how satisfied our consumers are with the services provided. These come from the Annual Resident Satisfaction Survey, which is a telephone survey (with an optional online channel) undertaken in February each year using a randomised database of telephone numbers covering the South Taranaki District. Data collection is randomised within each household to ensure the sample includes a range of respondents based on age, location and gender, with a quota system being used to ensure the sample is representative of the District's population. The Survey is designed to gather feedback about the services and facilities that the Council offers and how well the residents think those services are being provided (whether directly by the Council or via its contractors).

The Council, through the Long Term Plan process, undertakes "the right debate" with the community about the current levels of service. In 2010 the Council proposed some rationalisation of duplicated facilities and consulted the public on the possibility of reducing the level of service or discontinuing some services. However during the consultation process the public soundly rejected the proposals, preferring to keep the model the same as it was and therefore paying a bit more for the services they received.

Table 3 below shows the key levels of service for each of the infrastructure areas.

TABLE 3: KEY LEVELS OF SERVICE

Category	Level of Service
Roads	The smoothness standards for roads are met. Footpaths are maintained in good condition and are fit for purpose. Road users are satisfied with the condition of council roads. Customer service responses are made within specified timeframes.
Water Supply	The number of complaints about clarity, taste, odour, pressure and flow are within target. Compliance with the Drinking Water Standards for bacteria. Compliance with the Drinking Water Standards for protozoa. Customer service responses made within specified timeframes. Water losses meet targets. Average consumption per person meets target. Consumers satisfaction with the water supply overall
Wastewater	The numbers of complaints about odour, faults, and blockages are within target. No abatement notices, infringement notices, enforcement orders, or convictions No sewage overflows into occupied buildings due to faults in the public wastewater system. Customer service responses made within specified timeframes. Targets for reducing rainwater entering the wastewater network are met. Residents satisfied with the wastewater services overall.

RAUTAKI

Category	Level of Service
Stormwater	No abatement notices, infringement notices, enforcement orders, or convictions. The number of reported flooding incidents of habitable properties is within target. Customer service responses are made within specified timeframes. Residents satisfied with the stormwater system.

Water Supply	Hot standby backup provided for high risk water treatment equipment. Third party power supply failure is backed up by standby power generation. Water mains conveying source water to a water treatment plant where there is no alternative. The impact of water main failure is assessed using the size of a main as a surrogate.
Wastewater	Hot standby backup provided for high risk wastewater treatment equipment. The impact of sewer failure is assessed using the size of the pipe as a surrogate.
Stormwater	The impact of stormwater pipe failure is assessed using the size of the pipe as a surrogate. However, in most instances there are secondary overland flow paths available when the network reaches capacity.

taken from a river or the ground. It also regulates the quantity and quality of discharges made back to rivers from a water treatment plant, wastewater treatment plant or stormwater runoff. In these areas community expectations tend to align with the demands of our regulators.

As previously mentioned we seek the views of the community through the Long Term Plan and a yearly Resident Satisfaction Survey. We also have direct liaison with community representatives through our Community Boards and the consultative committees that represent our rural water supply customers.

Roading pavement standards, and to some degree, expenditure, are moderated by the New Zealand Transport Agency (NZTA) at a national level. Road seals are widened for safety improvements and in response to some community requests. Seal extension on low trafficked roads is occasionally requested by the community, but is currently considered by the Council to be unaffordable.

Discretionary spending on projects such as cycle ways and the Hāwera Town Centre Strategy has been promoted by Council and some sections of the community. The proposals were consulted on through the Long Term Plan, and public suggestions and feedback were considered before the Council committed to these projects.

When should infrastructure be replaced?

An asset needs to be replaced when it can no longer provide, or contribute to providing, a level of service. This might mean there are several reasons why an asset could be renewed. For example a water main may be renewed if it is bursting too frequently, has too much water leaking from it, or the internal condition of the pipe causes dirty water.

CRITICALITY

Asset criticality is assessed on the severity of the impact of failure, the people and businesses exposure to the failure, and the time to restore the service. Many of the treatment plants that we operate are quite new and the risk of failure of the plants to meet their design specification was addressed in the design phase as part of the hazard and operability studies. Therefore, an asset such as a river abstraction pump may not be of high criticality because a second pump is installed that can be started within seconds of a failure (described as a “hot standby backup”). Criticalities of individual assets are recorded in the asset information systems. Table 4 below describes some of the considerations used in assessing criticality impacts.

TABLE 4: ASSET CRITICALITY

Category	Asset Criticality Considerations
Roads	Bridges and culverts where there is no alternative route. Criticality of the roads is based on the NZTA One Network Roding Classification hierarchy (<i>Arterial, Primary Collector, Secondary Collector, Access and Low Volume</i>).

ASSUMPTIONS AND CAPITAL EXPENDITURE DRIVERS

The Council has to decide how much it will spend on infrastructure around three main drivers:

1. When should existing infrastructure be replaced;
2. When should the Council invest to improve the existing service; and
3. What investment is needed to cater for growth and development

Many elements of capital expenditure are determined by regulation. The Ministry of Health sets standards for drinking water quality. Through consenting, the Taranaki Regional Council determines the amount of fresh water that can be

INFRASTRUCTURE STRATEGY

Our predicted renewal programmes are based upon established criteria for the lives of assets. This information is contained within our Asset Management systems and details are provided in individual Asset Management Plans (AMPs). Many wastewaters and nearly all water supply treatment facilities have been upgraded over the last nine years to meet the standards required. This means that there is not a lot of imminent high value renewal of assets in these areas. However, the pipe reticulation networks for water supply, wastewater and stormwater have assets that would be expected to last typically between 80 to 100 years. These networks have a value in excess of \$143 million with a significant quantity of

renewals being scheduled over the next 30 years.

The accuracy of the reticulation renewal programmes is improved by the quality of the information we have about the assets and their condition. Further condition assessments will continue, and will always be a priority, to improve knowledge across our reticulation networks. The focus for condition assessments will be those assets with the shortest theoretical remaining lives and those which serve the highest number of customers.

In the financial projection for renewals we have assumed that technology will not advance significantly, so the cost of

renewal will not reduce with time. Where appropriate we use the range of “no-dig” and relining technologies available in rehabilitating sewers, as these are less expensive than replacing the pipes with new ones.

The management of the lifecycle of assets is the key to delivering cost effective services. Table 5 shows the approach taken to lifecycle management for the various asset categories.

TABLE 5: LIFECYCLE MANAGEMENT APPROACH

Asset Categories	Main Issues	Maintenance Strategy	Lifecycle Approach
Roading Pavements	No significant issues, generally performance indicators show good condition with slight declining trend predicted due to increasing heavy vehicle usage	Maintenance treatment chosen based on condition rating and required level of service of the pavement. Methods employed are patching, reseal or rehabilitation. Reduce volume of reactive maintenance in preference for preventative maintenance.	RAMM roading asset information system is used to select appropriate treatment based on NZTA criteria.
Roading Bridges	There is an upcoming peak of renewals over the next 30 years. Some bridges may not qualify for NZTA funding under current criteria unless the replacement cost is less than \$1 million.	Visual inspection every two years with detailed examination every 6 years on some critical structures to prioritise maintenance and renewal. Raise individual business cases for bridge replacements >\$1M.	Manage renewals to give smoothed cash flow to ensure funding from NZTA is available.
Water Treatment	Water treatment plant upgrades have been completed over recent years. Treatment of all groundwater per Havelock North Inquiry recommendations is planned. Improved planned maintenance system is needed to ensure optimal asset performance is achieved.	Currently maintenance undertaken based on plant performance, criticality and known plant issues. Improvements are needed to meet the equipment manufacturer’s maintenance recommendations.	Use Asset Finda to record maintenance regimes and asset performance. Use information gathered to refine and optimise the maintenance programme, renewal strategies and plant optimisation.

TABLE 5: LIFECYCLE MANAGEMENT APPROACH

Asset Categories	Main Issues	Maintenance Strategy	Lifecycle Approach
Water Reticulation	Unaccounted for water needs reducing to better demonstrate good resource stewardship. Detailed 3 year renewals programme by improved asset condition assessments. Review assets within 10 years of renewal.	Proactive management of the Minimum Night Flows (MNF). Ongoing pipe flushing, valve & hydrant exercising, backflow preventer testing. Periodic town-by-town reticulation cleaning to be introduced.	Improve data set and test physical samples (planned and following a mains burst) to better establish remaining lives. Verify based on actual asset performance before committing to renewal. Extend remaining life if asset still serviceable.
Wastewater Treatment	No major issues where there is no trade waste as treatment ponds allow time to rectify issues before compliance is compromised. Additional aeration capacity, sludge management and trade waste management is needed where trade waste loads are high, to mitigate risk.	Scheduled maintenance carried out, electrical annually and mechanical 6 monthly. Better capturing of maintenance and performance data will improve decision making.	Utilise better performance and condition data capture to improve whole of life decision making.
Wastewater Reticulation	Inflow and infiltration (I&I) of water into the pipe network reduces the hydraulic performance and may also result in the failure of volumetric resource consents.	Routine CCTV inspection of the sewer network to identify faults and target rehabilitation efforts. Flush problematic sewer lines and inspect manholes. House inspections and smoke testing to identify wrongly connected stormwater.	Manage levels of I&I by rectifying defects to ensure network overflows don't occur from hydraulic overloading. Repair or renewal selected based on number and types of defects. Consider independent stormwater systems.
Stormwater Reticulation	Lack of information about condition of pipe assets.	Sump and open channel clearing and manhole inspections.	Gather CCTV condition data to refine the renewals programme.

INFRASTRUCTURE STRATEGY

WATER SUPPLY RENEWALS

FIGURE 1: FORECAST RETICULATION AND WTP RENEWALS

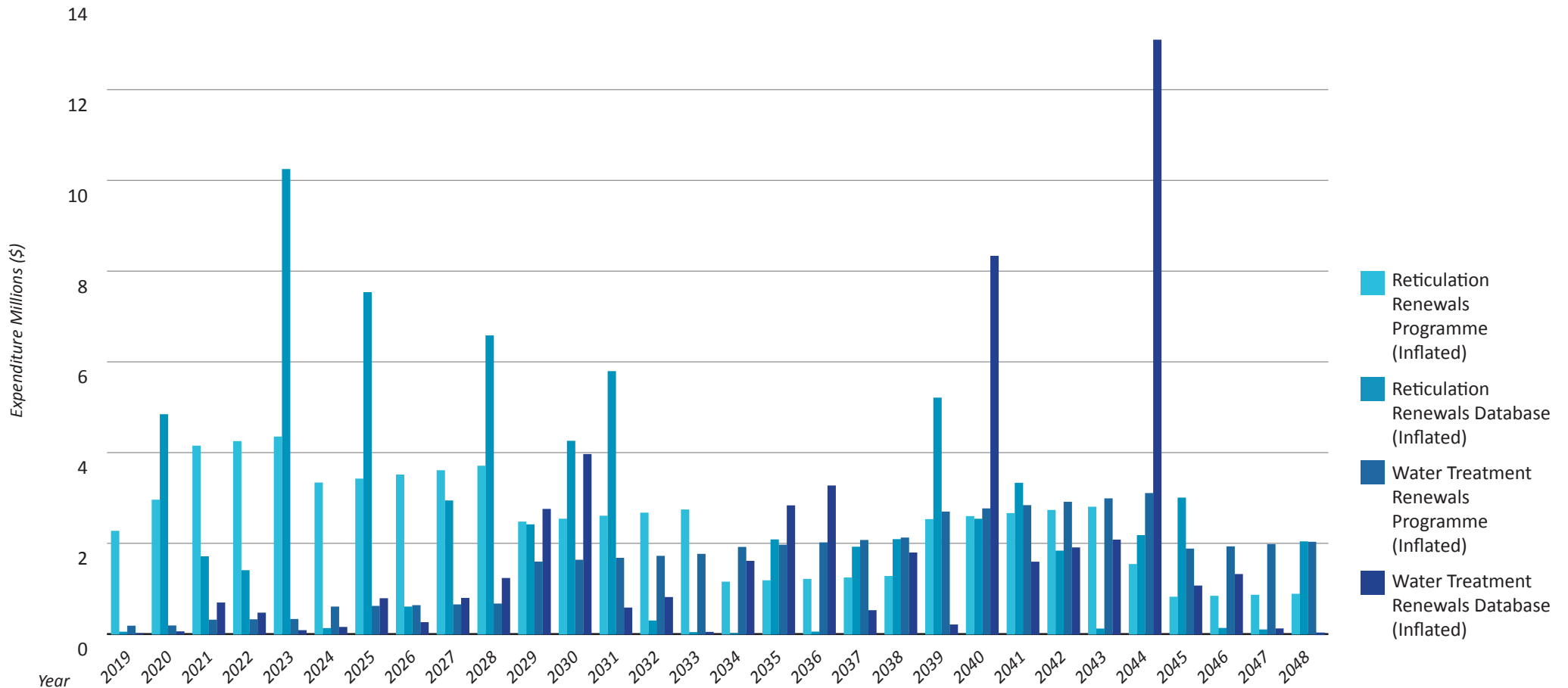
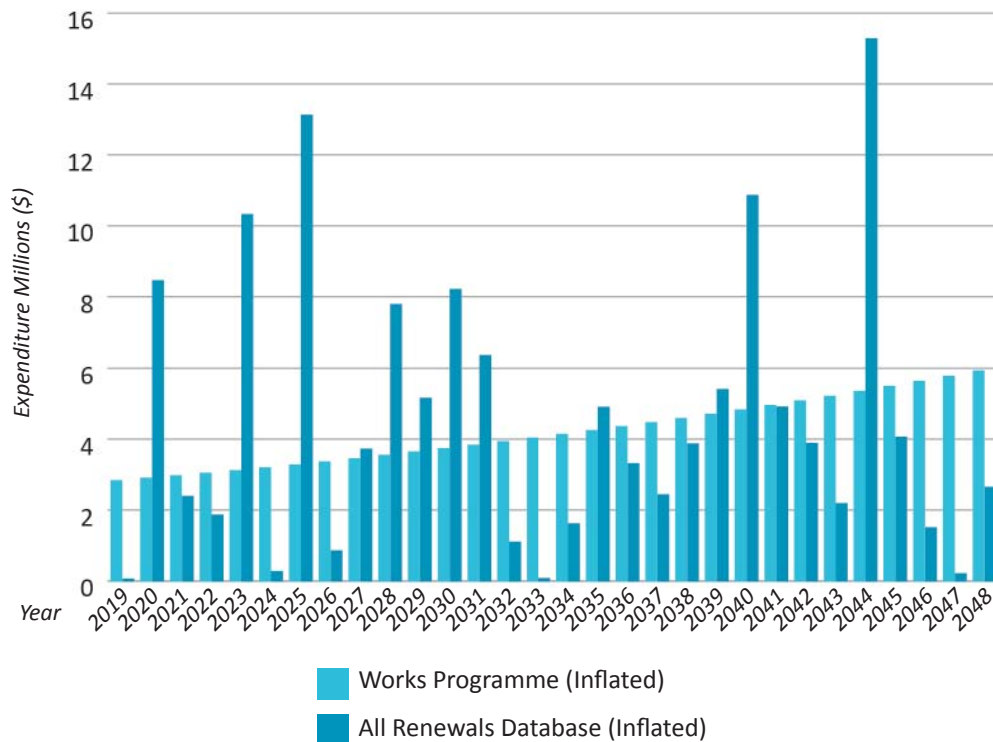


FIGURE 2: FORECAST OVERALL WATER SUPPLY RENEWALS



Our water supplies provide an average of over 30,000 cubic metres of drinking water each day to eight urban and three rural water supply areas to meet the demand of residential, agricultural and industrial customers. We have ten water treatment facilities, 37 reservoirs and 615 km of water mains. These assets have a replacement value in excess of \$254 million.

Over the last ten years or so the Council has invested over \$65 million in upgrading the District’s water treatment plants, and our water supplies are now more robust. Water quality is excellent and water restrictions during dry summers are almost a thing of the past. The focus for improving the quality of our drinking water is around treating our ground water supplies at Pātea, Waverley, Waverley Beach and Wai-inu to comply with the recommendations that have come out of the inquiry into the contamination of the Havelock North water supply. We have set challenging targets for leakage and loss (unaccounted for water) which is high in some parts of the network and this will be addressed through pipe renewal projects. We will be looking at further water metering and water consumption in residential properties. We plan to install new automated remote water meter reading equipment to all of our rural water connections to allow us to better manage the water consumption for a large group of customers, minimise water wastage and potentially invoice on a monthly basis.

We are looking to identify the next water resource to meet an increasing demand for water and our area of highest priority is the interconnected supply area of Waimate West, Inaha and Kapuni. A link between the Kapuni and Inaha water schemes is currently under construction. It is planned to investigate the best option for an additional water resource in 2018/19, with a view to commissioning it in 2020/21. The reservoir capacity at Waimate West falls short of the desirable 24 hour storage of water. The elevation of the Waimate West site also makes storage of water there strategic as it can reach many areas from there. An additional reservoir is planned for Waimate West in 2019/20.

The water mains renewals programme has been substantially improved over the last three years, and will be further enhanced by reviewing the existing condition assessment data we have and applying it to pipes of the same material and period of construction. This will highlight the areas where additional condition assessment data is required and allow a targeted condition inspection programme to be produced. The condition assessment data, together with performance metrics such as the burst records, will be used to refine the renewals programme. The initial aim is to develop a three-year rolling programme of fully verified pipe renewals.

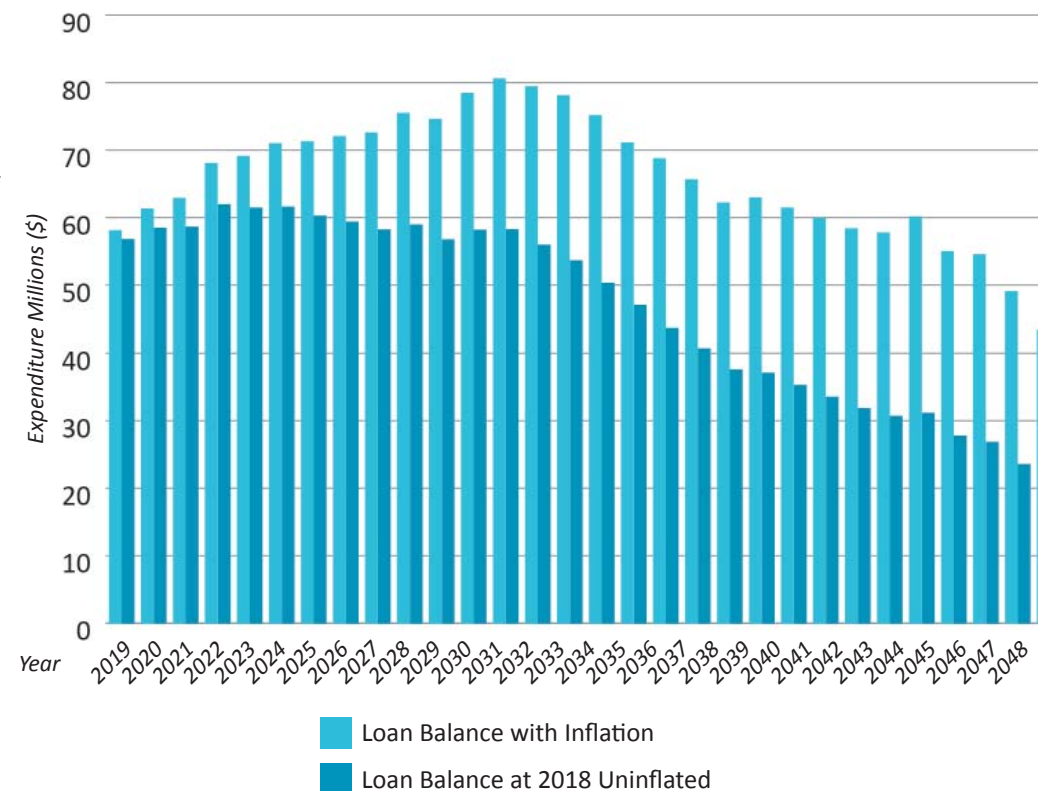
INFRASTRUCTURE STRATEGY

The focus of condition assessment work to date has been predominantly asbestos cement (AC) water mains, as they have been deteriorating much faster than anticipated. The information resulted in a revised renewals programme being established for AC pipe. However, further work is necessary to verify the validity of the model against the recorded failures, and refine it if necessary.

Water treatment plant upgrades have been focused around meeting the Drinking Water Standards with significant upgrades completed at Kapuni, Ōpūnake, Eltham, Rahotu, Pātea, Waverley and Waimate West, all of which now comply with the latest standards. Water treatment plant renewals are relatively minor in the next 10 years as most of the plants have been renewed over the last seven years. This offsets the need to renew a substantial number of water mains resulting in overall financial forecast seeing costs rise broadly in line with inflation. Figures 1 shows the detail of the reticulation and WTP renewals programmes and Figure 2 the overall consolidated view.

The overall capital borrowing requirement for the Water Supply activity is shown in Figure 3. This indicates that borrowing will rise until 2022, before beginning to decline.

FIGURE 3: WATER SUPPLY LOAN BALANCE FORECAST WATER RENEWALS



WASTEWATER RENEWALS

FIGURE 4: FORECAST WASTEWATER TREATMENT PLANT RENEWALS

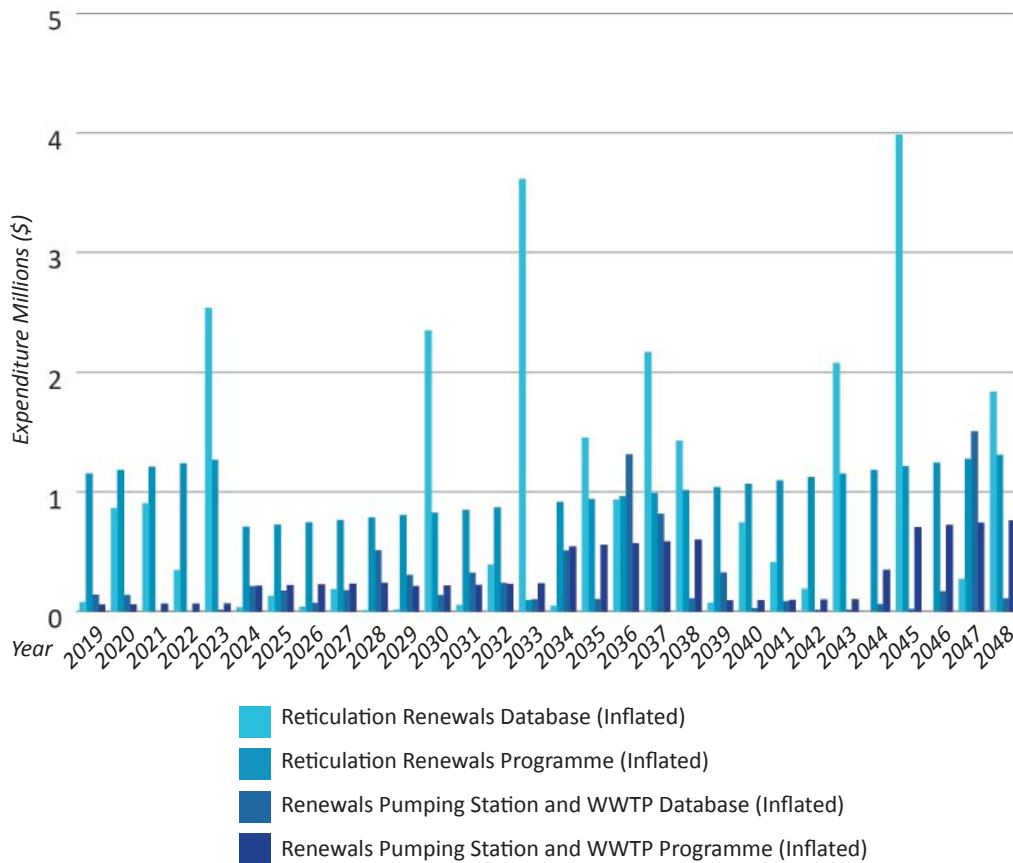
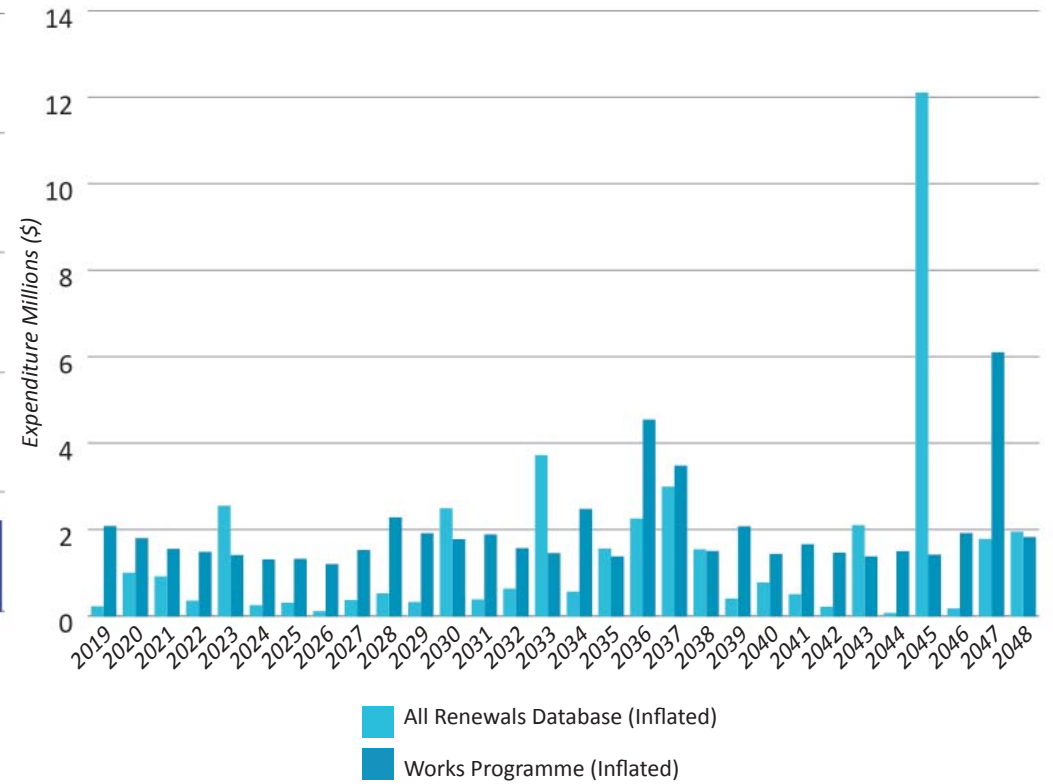


FIGURE 5: FORECAST OVERALL WASTEWATER RENEWALS



INFRASTRUCTURE STRATEGY

We have eight urban wastewater schemes where wastewater is conveyed from domestic and commercial customers to wastewater treatment plants and is treated and disposed of in a safe manner to natural waters (streams, rivers or the ocean) or by application to land. The discharges are all regulated by the Taranaki Regional Council, which grants resource consents that state the quality and volumetric conditions that must be met. We have wastewater schemes in Hāwera, Pātea, Waverley, Ōpūnake, Eltham, Kaponga, Manaia, Wai-inu and we also look after the Waverley Stock Effluent Pond. Oxidation ponds are the normal treatment process, with treated effluent then being discharged to an adjacent watercourse. The exception to this is the treated effluent from Eltham and Hāwera which discharges through the Fonterra sea outfall at Whareroa, and Ōpūnake which discharges to land.

In order to better manage the often quite strong effluent received from industry we introduced a Trade Waste Bylaw in 2017. This puts controls on any non-domestic waste we accept and how much customers have to pay. Managing these waste streams is essential to operating our treatment plants as efficiently and effectively as possible.

To deliver these services we operate 188 km of sewer reticulation pipes; 8,900 connections and eight wastewater treatment plants. Together these assets have a renewal cost of \$108 million.

Managing sludge levels in our oxidation ponds is a very important part of maintaining effective treatment, with those taking significant trade waste loads the most critical. The ponds at Eltham, Hāwera and possibly Manaia are likely to have ongoing sludge maintenance, with other ponds having intermittent desludging.

A study into the viability of constructing a wastewater scheme for Ōhawe will be completed in 2017/18. If viable the construction is not likely until 2031/32, due to substantial consenting issues that would need to be worked through.

Low levels of potentially harmful organisms (norovirus) in shellfish were found after monitoring near the marine outfall in Hāwera in August 2017. This can be infectious to humans, resulting in sickness for a few days. We are working with Iwi and the Taranaki Regional Council on possible long term solutions, including additional treatment at the ponds, an increased monitoring regime, and intensified public warning system. The solutions will be an additional cost that we need to factor into our next LTP in 2021-31 to minimise re-occurrences of the norovirus reappearing in the medium term. Renewal of our discharge resource consents may require works to improve the treatment of sewage to comply with new consent conditions. These will be reviewed for inclusion in the next LTP.

Like most sewer networks around New Zealand our sewer reticulation suffers from rain water getting into the pipes, either from the direct connection of roofs or paved areas, or from ground water infiltrating buried pipes through defects such as cracks. The impact is that sewers may exceed their hydraulic capacity and overflow, or we may exceed the volumetric limit of resource consents. Ongoing management of these issues is a top priority, both to protect the health of the community and the environment and to ensure we can demonstrate our environmental compliance.

Over recent years we have undertaken regular CCTV analysis of the sewer network to identify work needed to reduce the amount of water that enters the network. Having now analysed all the sewer networks in accordance with nationally

published best practice (Water New Zealand methodology), we have identified where we need to further control Inflow and Infiltration (I&I) into our wastewater networks. An intensive programme of CCTV inspections over the next two years is anticipated to identify sufficient works to allow us to manage I&I to the levels required. This should see potential sewage overflows reduced to acceptable levels for all but the heaviest rainfall events, a reduction in the detrimental surging effect that high flow can have on the treatment plants, additional capacity in some trunk sewers to facilitate development, and full compliance with resource consents. Once the performance of our sewer network has improved to an acceptable standard, much lower levels of sewer renewals and repairs should be needed to maintain the peak sewer flows at the desired levels.

A range of techniques are used for the rehabilitation of sewers. This might involve the complete renewal of a pipe that has significant structural defects, or relining to prevent ingress of ground water. The first five years of the Renewals Programme see an intensive period of interventions, which we anticipate will overcome immediate issues. From the experience gained we intend to reconcile the amount invested with the reduction in I&I, and to confirm that the ongoing expenditure planned in years 6 to 30 is set at the correct level.

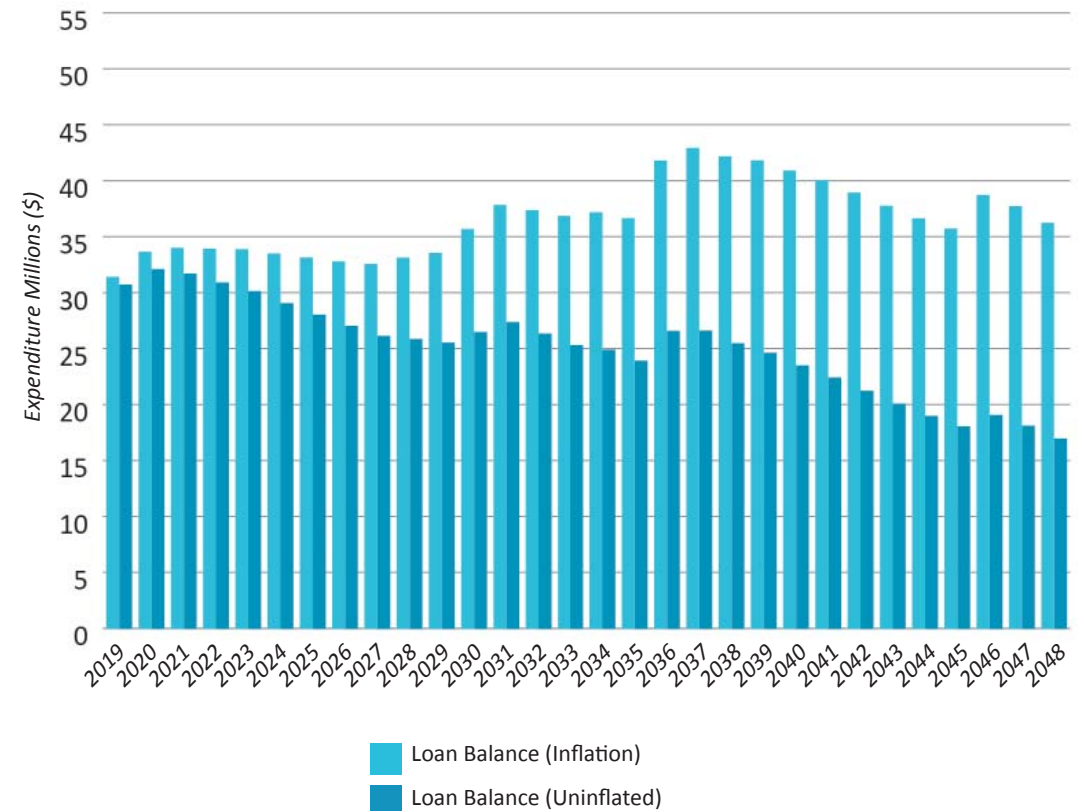
Figure 4 shows some spikes in the renewals required, according to renewal dates derived from the asset database, based wholly on the installation year. Whilst we have inputted every sewer defect identified by CCTV into the asset database we still need to update the condition grade and the predicted renewal date. However, the correlation between pipe inspection grades and asset management condition score is problematic. Guidance on how to interpret the structural

score and define condition grades is anticipated in the revision to the Water New Zealand Pipe Inspection Manual currently being revised.

Whilst the wastewater asset data accurately reflects the assets we own, improvement of metadata across all asset classes will remain a focus. The ultimate goal is to drive all asset renewals and maintenance from the asset database.

The overall capital borrowing requirement for Wastewater is shown in Figure 6 below. This indicates that debt will rise until 2021, primarily to address I&I as noted above, before beginning to decline.

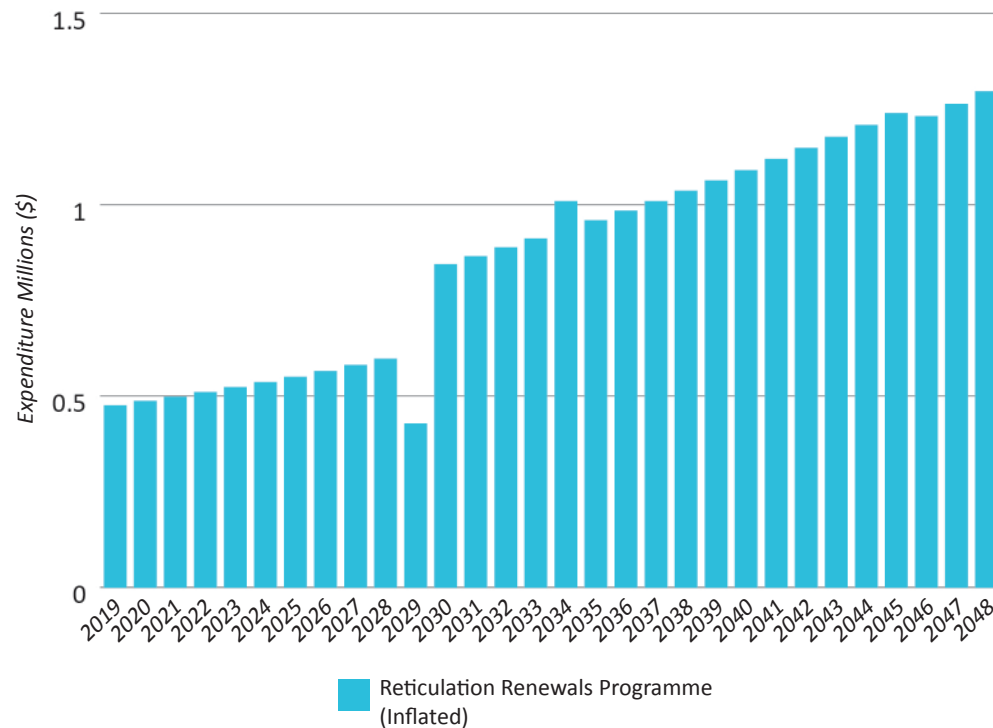
FIGURE 6: WASTEWATER LOAN BALANCE FORECAST



INFRASTRUCTURE STRATEGY

STORMWATER RENEWALS

FIGURE 7: FORECAST STORMWATER RENEWALS



The Council manages and maintains stormwater assets made up of: culverts, channels, collectors, pump stations, stormwater ponds, outfalls and a pipe reticulation network with manholes to effectively divert stormwater from roads to natural water courses. Stormwater from residential properties is normally disposed of via on-site soakage, not through the Council's stormwater system. To deliver stormwater services we operate a network which includes 89 km of pipes, 960 manholes, 322 outlets, 280 inlets and 18 km of open drains. The stormwater assets have a replacement value of \$40 million.

Flooding such as that in Ōpūnake in August 2015 occurred because of the significant contribution of flow from farm land higher up in the catchment. The Taranaki Regional Council has responsibility for stormwater control outside urban areas, so we need to work closely with them to ensure that appropriate solutions are found to flooding issues in South Taranaki's communities.

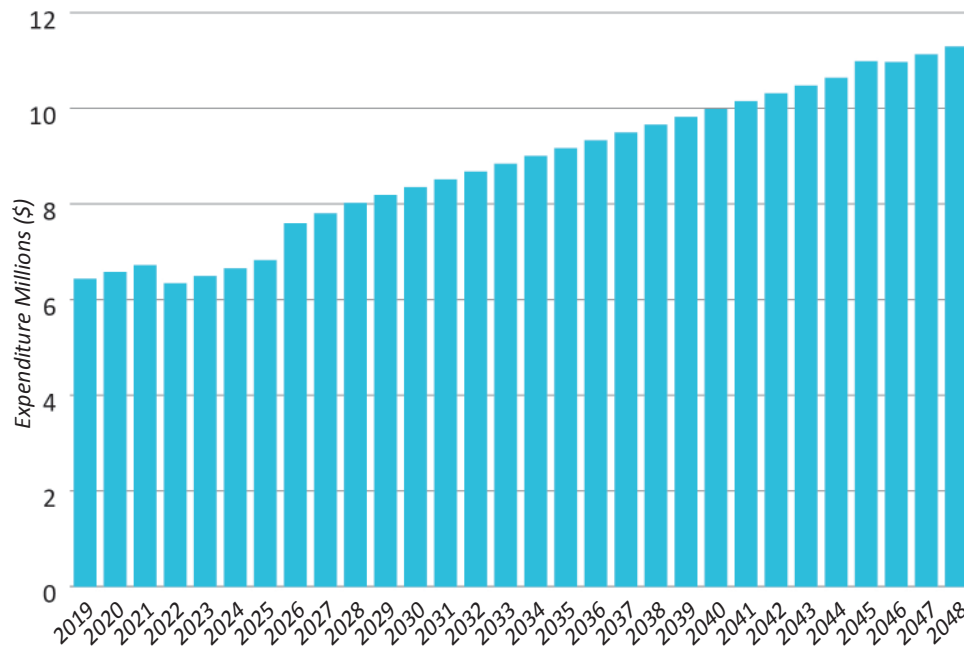
Whilst Waitotara is a village within our District the responsibility for flood defences rests with the Taranaki Regional Council and we contribute to the cost.

Prevention of flooding to all property in all circumstances is not affordable. The focus for the performance of our stormwater networks is therefore to minimise the occurrence of flooding of houses (excluding garages and sheds), within urban towns.

The Stormwater Reticulation Network is relatively small compared to other activities, and has had the least amount of condition assessment work carried out. The current database has asset installation years by decade, which needs refining into specific years. Additional investigations, including CCTV inspections, are planned over the next few years to refine the Renewals Programme. However, the amount of expenditure planned is not financially significant, although an increase in renewals expenditure/capital investment is forecast from 2030 onwards, primarily due to ageing infrastructure and climate change impacts in design.

ROADING RENEWALS

FIGURE 8: PREDICTED ANNUAL ROADING RENEWALS

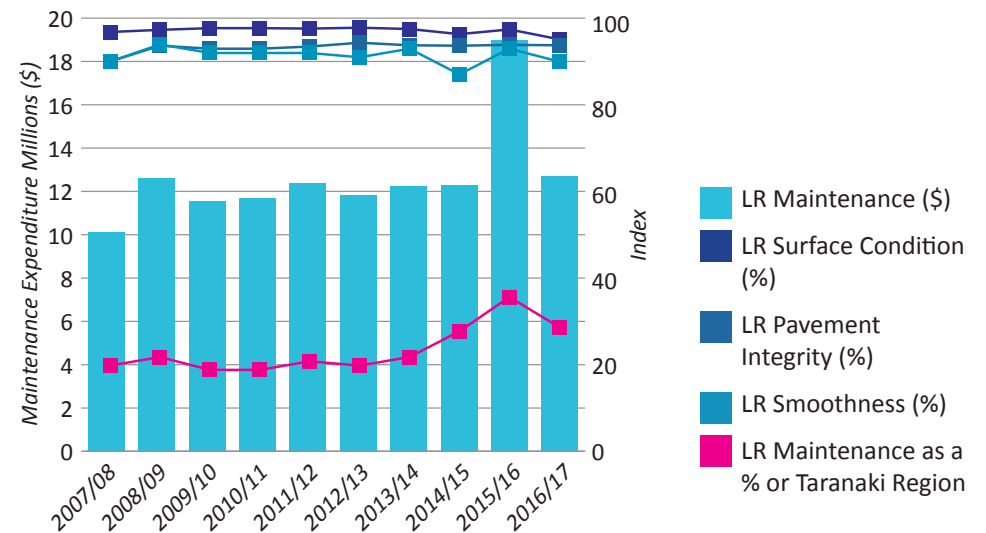


The Council maintains and develops a substantial roading network. The key assets are set out in Table 2:

In addition to these key assets there are about 1,007 km of “paper” or unformed legal roads that are not maintained by the Council. The State Highways in the District are maintained by the NZTA.

The Roding Network has been maintained in good condition, as shown by the graph in Figure 9 below. The historic level of investment has seen roads maintained in generally good condition, and investment will continue at a similar amount. The 2014-15 New Zealand Transport Authority (NZTA), Financial Assistance Rate (FAR) review had a positive funding outcome for South Taranaki District Council. Our FAR increases from 56% to 57% in 2018/19, with a further one percent increase in 2019/20 to a maximum of 58% for subsequent years. In the long term we have assumed that the FAR will remain at 58%.

FIGURE 9: ROADING NETWORK PERFORMANCE



INFRASTRUCTURE STRATEGY

Rural roads servicing forestry blocks can suffer a huge increase in the number and weight of vehicle movements when the forests are harvested. This can result in the structure of a road being effectively destroyed, with significant unplanned renewal expenditure being required. A requirement for additional funding for pavement rehabilitation is anticipated in 2019 to 2021 and again between 2025 and 2027. However, this is no longer likely to be met by increased funding and will be taken from existing budgets. The impact of this may be a reduction in level of service on other roads.

The Council is developing a comprehensive Bridge Renewal and Replacement Programme for its bridges, which have a combined replacement value of \$60 million. Of these bridges, 27 are posted for weight limits or are not permitted to be used for the newly introduced maximum 50 tonne loading (“50 Max”), and many bridges on lowly trafficked rural roads are nearing the end of their serviceable lives, so these replacements will need to be addressed within the next 30 years. We have engaged Opus Consultants to carry out investigations on high risk bridges to determine whether some of these can be strengthened rather than replaced, and hence extend their life.

A recent change in NZTA criteria under the low-cost, low-risk work category will allow the Council to replace bridges under \$1 million.

DISTRICT PATHWAYS PROGRAMME

As part of our last Long Term Plan (2015), the Council adopted a programme to build several new pathways (walkways/cycleways), and upgrade some existing ones across the District. This programme, which was strongly supported in public submissions, was a key Council project designed to enhance lifestyle and recreational opportunities across the district. To date the following pathways have been completed:

PATHWAY	STATUS
Improvements to existing community walkways eg Ōpūnake Walkway	Complete
Manaia – walkway around the township perimeter	Complete
Denby Road to Waihi Beach (Stage 1)	Complete
Denby Road to Fairfield Road (Stage 2)	Complete
Puawai Street (Hāwera) off road mountain bike route	To be completed in 2018
Normanby – Hāwera commuter route	To be completed in 2019

More recently the Council has had expressions of interest from a number of community groups and organisations (such as the Eltham Community Board, Sport Taranaki, Ōpūnake Lions) to extend our pathways programme and potentially integrate them with others in the region.

Over the next two years the Council will complete the pathways programme identified above (from existing budgets) and has budgeted an additional \$500,000 in Years 2 and 3 of the LTP, to be funded by loan, which will be used to extend the pathways programme and potentially integrate them with others in the region.

RAUTAKI

OTHER SIGNIFICANT PROJECTS

Building a new Landfill

All of our rubbish is currently taken to the Colson Road Landfill in New Plymouth. We will continue to use Colson Road until it is full, which will be sometime in 2019/20, and then open a new regional landfill just south of Eltham, known as the Central Landfill. All three Taranaki district councils recognised the significant expense of building a new landfill and that a regional landfill, which we all contribute to, is the most cost effective way to deal with waste. All three councils have committed to fund the initial costs for the Central Landfill and, once opened, will send our rubbish there. A regional Joint Committee will oversee and govern the development, finance and operation of the new landfill, while the New Plymouth District Council will carry out the day to day operation - given that they have the expertise gained in running the Colson Road landfill for many years.

The initial estimated start-up cost for developing the new landfill is around \$16.1 million, for which we have paid \$4.3 million as our contribution.

Hāwera Town Centre Strategy

One of the key projects we outlined in our last (2015) Long Term Plan was the revitalisation of the Hāwera CBD (called the Hāwera Town Centre Strategy). This strategy included a number of projects designed to encourage vibrancy and economic growth in the town centre such as improving pedestrian and carpark connections, lighting improvements, new streetscape and greenspace, and looking at ways to encourage people into the town centre. Good progress has been made on this strategy with Campbell Lane finished, Korimako Lane well underway and the Centre for Heritage, Arts, Library Culture

and Information (CHALCI) in development. A number of private developments (e.g. Countdown, Warehouse Stationery, Paper Plus) either completed or underway are evidence of the Strategy's success. We are only about 30% of the way through the Strategy and this will continue to be one of Council's key projects over the next three to five years.

The CHALCI is one of the Hāwera Town Centre Strategy's anchor projects and will bring much needed foot traffic, visitors and vibrancy to the town centre. The \$8 million (estimated) centre will combine a number of facilities on one site; including a library, meeting rooms, public toilets, art gallery, the i-SITE information centre, bus stop and café. So far the site for the CHALCI has been purchased and initial concept designs have been completed. In this Long Term Plan the Council has budgeted \$1.2 million in addition to the \$3.6 million already put aside in our last Long Term Plan. This brings the Council's total contribution to \$4.8 million. The remaining \$3.2 million will be sought from external funding. The Council's contribution is being funded by taking out a loan. Annual drawdowns from the Council's Long Term Investment Fund will be used to repay the loan over a number of years, so there is no impact on rates to fund this development.

WHEN SHOULD COUNCIL INVEST IN IMPROVING THE EXISTING SERVICE?

The level of service provided may be increased for a number of reasons that will result in the cost of the service increasing.

The reasons are:

- An increase in legislative requirements
- Higher environmental expectations
- Climate change

- Providing improved resilience to earthquake and volcanic eruption

Financially, Council is near its borrowing limits, making it more important that we prioritise our capital investment, which we have done against the four themes above.

An increase in legislative requirements

There are a number of areas where we make improvement to our infrastructure because there is a legislative requirement to do so. Over recent years we have completed numerous upgrades to our water treatment plants to comply with the New Zealand Drinking Water Standards which were introduced in 2005. However, the recent enquiry into the Havelock North water supply has made a number of sweeping recommendations in relation to ground water sources, many of which we had already decided to implement. These will see that all ground-sourced drinking water supplies are fully treated to meet the bacteriological standards. This requirement was predicted in the 2015 Infrastructure Strategy, but the implementation has been required sooner than anticipated.

Historically, standards increase and it is thought that there will be increased water treatment requirements to treat for viruses, which would be achieved by installing ultra violet light treatment to our surface water plants. This has been allowed for in 2029 and 2030.

Higher Environmental Expectations

Taking water from the environment and discharging waste back to it are seen as areas where standards will tighten. Accounting for water consumption accurately, and how much is wasted, can only be achieved by universal water metering.

INFRASTRUCTURE STRATEGY

We anticipate that a legislative requirement to meter all customers will be introduced at some time in the next 10 to 20 years.

Wastewater discharges go into rivers or the sea and can contain bacteria and viruses. We expect that at some time we will be required by legislation to disinfect our wastewater discharges. This is already being seen in the stance of affected parties when discharge resource consents are renewed.

Ōhawe is a community of about 115 properties close to the Waingongoro River and the coast that disposes of wastewater using septic tanks. There are problems with disposal of liquids into the ground, particularly during winter, and potential contamination of the beach and river from the effluent. We anticipate needing to install a wastewater reticulation and treatment system to improve environmental outcomes 10-15 years from now.

Climate Change

In the Ministry for the Environment's guidance document "Preparing for Climate Change" the impacts on the South Taranaki District are predicted to be:

- Slight increase of 1 degree Celsius in the mean temperature by 2050;
- Up to 2.5% increase in mean annual rainfall and more intense rainfall
- An estimated increase in sea level of up to 0.15m within 30 years

The increase in rainfall intensity may make flooding events more likely. However, with relatively small towns, good draining soils and overland flow paths the financial consequences are not expected to be significant. We intend over time to

upgrade our stormwater pipe networks to meet the current levels of service using up-to-date rainfall data. More intense rainfall is likely to adversely impact the roading network, which over recent events has been damaged significantly by heavy rainfall and flooding.

There are very few inhabited areas close to sea level so the predicted increase in sea level is unlikely to cause any issues of financial significance.

Improved resilience to earthquake and volcanic eruption

All of the Council's infrastructure assets outlined in this Strategy are considered "strategic assets" as defined in the Significance and Engagement Policy. It is essential that communities continue to receive infrastructure services following a natural disaster, and assets are managed according to their criticality. It is impossible to build infrastructure systems that will stand up to all possible scenarios, and resilience is built in where practical and affordable. In the event of a disaster potential financial losses are mitigated by a combination of insurance and placing assets in the Local Authority Protection Programme (LAPP). The LAPP programme is specifically designed to cover losses following a major event.

Volcanic eruption and ash fall can cause issues with water supplies, particularly those which source their water from streams. Borehole water is not affected by ash fall, so ground water resources have been developed where feasible. Hence, for resilience when developing new water resources we favour ground water, although we have had poor results with some recent boreholes.

Lahars are also possible in a volcanic event, with the potential to destroy bridges and any infrastructure carried by them. The Council mitigates these risks by maintaining critical bridges

to a higher standard and improving the reticulation pipe capacities and interconnections, so where possible, networks are not totally reliant on a single pipe on a vulnerable bridge. These types of improvements, if done immediately, would be unaffordable as pipes (some with substantial remaining lives) would need to be replaced. Therefore, upgrades are planned to the Waimate West Water Supply Reticulation Network as pipes reach the end of their lives and are scheduled for renewal.

Earthquakes pose risks particularly to buried infrastructure networks and older masonry buildings. A programme of building inspections is underway to identify the Council buildings that do not meet the minimum requirements of the earthquake legislation under the Building (Earthquake Prone Buildings) Amendment Act 2016.

Reticulation networks contain pipes with some brittle materials which are prone to failure during an earthquake. For example the 450mm diameter pipe from the Kapuni Water Treatment Plant is a critical asset made of asbestos cement. It is proposed to complete the twinning of this pipe with a material such as steel which has a much better resilience in an earthquake. When other brittle pipelines are renewed they will be renewed with more resilient materials.

RAUTAKI

WHAT INVESTMENT IS NEEDED TO CATER FOR GROWTH AND DEVELOPMENT?

Infrastructure provision is influenced by a number of factors which are not constant across networks or activities. For example the roading network has substantial capacity and is unlikely to be significantly affected by either an increase or decrease in population, or new businesses being established. However, the water supply and wastewater activities can be impacted by increasing population, new industry establishing or upgrading and dairy farms carrying more stock.

The Council is part of Tapuae Roa: Make Way for Taranaki, the Regional Economic Development Strategy that is a collaborative effort between the councils in Taranaki, Venture Taranaki, local business, iwi and central government. Tapuae Roa takes a whole-of-region approach to unlock the best opportunities for regional economic growth and the ongoing success of the region. For example, the Council has included \$75,000 in Year 1 of the LTP for a feasibility study regarding a District Industrial Park in South Taranaki. The feasibility study is a project proposed to be included in the Regional Economic Development Strategy and if included, will be funded by the Council and the central government through the Regional Development Fund.

Historically there have been enquires from industries looking to process milk protein and manufacture hydrochloric acid. Each of these industries would require significant quantities of water; however accurately predicting industrial water demand for planning purposes is very difficult. To help facilitate development some additional water and wastewater capacity has been incorporated into recent infrastructure upgrades in Hāwera. Further development of water capacity has also been planned for the Hāwera water supply and will

be implemented if required.

Areas have been identified in Hāwera for residential, commercial and industrial growth. These large areas need a basic infrastructure network to facilitate controlled and planned infrastructure development. For example, the cost estimate to provide water supply reticulation infrastructure for the Larlin Drive extended area and the Normanby commercial and industrial areas identified in the District Plan is in excess of \$4 million. We currently make no allowance to service these areas, as they are extensive, and at an optimistic rate of growth would still take multiple decades to develop. The Council has decided to defer the issue about providing infrastructure to cater for growth in the Western Hāwera area until the next Long Term Plan. Further information is required on the type of infrastructure required, the demand, timing, costs, impact on debt levels and mechanisms to be used to pay for the new infrastructure, before the Council can make an informed decision.

Future Population

Taranaki as a region is expected to out-perform national economic growth indicators because of its oil and gas industry, strong engineering/manufacturing base and strong dairy base.

The population in South Taranaki is likely to grow in and around Hāwera but will continue to decline in other areas within the District, continuing the recent trends, as farm amalgamations continue and new coastal properties develop predominantly as holiday homes. The District has a wide range of housing stock that is considered affordable relative to other areas and will assist in attracting migrants.

The Long Term Plan assumes that there will be a small population growth of 1.1% over the duration of the Plan.

This will be centred on Hāwera where we have planned for a potential increase in demand for water and wastewater services. This growth projection has been continued for the remainder of the 30 year period of this Strategy. All other town centres within the South Taranaki District are forecast to decline in population over the next 30 years.

Like most areas of New Zealand, South Taranaki's population is ageing. This trend creates changing demand for community services and facilities, but it is not expected to have any impact on infrastructure, as individual demand on infrastructural services remains much the same irrespective of age. If anything, our ageing population could result in a slight decrease in demand for water.

Demand trends and management

With the relatively low levels of population growth that are predicted, maintaining our infrastructure to meet levels of service will be the primary strategy employed, before investment in additional infrastructure is considered. This is particularly relevant for the water supply and wastewater activities, where reducing water loss and water entering sewers can significantly delay the need for further investment. These areas are the key strategic focuses over the next five years, as they yield other benefits too.

In areas where demand is driven predominantly by population that may be declining, there is no need for growth planning. Rather, a managed retreat may be required, with capacities being reduced when renewal occurs.

The likely impacts of growth on infrastructure provision are summarised in Table 6 below.

INFRASTRUCTURE STRATEGY

TABLE 6: GROWTH IMPACT AND MANAGEMENT STRATEGY

Category	Impact	Management Strategy
Roading and Footpaths	Population or business growth is not predicted to have a significant impact on roading infrastructure.	The emphasis is on maintaining the existing network. No significant upgrades are anticipated as a result of growth.
Water Supply	Population changes will have a small impact on water demand. A small and continuing increase in demand is expected from dairy farming. Industrial growth is difficult to predict and the impact depends on the type of industry.	The primary response to growth will be to manage demand, ensuring water leaks are repaired, process losses at treatment plants are minimised, and potentially to introduce universal water metering to suppress demand. Then if further resources are needed, physical works would be undertaken.
Wastewater	Population changes will have a small impact on wastewater systems. New industries will be considered as trade waste customers with possible on site treatment if existing Council facilities have insufficient treatment capacity.	Maintain the existing wastewater treatment plants. Inflow and infiltration of water into the wastewater network is a key strategic issue and will be managed to ensure growth can be accommodated and unconsented overflows don't occur.
Stormwater	Predicted growth is not expected to have a significant impact on stormwater infrastructure.	Continue to monitor system performance.

Other Assumptions - Inflation

The financial forecasts in this Strategy are adjusted for projected inflation using the inflation forecasts provided by BERL in the Local Government Cost Index, which is detailed more fully in the Long Term Plan.

Assumptions risk analysis

The uncertainty around the principal assumptions is developed in Table 7 below with uncertainty graded on a scale of 1 to 3, with 1 being the most uncertain.

TABLE 7: PRINCIPAL ASSUMPTIONS UNCERTAINTY

Assumption		Uncertainty	Risk Management
Population growth will be higher than Statistics NZ predictions	2	Population may decline in all areas as Statistics NZ predicts.	Small increases or decreases in population have a relatively small impact on established infrastructure. Declining population sees a managed retreat or downsizing of infrastructure at renewal.
NZTA funding will continue at current levels over 30 years	3	Government reduces the FAR.	This would seem unlikely given the historic national approach to funding to maintain roads across the country. Reduced funding would result in either a reduced level of service or increase in the general rate.
Environmental standards will increase as predicted	1	Standards don't increase as predicted.	This would result in the deferral of these projects which are scheduled to proceed following a change in standards.
Water quality standards will increase as predicted	1	Standards don't increase as predicted.	This would result in the deferral of these projects which are scheduled to proceed following a change in standards.
Demand management practices will manage water demand as predicted	3	Demand grows more quickly than predicted requiring investment to increase supply.	Leak detection and mains renewal will reduce losses. Universal metering would suppress demand and is assumed to be introduced as an environmental measure. If increasing the capacity of water supplies is necessary it would impact on targeted water rates.
Expenditure to reduce I&I will maintain sewer flows to the required levels	3	Level of expenditure is sufficient.	Current performance indicates that the level of expenditure is sufficient. Should further reduction in I&I be needed there would be a financial impact on the wastewater rate.
Renewals forecasts don't meet the predictions	2	The smoothing of renewals as predicted is unachievable.	This would result in some peaks of expenditure and the rates impact of these is shown on Figures 2, 3, & 4.

INFRASTRUCTURE STRATEGY

FUNDING STRATEGY

The Council uses various funding mechanisms to fund its Operational and Capital Expenditure.

Operational Expenditure

The Operational Expenditure is funded per activity through one or other, or a mix of, the following: Targeted Rates, General Rates, Grants and Subsidies, Capital Contributions etc. The full list of funding mechanisms is included in Council's Revenue and Financing Policy.

Capital Expenditure

The Council categorises its Capital Expenditure projects as renewals, extending level of service or growth related projects.

Renewal projects

Renewal projects restore or replace components of an asset or the entire asset to meet the current level of service (to its original size, condition or capacity). These projects will be funded from Capital Reserves built up from Funded Depreciation. Where the reserve is not sufficient to meet the programmed renewals, loans will be utilised and repaid from a contribution from the reserve that best fits intergenerational equity and/or the operational funding sources for the particular activity as per the Policy.

Extending level of service projects

These projects involve the creation of a new asset or alterations to an existing asset that mean a higher level of service is delivered. They will be funded by loans and repaid from the Operational funding sources.

Growth related projects

These are additional assets required to serve growth in existing services due to new areas being serviced. These projects will be funded from Financial Contributions, with the Council considering a contribution from the Economic Development Fund towards the asset creation on a case-by-case basis after considering specific criteria.

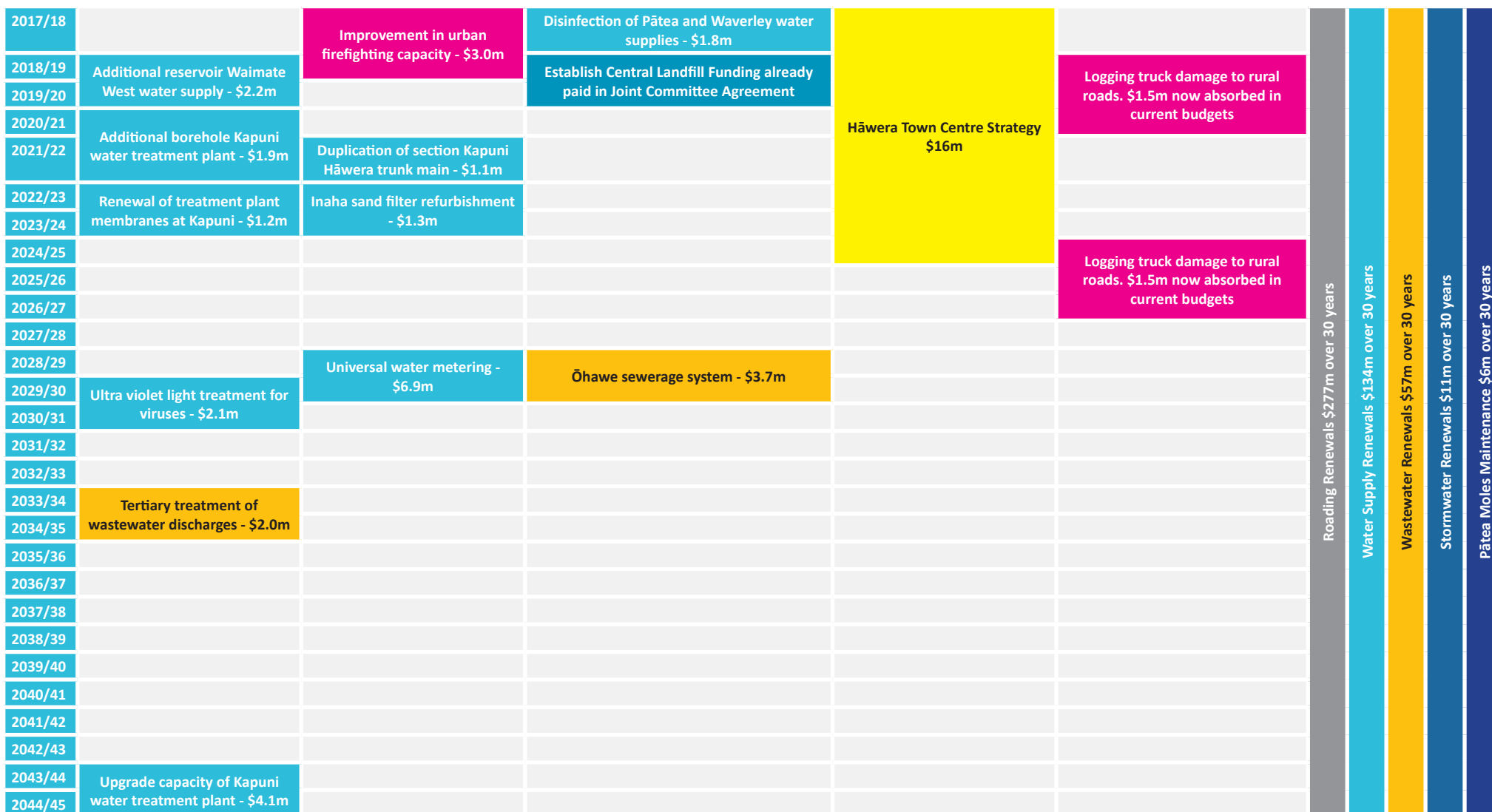
Most Likely Scenario

The timeline in Figure 10 shows the most likely scenario for the Council's infrastructure investment. This provides a view about the expenditure planned by the Council over the next 30 years. The timeline is colour coded as shown below to identify each activity.

KEY

	ROADING
	WASTEWATER
	SOLID WASTE
	WATER SUPPLY
	STORMWATER
	COASTAL STRUCTURES
	OTHER SIGNIFICANT PROJECT
	NOT FUNDED

FIGURE 10: MOST LIKELY SCENARIO - MAJOR PROJECTS TIMELINE



INFRASTRUCTURE STRATEGY

WHAT WILL IT COST?

Cost of most likely scenario

The following graphs show the annual capital and operating costs of the most likely scenario. These are split by activity and funding sources.

FIGURE 11: FINANCIAL FORECAST BY ACTIVITY

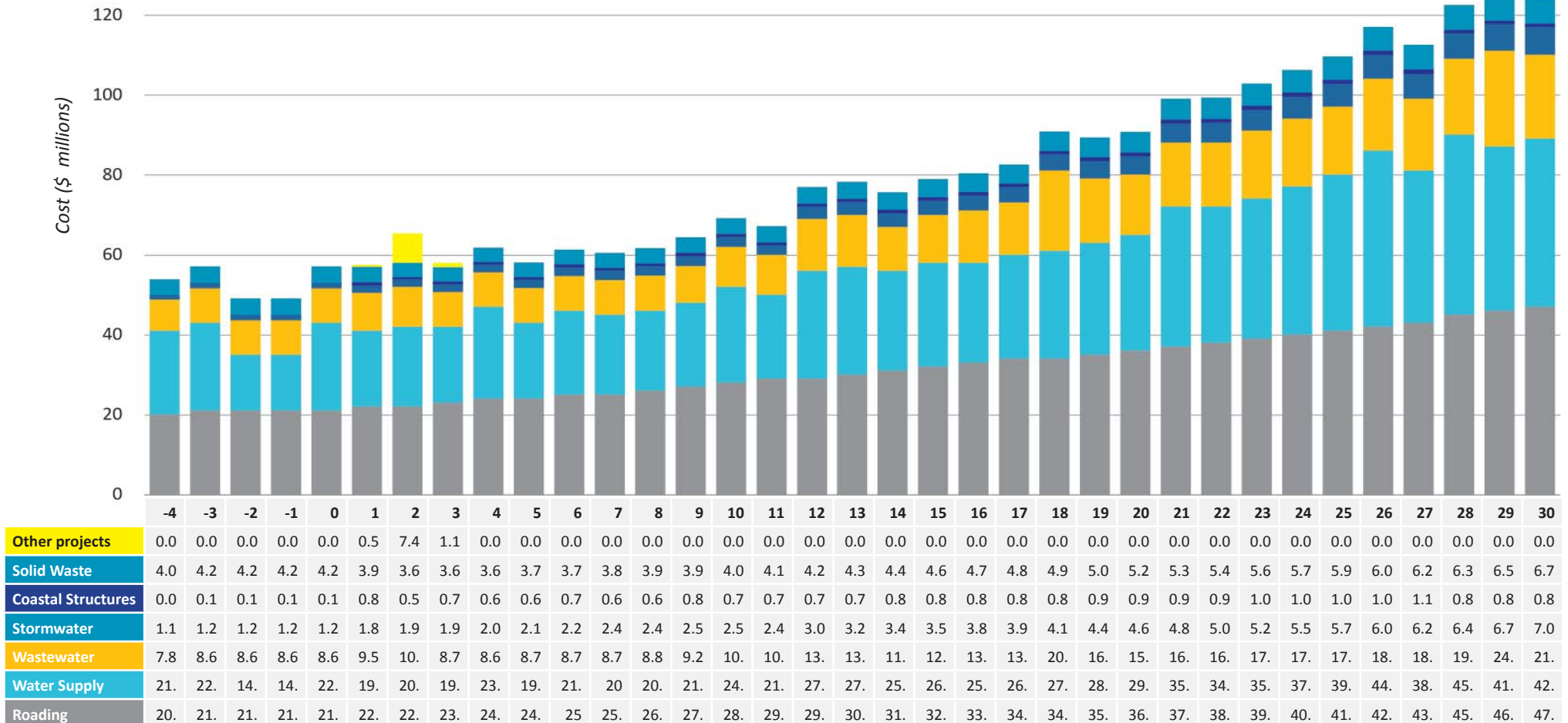
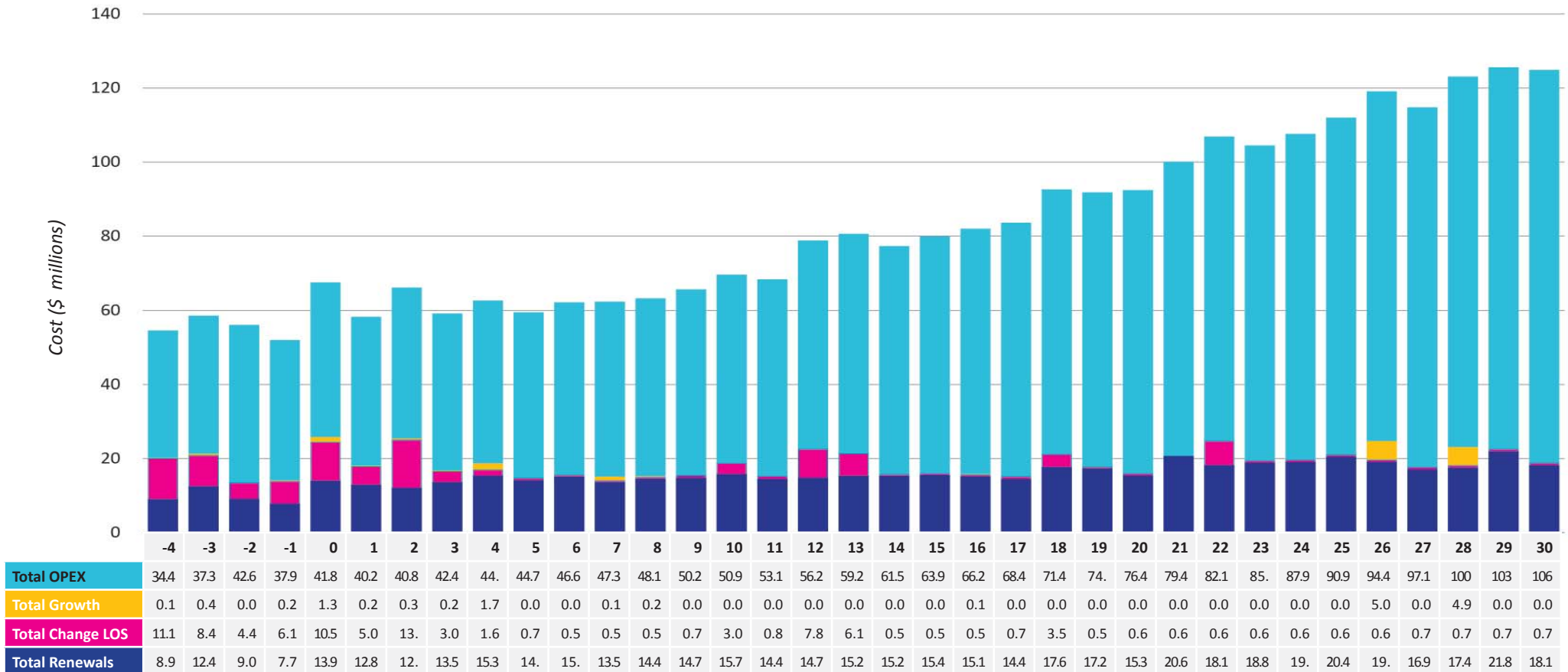


FIGURE 12: FINANCIAL FORECAST BY ACTIVITY



The above financial forecast by activity is based on various assumptions (for example, condition of assets, inflation, interest rates etc). The funding of the operational expenditure and capital expenditure is based on the Revenue and Financing Policy.

The Council’s Financial Strategy gives an overall direction in terms of debt, investments, various benchmarks and the rate cap. The Council has an obligation to meet various ratios within the Financial Strategy. Its rate cap is based on the “Local Government Cost Index” plus 1% for increases in levels of service and growth in demand. The rating impacts of the

above forecasts are within the rate cap. The Financial Strategy explains in detail how these projections affect various ratios and what impact they will have on the overall District. The financial risks recognised in this Infrastructure Strategy are also explained in detail within the Financial Strategy.

INFRASTRUCTURE STRATEGY

TABLE 8: COST IMPLICATIONS OF SIGNIFICANT CAPITAL EXPENDITURE DECISIONS

Project	Issue	Most Likely Scenario	Principal Alternatives	Probable Year	Low Cost (\$ million)	Likely Cost (\$ million)	High Cost (\$ million)
ROADING							
New pathways and cycle-ways	The Council in 2015 initiated a project to invest in walkways and cycle-ways to provide greater recreational opportunities to local residents.	10 year programme with \$250,000 capital is spent in years two and three. Some works may qualify for subsidy.	Do nothing, but will result in no further pathways being constructed by Council, and community demand exists, with expectations now having been raised. The Council has allocated \$30,000 pa for contribution to the on-going maintenance of formed tracks on Council land.	2019-21	0.1	0.5	1.5
Rural bridge & culvert renewal	Replacement of up to 30 ageing rural bridges (average one per year).	To be accommodated within existing renewals and maintenance budgets (subsidised subject to NZTA criteria). Planned expenditure \$0.7 million per year over 15 years.	Bridges and culverts have to be renewed if levels of service are to be maintained, therefore do nothing is not an option.	2018-45	8.0	10.5	18.0
Logging truck damage to rural roads	Logging trucks causing severe damage to rural roads as forestry blocks are harvested over a short period of time.	The magnitude of this issue needs to be established. It is anticipated there will be two periods of significant expenditure and that other pavement rehabilitation budgets will be reprioritised to meet these costs, along with contributions from forest owners where these can be recovered. Council has determined that this expenditure be contained within existing budgets.	We have to maintain roads in a serviceable condition, therefore doing nothing is not an option. If the costs are on high side of the scale and contributions can't be recovered from forest owners, there may be an impact on the general rate.	2019-21 2025-27	0.7 0.7	1.5 1.5	2.5 2.5

TABLE 8: COST IMPLICATIONS OF SIGNIFICANT CAPITAL EXPENDITURE DECISIONS

Project	Issue	Most Likely Scenario	Principal Alternatives	Probable Year	Low Cost (\$ million)	Likely Cost (\$ million)	High Cost (\$ million)
WATER SUPPLY							
Urban Firefighting improvements	Modelling has shown locations where water supplies don't meet the New Zealand Fire Service Fire-fighting Water Supplies Code of Practice (COP). This is a non-mandatory standard, but represents best practice. Hundreds of improvements have been identified. The 2017 Fire and Emergency New Zealand (FENZ) legislation requires a new COP is produced, consulted on and published. However no timescale is set.	Making network improvements to meet the current COP for schools, hospitals and places of assembly. Other improvements will be made when the pipes are renewed. Improve the Normanby water supply, which also has benefits of serving a development area. These works are estimated to cost 3.0 million. Council has decided not to fund this work within the next 10 years.	Doing nothing exposes Council to risk, however due to the lack of funding available we now plan to review the capacity of the reticulation networks again when FENZ publish the new mandatory COP. A revised programme of work will then be developed. Doing everything, whilst not fully costed in detail, is unaffordable.	To be determined	0	3.0 (not funded)	10.0
Kapuni -Hāwera trunk main duplication	The first 1.8km of trunk main from Kapuni Water Treatment Plant is a single 450mm diameter asbestos cement pipe. This material is brittle with socketed joints and is at significant risk of failure in an earthquake.	Duplicate this section of water main in a more robust material to provide increased resilience to earthquakes.	Not completing this project leaves the supply more vulnerable to failure following an earthquake.	2019/20		1.2	
Pātea and Waverley disinfection	The Havelock North Inquiry recommends treatment of all drinking water supplies. In the 2015 Infrastructure Strategy it was anticipated to be required in 2025/26.	Water treatment is needed at Pātea, Waverley, Wai-inu and Waverley Beach. Some work has progressed during 2017/18 with a forecast expenditure of \$0.6 million.	There are no alternatives as it is anticipated that this will be enacted through legislation. Ignoring the findings of the Inquiry carries too much risk.	2018/19		1.8	
Kapuni Water Treatment Plant membrane replacement	Replacement of the membranes at Kapuni water treatment plant for existing capacity.	Replace like for like membranes at the Kapuni water treatment plant in 2023/24. The membranes have performed better than might be expected, a typical life being 10 years.	Doing nothing is not an option because if the membranes are not renewed the plant will be unable to comply with the Drinking Water Standards.	2023/24 2038/39		1.7 2.1	
Inaha sand filter replacement	The recent addition of a clarifier has improved the performance of the water treatment plant. An on-going high level of compliance is likely to require a major refurbishment (or renewal) of the sand filters.	Sand filters and ancillary equipment are overhauled, but not completely renewed. This will be better determined once performance data from the operation of the clarifier is available.	Doing nothing is an option if the water quality data following the installation of the clarifier shows excellent performance. Alternatively, if performance is sub optimal then the filters may be completely renewed rather than being refurbished.	2024	0.6	1.3	1.8

INFRASTRUCTURE STRATEGY

TABLE 8: COST IMPLICATIONS OF SIGNIFICANT CAPITAL EXPENDITURE DECISIONS

Project	Issue	Most Likely Scenario	Principal Alternatives	Probable Year	Low Cost (\$ million)	Likely Cost (\$ million)	High Cost (\$ million)
Universal water metering	This project would only proceed if a legislative requirement for universal water metering is introduced as an environmental protection measure to fully account for water usage. It is anticipated that this will be enacted through legislation within the next 15 years.	Install water meters to all connections between 2029 and 2031, if required by legislation.	Doing nothing if there is no legislative requirement to meter universally. However cost drivers specific to STDC and individual water schemes may in time show universal water metering to be the most cost effective option for a particular scheme for demand management.	2029-31	5.6	6.9	6.9
Water Resource Kapuni / Waimate West/Inaha	The demand for water continues to rise slowly. In 2016 we constructed a borehole at Waimate West which has not provided the resource anticipated. Further water resource is needed to manage our risk of failure to supply and enhance our emergency response capability.	Constructing an additional borehole within the area of the three water supplies.	If additional water could be taken from the Kapuni stream that is likely to be a lower cost option. However, the benefit of groundwater is security of supply during emergencies. The decision of the option to take doesn't need to be made for many years. Doing nothing would require significant gains from demand management. Whilst this is an on-going focus for Council it is considered to be too high a risk.	2021/22	1.9	3.1	
Kapuni Water Treatment Plant capacity upgrade	Increase capacity of the Kapuni Water Treatment Plant - treatment upgrade from 13 mega litres per day to 19 mega litres per day.	With some small growth predicted in Hāwera & Normanby there will be a need to increase the capacity of the Kapuni treatment plant in some 29 years' time. Managing demand for water might see this project delayed or higher than expected growth may bring it forward.	The likely changes to the Drinking Water Standards post the Havelock North Inquiry will see all water requiring treatment, including any new borehole source. If we were to do nothing and the increasing demand for water was not met the result would be an adverse impact on all customers.	2043/44		2.2	
Enhanced water treatment for viruses	It is anticipated that the Drinking Water standards will be enhanced by requiring a greater level of water treatment that destroys viruses.	UV stages would need to be added to all surface water plants to kill viruses. Secure ground water will not require further treatment.	There are no alternatives as it is anticipated that this would be enacted through legislation.	2028/29		2.5	
Waimate West additional reservoir	As agricultural demand continues to increase and we have less than 1 day water storage an additional reservoir will be required.	Construction of additional 4500 m ³ reservoir to provide minimum storage.	Not constructing the reservoir will increase the risk of failure to supply water.	2019/20	2.00	2.3	2.8

TABLE 8: COST IMPLICATIONS OF SIGNIFICANT CAPITAL EXPENDITURE DECISIONS

Project	Issue	Most Likely Scenario	Principal Alternatives	Probable Year	Low Cost (\$ million)	Likely Cost (\$ million)	High Cost (\$ million)
WASTEWATER							
Inflow and Infiltration (I&I)	In a number of towns the amount of water entering our wastewater networks is causing problems with treatment and compliance with resource consents. This comes both from direct connection of stormwater to the system (Inflow) and ground water entering the pipes through cracks and other defects (Infiltration).	A 5 year programme of defect identification, inspections and remedial works is anticipated to manage the performance of the pipe networks to the required level.	Doing nothing or doing insufficient work will result in failure to perform at the standards defined in our resource consents.	2019-23 2024-28	3.0 2.5	6.0 3.5	7.0 9.0
Ōhawe Beach Wastewater reticulation and treatment	Poorly functioning drainage fields from septic tanks in Ōhawe make further development difficult. Possible pollution of the river may be linked to septic tank discharge and impact on the objectives of the National Policy Statement for Freshwater Management.	Install a wastewater system, probably a pressure system and treatment plant. Prior to confirming this project, there is a consultation phase with property owners planned in 2028/29 to determine the desire for the scheme and the funding model to be used. Prior to that date further work will be completed to determine the environmental impact.	The option to do nothing will restrict the possible development of Ōhawe and could result in a prosecution should a linkage between septic tank discharge and pollution of the watercourse be established.	2029-31	0	3.7	6.1
Disinfection of wastewater discharges	As water quality standards are developed for watercourses based on the National Policy Statement for Freshwater Management or due to other environmental pressures, disinfection of wastewater treatment discharges may be required.	This could be resolved by installing an additional treatment process stage such as ultraviolet light disinfection of the discharge from wastewater treatment plants. There will be an anticipated increase in operating costs of \$25,000 a year. Costs are indicative and need firming up.	There are no alternatives as it is anticipated that this will be enacted through legislation.	2034/35	1.5	2.5	3.5

INFRASTRUCTURE STRATEGY

TABLE 8: COST IMPLICATIONS OF SIGNIFICANT CAPITAL EXPENDITURE DECISIONS

Project	Issue	Most Likely Scenario	Principal Alternatives	Probable Year	Low Cost (\$ million)	Likely Cost (\$ million)	High Cost (\$ million)
SOLID WASTE							
Central Landfill development	A Joint Committee Agreement (JCA) has been signed for a regional collaborative approach to running solid waste disposal across Taranaki. The new Central Landfill is being established to open when the NPDC landfill at Colson Road is full, and will secure a disposal route for 35 years.	The joint agreement sees NPDC as the administering authority responsible for day to day running of the new facility. The three district councils have already invested to develop the site which will be run to minimise the on-going operational costs to the district councils.	Alternatives were investigated in the due diligence carried out prior to establishing the JCA. We are now committed to the JCA.	2019	NA	NA	NA
OTHER SIGNIFICANT PROJECTS							
Town Centre Strategy Hāwera	The Council has initiated a Hāwera Town Centre Strategy to restore the town centre to being a vibrant and successful place for business and people. A key project is a centre for heritage, arts, library, culture and information (CHALCI) in Regent Street.	In the 2015 Long Term Plan \$13 million of expenditure was approved. This forecast has increased to \$16 million (of which \$7.5 million is already committed). Funding will be from a mixture of sources, including reserves, external funding and internal borrowing.	The project is now committed with property being purchased. There is little opportunity to reduce the scope, but a possibility exists that an additional \$3.0 million of funding is not approved as part of the LTP.	2018-24	13.0	16.0	16.0
Urban Growth Strategy Infrastructure	Providing basic infrastructure in the Hāwera urban growth areas identified in the District Plan to facilitate development in a controlled manner. This will require Council to fund this work and potentially recover costs from developers as development progresses.	To achieve controlled well planned infrastructure providing the best whole of life costs requires an infrastructure plan. The works identified provide basic infrastructure frameworks in these areas. Costs for 100% Council funding are shown in the high cost column. The likely cost shown is based on affordability, but unbudgeted.	Do nothing and allow random development which will have a higher whole of life cost, but assumes full cost paid through financial contributions by developers.	2022-23 2024 2033	0 0 0	0.8 0.5 0.5 (not funded)	9.8 3.5 3.9 (not funded)

MAKING SOUTH TARANAKI

THE MOST
liveable

DISTRICT IN NZ

SECTION 2: OUR ACTIVITIES

Ā MĀTOU AWHEAWHE



GUIDE TO THE LAYOUT AND CONTENT OF 'OUR ACTIVITIES'

The Council contributes to the community through the activities and services it delivers. The activities are organised into 14 groups:

DEMOCRACY & LEADERSHIP

WATER SUPPLY

STORMWATER

WASTEWATER

SOLID WASTE

ROADING AND FOOTPATHS (INCLUDES ROAD SAFETY & PATHWAYS)

COMMUNITY FACILITIES

- > Parks & Reserves, Public Spaces, Halls, Swimming Pools, Public Toilets, Holiday Parks, Cemeteries, Pensioner Housing, TSB Hub, Hāwera Cinemas and Corporate Property

ARTS & CULTURE

- > Arts, Heritage – Aotea Utanganui – Museum of South Taranaki, LibraryPlus' and CHALCI

DISTRICT ECONOMY

- > Economic Development, Tourism and Events

COMMUNITY DEVELOPMENT

- > Community Development and Community Support

ENVIRONMENTAL SUSTAINABILITY

- > Planning and Environmental Policy

REGULATORY SERVICES

- > Building Control, Environmental Health, Alcohol and Gambling Licensing, Noise Control, Parking, Animal Services, Regulation Monitoring and Civil Defence and Emergency Management

COASTAL STRUCTURES

CORPORATE ACTIVITIES

- > Contact Centre, Communications, Finance, Human Resources, Information Management and Support Services

TE HOAHOA KI "Ā MĀTOU AWHEAWHE"

For each of these groups we explain the activities within the group.

WHY WE DO IT

Reasons why the Council provides the activities.

WHAT WE DO

A brief description of what the activity does including the assets that contribute to the activity and how they are managed.

WHAT NEGATIVE IMPACTS THIS MIGHT HAVE?

Our activities can have negative impacts, while we strive to ensure that we operate in a way that provides the most positive outcomes, we have to acknowledge that sometimes there must be a trade-off. We show the possible significant negative effects of an activity and what we will do to minimise these effects to make sure we conduct our activities in accordance with sustainable principles.

LOOKING AHEAD

- > **Growth and Demand** – influences which could impact on the activity.

FUTURE PROJECTS

Projects over the next ten years.

WHAT YOU CAN EXPECT AND MEASURING OUR PERFORMANCE

The main services that will be delivered to the community and the specific ways performance will be measured.

COMMUNITY OUTCOMES

The relevant Community Outcomes for each activity are represented as an icon based on the legend shown in the Chapter "Strategic Direction"

KEY CAPITAL PROJECTS

Some activities list the key capital projects. The full list of capital projects can be found in our Chapter "Our Costs".

FUNDING

Information on what it will cost and how we will pay for them is set out in the Revenue and Financing Policy and the funding impact statement for each activity for the next ten years with comparison to the 2017/18 budget.

ASSET MANAGEMENT PLANS

The Council owns \$832 million of assets that are used to deliver a wide variety of services to our communities, so it is essential that the Council manages its assets well. Asset Management Plans (AMPs) form the basis of the Council's planning for the operation, maintenance, renewal and development of its assets. In managing these assets the Council has taken account of the community's interests and desired outcomes through the review of customer service levels, public feedback, and customer demand, while considering the capacity of the Council to deliver the services and affordability for our ratepayers and residents.

GUIDE TO THE LAYOUT AND CONTENT OF 'OUR ACTIVITIES'

In developing our AMPs questions are asked such as:

- > What service levels and performance delivery are required and how will demand for the services change over time?
- > What is the current state of the assets? Are they capable of meeting those demands now and in the future and what are the risks if they are not met? What are the best strategies for operating, maintaining, replacing and improving the assets?
- > How much will providing the service cost over the long term? What is the best long term funding strategy?

Answering these questions in AMPs for individual activities has the benefit of:

- > Improving cost efficiency by determining the lowest asset lifecycle cost.
- > Improving customer satisfaction by better matching levels of service with what customers want and are willing to pay for.
- > Better transparency in decision making.
- > Being more sustainable by having long term plans that look at funding of services across generations.

The Council's AMPs (available on request) have been developed across all of the activities to a "core" level providing a solid footing on which to base this Long Term Plan. However, asset management is an on-going process and the Council's goal is to develop all AMPs to a higher level, particularly in activities that contain strategic assets of significant value.

DIFFERENCES TO 2015-25 LTP

Rural/Vegetation Fire has been removed as an activity as it is no longer a function of the South Taranaki District Council. It is now included as part of Fire and Emergency New Zealand (FENZ).

MAKING SOUTH TARANAKI

DEMOCRACY & LEADERSHIP TE POU MANUKURA

THE MOST
liveable
DISTRICT IN NZ

vibrant together prosperous sustainable
SOUTH TARANAKI SOUTH TARANAKI SOUTH TARANAKI SOUTH TARANAKI



MAYOR ROSS DUNLOP
South Taranaki District



ANDY BECCARD



BONITA BIGHAM



KIRSTY BOURKE



GARY BROWN



CLEM COXHEAD



GORDON LAWSON



STEFFY MACKAY



PHIL NIXON



ROBERT NORTHCOTT



JACK RANGIWAHIA



BRYAN ROACH



IAN WARDS

DEMOCRACY & LEADERSHIP

WHY WE DO IT

Under the Local Government Act 2002, a key purpose of the Council is to enable democratic, local decision-making and action by and on behalf of our communities, in an open and transparent manner, and to promote the wellbeing of those communities. This means the Council has a responsibility to consider how we are meeting the needs of our communities and how we provide opportunities for all residents to participate in the decision making process. To do this well the Council needs to keep residents informed about what is happening at the Council, how decisions will affect them and explain how they can be involved in decision making.

The Mayor, Councillors and Community Board members are democratically elected to govern the District in a way that meets the current and future needs of our communities for good quality infrastructure, local public services and to carry out regulatory functions in a way that is most cost effective for households and businesses.

The majority of plans, processes and policies developed in this activity are requirements of legislation such as the Local Government Act 2002, the Local Government Official Information and Meetings Act 1987, the Local Electoral Act 2001, the Resource Management Act 1991 and Standing Orders.

WHAT WE DO

The Leadership and Democracy activity involves both our elected members and the staff who support our elected members to be effective, responsible and accountable decision makers.

In New Zealand, local body elections are held every three years. The South Taranaki District Council has a Mayor elected from across the District and 12 Councillors elected from five wards (Hāwera, Tangahoe, Egmont Plains, Eltham and Pātea). There are 16 Community Board members elected onto four Community Boards – Hāwera-Tangahoe, Egmont Plains, Eltham and Pātea.

The Mayor and Councillors are the governing body - they set the direction, policies and budget needed to run the various activities the Council provides. This includes developing strategic documents such as the Long Term Plan, Annual Plans and setting the annual rates and charges.

Community Board members are elected to provide a direct link between the community and the Council. Each community board has a discretionary fund for community projects and assistance.

Recognising the special relationship with Māori in South Taranaki, the Council has a formal process of representation for Iwi through the Iwi Liaison Committee. This is a standing committee of the Council which provides an opportunity for up to four members from each Iwi within the district (Ngā Ruahine, Taranaki, Ngāa Rauru and Ngāti Ruanui) to discuss issues and make recommendations to the Council. The introduction of Iwi representatives onto the Council's standing committees acknowledges the need for the voice of Iwi to be

heard around the committee table.

We support the elected members with high quality strategy and policy advice, facilitation of Council, Committee and Community Board meetings and by overseeing the processes that support Local Government in South Taranaki - this includes developing Long Term Plans, Annual Plans, Annual Reports and Pre-Election Reports. In addition we provide policy advice with a Māori focus, facilitate participation of Māori in Council decision-making processes, co-ordinate joint initiatives and generally strengthen relationships with Iwi and hapū.

The Council provides a communication service which co-ordinates the publication and dissemination of information to the public through a range of communication channels including: press releases, newsletters, website, social media, radio, public presentations and SouthLink, a weekly news page in the District's free community newspaper (The Taranaki Star).

It is important that that our elected representatives are involved in a range of regional and national networks to advocate for the interests of our District and ensure that we are kept up to date and informed about matters that can affect the District. As such we participate in joint committees with other councils in the Taranaki region, such as the Civil Defence Emergency Management Group, the Regional Transport Committee and the joint committee for the management of the Central Landfill. A Mayoral Forum is held regularly for the mayors of the three district councils and the chairperson of the Taranaki Regional Council to discuss issues and priorities affecting the region. We also have a large number of collaborative

TE POUMANUKURA

arrangements and shared services with other councils in the Taranaki region, such as the development of the regional central landfill, waste collection, water sustainability, road safety, library systems and aerial photography (to name just a few) which results in financial savings and improved service levels.

A full list of the Council's policies and information about the Taranaki councils' regional collaboration and shared services is available on the website: www.southtaranaki.com

LOOKING AHEAD

The Internet's potential to engage citizens with social issues, to act as a tool for citizen-led democracy and campaigning and even to move towards online voting, brings with it both opportunities and challenges for democracy. The use of social media is on the rise and there is a corresponding decline in more traditional communications channels. We need to be ready to respond and move with the times to communicate effectively in a way that residents feel most comfortable with.

FUTURE PROJECTS

Representation Review

The Council will review the representation arrangements in 2018/19 that will come into effect for the 2019 local body elections.

Website Redevelopment

The Council's website is being redeveloped in the 2018/19 year to enhance our level of online services.

Te Reo Māori Policy

The Council will develop a Te Reo Policy in order to better integrate te reo Māori, the Māori language, throughout our functions and activities.

DEMOCRACY AND LEADERSHIP

WHAT YOU CAN EXPECT AND MEASURING OUR PERFORMANCE

Level of service	Performance Measure C = Customer measure T = Technical measure	Actual 2016/17	Target 2018/19 Year 1	Target 2019/20 Year 2	Target 2020/21 Year 3	Target 2021-28 Years 4-10	Measured by
We make well informed decisions that support the current and future needs of the community, in an open and transparent manner	(C) % of residents who feel that the Council is moving in the right direction	New measure	≥ 80%	≥ 80%	≥ 80%	≥ 80%	Annual Residents Survey
	(C) % of residents who agree decisions made by the Council represent the best interests of the District	74%	≥ 70%	≥ 70%	≥ 70%	≥ 70%	Annual Residents Survey
We engage with our community and provide opportunities for the community to participate in decision making	(C) % of residents who are satisfied or neutral with their opportunity to participate in Council decision-making processes	80%	≥ 80%	≥ 80%	≥ 80%	≥ 80%	Annual Residents Survey
We keep residents informed of the Council's activities through a variety of media.	(C) % of residents who know where to access Council information when they want it (website, newspaper, Libraries, Contact Centre)	92%	≥ 85%	≥ 85%	≥ 85%	≥ 85%	Annual Residents Survey
We have strong relationships with local Iwi and work together in a range of ways so that their perspectives inform our decisions	Iwi representatives are appointed to the Iwi Liaison Committee and the Council's standing committees	New measure	Achieved	Achieved	Achieved	Achieved	Internal System

MAKING SOUTH TARANAKI

THE MOST
liveable

DISTRICT IN NZ

WATER SUPPLY
NGĀ PUNA WAI



prosperous sustainable
SOUTH TARANAKI SOUTH TARANAKI



WATER SUPPLY

WHY WE DO IT

Water supply is a critical infrastructure service provided by the Council. It is essential for the health and wellbeing of the population, and water is required in large volumes to sustain existing domestic, agricultural and industrial customers. The ability to access additional water is also required to facilitate economic development in the District. Reducing water wastage and encouraging appropriate water use (demand management) is a key element of the Council's water network operations, to help us to manage our water resource in an environmentally sustainable way.

The Local Government Act 2002 requires that we continue to provide public water supply services and maintain their capacity.

WHAT WE DO

Our water supplies provide an average of over 30,000 cubic metres of drinking water each day to eight urban and two rural water supply areas to meet the demand of residential, agricultural and industrial customers. Water is available 24 hours a day, seven days a week and requires treatment to meet the quality standards defined by the Drinking Water Standards for New Zealand 2005 (revised 2008). To deliver this service we have ten water treatment facilities, 37 reservoirs and 642 km of water mains. These assets have a replacement value in excess of \$254 million.

We also assist the Stratford District Council in the treatment operations of its three supplies under a shared service agreement.

Over the last ten years or so the Council has invested over \$65 million in upgrading the District's water treatment plants, and our water supplies are now more robust. Water quality is excellent and water restrictions during dry summers are almost a thing of the past.

Water is sourced from boreholes where there is sufficient quantity and quality of water, or from the many streams that run from Mount Taranaki to the sea. Boreholes are used to supply the Pātea and Waverley areas and to augment the Kapuni and Waimate West water supplies.

To protect the environment, the quantity of water the Council can take is regulated by the Taranaki Regional Council, which administers consents issued under the Resource Management Act 1991. Renewal of these consents as they expire is becoming more onerous, making accurate measurement of where water goes increasingly important. This requires a focus on asset

management to ensure water is not leaking from our pipes, or on customers' properties so the Council is able to account for the water we take from the environment.

To comply with the drinking-water quality standards, water is treated to ensure that it is free from bacteria, protozoa and chemical contamination. All of the Council's ten water production sites will meet the current standards.

The focus for improving the quality of our drinking water is around treating our ground water supplies at Pātea, Waverley, Waverley Beach and Wai-inu to comply with the recommendations that have come out of the inquiry into the contamination of the Havelock North water supply. Our boreholes have relied on the age of the water to demonstrate "secure" status in compliance with the standards' bacteria and protozoa requirements. To ensure that our communities' water supplies are protected we have already initiated projects to add disinfection to the treatment of these borehole supplies. We are proposing the permanent use of chlorine in the Waverley water supply and chlorine dioxide in Pātea. This will kill any bacteria in the source water and provide ongoing protection against bacteria in the reticulation network. The possibility of treatment being required at some stage had previously been identified in the 30 Year Infrastructure Strategy. At these and Waverley and Wai-inu Beach plants, Ultra Violet (UV) disinfection may also be added in order to comply with future anticipated changes to the national Drinking Water Standards.

In order to adequately operate the reticulation systems, a minimum storage capacity of 24 hours is desirable and the Council provides more than 24 hours storage capacity at most

NGĀ PUNA WAI

of their water supplies. Having high levels of storage capacity allows the efficient operation of the water treatment plants which can be “turned down” when there is heavy rainfall and the water can become more difficult to treat. Storage also provides resilience in the event of natural disasters or emergencies which affect water supply.

The South Taranaki District Council has found itself at the forefront of a national fluoridation debate happening throughout New Zealand around the legal powers of local authorities to add fluoride to the water supply. The Council adds fluoride to the Hāwera water supply. In 2012, the Council resolved to add fluoride to the Pātea and Waverley water supplies. This decision was challenged by New Health New Zealand Incorporated and the Council has been involved in a lengthy judicial review process that has not yet concluded. The Council successfully defended its decision in 2014, when the High Court confirmed that local authorities have the power to add fluoride to drinking water. This decision was challenged and in 2016 the Court of Appeal ruled in favour of the Council. Again this decision was challenged in 2017 and the matter is now waiting for the Court’s decision.

WHAT NEGATIVE IMPACTS THIS MIGHT HAVE

Our activities can have negative impacts. While we strive to ensure that we operate in a way that provides the most positive outcomes, we have to acknowledge that sometimes there must be a trade-off. The table below shows the possible negative effects of this activity and what we will do to minimise these effects.

Significant Negative Effect	Sustainable Solution
Over extraction of water and reducing river flows can impact negatively on the ecosystems of rivers.	Comply with resource consent conditions on maximum draw. Apply the Taranaki Regional Council principles set out in the Regional Fresh Water Plan when considering permission to abstract water from streams and bores.
Failing to treat all water to meet the Drinking Water Standard increases the risk to public health of our customers.	Emergency response plans, operational procedures and monitoring of the raw water supplies. Water is treated and tested to meet the Drinking Water Standards.

LOOKING AHEAD

Borewater quality at Pātea and Waverley varies, has caused issues in the past, and in light of the Havelock North Drinking Water Inquiry will come under additional scrutiny. Leakage and loss (unaccounted for water) is high in some parts of the network, and is to be addressed through pipe renewals projects.

Nukumarū Water Supply

The Nukumarū Water Supply is a non-potable supply providing stock water. This Supply does not appear on the Ministry of Health register of drinking water supplies and is not run on a day-to-day basis by the Council. It is proposed that consultation is undertaken with the users of the Supply with a view to divesting ownership.

Rural Water Supplies Amalgamation

We have two rural water supplies, Waimate West and Inaha, with Waimate West being three times bigger than Inaha. A disappointing yield from the Waimate West borehole, developed in 2017, makes it likely that additional water resources may have to come from much closer to Eltham, within the Inaha water supply area, in order to augment the Waimate West demand. Given this and that the proposed water charges for both Waimate West and Inaha are predicted to be similar for many years, amalgamation of these water supplies has been approved by the Council and they will become a single rural water supply area from 2019/2020. In addition to providing operational flexibility, there will be an administrative cost savings from this rationalisation.

WATER SUPPLY

FUTURE PROJECTS

Water Demand

It is important to identify the next water resource that will be developed to meet an increasing demand for water. The area of highest priority is the interconnected supply area made up of Waimate West, Inaha and Kapuni. A link between the Kapuni and Inaha water schemes is currently under construction. It is planned to investigate the best option for an additional water resource in 2018/19, with a view to commissioning it in 2020/21.

There will be an on-going focus to better manage our accounting for water consumption. This will include further water metering of some properties and focusing on the water consumption of residential properties to ensure water consumption is fair and equitable. We have set challenging targets for unaccounted water which, along with many other performance criteria, we will continue to benchmark against other councils in the annual Water New Zealand National Performance Review.

We plan to install new automated remote water meter reading equipment to all of our rural water connections. This will provide consumption data every 15 minutes, allowing us to better manage the water consumption of a large group of customers, minimise water wastage, and potentially invoice on a monthly basis.

Water Quality – Drinking Water Standards

The ground water sources at Pātea, Waverley, Waverley Beach and Wai-inu will have their water treatment processes upgraded. This commenced in 2017/18 and will be completed in 2018/19. As part of the upgrade of the Pātea and Waverley

water supplies fluoride will also be added if the decision of the Supreme Court, on the legality of the addition of fluoride to water supplies, is in favour of the Council.

Water Reservoir Storage

The reservoir capacity at Waimate West falls short of the desirable 24 hour storage of water. The elevation of the Waimate West site also makes storage of water there strategic as it can reach many areas from there. An additional reservoir is planned for Waimate West in 2019/20.

Renewal of Assets

There is an on-going need to renew the Council's water mains and connections as they reach the end of their useful lives. Condition assessment work on the Council's Asbestos Cement (AC) pipes has allowed a renewals programme to be developed based on the size and pressure class of the pipes. The Waimate West pipe network is nearly all AC pipe and there is a significant renewals programme planned for Waimate West over the next ten years, as well as the urban areas. Other significant urban renewals are galvanised iron service connections. A programme to renew service connections is expected to reduce network leakage significantly.

KEY CAPITAL PROJECTS

The Council is planning to undertake the following key capital projects. The full list of capital projects can be found in the Chapter "Our Costs".

Description	Year	Total (\$)
Replacement of Kapuni Water Treatment Plant membranes	2023/24	\$1.6m
New reservoir for Waimate West	2019/20	\$2.1m
Water Main renewals over 10 years	2018-28	\$42.2m
New reservoir for Waverley	2023/24	\$0.6m
Introduction of disinfection treatment to Pātea and Waverley bore supplies	2017-19	\$1.78m
Possible addition of UV to Waverley Beach and Wai-inu Beach supplies	2018/19	\$0.3m

Metered and non-metered consumers

Water Supply services are funded by the consumers of the services through targeted rates and supply charges. Consumers of the urban water schemes are a mix of metered and non-metered consumers. Metered consumers pay a cubic metre rate for the water they use and a fixed charge for having a water meter; non-metered consumers, which are the vast majority of homes in our towns, pay a set fee for the Water Supply service annually.

In rural areas all connections are metered, and separate cubic metre charges are calculated for the Waimate West and Inaha Water Supplies. In addition there is a fixed charge for each connection, for the water meter and backflow preventer.

NGĀ PUNA WAI

WHAT YOU CAN EXPECT AND MEASURING OUR PERFORMANCE

Level of service	Performance Measure C = Customer measure T = Technical measure	Actual 2016/17	Target 2018/19 Year 1	Target 2019/20 Year 2	Target 2020/21 Year 3	Target 2021-28 Years 4-10	Measured by
The water supply is accessible and reliable	(C) Number of complaints received about continuity of supply (per 1000 connections) <i>DIA Performance Measure 4d</i>	9.63	≤ 10	≤ 10	≤ 10	≤ 10	CRM system
	(T) Duration of water outage to comply with the Health Drinking Water Amendment Act	New measure	≤ 8 hrs	≤ 8 hrs	≤ 8 hrs	≤ 8 hrs	CRM system
	(T) Median response time for service personnel to attend urgent call-out <i>DIA Performance Measure 3a</i>	36m	≤ 2 hrs	≤ 2 hrs	≤ 2 hrs	≤ 2 hrs	CRM system
	(T) Median response time for service personnel to resolve urgent call-out <i>DIA Performance Measure 3b</i>	1h/28m	≤ 9 hrs	≤ 9 hrs	≤ 9 hrs	≤ 9 hrs	CRM system
	(T) Median response time for service personnel to attend non-urgent call-out <i>DIA Performance Measure 3c</i>	4d/1h/51m	≤ 5 days	≤ 5 days	≤ 5 days	≤ 5 days	CRM system
	(T) Median response time for service personnel to resolve non-urgent call-out <i>DIA Performance Measure 3d</i>	5d/5h/27m	≤ 5 days	≤ 5 days	≤ 5 days	≤ 5 days	CRM system
Water supplied is clean and healthy	(T) Extent of compliance with NZ Drinking Water Standards (for bacteria) <i>DIA Performance Measure 1a</i>	9/10	10/10	10/10	10/10	10/10	Water Outlook
	(T) Extent of compliance with NZ Drinking Water Standards (for protozoa) <i>DIA Performance Measure 1b</i>	7/10	10/10	10/10	10/10	10/10	Water Outlook
Water supplied is clean and healthy	(T) Water Safety Plans approved by DHB	7/10	10/10	10/10	10/10	10/10	DHB approval

WATER SUPPLY

WHAT YOU CAN EXPECT AND MEASURING OUR PERFORMANCE

Level of service	Performance Measure C = Customer measure T = Technical measure	Actual 2016/17	Target 2018/19 Year 1	Target 2019/20 Year 2	Target 2020/21 Year 3	Target 2021-28 Years 4-10	Measured by
The water supply is managed sustainably	(T) % Water Losses <i>DIA Performance Measure 2</i>	11.7%	≤ 11%	≤ 10.5%	≤ 10%	≤ 9.5%	Water into Supply/Real Losses
	(T) Average consumption of drinking water per day per resident <i>DIA Performance Measure 5</i>	379	≤ 360 L/c/d	≤ 350 L/c/d	≤ 340 L/c/d	≤ 330 L/c/d	Water into Supply/population
	(T) % of compliance with resource consents for abstraction	100%	100%	100%	100%	100%	Water Outlook
Consumers are satisfied with the Water Supply service	(C) Number of complaints received about drinking water clarity (per 1000 connections) <i>DIA Performance Measure 4a</i>	1.78	≤ 3	≤ 3	≤ 3	≤ 3	CRM system
	(C) Number of complaints received about drinking water taste (per 1000 connections) <i>DIA Performance Measure 4a</i>	2.06	≤ 3	≤ 3	≤ 3	≤ 3	CRM system
	(C) Number of complaints received about drinking water odour (per 1000 connections) <i>DIA Performance Measure 4b</i>	1.68	≤ 3	≤ 3	≤ 3	≤ 3	CRM system
	(C) Number of complaints received about drinking water pressure or flow (per 1000 connections) <i>DIA Performance Measure 4c</i>	6.64	≤ 3	≤ 3	≤ 3	≤ 3	CRM system
	(C) Number of complaints received about response to the above (per 1000 connections) <i>DIA Performance Measure 4e</i>	0	≤ 2	≤ 2	≤ 2	≤ 2	CRM system
	(C) Total number of complaints (per 1000 connections). <i>DIA Performance Measures 4a-4e</i>	New measure	≤ 24	≤ 24	≤ 24	≤ 24	CRM system
	(C) % of consumers are satisfied with the Water Supply overall		79%	≥ 80%	≥ 80%	≥ 80%	≥ 80%

MAKING SOUTH TARANAKI

THE MOST
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DISTRICT IN NZ

STORMWATER

TE WAI ĀWHIOWHIO ME ŌNA RĪTENGA



STORMWATER

WHY WE DO IT

There is a strong community expectation to be protected and safe within our homes. To respond to this, we build and operate stormwater infrastructure. Stormwater reticulation infrastructure is provided in urban areas to help prevent the flooding of properties. It also reduces, or eliminates, water ponding on roads that could create safety hazards. In extreme rainfall events however, when the pipe network is overloaded, stormwater will take overland flow paths, often along roads.

We also need to protect infrastructure, such as roads and sewerage systems, which can be negatively impacted by excessive floodwater.

WHAT WE DO

The Council manages and maintains stormwater assets made up of: culverts, channels, collectors, pump stations, stormwater ponds, outfalls and a pipe reticulation network with manholes to effectively divert stormwater from roads to natural water courses. Stormwater from residential properties is normally disposed of via on-site soakage, not through the Council's stormwater system. To deliver stormwater services we operate a network which includes 89 km of pipes, 960 manholes, 322 outlets, 280 inlets and 18 km of open drains. The stormwater assets have a replacement value of \$40 million.

Flooding such as that in Ōpūnake in August 2015 occurred because of the significant contribution of flow from farm land up the catchment. The Taranaki Regional Council has responsibility for stormwater control outside urban areas, so we need to work closely with them to ensure that appropriate

solutions are found to flooding issues in South Taranaki's communities.

Whilst Waitotara is a village within our District the responsibility for the flood defences rests with the Taranaki Regional Council and to which we contribute to the cost.

Prevention of flooding to all property in all circumstances is not affordable. The focus for the performance of our stormwater networks is therefore to minimise the occurrence of flooding of houses (excluding garages and sheds), within urban towns.

WHAT NEGATIVE IMPACTS THIS MIGHT HAVE

Our activities can have negative impacts. While we strive to ensure that we operate in a way that provides the most positive outcomes, we have to acknowledge that sometimes there must be a trade-off. The table below shows the possible negative effects of this activity and what we will do to minimise these effects.

Significant Negative Effect	Sustainable Solution
Discharge of polluted stormwater impacting on public health.	Compliance with resource consents. Comprehensive approach to stormwater management based on catchment management plans. Works are proposed to reduce the amount of stormwater entering the wastewater network.
Inadequacy of existing stormwater assets to cope with large rainfall events causing flooding, and erosion, which could result in social and economic hardship.	Compliance with design standards for new infrastructure to better manage flooding and erosion. The Council utilises overland flow paths to increase the level of protection for houses and commercial buildings. Works are proposed to improve the level of protection in large rainfall events. Climate change effects are incorporated into our design processes.

TE WAI ĀWHIOWHIO ME ŌNA RĪTENGA

LOOKING AHEAD

Climate change is causing more intense rainfall and extreme weather events. Localised storms can cause significant issues such as the storm which resulted in the flooding in Ōpūnake in August 2015. This will require increased capacity in some of our infrastructure.

The increase in demand for stormwater services as a result of urban growth over the next ten years is not anticipated to be significant. However, the problems we are experiencing with too much stormwater entering the wastewater network may be mitigated in some instances by increasing the capacity of the stormwater network.

The stormwater network is relatively young compared to water and wastewater, but we need to improve the collection of condition assessment information to better verify the renewals programme.

FUTURE PROJECTS

The main focus of project works to be undertaken during the next ten years is to upgrade urban Stormwater systems. These will be prioritised based on flood risk to houses, from the outputs of hydraulic models to be created for each town. It is expected this will result in an increase in the capital funding requirements in future.

Additional funding has been included within this LTP for a programme of work to continue to increase the capacity of stormwater systems over time.

KEY CAPITAL PROJECTS

The Council is planning to undertake the following key capital projects. The full list of capital projects can be found in the Chapter “Our Costs in Detail”.

Description	Year	Total (\$)
Stormwater Reticulation	2018-2028	\$1.8m
Stormwater Reticulation Improvements	2018-2028	\$3.4m

STORMWATER

WHAT YOU CAN EXPECT AND MEASURING OUR PERFORMANCE

Level of service	Performance Measure C = Customer measure T = Technical measure	Actual 2016/17	Target 2018/19 Year 1	Target 2019/20 Year 2	Target 2020/21 Year 3	Target 2021-28 Years 4-10	Measured by
Council provides a reliable stormwater system which prevents houses from flooding	(C) Number of reported flooding incidents of habitable properties <i>DIA Performance Measure 1a</i>	0	≤ 10	≤ 10	≤ 10	≤ 10	CRM system
	(T) For each flooding event, the number of habitable floors affected per 1000 properties rated for stormwater <i>DIA Performance Measure 1b</i>	0	≤ 1.0	≤ 1.0	≤ 1.0	≤ 1.0	CRM system
The stormwater system is managed sustainably	(T) Number of abatement notices received for stormwater discharges <i>DIA Performance Measure 2a</i>	0	0	0	0	0	Internal records
	(T) Number of infringement notices received for stormwater discharges <i>DIA Performance Measure 2b</i>	0	0	0	0	0	Internal records
	(T) Number of enforcement orders received for stormwater discharges <i>DIA Performance Measure 2c</i>	0	0	0	0	0	Internal records
	(T) Number of successful prosecutions made against the Council for stormwater discharges <i>DIA Performance Measure 2d</i>	0	0	0	0	0	Internal records
The Council will respond promptly to reports of flooding and customer requests	(C) Number of complaints received about stormwater system and response to issues (per 1000 connections) <i>DIA Performance Measure 4</i>	0	≤ 1	≤ 1	≤ 1	≤ 1	CRM system
	(T) Median response time for service personnel to attend flooding event <i>DIA Performance Measure 3</i>	0	≤ 2 hrs	≤ 2 hrs	≤ 2 hrs	≤ 2 hrs	CRM system (In Urban Areas)
Residents are satisfied with the stormwater system	(C) % of residents satisfied with the stormwater system	New measure	≥ 80%	≥ 80%	≥ 80%	≥ 80%	Annual Residents Survey

MAKING SOUTH TARANAKI

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DISTRICT IN NZ

WASTEWATER
NGĀ PARAPARA



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WASTEWATER

WHY WE DO IT

The safe disposal of wastewater is an essential element in protecting the public health of our communities. To protect public health we take both domestic sewage and wastes discharged by industry and treat them before being discharged. Ensuring the quality and adequacy of our wastewater services in the District is also a requirement of the Local Government Act 2002. The National Policy Statement for Freshwater has increased our communities' expectation for cleaner waterways, making our environmental performance even more important.

The alternative to a Council provided sewerage system to residential areas is the use of septic tanks. Septic tanks are suitable for rural properties, where the cost of a reticulated system would be too expensive because of the large distances involved. However, a large number of septic tanks in an area, particularly an urban area, can lead to excessive contaminants seeping into the ground and rivers. There are also building restrictions with septic tanks in enclosed areas.

WHAT WE DO

We have eight urban wastewater schemes where wastewater is conveyed from domestic and commercial customers to the wastewater treatment plants and is treated and disposed of in a safe manner to natural waters (streams, rivers or the ocean) or by application to land. The discharges are all regulated by the Taranaki Regional Council, which grants resource consents that state the quality and volumetric conditions that must be met.

In order to better manage the often quite strong effluent received from industry we introduced a Trade Waste Bylaw in 2017. This puts controls on any non-domestic waste we accept and how much customers have to pay. Managing these waste streams is essential to operating our treatment plants as efficiently and effectively as possible.

We have wastewater schemes in Hāwera, Pātea, Waverley, Ōpūnake, Eltham, Kaponga, Manaia, Wai-inu and we also look after the Waverley Stock Effluent Pond. Oxidation ponds are the normal treatment process, with treated effluent then being

discharged to an adjacent watercourse. The exception to this is the treated effluent from Eltham and Hāwera which discharges through the Fonterra sea outfall at Whareroa, and Ōpūnake which discharges to land.

To deliver these services we operate 188 km of sewer reticulation pipes; 8,900 connections and eight wastewater treatment plants. Together these assets have a renewal cost of \$108 million.

Like most sewer networks around New Zealand our sewer reticulation suffers from rain water getting into the pipes, either from the direct connection of roofs or paved areas, or from ground water infiltrating into buried pipes through defects such as cracks. The impact of this is that sewers may exceed their hydraulic capacity and overflow, or we may exceed the volumetric limit of resource consent. Ongoing management of these issues is a top priority, both to protect the health of the community and the environment and to ensure we can demonstrate our environmental compliance.

NGĀ PARAPARA

WHAT NEGATIVE IMPACTS THIS MIGHT HAVE

Our activities can have negative impacts. While we strive to ensure that we operate in a way that provides the most positive outcomes, we have to acknowledge that sometimes there must be a trade-off. The table below shows the possible negative effects of this activity and what we will do to minimise these effects.

Significant Negative Effect	Sustainable Solution
Overflows of untreated sewage from the sewerage network due to blockages, pump station or other plant malfunction, inflow/infiltration of stormwater into the sewerage network and/or insufficient capacity pose a potential serious risk to health, social and cultural wellbeing of the community and the environment.	Compliance with resource consents. Regular monitoring and implementation of the Inflow and Infiltration Management Plan. Maintaining our maintenance programme and environmental controls. Providing emergency storage tanks at pump stations for sewage overflow. Regular monitoring of the ocean outfall and environment.
Unmonitored trade waste discharges pose a significant risk to wastewater infrastructure, the health and safety of operations staff and the health and wellbeing of the community and the environment.	Trade Waste Officer employed to monitor compliance with Trade Waste Bylaw 2017. Penalties can be imposed by the Council for any breaches of the Trade Waste Bylaw 2017. Maintaining and operating our plants effectively.
Odours produced from the treatment of trade waste and domestic sewage can be offensive.	Management of trade waste in terms of the Trade Waste Bylaw. Maintaining and operating our plants effectively.

WASTEWATER

LOOKING AHEAD

The majority of wastewater treatment systems have sufficient capacity for the next ten years. Our biggest future challenges in the Wastewater activity are to manage wastewater pond discharges and reduce the levels of inflow and infiltration.

A programme of sewer CCTV has been established to assess the condition of sewers and develop a prioritised schedule of pipes to either be replaced or relined. Allowance has been made during the next three years for a further \$4.5 million to be spent on sewer rehabilitation to manage the amount of rainfall-derived inflow and infiltration and achieve the performance targets we have set. We will continue to benchmark this against other councils in the annual Water New Zealand National Performance Review.

Managing sludge levels in our oxidation ponds is a very important part of maintaining effective treatment, with those taking significant trade waste loads the most critical. The ponds at Eltham, Hāwera and possibly Manaia are likely to have ongoing sludge maintenance, with other ponds having intermittent desludging.

A study into the viability of constructing a wastewater scheme for Ōhawe will be completed in 2017/18. If viable the construction is not likely until 2031/32, due to substantial consenting issues that would need to be worked through.

Low levels of potentially harmful organisms (norovirus) in shellfish were found after monitoring near the marine outfall in Hāwera in August 2017. This can be infectious to humans, resulting in sickness for a few days. We are working with Iwi and the Taranaki Regional Council on possible long term solutions, including additional treatment at the ponds, an increased monitoring regime, and intensified public warning

system. We have highlighted in our Infrastructure Strategy that the solutions will be an additional cost that we need to factor into this LTP to minimise re-occurrences of the norovirus reappearing in the medium term. Renewal of our discharge resource consents may require works to improve the treatment of sewage to comply with new consent conditions. These will be reviewed for inclusion in the next LTP.

FUTURE PROJECTS

The main projects to be undertaken during the next ten years are:

- > Completion of the renewal of the consents to discharge Hāwera and Eltham's treated effluent to sea via the 1.8 km long Fonterra outfall.
- > Renewal of the discharge resource consent for Wai-inu Beach, Pātea, Eltham and Hāwera emergency discharges.
- > Implementing a sludge dewatering facility and a septage (septic tank sludge) receiving facility or a combination of both at Hāwera Wastewater Treatment Plant.
- > Installation of sufficient aeration capacity to mitigate the risk of failing consents at plants with significant trade waste loads.
- > An intense programme of CCTV inspection of sewers followed by the rehabilitation of faults using sewer relining techniques or physical replacement. This will form a major part of the project to manage the amount of rainwater entering the wastewater network.

KEY CAPITAL PROJECTS

The Council is planning to undertake the following key capital projects. The full list of capital projects can be found in the Chapter "Our Costs".

Description	Year	Total (\$)
CCTV Inspection of Sewer Conditions	2018-2028	\$1.1m
Rehabilitation of Sewers	2018-2028	\$9.76m
Renewal of Resource Consents	2018-2028	\$1.07m

NGĀ PARAPARA

WHAT YOU CAN EXPECT AND MEASURING OUR PERFORMANCE

Level of service	Performance Measure C = Customer measure T = Technical measure	Actual 2016/17	Target 2018/19 Year 1	Target 2019/20 Year 2	Target 2020/21 Year 3	Target 2021-28 Years 4-10	Measured by
Sewage is managed without risk to public health	(C) Number of sewage overflows into occupied buildings due to faults in the public wastewater system	0	0	0	0	0	CRM system and Internal Complaints and Compliments Register
	(T) Median response time for service personnel to attend overflow <i>DIA Performance Measure 3a</i>	34m	≤ 2 hrs	≤ 2 hrs	≤ 2 hrs	≤ 2 hrs	CRM system and Internal Complaints and Compliments Register
	(T) Median response time for service personnel to resolve overflow <i>DIA Performance Measure 3b</i>	2h/8m	≤ 5 hrs	≤ 5 hrs	≤ 5 hrs	≤ 5 hrs	CRM system and Internal Complaints and Compliments Register
	(C) Number of customer complaints per year relating to odours from wastewater pump stations or treatment facilities (per 1000 connections) <i>DIA Performance Measure 4a</i>	0.38	≤ 1	≤ 1	≤ 1	≤ 1	CRM system and Internal Complaints and Compliments Register
	(C) Number of complaints received about sewerage system faults (per 1000 connections) <i>DIA Performance Measure 4b</i>	26.6	≤ 26	≤ 25	≤ 24	≤ 23	CRM system and Internal Complaints and Compliments Register
	(C) Number of complaints received about sewerage system blockages (per 1000 connections) <i>DIA Performance Measure 4c</i>	13.3	≤ 11	≤ 11	≤ 11	≤ 11	CRM system and Internal Complaints and Compliments Register
	(C) Number of complaints received about response to issues (per 1000 connections) <i>DIA Performance Measure 4d</i>	0	≤ 3	≤ 3	≤ 3	≤ 3	CRM system and Internal Complaints and Compliments Register
	(C) Total number of complaints (per 1000 connections). <i>DIA Performance Measure 4a-4d</i>	New measure	≤ 41	≤ 40	≤ 39	≤ 38	CRM system and Internal Complaints and Compliments Register
	(T) Number of dry weather overflows per 1000 connections <i>DIA Performance Measure 1</i>	0.89	≤ 1	≤ 1	≤ 1	≤ 1	CRM System and Internal records
	(T) % of compliance with discharge standards	98%	100%	100%	100%	100%	Annual Report provided by TRC
(T) Number of abatement notices received for discharges <i>DIA Performance Measure 2a</i>	0	0	0	0	0	TRC Correspondence and Reports and Internal records	

WASTEWATER

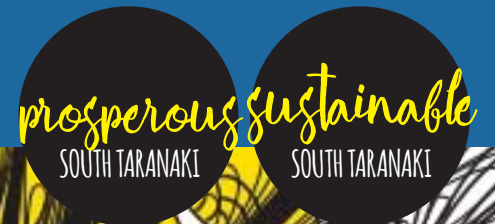
WHAT YOU CAN EXPECT AND MEASURING OUR PERFORMANCE

Level of service	Performance Measure C = Customer measure T = Technical measure	Actual 2016/17	Target 2018/19 Year 1	Target 2019/20 Year 2	Target 2020/21 Year 3	Target 2021-28 Years 4-10	Measured by
Sewage does not affect the quality of the environment	(T) Number of infringement notices received for discharges <i>DIA Performance Measure 2b</i>	0	0	0	0	0	TRC Correspondence and Reports and Internal records
	(T) Number of enforcement orders received for discharges <i>DIA Performance Measure 2c</i>	0	0	0	0	0	TRC Correspondence and Reports and Internal records
	(T) Number of convictions received for discharges <i>DIA Performance Measure 2d</i>	0	0	0	0	0	TRC Correspondence and Reports and Internal records
	(T) Annual rainfall – derived inflow and infiltration	New measure	6%	5%	4%	3%	Annual Calculation
Residents are satisfied with Wastewater services overall	(C) % of residents satisfied with the Wastewater services overall	75%	≥ 80%	≥ 80%	≥ 80%	≥ 80%	Annual Residents Survey

MAKING SOUTH TARANAKI

THE MOST
liveable
DISTRICT IN NZ

SOLID WASTE
TE TUKUHANGA O NGĀ PARAPARA



SOLID WASTE

WHY WE DO IT

We provide facilities for the community to dispose of solid waste in a convenient and secure way to protect public health and reduce the harmful effects of waste getting into the environment. We contribute to the health and wellbeing of the community and the environment by providing waste management infrastructure and services as detailed in our Solid Waste Asset Management Plan.

Our recycling functions reduce the amount of waste going to landfill, which reduces the negative impacts of harmful chemicals getting into the environment and limits the need for new natural resources to be extracted from the ground. Through processing greenwaste we can reduce the cost of disposal and minimise the risk of harm caused to the environment, by collecting this waste and turning it into a product that is valuable to the Council and the community.

Our facilities are designed to minimise fly-tipping and reduce issues of odour or contamination caused by incorrectly disposed waste. Our Waste Management and Minimisation Plan (WMMP) provides a clear direction to effectively manage solid waste in the District. It was received in 2017 and adopted by the Council in 2018.

This activity is legislatively required of Council through the Health Act 1956 and the Waste Minimisation Act 2008.

WHAT WE DO

The Council operates a kerbside (wheelie bin and crate) collection service to collect waste and recyclables from approximately 8,300 households in the District's towns and along the main collection routes. Since 2015, the total kerbside recycling capacity per single collection has increased from 120 litres to 200 litres and glass is now collected separately.

The Council also provides a fortnightly voluntary organic greenwaste collection service on a user-pays basis to approximately 2,600 households. The organic waste is composted, which reduces the amount of waste going to the landfill.

The Council has seven transfer stations throughout the District (Eltham, Hāwera, Manaia, Ōpūnake, Pātea, Waverley and Waitotara) which gives the public and businesses access to waste disposal facilities. Free recycling facilities, currently open 24 hours a day, are also available at Ōpūnake, Eltham, Manaia and Waverley Transfer Stations. Pātea, Waitotara and Hāwera Transfer Stations also have free recycling; however, these can only be accessed during working hours. Currently more than 95% of the South Taranaki population has access to these services within 20 minutes driving time.

The Council monitors the Pātea greenwaste site (now closed to the public) where greenwaste is beneficially placed for sand dune stabilisation.

A Waste Minimisation Levy applied by the Government since 2008 means that for every tonne of waste sent to the landfill the Council is charged \$10. The Government collects the levy and redistributes it to councils to use on waste minimisation programmes pro-rata'd on the District population. The Council

receives back approximately what it is charged, which is due to the significant effort to minimise our waste through recycling. This money is spent on waste minimisation programmes and projects, including education of residents on waste diversion. We work with the New Plymouth, Stratford District Councils and the Taranaki Regional Council to implement these programmes.

Co-mingled recycling and glass are transported to the Materials Recovery Facility (MRF) in New Plymouth, where it is processed.

The Council has seven consented closed landfills that are monitored.

All refuse from the District is currently transported to the Regional Landfill at Colson Road in New Plymouth, which is expected to reach capacity by 2019. The Council is a partner and funder of the new Regional Landfill, currently under construction near Eltham known as "the Central Landfill".

Alongside the LTP, the WMMP was released for general consultation and feedback. This plan considers future levels of service and costs, with a view to minimising the amount of waste our District sends to landfill. The New Zealand Waste Strategy requires the Council to have a general focus on efficiency and encourages us to work towards increasing value for money for our ratepayers. The District's Waste Assessment has also been reviewed and this provides important background information that much of the WMMP has been based on. The LTP is consistent with the content of the WMMP. The WMMP is available on our website www.southtaranaki.com.

TE TUKUHANGA O NGĀ PARAPARA

WHAT NEGATIVE IMPACTS THIS MIGHT HAVE

Our activities can have negative impacts. While we strive to ensure that we operate in a way that provides the most positive outcomes, we have to acknowledge that sometimes there must be a trade-off. The table below shows the possible negative effects of this activity and what we will do to minimise these effects.

Significant Negative Effect	Sustainable Solution
Environmental and health impacts caused by the discharge of contaminants to land, air and water from the Central Landfill and closed landfills.	<p>Reducing the amount of waste going into landfill through increased diversion (eg. recycling and reprocessing) as described in the WMMP.</p> <p>Compliance with resource consents and aftercare management.</p> <p>Regular monitoring of gas emissions and leachate from the Central Landfill and closed landfills.</p>
Environmental and health impacts caused by fly-tipping and the illegal dumping of waste. Additional costs associated with clean-up and disposal.	<p>Regular monitoring of known illegal sites and areas, erecting signage, public education and enforcement.</p> <p>Keeping charges/fees at transfer stations at affordable levels.</p>

LOOKING AHEAD

Growth and Demand

The quantity of waste from the South Taranaki District reduced by about 15% from 9,200 tonnes in 2013/2014 to 7,800 tonne in 2016/2017 due to waste minimisation initiatives and some commercial refuse now being transported outside the District. Any future growth from population change and new businesses should be compensated by additional waste minimisation initiatives.

FUTURE PROJECTS

The Council will continue to send the District's waste to the Colson Road Landfill in New Plymouth until it closes. All three Taranaki district councils have agreed that the Central Landfill is a cost effective way to deal with waste regionally. The three councils will send their rubbish to the new Central Landfill near Eltham, which will be designed to receive up to 60,000 tonnes of waste per year, for a consented period to 2034.

The Central Landfill is planned to open in July 2019 and will be overseen by a new joint committee of the three Taranaki district councils. An agreement establishing this new collaborative arrangement was signed in the 2017. The New Plymouth District Council will carry out the day to day operation of the landfill using its expertise gained in running the Colson Road landfill for many years. Under the new arrangements it will also be responsible for the construction of the landfill.

A methane tax was introduced in 2013 as part of the Government's Emission Trading Scheme. The methane tax does not apply to closed landfills; however, it will apply to the new Central Landfill when it opens.

Current indications are that the waste levy could increase significantly in the future, which would have a significant impact on the refuse disposal costs to landfill and related costs for customers.

It is assumed that the voluntary organic waste kerbside collection service will attract 2,700 users for the life of this Plan.

We do not anticipate any significant new expenditure will be required to maintain the closed landfill sites.

SOLID WASTE

FUNDING

Kerbside Collection

The kerbside collection service is funded by the users of the service through a targeted rate.

Transfer Station Fees

The Council's policy for the disposal of solid waste (which covers the operation of the transfer stations, the transporting and landfill charges for the refuse collected, or transporting and processing charges for recyclables and greenwaste) is that between 33% and 45% of the cost of running the service is recovered through user fees and charges, with the rest funded by the general rate.

Central Landfill

The New Plymouth and Stratford District Councils are also stakeholders in the Central Landfill. They will be charged for each tonne of waste they place in the Landfill. A regional agreement allows for the South Taranaki District Council to charge to dispose of waste based on the total cost of operating the Central Landfill, including the aftercare it needs for many years after it has been closed.

The three district councils have committed to funding the start-up costs for the Central Landfill, to be managed and operated by the New Plymouth District Council as the administering

authority, under the regional agreement. A new regional Joint Committee will oversee and govern the development, finance and operation of the new Landfill.

Education

Recycling and waste diversion education is funded through returned waste levy money.

Monitoring of closed landfills and Pātea Greenwaste Site

The closed landfill and the Pātea Greenwaste Site monitoring will be funded from the solid waste activity budgets.

WHAT YOU CAN EXPECT AND MEASURING OUR PERFORMANCE

Level of service	Performance Measure C = Customer measure T = Technical measure	Actual 2016/17	Target 2018/19 Year 1	Target 2019/20 Year 2	Target 2020/21 Year 3	Target 2021-28 Years 4-10	Measured by
A reliable weekly kerbside recycling and rubbish collection service is provided	(T) Number of complaints received for genuine missed collection that are not resolved (average per month)	0	2	2	2	2	Internal monitoring of CRM's
	(C) % of customers satisfied with the Solid Waste collection service	93%	≥ 90%	≥ 90%	≥ 90%	≥ 90%	Annual Residents Survey
A reliable, well managed (user pays) fortnightly kerbside greenwaste collection service is provided	(C) Average number of complaints received for genuine missed greenwaste bins (excluding non-compliant bins) per collection	0.5	≤ 6	≤ 6	≤ 6	≤ 6	Internal monitoring of CRM's
Transfer stations are safe and well maintained	(C) Number of complaints received about poor maintenance, noise or smell for Transfer Stations	6	≤ 5	≤ 5	≤ 5	≤ 5	Internal monitoring of CRM's
Recycling is encouraged and less waste is sent to landfill	(T) % of Council controlled waste diverted from landfill each year	34%	30%	30%	30%	31 - 35%	Monthly Records supplied by Waste Contractor

MAKING SOUTH TARANAKI

THE MOST
liveable
DISTRICT IN NZ

ROADING & FOOTPATHS NGĀ HUARAHI ARA RAU



vibrant *prosperous*
SOUTH TARANAKI SOUTH TARANAKI



INCLUDES ROAD SAFETY & PATHWAYS

ROADING & FOOTPATHS

WHY WE DO IT

The Council maintains and develops a substantial roading network to meet the needs of residents and road users within the District. A safe, reliable and accessible roading infrastructure supports the District's community outcomes by allowing access to health and social services and by providing an efficient distribution network for residents and businesses. Roding infrastructure is essential for both community and economic development for the District. The New Zealand Transport Agency (NZTA) operates and maintains the state highway network which interfaces with the Council's local road network. The NZTA is also our co-investment partner for funding of the local road network.

Our road safety programme aims to help reduce the number of crashes and fatalities on our roads. It is delivered collaboratively in the Taranaki Region.

This activity is legislatively required of the Council through the Local Government Act 1974 and 2002 and the Land Transport Management Act 2003.

WHAT WE DO

The Council maintains and develops a substantial roading network. The key assets are:

- > 1,374 km of sealed roads
- > 257 km of unsealed roads
- > 188 km of footpaths
- > 227 bridges
- > 2,405 street lights
- > 175 km of kerb and channel
- > 67 km of pipes; and
- > 57 major culverts

In addition to these key assets there are about 1,007 km of "paper" or unformed legal roads that are not maintained by the Council. The State Highways in the District are maintained by the NZTA.

Details on how the Council assesses changes to demand, level of service changes and how maintenance, renewal and replacement of assets is undertaken are described in the Council's Roding Activity Management Plan.

The major works involved in the roading activity include:

- > Road Pavement Rehabilitation: ~10km per year
- > Road resealing: ~85 km per year
- > Footpath renewal: ~1.5 km per year
- > Kerb and Channel renewal: ~1.5 km per year
- > Bridge renewal: up to 1-2 bridges per year (subject to NZTA approval of available funds)
- > Road Safety projects: Road widening, sight benching, guard rail, speed management, road marking and signage; and
- > Maintenance of pathways and roads.

Maintenance and Operations

The day to day management, operations and maintenance of the roading network is currently contracted to a Network Management Consultant. This involves managing network issues, producing designs and contract documents, calling tenders, contract administration, and monitoring to make sure that contract works are satisfactorily completed. All contracts are let under the Procurement Policy stipulated by the NZTA as co-investment partner and also in accordance with the Council's Procurement Policy. This arrangement does not preclude charges to contracted arrangements in the future.

Regional Road Safety Programme

The Council delivers the Community Road Safety Programme on behalf of the region and in partnership with the Stratford and New Plymouth District Councils. This involves working with communities to identify and address local road safety issues by running a number of road safety campaigns and educational programmes.

The Taranaki Regional Transport Committee has prepared a Regional Land Transport Plan for consultation and public submission. This document is important to the South Taranaki District Council as it establishes the regional priority for many of the District's transport activities, including: all state highway activities, local road improvements, walking and cycling and community road safety activities.

NGĀ HUARAHI ARA RAU

Pathways - District Walkways and Cycleways

We are working with key stakeholders to improve our existing Pathways (walking/cycleways) and complete committed projects in these following locations:

- > Denby Road (Hāwera)
- > Puawai Street (Hāwera) off road mountain bike route
- > Normanby-Hāwera commuter route

Funding for these new routes is subject to external funding, the negotiation of access and in some cases the support of user groups. It is also possible that some sections may be delayed or not proceed as a result of access issues.

WHAT NEGATIVE IMPACTS THIS MIGHT HAVE

Our activities can have negative impacts. While we strive to ensure that we operate in a way that provides the most positive outcomes, we have to acknowledge that sometimes there must be a trade-off. The table below shows the possible negative effects of this activity and what we will do to minimise these effects.

Significant Negative Effect	Sustainable Solution
Forestry harvesting (logging) and activities requiring increased heavy traffic on low volume rural roads results in significant wear and damage to the roads, which are expensive to repair and maintain.	Council to consider introduction of a new rate or some other mechanism to partially offset the cost of heavy traffic damage to roads, through a differential rate based on land-use.
The provision of a roading network may encourage increased traffic volumes and increase the level of emissions.	The provision of a suitable roading network is essential to the District. The Council also invests in walking and cycling infrastructure.
Vehicle accidents have a significant effect on the health, social and economic wellbeing of the community.	Road safety initiatives and public education is an ongoing focus for the Council. Minor improvement works are carried out at high risk areas to reduce crash incidents. Road safety improvements include widening of narrow roads and bridges, improve visibility at corners, and speed management.
Dust generated by traffic on unsealed roads can cause health and nuisance effects for people and stock.	Dust generated by traffic on unsealed roads is mitigated through regular gravelling or sealing of the roads (the latter is subject to available funds) and compliance with resource consents during maintenance activities.

ROADING & FOOTPATHS

LOOKING AHEAD

Growth and Demand

The farming, oil and gas, and forestry industries are expected to generate the main demand on the District's roads. The demand for new roads will be minor in the near future and it is expected that developers will pay the cost and then vest the asset in the Council.

Other factors that are likely to have significant impacts are:

High Productivity Motor Vehicles (HPMV – 50Max) – these larger vehicles will put more stress on the rural roading network and will also require investigation and upgrades of bridges on permitted routes.

Forestry harvesting has started in the District and the impact on the rural roads of this activity is deteriorating road condition. Advance planning to upgrade and maintain these areas is required to reduce the negative impacts. We are working with forestry owners and managers to develop road maintenance agreements for the reinstatement of rural roads at the end of the forestry harvesting activity.

Recent bridge inspections and reports have indicated that there is a backlog of bridge maintenance and renewals. Climate change is also having an impact on the roading network, with frequent occurrences of extreme weather events causing significant damage to the roading network. Financial provisions are being put in place to address both the required bridge maintenance work and the repair works due to extreme weather events. The Roding Emergency Fund has been depleted in recent years and we need to build it up again by setting aside funding over the next five years.

The adoption of One Network Roding Classification (ONRC) will have an impact on the funding for the roading network. The levels of service and performance measures required are being added to the Roding Activity Management Plan. Additional data collection and reporting is required to meet these performance measures.

The Financial Assistance Review (FAR) which sets the subsidy rates that the Council receives for roading work will be 57%, 58% and 58% for the next three years respectively. This is higher than the last three years' subsidy rate.

FUTURE PROJECTS

The focus of the District roading activity will be on:

- > Road pavement rehabilitation (~10km/year).
- > Resealing about 85-90 km of roads each year.
- > Footpath and kerb and channel renewal.
- > Bridge upgrades (one or two bridges per year subject to available funds).
- > Some changes to the streetscape and traffic flow in Hāwera associated with the Hāwera Town Centre Strategy.
- > Minor improvement work.
- > Continuation of the pathway projects to be funded by the Council and others.

KEY CHALLENGES

The key challenge for the roading activity over the life of the Long Term Plan is managing the cost, driven by contract cost adjustments and inflation.

As there are uncertainties around the roading network funding in the future with the adoption of the One Network Roding Classification and the associated level of service and performance measure, balancing the funding of bridge renewals and pavement maintenance and renewal works will continue to be a challenge.

NGĀ HUARAHI ARA RAU

KEY CAPITAL PROJECTS

The Council prioritises these projects based on the Road Asset Maintenance Management System Treatment selection. It is then validated by the consultant engineer on field inspections.

KEY PROJECTS - ROADING

Description	2018/19	2019/20	2020/21	Years 4 - 10
Pavement Rehabilitation	Total length: 10km Total cost: \$2.26m	Total length: 10km Total cost: \$2.31m	Total length: 10km Total cost: \$2.36m	Rehabilitate 10km of road per year
Pavement Resurfacing Various Roads Programme yearly following treatment selection process	Total length: 85km/6% Total cost: \$2m	Total length: 85km/6% Total cost: \$2.04m	Total length: 85km/6% Total cost: \$2.09m	Resurface on average 85km of road per year
Footpath & Kerb/Channel Replacement	Total length: 1.5km Total cost: \$571k	Total length: 1.5km Total cost: \$583k	Total length: 1.5km Total cost: \$596k	Upgrade on average 1.5km of footpath and kerb and channel per year
Bridge Renewals	1-2 bridges Total cost: \$705k	1-2 bridges Total cost: \$721k	1-2 bridges Total cost: \$737k	Renew on average 1-2 bridges per year
Minor improvement work	Various road safety projects eg. road widening, sight benching, speed management. Total cost: \$1.1m	Various road safety projects eg. road widening, sight benching, speed management. Total cost: \$1.1m	Various road safety projects eg. road widening, sight benching, speed management. Total cost: \$1.1m	Various road safety projects eg. road widening, sight benching, speed management. Total cost: \$1.27m

Roading Subsidy

Funding of the roading network comes from two sources: a targeted roading rate from ratepayers (which recognises the use of roads by local residents) and a roading subsidy from the NZTA (which redistributes road taxes taken by the Government from motorists). Following the recent FAR review, the percentage split is 43% from targeted rates and 57% from NZTA in 2018/19 and 42% from targeted rates and 58% from the NZTA subsidy in 2019/20 and 2020/21. Non-subsidised roading work is funded from the roading rates and revenue.

Assumptions specific to Roading

- > Unit costs have been based on those used during the Certified Valuation as at 30 June 2017, and were determined using the latest contracts, construction projects and supplier information.
- > The price of oil will increase with inflation which will be reflected in bitumen and construction costs, which are a large component of the roading expenditure.
- > The South Taranaki District Council continues to deliver the Regional Road Safety Programme.
- > The NZTA subsidy of 57-58% will continue at the same rate for the ten years of the Plan.
- > Levels of service for the Council's roading activity will be maintained to the current standard.

ROADING & FOOTPATHS

WHAT YOU CAN EXPECT AND MEASURING OUR PERFORMANCE

Level of service	Performance Measure C = Customer measure T = Technical measure	Actual 2016/17	Target 2018/19 Year 1	Target 2019/20 Year 2	Target 2020/21 Year 3	Target 2021-28 Years 4-10	Measured by
The Council provides roads which are safe and comfortable to drive on	(T) % of the quality of the Council's sealed local roads to provide a smooth and comfortable ride for motorists measured by Smooth Travel Exposure. *Smooth Travel Exposure measures the average ride quality experienced by motorists travelling on smooth, sealed roads. <i>DIA Performance Measure 2</i>	91%	92%	92%	92%	92%	Road Asset Maintenance Management system
	(C) % of road users satisfied with the condition of Council roads	74%	≥ 75%	≥ 75%	≥ 75%	≥ 75%	Annual Residents Survey
	(T) Annual change in number of fatalities and serious injury crashes on local road network. <i>DIA Performance Measure 1</i>	+5	Decrease by 1 or zero	Decrease by 1 or zero	Decrease by 1 or zero	Decrease by 1 or zero	NZTA Crash Analysis System
The roading network is maintained in good condition	(T) % of sealed local road network resurfaced annually <i>DIA Performance Measure 3</i>	4.74%	6%	6%	6%	6%	Contract records
Footpaths are maintained in good condition and are fit for purpose	(T) % of footpaths with condition rating 1-4 <i>DIA Performance Measure 4</i>	95%	92%	92%	92%	92%	Condition reports
Council will respond promptly to customer service requests for roads and footpaths	(T) % of urgent customer service requests relating to roads and footpaths responded to within 2 working days <i>DIA Performance Measure 5</i>	97.7%	≥ 95%	≥ 95%	≥ 95%	≥ 95%	CRM system
	(T) % of non-urgent customer service requests relating to roads and footpaths responded to within 5 working days <i>DIA Performance Measure 5</i>	93%	≥ 90%	≥ 90%	≥ 90%	≥ 90%	CRM system

MAKING SOUTH TARANAKI

THE MOST
liveable
DISTRICT IN NZ

COMMUNITY FACILITIES

TE WHARE TĀPERE O TĀNERORE ME NGĀ
HUA KA PUTA MĀ TE HĀPORI

vibrant together *prosperous* *sustainable*

SOUTH TARANAKI

SOUTH TARANAKI

SOUTH TARANAKI

SOUTH TARANAKI

ACTIVITIES IN THIS GROUP INCLUDE: PARKS & RESERVES / PUBLIC SPACES / HALLS /
SWIMMING POOLS / PUBLIC TOILETS / HOLIDAY PARKS / CEMETERIES /
PENSIONER HOUSING / TSB HUB / HĀWERA CINEMAS / CORPORATE PROPERTY

PARKS & RESERVES

WHY WE DO IT

The Council provides parks and reserves to support active and passive recreational opportunities for residents and visitors, enhancing their health and social wellbeing. Providing recreational spaces means clubs are established and maintained and make use of the facilities, which increases opportunities and activities for all in the District.

WHAT WE DO

The Council owns and maintains parks and reserves across the entire District varying in size from neighbourhood 'pocket parks' and playgrounds, small roadside gardens and main street gardens to sports fields, premier parks and large scenic reserves such as Lake Rotokare (457ha in total). Of these, there are 60 Council-owned parks and reserves that can be considered parks in their own right.

While many are owned in 'fee simple' by the Council, some are gazetted as reserves under the Reserves Act 1977 which have specific legal responsibilities (for example, Crown owned land with management vested in the Council).

The Council owns and maintains 38 playgrounds across the District.

We included \$30,000pa for pathways maintenance on Council reserve land as a result of submissions to the LTP.

WHAT NEGATIVE IMPACTS THIS MIGHT HAVE

Our activities can have negative impacts. While we strive to ensure that we operate in a way that provides the most positive outcomes, we have to acknowledge that sometimes there must be a trade-off. The table below shows the possible negative effects of this activity and what we will do to minimise these effects.

Significant Negative Effect	Sustainable Solution
Vandalism of Council parks and properties assets is a costly negative effect	Vandalism can be mitigated by applying 'Crime Prevention through Environmental Design' principles in design - features such as improved lighting and open space, security notices and dealing with incidents of vandalism quickly (removal within 24 hours) so that these assets do not become a target. For existing assets we remove graffiti using contractors or in-house staff depending on the location.
Personal injury due to failure or non-compliance of playground equipment.	This can be mitigated through good design, occasional safety audits and on-going monitoring of the condition of all playgrounds, and immediate response to reports of damage to play equipment.

LOOKING AHEAD

Growth and Demand

At this stage, there is little demand for additional parks because the existing stock provides enough recreational space across the District for the current and projected population.

PARKS & RESERVES

WHAT YOU CAN EXPECT AND MEASURING OUR PERFORMANCE

Level of service	Performance Measure C = Customer measure T = Technical measure	Actual 2016/17	Target 2018/19 Year 1	Target 2019/20 Year 2	Target 2020/21 Year 3	Target 2021-28 Years 4-10	Measured by
Parks and reserves are tidy and well maintained	(C)% of customers satisfied with the level of maintenance in Council parks and reserves	97%	≥ 90%	≥ 90%	≥ 90%	≥ 90%	Annual Residents Survey
Visitors feel safe and enjoy visiting our parks and reserves	(C) Number of incidents reported per annum due to poor maintenance or design	New measure	≤ 6	≤ 6	≤ 6	≤ 6	Internal monitoring of CRM's
	(C) % of customers satisfied that the provided playgrounds meet the needs of users	New measure	≥ 80%	≥ 80%	≥ 80%	≥ 80%	Internal monitoring of CRM's

PUBLIC SPACES

WHY WE DO IT

We have a wide range of active and passive open spaces that make this District unique and which are not necessarily formal parks or reserve areas. Examples of these are, places for quiet reflection, public gathering spaces, informal recreational areas and places set aside for the protection of flora, fauna and cultural heritage and some of the designated freedom camping areas. These open spaces are areas of land to which the public has a relatively free right of access. They can serve a variety of purposes from recreation, amenity and preservation to providing and being part of views, protecting significant landscapes, sites and community identities, and providing a focal point for a local area. The different types of open space and the combination of these spaces make up the Public Spaces network.

The Council is not the sole provider of the open space in the District, but we play the main role to create, protect and improve accessibility to these special places that are valued by our communities and visitors.

WHAT WE DO

We provide well-used, functional civic spaces that are appropriate for the needs of the communities and that add value to urban centres. We are working to create, maintain and protect access to the open spaces and special places that our communities enjoy.

We have developed, with our communities and partners, an Open Space and Recreation Strategy and the Hāwera Town Centre Strategy (see Economic Development Activity).

Open Space Strategy

In 2014, we adopted an Open Space Strategy which includes a number of key principles and objectives. We are endeavouring to provide accessible open spaces in each community that support and encourage recreational activity and community interaction, which will encourage active and healthy lifestyles.

Freedom Camping

In 2016, we adopted the Freedom Camping Bylaw. The purpose of the Bylaw was to identify all the public space locations

within the District, assess each site and then designate the type of freedom camping activities that could occur at each site. Three main categories of freedom camping were assessed. These were a) certified self-contained b) non-self-contained and c) tenting. The assessment of each site, based on a scoring method when considering criteria, determined the suitability of each site and any restrictions or prohibition that should be allied to each site.

In the first year after the adoption of the Freedom Camping Bylaw in 2016, a number of issues were raised, mostly about the standard, quality and suitability of public toilets at some sites. The issues were caused by the larger than expected numbers of freedom camping visitors at sites throughout the District. This has been highlighted as a national issue at freedom camping sites around the country.

PUBLIC SPACES

WHAT NEGATIVE IMPACTS THIS MIGHT HAVE

Our activities can have negative impacts. While we strive to ensure that we operate in a way that provides the most positive outcomes, we have to acknowledge that sometimes there must be a trade-off. The table below shows the possible negative effects of this activity and what we will do to minimise these effects.

Significant Negative Effect	Sustainable Solution
Environmental and health impacts caused by larger than expected numbers of freedom camping visitors at sites throughout the District.	<p>Increased monitoring of the camping sites to determine whether or not incidents of people not using the facilities increased. Following a review, the Council will consider if any other changes need to be considered.</p> <p>Regional approach to investigating further amenities for freedom campers.</p>

LOOKING AHEAD

Growth and Demand

We predict that there will be a continued need for the Council to support and provide informal recreational spaces for our communities and visitors. Life expectancy is increasing, and we are becoming more aware of the need to keep fit and healthy and enjoy our retirement and independence for longer.

FUTURE PROJECTS

A Civic Green Space in the Hāwera CBD will be developed as part of the CHALCI.

WHAT YOU CAN EXPECT AND MEASURING OUR PERFORMANCE

Level of service	Performance Measure C = Customer measure T = Technical measure	Actual 2016/17	Target 2018/19 Year 1	Target 2019/20 Year 2	Target 2020/21 Year 3	Target 2021-28 Years 4-10	Measured by
Visitors feel safe and enjoy visiting our public spaces	(C) Number of incidents reported per annum due to poor maintenance or design	New measure	≤ 6	≤ 6	≤ 6	≤ 6	Internal monitoring of CRM's

HALLS

WHY WE DO IT

Halls provide public spaces for local communities to come together and participate in sport, social or other community events. As a predominantly rural district, with eight towns and a number of smaller surrounding rural communities, local halls have historically been important contributors to the social and cultural wellbeing of the communities.

WHAT WE DO

The Council owns and manages nine halls across the District. These are:

1. Hāwera Community Centre (includes the Memorial Theatre) – Albion Street, Hāwera
2. Eltham Town Hall – Stanners Street, Eltham
3. Taumata Recreation Centre – Preston Street, Eltham
4. Kaponga War Memorial Hall – Victoria Street, Kaponga
5. Manaia Town Hall – South Road, Manaia
6. Normanby Recreation Centre – Ketemarae Road, Normanby
7. Ōpūnake Town Hall – Domett Street, Ōpūnake
8. Hunter Shaw Building – Egmont Street, Pātea
9. Waverley Community Centre – Chester Street, Waverley

In addition, there are 34 privately owned halls managed by local hall committees which are eligible to apply for funding support (maximum \$1,500 per annum) from the Council's Rural Halls Grant Fund.

The Eltham Town Hall has a "Friends of" community group, which is a primary stakeholder in the running of this facility.

The Council also owns the Sports Society Hall in Manaia, but the day-to-day operations of this Hall, such as sports bookings, minor maintenance and applications for grants, are managed by the Manaia Sports Hall Society. The Council provides an annual maintenance grant to the Sandfords Event Centre in Ōpūnake.

The Council has a partnership and works closely with the Hāwera Memorial Theatre Friends Trust. Formed in 2011, the Trust is able to seek external funding for specified projects including funding to allow school students the opportunity to be involved in experiencing the theatre environment through the school curriculum.

A number of Council-owned halls have been assessed as being earthquake prone and have been closed for strengthening or review of future service provision.

Strengthening work has been completed on the Hāwera Memorial Theatre, Hāwera Memorial Community Centre Hall and the Eltham Town Hall.

The Manaia Town Hall was identified as an earthquake prone building and as a result it has been vacant for some time. The Council, after hearing from the users of the hall in February 2018, has included funding of up to \$1 million to rebuild the Manaia Town Hall on the existing site and will be seeking funding from outside agencies to pay the balance. Staff will be exploring designs for the new Manaia Town Hall, and will be consulting with the users of the hall, and the community of Manaia, to seek their input into the final plans.

A major challenge will be in maintaining the current stock and condition of halls through user charge and contributions. Currently user fees and charges only contribute 7% of the annual cost of maintaining halls.

HALLS

LOOKING AHEAD

Growth and demand

Demand on the halls is expected to remain at the current level or reduce over the life of the Long Term Plan.

There are no plans over the next ten years to build or acquire additional Council halls in the District. South Taranaki's population projections are for static to minimal population increases and the current capacity of the Council halls can accommodate a significant increase in users should that happen in the future.

FUTURE PROJECTS

- > Completion of the plan to replace the earthquake prone Manaia Town Hall
- > Completion of the assessment of levels of earthquake proneness and any subsequent works to ensure the integrity of Council owned halls is maintained.
- > A review of Council policy (which sets a target of 10 – 15% recovery through user fees and charges) may be needed. A significant increase in hireage fees would probably only result in reduced patronage.
- > Once detailed designs for the earthquake strengthening of the front portion of the Hunter Shaw Building in Pātea are complete, additional funding will be sought so that it can be strengthened and reopened to the public as soon as possible. The second stage of the project will be to secure funding for the rear portion of the building so that too can be strengthened.

KEY CAPITAL PROJECTS

The Council is planning to undertake the following key capital projects. The full list of capital projects can be found in the Chapter "Our Costs".

Description	Year	Total (\$)
Rebuild the Manaia Town Hall	2019/20 2020/21	\$50k \$950k
Replace cladding on Eltham Town Hall	2020/21	\$218k
Re-roof Hāwera Community Centre roof	2019/20	\$125k

WHAT YOU CAN EXPECT AND MEASURING OUR PERFORMANCE

Level of service	Performance Measure C = Customer measure T = Technical measure	Actual 2016/17	Target 2018/19 Year 1	Target 2019/20 Year 2	Target 2020/21 Year 3	Target 2021-28 Years 4-10	Measured by
Halls are well maintained and serviced	(C) % of customers satisfied with the maintenance and cleanliness of Halls	91%	≥ 90%	≥ 90%	≥ 90%	≥ 90%	Annual Residents Survey

SWIMMING POOLS

WHY WE DO IT

The Council adopted the South Taranaki Active Recreation Strategy in mid- 2009 centred on having *'More People, More Active, More Often'*.

Recreational swimming is the main motive of pool users. The pools provide opportunities for swim and survive programmes and for the ongoing development of swimming, personal survival and lifesaving skills plus aquatic skills development for kayaking and snorkelling. Schools are popular users of the facilities with some being solely reliant on the availability of public facilities in order to meet their curriculum swim and survive commitments. The summer pools located in the rural and small town centres provide convenient seasonal 'drop in' summer recreation opportunities close to where people live and work.

WHAT WE DO

The Council provides and operates rural pools in Manaia, Kaponga, Eltham, Rawhitiroa, Pātea and Waverley. They open mid-December and close after Taranaki Anniversary weekend in March. These pools have free access during advertised public sessions and are staffed by qualified lifeguards. All of these facilities feature main pools suited to adult use, plus learners and toddlers pools.

The Council also provides funds towards the operation of the public community pool at Ōpūnake High School.

The Council provides and operates the Aquatic Centre in Hāwera which has an all year round indoor pool complex plus a seasonal outdoor heated pool complex which is open from the first Saturday in December and closes after the last Sunday in March. The indoor complex includes a 25 metre six lane main pool, a learners' pool plus a children's splash park, giant hydro-slide and a thermal pool. The outdoor complex includes a 50 metre seven lane pool and a children's pool with novel play features. Learn to swim programmes and AquaFit classes are run all year round. The Hāwera Aquatic Centre is a nationally accredited Poolsafe facility and is a Gold Level AUSTSWIM Recognised Swim Centre. Poolsafe is a national "best practice" project administered through the New Zealand Recreation Association.

Significant steps have been made from 2009/10 through to 2016/17 financial years to grow the swim school operation. The AUSTSWIM swim and survive accreditation programme, favoured by Water Safety New Zealand, was adopted by the Aquatic Centre in 2010. The swim programme is regarded as the key driver to creating more sustainable business. With external funding support, swim and survive programmes focusing both on local schools and the in-house AquaSchool are planned to continue into the future. This activity is expected to adjust to changes in demand. During the 2016/17 financial year, the Schools Swim and Survive Programme, enabled by external funding, was expanded to include Council Swim Education Teachers travelling to and taking lessons in school pools and rural community pools during term 1 of the school year.

Further details on how the Council assesses changes to demand, levels of service and how the maintenance, renewal and replacement of assets is undertaken are described in the South Taranaki District Council Pools Asset Management Plan.

SWIMMING POOLS

WHAT NEGATIVE IMPACTS THIS MIGHT HAVE

Our activities can have negative impacts. While we strive to ensure that we operate in a way that provides the most positive outcomes, we have to acknowledge that sometimes there must be a trade-off. The table below shows the possible negative effects of this activity and what we will do to minimise these effects.

Significant Negative Effect	Sustainable Solution
Environmental impact through the transmission of water borne contaminants.	Pool Risk Management Plans address a range of potential risk elements that may arise in conjunction with provision and operation of the pools. The Pool Risk Management Plan for the Hāwera Aquatic Centre is reviewed annually, prior to the annual Poolsafe review.
Chemicals commonly associated with swimming pool water treatment may pose a risk to the environment through accidental spillage.	Secondary containment vessels are provided to mitigate spills from liquid chemicals.
Accidental injury to pool users and even death by drowning or activity related injury or stress.	Qualified lifeguards are employed to supervise the pools and respond to emergencies that may arise when the pools are open for public use. All staff employed at South Taranaki District Council operated pools are required to hold current First Aid Certificates and all lifeguard staff are required to hold current Pool Lifeguard Practicing Certificates.

SWIMMING POOLS

LOOKING AHEAD

Growth and Demand

Pool use over the last six years for community pools and the Aquatic Centre is provided below. Rural pools in particular are subject to seasonal weather variations.

POOL USE

Pool	Average 2011 - 17	2017/18 Forecast	2018/19 Forecast	2019/20 Forecast	2020/21 Forecast	2021/22 Forecast	2022/23 Forecast	2023/24 Forecast
Hāwera Aquatic Centre	93,516	93,500	93,500	93,500	93,500	93,500	93,500	93,500
Pātea	7,780	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Waverley	6,667	7,000	7,000	7,000	7,000	7,000	7,000	7,000
Eltham	7,605	7,800	7,800	7,800	7,800	7,800	7,800	7,800
Rawhitiroa	7,058	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Kaponga	4,991	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Manaia	7,972	8,000	8,000	8,000	8,000	8,000	8,000	8,000
TOTAL	135,589	137,300	137,300	137,300	137,300	137,300	137,300	137,300

Key operating costs include cost of labour, water treatment chemicals and energy. Energy costs are assumed to increase by an average of 3%, labour costs by 3% and water treatment chemicals by 5% annually on current trends.

FUTURE PROJECTS

Maintaining robust and attractive assets and ensuring effective, safe operational capacity at an acceptable level of quality is the facility focus for the next three years. The programme focus is to further improve the reach and effectiveness of swim and survive programmes at all operational sites and to South Taranaki District schools.

Capital investments at Waverley, Kaponga, Pātea and the Aquatic Centre have improved the quality of operations at these pools. A project within this Long Term Plan is for significant improvements for the Manaia Pool, beginning in the 2019/20 financial year.

KEY CAPITAL PROJECTS

The Council is planning to undertake the following key capital projects. The full list of capital projects can be found in the Chapter "Our Costs in Detail".

Description	Year	Total (\$)
Manaia Pool upgrade	2018/21	\$620k

SWIMMING POOLS

WHAT YOU CAN EXPECT AND MEASURING OUR PERFORMANCE - RURAL POOLS

Level of service	Performance Measure C = Customer measure T = Technical measure	Actual 2016/17	Target 2018/19 Year 1	Target 2019/20 Year 2	Target 2020/21 Year 3	Target 2021-28 Years 4-10	Measured by
Rural Pools are attractive environments	(C) total number of users of rural pools is greater than 30,000	37,089	30,000+	30,000+	30,000+	30,000+	Manual via Tally Counters
Rural Pools are well maintained	(C) % of customers satisfied with venues being well maintained	91%	≥ 90%	≥ 90%	≥ 90%	≥ 90%	Customer surveys
Customers are satisfied with services	(C) % of users satisfied with services provided by staff	96%	≥ 90%	≥ 90%	≥ 90%	≥ 90%	Customer surveys
Rural Pools are safe environments	(C) Number of accidents reported per annum due to poor maintenance or design	1	≤ 5	≤ 5	≤ 5	≤ 5	Vault Accident Reporting System
Rural Pools water quality is safe	(T) % of compliance with NZ5826 through regular water quality tests	90.8%	≥ 90%	≥ 90%	≥ 90%	≥ 90%	Records from Daily Water Test Results

WHAT YOU CAN EXPECT AND MEASURING OUR PERFORMANCE - HĀWERA AQUATIC CENTRE

The Aquatic Centre is an attractive environment	(C) Number of users of the Aquatic Centre is greater than 90,000 per annum	94,331	≥ 90,000	≥ 90,000	≥ 90,000	≥ 90,000	Centaman POS System
The Aquatic Centre is well maintained	(C) % of users satisfied with the venue being well maintained	92.7%	≥ 90%	≥ 90%	≥ 90%	≥ 90%	Customer surveys
Customers are satisfied with services	(C) % of users satisfied with services provided by staff	94.3%	≥ 90%	≥ 90%	≥ 90%	≥ 90%	Customer surveys
The Aquatic Centre is a safe environment	(T) The Aquatic Centre holds current national Poolsafe™ accreditation	Held	Held	Held	Held	Held	Industry Appointed External Poolsafe assessor
	(C) Number of accidents reported per annum due to poor maintenance or design	1	≤ 5	≤ 5	≤ 5	≤ 5	Vault Accident Reporting System
The Aquatic Centre actively promotes swim programmes	(C) Number of Aqua School Learn to Swim enrolments are no less than 1,400 per annum	1,656	≥ 1,400	≥ 1,400	≥ 1,400	≥ 1,400	Centaman POS Booking System

PUBLIC TOILETS

WHY WE DO IT

The provision of quality public amenities (toilets) is important in promoting the health, comfort and wellbeing of residents and visitors to the District.

Places where we live, shop, work and play, are more accessible and attractive when public toilets are convenient, well planned, designed, maintained, clearly signposted, and available when people need them.

WHAT WE DO

The Council owns and maintains 36 public toilets at locations across the District. There are 9 in Hāwera, 11 in and north of Ōpūnake (including the toilet at Rahotu which is privately owned but is managed by the Council so public access is guaranteed), 6 in Eltham, 4 in Kaponga and Manaia and 6 in the towns of Pātea, Waverley and Wai-inu.

Some toilets are cleaned by contractors while others are cleaned by Council staff.

Toilets are generally serviced daily with the exception of coastal or remote toilets where use is limited during the winter season.

The Council also provides five dump stations (for motor homes to dispose waste) at Normanby, Ōpūnake, Ōpūnake Beach, Wai-inu Beach and Waverley (Aotea Park).

WHAT NEGATIVE IMPACTS THIS MIGHT HAVE

Our activities can have negative impacts. While we strive to ensure that we operate in a way that provides the most positive outcomes, we have to acknowledge that sometimes there must be a trade-off. The table below shows the possible negative effects of this activity and what we will do to minimise these effects.

Significant Negative Effect	Sustainable Solution
Environmental and health impacts from a potential sewage spill from a public toilet.	Regular condition inspections, monitoring and maintenance, close liaison with wastewater service engineers and prompt response to customer requests.
Vandalism of public toilets	Vandalism can be mitigated by applying 'Crime Prevention through Environmental Design' principals in design – features such as improved lighting and open space, security notices and dealing with incidents of vandalism quickly (removal within 24 hours) so that these assets do not become a target.

PUBLIC TOILETS

LOOKING AHEAD

Growth and Demand

The key issues affecting demand forecasts for public toilets are the significant demand for new or improved toilets in Hāwera.

With 36 public toilets across the District and a static population we do not anticipate an increase in demand for this service.

While visitor numbers are not monitored, there is anecdotal evidence of higher public toilet use during the summer months (particularly in coastal areas), school holidays and during events. During these times, the Council keeps in close contact with the cleaners to make sure the toilets are clean and meeting demand.

FUTURE PROJECTS

- > New public toilets in Hāwera which will be incorporated into the new Centre for Heritage, Arts, Library, Culture and Information in the Hāwera CBD.
- > The retirement of the existing public toilets in Regent Street and Grubi Arcade Toilets in Hāwera.
- > Replacement of the Egmont Street, Pātea toilets, the Ōpūnake Recreation Ground toilets and the Ōhawe Beach toilets.
- > New Public Toilets at Waihi Beach.

KEY CAPITAL PROJECTS

The Council is planning to undertake the following key capital projects. The full list of capital projects can be found in the Chapter “Our Costs”.

Description	Year	Total (\$)
Replace Ōpūnake Recreation Ground Toilets	2020/21	\$212k
Replace Ōhawe Beach Toilets	2023/24	\$173k
Replace Egmont Street, Pātea Toilets	2025/26	\$315k
Build new Toilets at Waihi Beach (\$125k funding from other sources)	2018/19	\$250k

WHAT YOU CAN EXPECT AND MEASURING OUR PERFORMANCE

Level of service	Performance Measure C = Customer measure T = Technical measure	Actual 2016/17	Target 2018/19 Year 1	Target 2019/20 Year 2	Target 2020/21 Year 3	Target 2021-28 Years 4-10	Measured by
Toilets are safe, accessible and well maintained	(C) % of residents satisfied with cleanliness and maintenance of Public Toilets	86%	≥ 80%	≥ 80%	≥ 80%	≥ 80%	Annual Residents Survey
	(C) % of residents satisfied with Public Toilet opening hours	91%	≥ 85%	≥ 85%	≥ 85%	≥ 85%	Annual Residents Survey

HOLIDAY PARKS

WHY WE DO IT

Our holiday parks provide affordable accommodation in pleasant surroundings for domestic and international visitors. This activity contributes to the community's social and economic wellbeing by encouraging people to stay and spend their leisure time in the District, which in turn supports the local economy.

WHAT WE DO

The Council provides five holiday parks at Ōpūnake Beach, Hāwera, Pātea Beach, Waverley Beach and Wai-inu Beach, and a campground at Lake Rotorangi (Pātea Dam).

The management and operation of these holiday parks and campground varies. Ōpūnake and Pātea Beach Holiday Parks are leased to private operators; Waverley Beach, Wai-inu Beach and the Hāwera Holiday Parks are managed in-house and the Council employs a part time custodian at Wai-inu over the summer period when demand is high. Lake Rotorangi Campground at the Pātea Dam is managed by a voluntary Trust in partnership with the Council.

The Council also supports the Kaupokonui Beach Motor Camp through a partnership with the Kaupokonui Beach Society, which manages this facility and reinvests the rental in the development of the reserve.

The Hāwera Holiday Park facilities were upgraded in 2013 and patronage has increased steadily as a result.

There are no performance measures or negative impacts for this activity.

LOOKING AHEAD

Growth and Demand

The key issues impacting on demand forecasts for holiday parks are:

- > A more mobile retired age group using motor homes;
- > Competing pressures on available leisure time increasing Taranaki residents' use of local holiday parks;
- > Preferred use of alternative non Council-owned venues; and
- > An increase in freedom camping across the District.

Little data is available on historical user statistics, as visitor nights are not recorded at most of the holiday parks. Anecdotal evidence however, suggests there is adequate capacity to meet an increase in demand as existing holiday parks are rarely at full capacity during the busiest season in the school summer holidays.

FUTURE PROJECTS

Capital investment is required at the Ōpūnake Beach Holiday Park to improve drainage, stabilise surrounding cliffs and improve facilities at the Manager's residence.

KEY CAPITAL PROJECTS

The Council is planning to undertake the following key capital projects. The full list of capital projects can be found in the Chapter "Our Costs".

Description	Year	Total (\$)
Replace Power Outlets (Waverley)	2018/19	\$73k
Drainage – Wai-inu Beach Camp	2018/19	\$20k

CEMETERIES

WHY WE DO IT

The Council provides cemeteries in order to support the health, social and cultural wellbeing of the community by providing areas to bury, visit and remember those who have passed away. While the provision of cemetery space is a requirement of the Burial and Cremation Act 1964, the administration of cemeteries is not a legal requirement but has historically been a Council responsibility. This means there is a high level of comfort for the community that cemetery records remain available to the public and that the cemeteries are maintained in a tidy and respectful way.

WHAT WE DO

The Council actively manages ten cemeteries across the District: Eltham, Hāwera, Kaponga, Manaia, Ōhawe Beach, Okaiawa, Ōpūnake, Otakeho, Pātea and Waihi (Normanby). The Council also owns the Armed Constabulary Cemetery on the banks of the Ōpūnake Lake, and the land at Rahoitu Cemetery which is managed by a Trust, and we provide an annual grant to the Waverley Cemetery Trust.

As well as the land for cemeteries the Council also manages the associated roading, car parks, toilet blocks, rubbish bins, concrete berms and lowering devices required for proper management of cemeteries.

WHAT NEGATIVE IMPACTS THIS MIGHT HAVE

Our activities can have negative impacts. While we strive to ensure that we operate in a way that provides the most positive outcomes, we have to acknowledge that sometimes there must be a trade-off. The table below shows the possible negative effects of this activity and what we will do to minimise these effects.

Significant Negative Effect	Sustainable Solution
Discrepancies in the allocation of plots can have a significant negative effect on public confidence in the Council's management of cemeteries, as well as a direct impact on the families involved.	Maintaining accurate, up-to-date records including an annual programme of checking and cross-referencing burial data to make sure it is correct (referred to as cemetery surveys). Maintaining close working relationships with contractors and funeral directors.

CEMETERIES

LOOKING AHEAD

Growth and Demand

The key issues impacting on demand forecasts for Cemeteries are:

The number of South Taranaki residents aged over 65 years is expected to increase over the coming decade. This could result in increased pressure on cemetery space; however based on expected demand the Council still has space available across the District for a further 50 years.

Numbers of requests for burials and cremations are about the same annually, with cremations trending upwards. If this continues over the next ten years there will be less land used, offsetting the demand for more land to be developed as cemetery. Anecdotal evidence suggests more people are

considering alternative burial places, such as traditional church graveyards, urupa, privately owned rural burial spaces and eco-burials.

As the ethnic profile of the District diversifies further there will be a need to be more culturally sensitive about the provision of different burial areas in our cemeteries.

FUTURE PROJECTS

Over the next ten years the main projects to take place in the Cemeteries activity include:

- > Planning for future expansion of the Hāwera Cemetery, including possible land purchase; and
- > Expansion developments at Ōpūnake Cemetery

KEY CAPITAL PROJECTS

The Council is planning to undertake the following key capital projects. The full list of capital projects can be found in the Chapter “Our Costs in Detail”.

Description	Year	Total (\$)
Hāwera Cemetery Extension	2018-2020	\$415k
Ōpūnake Cemetery Development	2021/22	\$127k

WHAT YOU CAN EXPECT AND MEASURING OUR PERFORMANCE

Level of service	Performance Measure C = Customer measure T = Technical measure	Actual 2016/17	Target 2018/19 Year 1	Target 2019/20 Year 2	Target 2020/21 Year 3	Target 2021-28 Years 4-10	Measured by
Cemeteries are tidy and well maintained	(C) % of visitors satisfied with the tidiness and level of maintenance at Cemeteries	97%	≥ 95%	≥ 95%	≥ 95%	≥ 95%	Annual Residents Survey
Interments are managed with respect and sensitivity	(C) Number of reported issues regarding interment processes	0	≤ 3	≤ 3	≤ 3	≤ 3	Internal monitoring of CRM's, correspondence or Contractor Reporting

PENSIONER HOUSING

WHY WE DO IT

The purpose of the Council's Pensioner Housing activity is to provide a housing option for older residents of the South Taranaki District who are unable to access suitable housing in the private sector.

WHAT WE DO

The Council owns 68 pensioner housing units across the District. The Council is committed to providing safe, comfortable and affordable accommodation for tenants of the existing Pensioner Housing Units and to achieve this, adopted a Pensioner Housing Policy in October 2011. The Policy contains minimum standards for housing which include the installation of insulation, cost effective heating and accessible showers. The Council also agreed that units should have a separate bedroom (ie not be a bedsit).

Tenancy Support Service

The Council manages the tenancy of the units and provides a support service for the tenants to help them to remain living independently in their communities. This additional service includes a fortnightly visit to most units and support to access appropriate health and social services.

LOOKING AHEAD

Growth and Demand

Demand for Pensioner Units has increased steadily over the past three years and occupancy levels are high in all communities. The number of South Taranaki residents aged over 65 years is expected to increase from 4,408 in 2018 to 5,002 in 2023 and 6,244 in 2033. Other factors which will impact on demand are the declining levels of home ownership and the number of older residents who are returning to the District on retirement.

The Council's Pensioner Housing Policy requires that any funds raised from the sale of old and unsuitable units be redirected into the Pensioner Housing activity. The funds from the sale of the Dixon Court bedsit units in Hāwera in 2011 and the Meredith Street bedsit units in Pātea in 2015 have already been used in this way, as will the funds from the proposed sale of the old units at 8 King Street in Ōpūnake.

FUTURE PROJECTS

The Council is progressively upgrading its units to meet the minimum standards defined in the Pensioner Housing Policy which was adopted in 2011. Ceiling and floor insulation has been fitted in the 58 units with accessible ceiling and floor cavities and a further 4 units will be insulated in conjunction with roof replacements. Heat pumps have been installed in 63 units.

Interior upgrades of 44 units including the installation of accessible showers have been completed and 18 of the remaining 27 units will be refitted as the units are vacated. Construction of two units in Ōpūnake will be completed in 2018 and the Council has approved the purchase of land in Hāwera for future development.

The Pensioner Housing Policy will be reviewed in 2018/19.

Rentals

The current policy is to charge 80% of market rates.

PENSIONER HOUSING

KEY CAPITAL PROJECTS

The Council is planning to undertake the following key capital projects. The full list of capital projects can be found in the Chapter "Our Costs in Detail".

Description	Year	Total (\$)
Construction of two units in Ōpūnake and associated driveway and car-parking improvements	2018/19	\$265k

WHAT YOU CAN EXPECT AND MEASURING OUR PERFORMANCE

Level of service	Performance Measure C = Customer measure T = Technical measure	Actual 2016/17	Target 2018/19 Year 1	Target 2019/20 Year 2	Target 2020/21 Year 3	Target 2021-28 Years 4-10	Measured by
Council will provide well maintained and affordable Pensioner Housing	(T) % of Pensioner Housing units are rated good to very good using the minimum standards included in the Pensioner Housing Policy	60%	67%	71%	76%	91%	Asset Management Plan Reporting
	(C) % of tenants satisfied with the standard of their accommodation	97%	≥ 95%	≥ 95%	≥ 95%	≥ 95%	Annual Residents Survey
Tenants are supported to remain independent in their communities of choice for as long as they are able	(C) % of tenants satisfied with the social support service provided (or who rate the social support service good or above)	92%	≥ 90%	≥ 90%	≥ 90%	≥ 90%	Annual Residents Survey

TSB HUB

WHY WE DO IT

TSB Hub was built to meet a need in South Taranaki for a modern, functional complex catering for a wide range of sports, events and recreational pursuits. The programmes it provides are a significant positive investment intended to motivate and activate the community towards greater levels of participation in active recreation. In 2009, the Council adopted the South Taranaki Active Recreation Strategy with the mission *'More People, More Active, More Often'*. The findings and recommendations of the Active Recreation Strategy were reviewed as a part of the development of the 2014 Open Space Strategy. A number of the strategy objectives have been achieved and others have been incorporated into business plans and asset management plans of the Council, now forming a part of our normal service delivery.

WHAT WE DO

The Council provides and operates TSB Hub which is open all year round for recreation, entertainment, social events, functions, programmes and regular sports code competitions. TSB Hub has three full size indoor courts in two separate sports halls, four lounges, a café and kitchen facilities to service all lounges and cater to big dining events. Also included are a self-contained modern health and fitness centre and an indoor small-bore rifle range. Outdoors are four cricket wickets, an athletics track, six hard courts for netball and tennis, pavilions for netball/tennis and cricket, and six full size winter playing fields for rugby union and rugby league. There are ten modern changing rooms which service the needs of the complex within the main building and two supplementary changing rooms in the cricket pavilion adjacent to the King Edward Park cricket ground. The sports fields are maintained by external contractors working to agreed specifications. The number 1 rugby field is maintained under a separate contract aimed at presenting a high quality field that is capable of holding regional and national sporting fixtures.

The Council owns and manages the facility and caters to the needs of users, while also initiating programmes and hosting events which supplement and complement the sports club and external event organiser activities, bringing added interest and colour to the community.

TSB Hub hosts two private enterprise operations, being Hub Catering and Hub Health and Fitness, both of which lease areas within the complex. Hāwera High School uses the facility for its PE curriculum and has offices within the building. Sport Taranaki has a Community Sports Advisor based at TSB Hub as part of a partnership between the Council and Sport Taranaki to develop, promote and support fundamental skills and physical education in primary schools within the District.

Further details on how the Council assesses changes to demand, levels of service and how the maintenance, renewal and replacement of assets is undertaken are described in TSB Hub's Asset Management Plan.

WHAT NEGATIVE IMPACTS THIS MIGHT HAVE

Our activities can have negative impacts. While we strive to ensure that we operate in a way that provides the most positive outcomes, we have to acknowledge that sometimes there must be a trade-off. The table below shows the possible negative effects of this activity and what we will do to minimise these effects.

Significant Negative Effect	Sustainable Solution
Negative impact on the surrounding community through large scale events which involve large crowds, traffic volume, lighting and sound spillage.	Compliance with resource consent conditions.
Accidental injury to facility users through activity related injury or stress.	Staff trained in first aid training and emergency response procedures. Sports codes are expected to make their own provision for response to injury and accident when TSB Hub staff may not be on site. Risk management plans for events address a range of potential risk elements that may arise.

TSB HUB

LOOKING AHEAD

Growth and Demand

In the planning stages, TSB Hub was envisaged to have the capacity to attract up to 120,000 visitors per year. Since the opening, recorded numbers have been 156,000-180,000 over the last three years. Usage in the next three years is expected to remain consistent with the previous three years.

Over the past two years, periods of low use by sports clubs have been identified and programmes have been developed and run successfully to fill these gaps. Some have been totally new activities such as indoor football and ultimate frisbee, with the most successful programme being indoor netball which attracts the maximum 30 teams. The TSB Hub team will continue to identify opportunities and run programmes to fill identified usage gaps.

The volume of users, growth, trend and aging of the complex

suggest that costs of maintenance will be proportionally higher in the future due to higher wear and tear.

During the term of this ten year plan the roofs over the original parts of the TSB Hub building, that were not replaced when the facility was built, will be replaced. The two areas are over Court 3 and the health and fitness centre.

FUTURE PROJECTS

TSB Hub has gained a reputation as a capable venue and new opportunities have arisen to host larger regional, national and even international events in the District. These 'one-off' events are supported and we work to attract events which not only add vibrancy and enrich our communities but also attract visitors and add economic benefits to our businesses.

Stage 5 of the TSB Hub project (development of an artificial field and an all-weather athletics track) remains a potential future project. It will advance only if sufficient funds are made available through external fundraising initiatives.

KEY CAPITAL PROJECTS

The Council is planning to undertake the following key capital projects. The full list of capital projects can be found in the Chapter "Our Costs in Detail".

Description	Year	Total (\$)
Replace Roof over Court 3/Hub Gym	2022/23	\$221k

WHAT YOU CAN EXPECT AND MEASURING OUR PERFORMANCE

Level of service	Performance Measure C = Customer measure T = Technical measure	Actual 2016/17	Target 2018/19 Year 1	Target 2019/20 Year 2	Target 2020/21 Year 3	Target 2021-28 Years 4-10	Measured by
TSB Hub is an attractive, well maintained and well used venue	(C) Numbers of visitors to TSB Hub	138,763	≥ 150,000	≥ 150,000	≥ 150,000	≥ 150,000	Venue Booking System Report
	(C) % of users satisfied with standard of service provided	96.22%	≥ 90%	≥ 90%	≥ 90%	≥ 90%	Annual User Survey
TSB Hub provides a safe environment	(C) Number of accidents reported per annum due to poor maintenance or design	0	≤ 3	≤ 3	≤ 3	≤ 3	Vault Accidents Register

HĀWERA CINEMAS

WHY WE DO IT

The Council supports Hāwera Cinemas to ensure that a range of recreational opportunities are available for residents and visitors to enjoy.

The Cinema was established in 1997 following a public survey which showed the number one wish of the District's population was to have a cinema. A group of 50 individual private investors banded together to build the two-cinema complex at a cost of \$1.9 million.

During the initial years the Cinema had around 55,000 to 60,000 admissions annually making it one of the most popular recreational facilities in the District. Despite this, by 2006, after eight years of trading, the shareholders had only received one dividend.

In 2006 the directors of the Cinema and a group of concerned citizens approached the Council to see if it would be interested in purchasing the Cinema to secure it as a long-term asset for the South Taranaki community.

In March 2007 the Council purchased the Hāwera Cinemas building complex for \$1 million to keep the facility operating. It did this because it considered the Cinema was a significant District recreational asset, which contributed to the community's social and economic wellbeing in terms of enhancing the District as an attractive place to live, work and visit, and by providing residents with the opportunity to spend their discretionary dollar locally.

WHAT WE DO

The Council owns the Hāwera Cinemas land, building, some chattels and stock, but the Cinema is managed and operated by a charitable trust (Hāwera Cinemas Trust). The building is partly leased to the Trust for the cinema and partly to a private establishment (The Local - Sports Bar and TAB). There are no performance measures for this activity as the Cinema is operated by the Hāwera Cinemas Trust.

The Council provides an annual (\$40,000) operating grant to the Cinema Trust to ensure that it is able to continue operating and has a representative on the Cinema Trust to provide support and accountability. The Annual Grant is reviewed every three years.

Further details on how the Council maintains and replaces the Hāwera Cinemas assets which it owns, is described in the Parks and Property Asset Management Plan.

LOOKING AHEAD

Growth and Demand

The Cinema has averaged approximately 41,600 paid admissions per annum for the last three years, with around 300 additional '2-for-1' complimentary tickets given out each year.

Hāwera Cinemas now has the latest digital technology with digital projection in Theatre One and high frame rate digital with 3D in Theatre Two. Since this was installed the number of movies screened on their national release date has increased from 47% to 88% which means that moviegoers can see most movies at the same time as the major metropolitan areas.

In 2017 the Hāwera Cinemas Trust installed premium lounge areas at the back of each theatre, offering a more intimate, up-market, adult-friendly movie-going experience.

The key issues affecting demand forecasts for the Cinema are:

Movie piracy costs the New Zealand film industry \$70 million annually and impacts on film distributors, DVD retailers and movie theatres. The Commerce Commission is currently exploring a number of solutions to address this issue.

The most recent trend in movie exhibition today is the boutique cinema, offering a more adult-friendly movie-going experience. Boutique cinemas are much smaller than the traditional movie theatres which Hāwera Cinemas currently has, and tend to be combined with a coffeehouse or wine bar.

FUTURE PROJECTS

Future Projects

No future projects are planned by the Council for the Cinema in the foreseeable future. However the Trust is working on plans to optimise the number and range of movies that can be shown in the complex.

Annual Operating Grant

The annual operating grant of \$40,000 provided by the Council to the Trust is funded through General Rates and Revenue. Renewals are funded through the general rate loans or capital renewal reserves.

CORPORATE PROPERTY

WHY WE DO IT

The Council owns a large number of properties which support the services it provides. Some of these are leased to provide an income stream or may be used for community good by not-for-profit organisations. The Council also administers properties on behalf of the Department of Conservation and Pātea Harbour Endowment Lands.

WHAT WE DO

Property Management: The role of the Corporate Property Unit is to manage the Council's sundry property portfolio which includes all Council owned properties which are not directly used for the provision of Council services and public facilities. The Unit administers approximately 400 council owned properties including domains and reserve lands, Harbour Endowment Lands, Esplanade Strips, Beautification leases, Crown owned land vested in the Council and a large number of properties inherited from previous Council administrations. We retain some of these properties because they are in strategic locations and may have value to the Council and community in the future and we manage these assets until they can be used for their intended purpose.

Approximately 109 of these properties are leased or licenced, to either provide an income stream for the Council or at nominal rates to not-for-profit organisations that provide services for the benefit of the community.

Property Maintenance: The Property Maintenance Team is available to all Council units to undertake repairs and maintenance work which can be completed cost effectively 'in house'.

Property Legal Processes: The Property Unit provides an advisory and coordination service to the wider organisation for legal processes including leases and licences, purchases and disposals.

Building Compliance and Safety: The Property Unit is responsible for ensuring all Council buildings have current Building Warrant of Fitness Certificates and the preparation and review of the Asbestos Management Plans.

Asset Management Plans: The Unit is responsible for the preparation and review of Asset Management Plans for the Sundry Property Portfolio, Pensioner Housing and the Council's Parks and Facilities.

Earthquake Prone Buildings

Central Government changed the system for identifying and managing earthquake-prone buildings on 1 July 2017 when the Building (Earthquake-prone Buildings) Amendment Act 2016 came into force. The new system categorises New Zealand into three seismic risk areas: high, medium and low and sets timeframes for each of these areas, to identify potentially earthquake-prone buildings, and for strengthening these buildings. It also identifies a new concept called "priority buildings" which accelerates these timeframes for buildings that are considered to pose a higher risk to life safety, or that are critical to recovery in an emergency. South Taranaki is in the medium risk area, which gives us five years to identify priority buildings (2022) and ten years for all other buildings (2027). Once identified as earthquake-prone, building owners must undertake the necessary seismic work on priority buildings in half the time allowed, that is, in 12.5 years for priority buildings and 25 years for all other buildings.

The Property Unit is also responsible for the assessment of

Council owned buildings to determine the level of earthquake risk and the co-ordination of remedial work.

LOOKING AHEAD

Growth and Demand

The Property Unit supports other Council Activities to meet changing needs for infrastructure, parks, facilities, recreation and Council services through the acquisition of appropriate properties and the management and protection of those properties.

FUTURE PROJECTS

Over the coming three years the Property Unit will:

- > Prepare policies for the acquisition, retention and disposal of Council owned property.
- > Complete an assessment of all existing Council owned properties in accordance with the Council policies on retention and disposal.
- > Complete the assessment of Council owned buildings for earthquake risk and scheduling of remedial work to ensure the sustainability of the buildings and services.
- > Complete assessment of all Council-owned properties to identify asbestos and mitigate risk through inclusion in the Asbestos Management Plan.

vibrant
COMMUNITIES



MAKING SOUTH TARANAKI

THE MOST
liveable
DISTRICT IN NZ

ARTS & CULTURE
NGĀ MAHI Ā-TOI ME RĒHIA

vibrant together *prosperous* *sustainable*

SOUTH TARANAKI

SOUTH TARANAKI

SOUTH TARANAKI

SOUTH TARANAKI

ACTIVITIES IN THIS GROUP INCLUDE: ARTS / HERITAGE - AOTEA UTANGANUI -
MUSEUM OF SOUTH TARANAKI / LIBRARYPLUS / CHALCI

ARTS

WHY WE DO IT

The Council aims to encourage and support community participation in creative activities by promoting creative opportunities in our District. Providing professional support, co-ordination and facilitation for activities and organisations grows the community and enhances our cultural diversity. Assisting artists to promote their work and encouraging new ventures contributes to the economic development of the District. This activity meets the purpose of local government by providing good quality local public services.

WHAT WE DO

An Arts Co-ordinator provides a point of co-ordination for the creative community and offers professional advice and facilitation to increase the visibility of art throughout the District.

Established annual projects facilitated by the Arts Co-ordinator include the Council Art Lease Programme and two curated exhibitions at community art galleries.

On-going collaborative projects supported by the Arts Co-ordinator include: Taranaki Art Awards, Art in the Square (Hāwera Community Board), Arts in the Park, Paepae in the Park and the Creative Communities Funding Committee.

LOOKING AHEAD

Growth and Demand

While there is continued demand for more assistance from the Arts Co-ordinator it is not anticipated that the position will change.

FUTURE PROJECTS

No major projects are planned, however we will continue to deliver a wide range of events and activities, and provide a point of co-ordination, over the term of the plan.

WHAT YOU CAN EXPECT AND MEASURING OUR PERFORMANCE

Level of service	Performance Measure C = Customer measure T = Technical measure	Actual 2016/17	Target 2018/19 Year 1	Target 2019/20 Year 2	Target 2020/21 Year 3	Target 2021-28 Years 4-10	Measured by
Opportunities are provided to participate in art activities	(C) Number of programmes or projects facilitated or supported	10	10	10	10	10	Internal Record of Work Completed

AOTEA UTANGANUI - MUSEUM OF SOUTH TARANAKI

WHY WE DO IT

We provide district heritage services to honour and protect the past and invest in the cultural development of our communities. Such activities increase our communities' sense of identity, promote the celebration of cultural diversity and encourage the protection of our heritage.

WHAT WE DO

The Council, in partnership with the South Taranaki District Museum Trust, provides district heritage services through the management of Aotea Utanganui – Museum of South Taranaki. The South Taranaki District Museum Trust owns the Museum and the collection but has a formal partnership with the Council who staff and manage the operations of the Museum.

The Museum staff provide professional advice and support to the Trust, as well as individuals and groups that wish to

preserve their tāonga, objects and archives. The staff actively promote the District's heritage, the Museum and its activities. There is also provision for travelling exhibitions around the District to take the Museum to the people.

LOOKING AHEAD

Growth and Demand

There is an increasing expectation for heritage information to be available online, and the Trust may need to seek funds in the future to achieve this.

The space available for archival materials has been increased significantly in the last two years but, as clubs and organisations close, the demand for space to store records and memorabilia will continue to grow. There may be a need to consider providing more space for archive storage.

FUTURE PROJECTS

The South Taranaki District Museum Trust is developing Stage Two, which will include a new building on the section behind the Museum. Any extension will be dependent on funds raised by the Trust. The Council indicated support in principle for Stage Two.

There are many large pieces of the collection currently held off site and the Trust is working towards bringing these back to Aotea Utanganui.

WHAT YOU CAN EXPECT AND MEASURING OUR PERFORMANCE

Level of service	Performance Measure C = Customer measure T = Technical measure	Actual 2016/17	Target 2018/19 Year 1	Target 2019/20 Year 2	Target 2020/21 Year 3	Target 2021-28 Years 4-10	Measured by
Visitors feel welcome and enjoy the Museum	(C) % of customers satisfied with their visit	99%	≥ 95%	≥ 95%	≥ 95%	≥ 95%	Survey Monkey
The collection of artefacts and archives is protected for future generations	(C) Number of collection items re-housed to Museum standards	New measure	Social history - 400 objects Archives - 20 linear metres	Social history - 400 objects Archives - 20 linear metres	Social history - 400 objects Archives - 20 linear metres	Social history - 400 objects Archives - 20 linear metres	Internal Records of Work Completed

LIBRARYPLUS

WHY WE DO IT

Engaged and informed citizens help build strong, resilient communities. Our LibraryPlus centres, located in each of the District's seven towns, provide residents with the opportunity to access a wide range of free services, information, recreational resources and offers a focal place for community interaction. The provision of safe, friendly local public places means all citizens can engage with the wider world.

WHAT WE DO

Our seven LibraryPlus centres are located in Hāwera, Eltham, Ōpūnake, Pātea, Manaia, Kaponga and Waverley. They provide a free lending service to all residents, and services which include literacy, housebound book service, local history and heritage, book clubs, activities and programmes for all age groups.

LibraryPlus centres also provide local access to a range of Council services (such as dog registrations, rates payments) and a public space that is warm, safe and inviting.

The libraries provide an online presence through www.southtaranaki.com which enables borrowers to reserve and/or renew items, check the catalogue, access online newspapers and resources. Users can communicate with the libraries on Facebook, Twitter, Pinterest and the LibraryPlus blog. A partnership with the Aotearoa Peoples Network Kaharoa enables free internet access for all residents and visitors.

Our LibraryPlus provides a Library Management Software service to the Stratford Library through a Shared Services Agreement. This partnership allows users to seamlessly borrow from any South Taranaki or Stratford Library and

return items to any branch.

The Library Collection is a District resource containing approximately 75,000 items including books, eBooks, eAudio, graphic novels and magazines, and provides access to online newspapers and databases. More detailed information on the operations, maintenance, renewal and development of the LibraryPlus assets can be found in the LibraryPlus Asset Management Plan.

LOOKING AHEAD

Growth and Demand

Libraries, and the world they exist in, are in a transitional print/digital state and, particularly in smaller communities; this is likely to exist for many years to come despite the rapid pace of technological change.

In recent years the number of people through LibraryPlus' doors has decreased and use of library resources has changed, reflecting the way people access information and interact with staff. However the number of people using the physical spaces is beginning to grow again, due to increasing use as a community hub or heart. The range of ways people can use library resources both internally and externally through digital access is increasing and the library as the "third place" has become important for studying, business meetings and connection with people. This is a worldwide trend we expect to continue.

The International Federation of Library Associations has identified the following future trends:

- > New technology will both expand and limit who has access to information.
- > Online education will democratise and disrupt global learning.
- > The boundaries of privacy and data protection will be redefined.
- > Hyper-connected societies will listen to and empower new voices and groups.
- > The global information environment will be transformed by new technologies.

Alongside these five trends is a move towards focussing more on people through connections, conversations and by creating and co-creating. Libraries assist people by simplifying complexity, enriching information and sharing ideas. They have always been involved in the creation of new materials through providing inspiration for authors and artists but are now actively co-creating and co-curating with the public. This means tapping into the user spaces and places online where people interact, to have a presence and point the way. The LibraryPlus online presence will continue to grow in the future as we meet our users where they are.

While the trends might show fewer people borrowing physical items, interactions with our residents will be more time consuming and intensive as we play a greater role in educating and supporting the public to flourish in a hybrid digital world. There is an increasing push for people to access government services online, at the same time as many people are moving away from eBooks and choosing to spend less time online.

LIBRARYPLUS

This means in coming years our LibraryPlus centres will place more emphasis on maintaining a diverse online presence and remaining current with digital technologies while pursuing partnerships with other organisations to enhance service delivery.

FUTURE PROJECTS

- > The Council is building a **multi-purpose district Centre for Heritage, Arts, Library, Culture & Information** in Hāwera which will involve relocating the existing Hāwera LibraryPlus to a larger space. This was a key recommendation of the Library Review presented to Council in 2011. Please see the CHALCI Activity Statement for further details.
- > A **Radio Frequency Identification (RFID)** system would replace the current barcode system and offer another method of inventory management and self-service checkout by patrons. This project will be considered as part of the fit-out of the CHALCI.
- > Development of a **Digital Repository** for South Taranaki will provide people (individuals, community organisations) with a place to store and share files/information online. As well as providing the resource, the LibraryPlus will provide support and advice on how to use the repository.

WHAT YOU CAN EXPECT AND MEASURING OUR PERFORMANCE

Level of service	Performance Measure C = Customer measure T = Technical measure	Actual 2016/17	Target 2018/19 Year 1	Target 2019/20 Year 2	Target 2020/21 Year 3	Target 2021-28 Years 4-10	Measured by
LibraryPlus facilities are well resourced and have friendly, helpful staff	(C) % of customers satisfied with facilities and customer service	97%	≥ 95%	≥ 95%	≥ 95%	≥ 95%	Annual Residents Survey
LibraryPlus materials and resources are relevant to current information and leisure needs of the community	(C) % of customers satisfied with materials, resources and information provided	95%	≥ 95%	≥ 95%	≥ 95%	≥ 95%	Annual Residents Survey

WHY WE DO IT

The provision of a multi-purpose building to bring together the LibraryPlus, Visitor Information Centre (i-SITE) and the Lysaght Watt Art Gallery provides residents with the opportunity to access a wide range of free services, information, recreational resources and offers a focal place for community interaction. Engaged and informed citizens help build strong, resilient communities. The provision of safe, friendly local public places means all citizens can engage with the wider world.

The CHALCI is designed to create an experience that engages and challenges the imagination. It embodies an enduring sense of quality as a gift to the future of South Taranaki's people, while promoting a sustainable vision for the next generation. It allows for stories to be told and created, and provides an enhanced space for events and cultural programmes.

WHAT WE DO

The **Hāwera LibraryPlus** provides a free lending service to all residents and services which include literacy, housebound book service, local history and heritage, book clubs, activities and programmes for all age groups. For further details on what the LibraryPlus does please see the LibraryPlus activity statement.

The **Lysaght Watt Gallery** is a community facility providing space for art exhibitions, community projects and education. Exhibitions change monthly, and offer a wide range of inspiring shows for participants and visitors to the gallery. The gallery showcases work from a range of artists and disciplines, and exhibitors include members of the gallery, local and invited artists, as well as touring shows.

The **South Taranaki i-SITE Visitor Centre** is responsible for promoting the District's attractions and facilities to both visitors to the area and local residents. For further details on what the i-SITE does please see the Tourism activity statement.

The CHALCI will also include heritage exhibition space, a privately run café and meeting rooms.

LOOKING AHEAD

Growth and Demand

Over time, it is likely that more of South Taranaki's citizens will see Hāwera as their main shopping and leisure destination. The CHALCI has been designed to meet current and future growth, and has the capacity to accommodate fluctuating trends in use and changes in technology.

FUTURE PROJECTS

This project is expected to be completed in Year 3 of the LTP (2020).

KEY CAPITAL PROJECTS

The Council is planning to undertake the following key capital projects. The full list of capital projects can be found in the Chapter "Our Costs in Detail".

Description	Year	Total (\$)
CHALCI Construction (partially externally funded)	2018-20	\$8m

WHAT YOU CAN EXPECT AND MEASURING OUR PERFORMANCE

Level of service	Performance Measure C = Customer measure T = Technical measure	Actual 2016/17	Target 2018/19 Year 1	Target 2019/20 Year 2	Target 2020/21 Year 3	Target 2021-28 Years 4-10	Measured by
The CHALCI is a clean and well maintained facility	(C) % of users satisfied with the cleanliness of the facility	No measure required			≥ 95%	≥ 95%	In-facility Survey
The CHALCI is a welcoming facility that meets the needs of users	(C) % of users who rate the facility as satisfactory	No measure required			≥ 90%	≥ 90%	In-facility Survey

MAKING SOUTH TARANAKI

THE MOST
liveable

DISTRICT IN NZ

DISTRICT ECONOMY
WHAKATIPURANGA O TE ROHE



vibrant *prosperous*
SOUTH TARANAKI SOUTH TARANAKI



ACTIVITIES IN THIS GROUP INCLUDE: ECONOMIC DEVELOPMENT / TOURISM / EVENTS

ECONOMIC DEVELOPMENT

WHY WE DO IT

Creating a vibrant and prosperous environment for residents and visitors is a key community outcome for this Council. The Economic Development activity seeks to contribute to this outcome by supporting new and existing businesses to develop and grow. We recognise that forming relationships with other cultures can include an economic benefit to our District.

WHAT WE DO

The Council supports the economic growth of the District through implementing its Economic Development Strategy, adopted in 2007 and reviewed in 2013. The Strategy identifies the Council's role in economic development and highlights issues and opportunities for the District.

The Council has contributed to the development of Tapuae Roa the Taranaki Regional Economic Development Strategy Make Way for Taranaki (August 2017). The core focus of Tapuae Roa is people. It is people that take economies forward.

The Council has a partnership with Venture Taranaki Trust. The Trust acts as a regional development agency with priorities to provide a strategic and focussed approach to regional economic development. Venture Taranaki Trust also provides a business advisory service for the Council as part of this partnership, with the following services available:

- > Start-up advice for new and emerging enterprises;
- > A referral and support service to assist businesses to access agency funding for research and development, export and growth incentives and

training;

- > Advice and assistance for established businesses to develop new products or services, implement expansion programmes, or access export markets. This may be achieved through direct advice or through linking businesses with professional services, regional or government agencies and funding providers; and
- > Assistance with referrals to business mentoring.

The Council has a Business Incentive Package to encourage new businesses and developments that may be considering setting up in the South Taranaki District. An Image Improvement Package is also available to encourage property owners in all of the Districts' commercial areas to maintain the frontages of their buildings.

The Council works with business associations across the District to support their members.

Hāwera Town Centre Strategy

In 2015, we adopted the Hāwera Town Centre Strategy. This Strategy includes a series of specific actions that will enable positive change to take place in the Hāwera Town Centre over time. The creation of the Campbell Lane and Korimako Lane arcades, the redevelopment of the Countdown Supermarket and the realignment of various roading networks in the centre are evidence of the momentum and success of the Strategy.

The development of CHALCI (Centre for Heritage, Arts, Library Culture and Information), along with a new civic green space in the centre of town are key projects for the Council in this

Long Term Plan.

The Council is hopeful that its investment in infrastructure within the Hāwera Town Centre will be a catalyst to other investors, property owners and business people to further enhance and grow the economic base of Hāwera and the District by further investment. We are also open to discussions with investors on possible joint venture opportunities if there is proven benefit for the betterment of the District.

The Council has recognised the risks that earthquake-prone buildings and the resultant commercial influences will have on town centres in South Taranaki, and we need to deal with these issues as part of the development of our town centres in a holistic way. An Earthquake-prone Buildings Council Assistance Package Policy was developed as a method of assisting our town centres and owners of earthquake-prone buildings, as the Council recognises that there is a public benefit for heritable buildings to be retained and potentially a purpose change. This provides financial assistance in the form of grants, loans or rates relief for building owners seeking to strengthen buildings.

Other Town Centre Strategies

We are proposing to develop Town Centre Strategies, called Spatial Plans, for five of our town centres, Eltham, Manaia, Ōpūnake, Pātea and Waverley over the next five years. \$100,000 has been included in this LTP to develop these plans. We know it is important that we take a long term approach to the development of these town centres, and, like the Hāwera Town Centre Strategy, it is important that we include the community, and we will be undertaking community

ECONOMIC DEVELOPMENT

engagement as these plans are developed.

We have a Sister City relationship with Harbin in North East China. The Council has had a formal agreement with them since 2005.

LOOKING AHEAD

Growth and Demand

Digital technology presents one of the biggest opportunities and challenges for our District.

As part of the Government's nationwide ultrafast fibre roll-out, Ōpūnake, Manaia, Pātea and Eltham will receive UFB2 starting in 2019 through to 2020. The Council's Rural Broadband Working Party will continue to advocate for improved digital services across the District, including the utilisation of the Council's Digital Development Fund of up to \$1million to support this initiative.

FUTURE PROJECTS

- > CHALCI
- > Hāwera Town Centre Strategy eg. South Road Streetscape.
- > A Digital Strategy is to be developed to ensure some groups do not miss out on social and economic opportunities if they are unable to access and adapt to new technologies and new ways of doing things.
- > Develop spatial plans for Eltham, Manaia, Ōpūnake, Pātea and Waverley.

WHAT YOU CAN EXPECT AND MEASURING OUR PERFORMANCE

Level of service	Performance Measure C = Customer measure T = Technical measure	Actual 2016/17	Target 2018/19 Year 1	Target 2019/20 Year 2	Target 2020/21 Year 3	Target 2021-28 Years 4-10	Measured by
Existing or new businesses are supported and assisted to grow	(C) Number of client interactions with the Business Advisory Service	581	≥ 475	≥ 475	≥ 475	≥ 475	Venture Taranaki Quarterly Report
	(C) Dollar value of Capability Development vouchers distributed in South Taranaki	New measure	≥ \$75,000	≥ \$75,000	≥ \$75,000	≥ \$75,000	Venture Taranaki Quarterly Report
South Taranaki is promoted as a great place to live, work and visit	(C) Number of South Taranaki promotions	New measure	≥ 10	≥ 10	≥ 10	≥ 10	Internal Records

TOURISM

WHY WE DO IT

Tourism promotion attracts visitors to the area who stay in our accommodation, visit our attractions and use other services such as petrol stations, restaurants and retail stores. Visitors can also add to the vibrancy and cultural vitality of an area through interaction with residents and mixing of their cultures into our lives. Providing visitor services is an important part of the equation to encourage visitors to stay longer and spend more in the District.

Local visitor information services are delivered directly by the Council as there are currently insufficient visitor numbers to provide enough income to make this service commercially viable for a private enterprise.

WHAT WE DO

The South Taranaki i-SITE Visitor Centre is responsible for promoting the District's attractions and facilities to both visitors to the area and local residents. The i-SITE is a member of i-SITE New Zealand, which makes it part of the national network and also holds and maintains Qualmark accreditation. Services include providing regional and national information and booking and ticketing services for most travel services (including ferry, train and bus travel), tourism attractions,

activities and accommodation throughout the country and event ticketing (including Ticket Direct and Ticketek).

In conjunction with the other territorial authorities in Taranaki, the Council has a partnership with the region's economic development and tourism agency, Venture Taranaki Trust (VTT) to develop the tourism businesses in the region to increase the number of quality tourism experiences the region has to offer, and to attract visitors to the region through promotional activities. This contract has been in place since July 2004.

LOOKING AHEAD

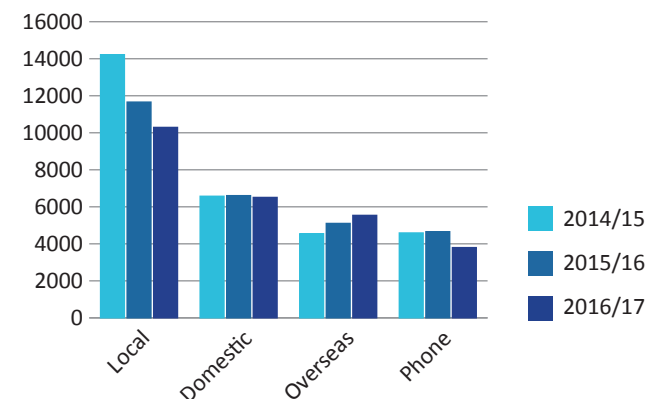
Growth and Demand

There will continue to be a regional partnership delivered through VTT for the development and promotion of Tourism.

Over the last three years the total number of visitors to the South Taranaki i-SITE has had a small decrease of 4.7% from 28,550 visitors to 27,181. These numbers include local residents who use the i-SITE. Visitor numbers (domestic and international) have increased by 9%.

The following graph highlights the variations in the visitor numbers for the last three financial years.

FINANCIAL YTD CUSTOMER ENQUIRIES



FUTURE PROJECTS

The i-SITE will be part of the new multi-purpose library, culture and heritage facility in Hāwera and will be moving into this new facility when it is completed.

WHAT YOU CAN EXPECT AND MEASURING OUR PERFORMANCE

Level of service	Performance Measure C = Customer measure T = Technical measure	Actual 2016/17	Target 2018/19 Year 1	Target 2019/20 Year 2	Target 2020/21 Year 3	Target 2021-28 Years 4-10	Measured by
Customers are satisfied with the level of service they received at the i-SITE	(T) Qualmark accreditation is maintained	Held	Held	Held	Held	Held	Qualmark (biennially)

EVENTS

WHY WE DO IT

Events are undertaken by the Council to provide the community with a range of entertainment, cultural and recreational activities, which contributes to the vitality and uniqueness of our communities, making them more attractive to residents and prospective residents. Events have the potential to bring communities together and add to the character and spirit of a community. In addition, events provide an opportunity to attract visitors to the District, which can bring economic benefits to our businesses.

WHAT WE DO

The Council is involved with a range of events throughout the District and supports them in a variety of different ways. This may be financially through sponsorship, ticketing and bookings, facilitation of a local element of a regional/national event, promotions and marketing support or complete organisation of an event.

Events previously supported through the Council's events

programme include AmeriCARna (Hāwera and Ōpūnake), XRACE, Hurricanes Pre Season Rugby Game, the Taranaki Cycle Challenge and Pae Pae in the Park (Pātea).

Regular events the Council has run over the last few years include Arts in the Park (Hāwera), Sounds on the Sand (Ōpūnake), the More FM Fireworks Spectacular (Hāwera), Family Fun at the Movies (Hāwera & Ōpūnake) and Movies in the Park (Eltham). Evidence that these events continue to be popular is generally based on the increasing numbers of people attending. The popularity of these events is maintained by adding or changing some aspects to keep them refreshed.

The Council also co-ordinates a school holiday programme, Happening Holidays, which runs for two weeks during three of the four school holiday periods. Activities are aimed at the 7 to 14 year age group and range from arts and crafts to sports, recreation and trips. The Programme is based in Hāwera; however activities are held in other parts of the District from time to time.

LOOKING AHEAD

Growth and Demand

Demand for events continues to grow and current resourcing of events is expected to increase to meet this increasing demand. We will continuously monitor the support and attendances of existing events and review each event at its conclusion. We will respond and assess any new initiatives or opportunities that may arise or be presented to the Council.

Future Projects

Investigation of a new event to replace the Fireworks Spectacular will be undertaken. Any new event should be in place for 2019/20.

WHAT YOU CAN EXPECT AND MEASURING OUR PERFORMANCE

Level of service	Performance Measure C = Customer measure T = Technical measure	Actual 2016/17	Target 2018/19 Year 1	Target 2019/20 Year 2	Target 2020/21 Year 3	Target 2021-28 Years 4-10	Measured by
Council will provide, encourage and/or support events within the District	(C) Minimum number of events Council has provided or supported per annum	13	≥ 10	≥ 10	≥ 10	≥ 10	Internal Records
Council events are well organised, safe and well attended	(C) % of attendees satisfied with selected Council events	97.3%	≥ 90%	≥ 90%	≥ 90%	≥ 90%	Post Event Surveys
	(C) Number of incidents due to poor event management	0	≤ 3	≤ 3	≤ 3	≤ 3	Event Accident Register



vibrant
COMMUNITIES

MAKING SOUTH TARANAKI

THE MOST
liveable

DISTRICT IN NZ

COMMUNITY DEVELOPMENT WHAKAWHANAKE HAPORI



vibrant SOUTH TARANAKI
together SOUTH TARANAKI
sustainable SOUTH TARANAKI



ACTIVITIES IN THIS GROUP INCLUDE: COMMUNITY DEVELOPMENT / COMMUNITY SUPPORT

COMMUNITY DEVELOPMENT

WHY WE DO IT

The Council is committed to working in partnership with communities to ensure that their views and aspirations are considered, and communities are supported to develop and implement projects that improve their wellbeing and contribute to the Council's Community Outcomes.

WHAT WE DO

The Council works alongside communities to achieve its outcomes and support communities to act for themselves. To achieve these objectives the following key roles are undertaken:

- > Work with the community and groups to raise their own capacity to achieve the outcomes they desire for themselves.
- > Work in partnership with community groups, businesses and external agencies to make the best use of resources.
- > Complete joint community and Council initiatives which contribute to the achievement of community aspirations and Council outcomes.
- > Undertake research and consultation which accurately identifies the issues and opportunities for our communities and the outcomes they wish for themselves.
- > Recognising the achievements of young people in the work force through an annual award ceremony.
- > Supporting the Mayor's Taskforce for Jobs to assist young people into work.

LOOKING AHEAD

Growth and Demand

Demand for assistance with community group capacity building is expected to continue, especially in the areas of increasing and retaining volunteers, understanding health and safety requirements, sustainable funding planning, leadership and the development of collaborative networks and partnerships.

The Community Development activity supports the development of the District's shared cycle and walking pathways by working with various partners to access funding for new pathway projects. The District's Economic Development Strategy recognises that an important factor in attracting and retaining skilled people in our District is the need for more recreational opportunities, especially walkways and cycleways. Refer to the Roading activity for a list of new routes.

COMMUNITY DEVELOPMENT

FUTURE PROJECTS

Key projects in the coming three years are:

1. Support the Mayor's Task Force for Jobs Strategy
2. Assist with securing the external funding required for the new multi-purpose district Centre for Heritage, Arts, Library, Culture and Information in Hāwera.
3. Support the development of the District's shared cycle and walking pathways

Funding of Community Led Projects

The Community Development Activity is fully funded by general rates and revenue. However the Council has set performance measures which require that a minimum of 50% of the funding for community-led projects supported by the Council should be obtained from external sources, and one third of funding for Council projects completed in partnership with the community should be raised from external sources.

WHAT YOU CAN EXPECT AND MEASURING OUR PERFORMANCE

Level of service	Performance Measure C = Customer measure T = Technical measure	Actual 2016/17	Target 2018/19 Year 1	Target 2019/20 Year 2	Target 2020/21 Year 3	Target 2021-28 Years 4-10	Measured by
Communities and groups are provided with the skills they need to support them to achieve their own goals	(C) % of participants in workshops and training sessions find the training useful	93%	≥ 80%	≥ 80%	≥ 80%	≥ 80%	Participant Survey
Partnerships with community groups are developed to make the best use of resources	(C) % of the cost of community-led projects (supported by Council) funded from external sources	65%	≥ 50%	≥ 50%	≥ 50%	≥ 50%	Internal Records
	(C) % of the total cost of Council-led projects (completed in partnership with the community) funded from external sources	51.6%	≥ 33.3%	≥ 33.3%	≥ 33.3%	≥ 33.3%	Internal Records

COMMUNITY SUPPORT

WHY WE DO IT

The local community, through its diverse range of activities, makes a major contribution to the well-being of the District. We recognise this and offer support to promote, enable and offer a helping hand in appreciation of the voluntary contribution made by organisations and groups within the community.

WHAT WE DO

Through this activity we support civic ceremonies such as ANZAC Day commemorations and citizenship ceremonies.

An annual volunteer function is held to recognise the many volunteers that assist the community in a variety of ways throughout the year.

We support the distribution of community funding to community groups. The elected members, especially the Mayor, host a number of civic ceremonies.

The Council administers two funds on behalf of central government through the South Taranaki Creative Communities Scheme and the Sport NZ Rural Travel Fund to provide funding to local groups under specific criteria. The Council also administers the Neighbourhood Match Fund on behalf of the TSB Community Trust.

The Council provides funding to various community groups through submissions to its Long Term Plan process, as well as annual on-going funding to community groups based on a Council resolution or agreement to support their community work, which we see as providing public value.

The Community Boards and the Iwi Liaison Committee allocate funding to community groups from their discretionary funds, the Waimate Development Levy and the Pātea Centennial Bursary, based on established criteria. Grants are also made to support rural halls and community surveillance systems.

LOOKING AHEAD

Growth and Demand

The Council recognises that the demand for community funding can outstrip supply at various times; the Council has increased the rural halls contestable funding from \$20,000 to \$40,000 per annum for three years and has increased the total grants budget from \$157,600 to \$201,000 per annum for the next three years to enable grants to various community groups who made submissions to the LTP requesting funding. There are no performance measures for this activity.

MAKING SOUTH TARANAKI

THE MOST
liveable

DISTRICT IN NZ

ENVIRONMENTAL SUSTAINABILITY
TE PŪTAIAO



ACTIVITIES IN THIS GROUP INCLUDE: PLANNING / ENVIRONMENTAL POLICY

PLANNING

WHY WE DO IT

Planning services are provided to ensure the Council meets its responsibilities under the Resource Management Act 1991. This involves managing the use, development and protection of South Taranaki's natural and physical resources, while ensuring that those resources remain available for future generations of South Taranaki residents. It also means that any adverse environmental effects arising from their use or development are appropriately managed.

WHAT WE DO

The Planning activity involves applying the provisions of the South Taranaki District Plan. In particular it involves providing advice on subdivision and land use activities, processing applications for resource consent when proposed activities fall outside of the environmental controls established by the Council, and community and monitoring compliance with the District Plan and resource consent conditions.

We work with developers to facilitate new initiatives and developments in our District, and ensure the advice we give and consents we issue benefit the wider community, while facilitating good development decisions.

LOOKING AHEAD

Growth and Demand

The number of applications for resource consents is not expected to increase significantly over the next ten years. We do anticipate that the buoyant state of the economy will continue to reflect business activity, and in South Taranaki this could involve some significant developments occurring.

FUTURE PROJECTS

The Council will respond to any further changes to the Resource Management Act 1991.

WHAT YOU CAN EXPECT AND MEASURING OUR PERFORMANCE

Level of service	Performance Measure C = Customer measure T = Technical measure	Actual 2016/17	Target 2018/19 Year 1	Target 2019/20 Year 2	Target 2020/21 Year 3	Target 2021-28 Years 4-10	Measured by
Consents for subdivision and development are processed in a timely manner	(T) % of resource consent applications processed within statutory timeframes	100%	100%	100%	100%	100%	Internal Reporting System
Consent compliance is monitored by the Council	(T) Consents are monitored by their due date	46%	≥ 90%	≥ 90%	≥ 90%	≥ 90%	Internal Reporting System

ENVIRONMENTAL POLICY

WHY WE DO IT

Environmental Policy services are provided to ensure the Council meets its responsibilities under the Resource Management Act 1991 (RMA). Environmental Policy provides a framework for sustainable land development and opportunities for the community to participate in developing the District Plan, which enables the use and development of land while protecting the special places the community values. This is done through careful consideration and balancing of the need to protect our heritage, maintain quality living environments and enable development and growth.

WHAT WE DO

Environmental Policy involves promoting sustainable management of the environment through the District Plan. The District Plan controls the way we use, subdivide and develop land in the District. It identifies where activities can take place, what land can be developed and what special features of our District should be protected for the benefit of the whole community.

A new District Plan was developed in 2015 and 2016. Decisions on submissions were released late in 2016 and nine appeals were received. It is anticipated that the appeals will be resolved during 2018.

The Council will continue to respond to National Policy Statements and Regional Policy Statements.

Environmental Policy also involves providing funding assistance to people protecting areas of indigenous vegetation or habitats of indigenous fauna.

LOOKING AHEAD

Growth and Demand

There is expected to be an increased demand for this service as the community becomes more aware of environmental issues. It is also likely that Central Government will require further policy development during the next ten years.

FUTURE PROJECTS

There are no significant projects known to date for this activity.

WHAT YOU CAN EXPECT AND MEASURING OUR PERFORMANCE

Level of service	Performance Measure C = Customer measure T = Technical measure	Actual 2016/17	Target 2018/19 Year 1	Target 2019/20 Year 2	Target 2020/21 Year 3	Target 2021-28 Years 4-10	Measured by
Growth and development is planned while our natural and physical resources are managed in a sustainable manner	(T) The Plan Changes and Variations to the District Plan are undertaken in accordance with legislative timeframes	New measure	Achieved	Achieved	Achieved	Achieved	Internal Reporting System
Iwi are supported to contribute to local environmental issues	(T) % of Plan Change projects that have dedicated periods of officer time set aside for consulting with Iwi	100%	100%	100%	100%	100%	Internal Reporting System



sustainable
SOUTH TARANAKI

MAKING SOUTH TARANAKI

THE MOST
liveable
DISTRICT IN NZ

REGULATORY SERVICES

RATONGA WHAKATURE



sustainable
SOUTH TARANAKI

A close-up photograph of a dog's face, showing its eyes and fur. The dog has brown and black fur and is looking directly at the camera.

ACTIVITIES IN THIS GROUP INCLUDE: BUILDING CONTROL / ENVIRONMENTAL HEALTH / ALCOHOL & GAMBLING LICENSING / NOISE CONTROL / PARKING CONTROL / ANIMAL SERVICES / REGULATION MONITORING / CIVIL DEFENCE & EMERGENCY MANAGEMENT

BUILDING CONTROL

WHY WE DO IT

The Building Control activity is an important community service that contributes to the safety of buildings for use by people, and is also a key element in supporting the District's economy. The Council must retain Crown accreditation as a Building Consent Authority to implement much of the Building Act 2004. Some of the purposes for which the Council has a direct involvement within the community are:

- > To provide a service that ensures people who use buildings can do so safely and without endangering their health;
- > Buildings have attributes that contribute appropriately to the health, physical independence, and wellbeing of the people who use them;
- > People who use a building can escape from the building if it is on fire and;
- > Buildings are designed, constructed, and able to be used in ways that promote sustainable development.

WHAT WE DO

The Building Control activity involves providing information regarding regulatory compliance for building projects. It involves receiving and processing building consent applications and inspecting building work for approximately 600 building consent applications each year. In addition the safe use of public buildings are monitored, and the on-going operation of specified safety systems within them. This involves maintaining a Building Warrant of Fitness register and undertaking site inspections of those registered buildings to ensure the Compliance Schedule is being met.

LOOKING AHEAD

Growth and Demand

It is assumed that the demand for the service will increase slowly over the short to medium term (5 - 10 years) reflecting an improved economic outlook. It is anticipated that 600 consents per year will become the norm in comparison to the peak numbers (1,000 plus) of consents seen during the years

2005 - 2008.

With new legislation around earthquake-prone buildings passed by Central Government, along with influences from the commercial sector that recognise the business risk involved with earthquake prone buildings, it is expected that the Building Control Unit will be affected in terms of work load, and the need for further resources may arise.

As accreditation requirements become more stringent the need to increase the quality and standard of the Unit's management and process systems could have an impact on staffing.

FUTURE PROJECTS

Phase 3 of Building Consent Authority Accreditation will involve all of the Council's Building Control Officers gaining a National Diploma in Building Control Surveying. This will achieve the third and final phase of Accreditation.

WHAT YOU CAN EXPECT AND MEASURING OUR PERFORMANCE

Level of service	Performance Measure C = Customer measure T = Technical measure	Actual 2016/17	Target 2018/19 Year 1	Target 2019/20 Year 2	Target 2020/21 Year 3	Target 2021-28 Years 4-10	Measured by
Building consents are processed efficiently	(T) % of building consent applications are processed within the statutory timeframe of 20 working days	100%	100%	100%	100%	100%	Internal Reporting System
Customers receive industry recognised quality service	(C) % of building inspections are carried out within 2 working days of request	100%	≥ 95%	≥ 95%	≥ 95%	≥ 95%	Internal Reporting System
The Council retains authority to issue building consents	(T) Accreditation as a Building Consent Authority is retained	Retained		Retained		Retained	Biennial External Audits

ENVIRONMENTAL HEALTH

WHY WE DO IT

Environmental Health services are provided to protect public health and ensure the Council meets its obligations under the Health Act 1956, Food Act 2014 and Litter Act 1979 by making sure the District's food premises, hairdressers, funeral homes and offensive trades are safe, hygienic places, and by dealing with nuisances.

WHAT WE DO

Our Environmental Health activity protects the community. It involves registering and inspecting premises that prepare or sell food; registering and inspecting hairdressers, funeral homes and offensive trades; investigating complaints about consumed foods, including the manner of its preparation and the state of premises used for food preparation; educating

food premise operators and residents about food safety; and investigating nuisances such as dumping of rubbish and other health risks.

LOOKING AHEAD

Growth and Demand

The major change affecting Environmental Health is the Food Act 2014. As a result of this Act, businesses will be required to have Food Control Plans in place to recognise the food safety issues that are most likely to affect the food that they sell. The demand for the Environmental Health service has increased, as setting up Food Control Plans and the auditing process are more involved and time consuming than the previous inspection process.

The Council has begun transitioning food businesses onto the new Act's requirements. The Ministry for Primary Industries has allowed until the 28 March 2019 for the transition period to conclude. The Council has become an approved agency for auditing National Programme business (for example early childhood education centres and dairies).

FUTURE PROJECTS

The implementation of the Food Act 2014 will involve Council staff progressively working with food operators to develop Food Control Plans and National Programmes. The deadline for the transition is 28 March 2019.

WHAT YOU CAN EXPECT AND MEASURING OUR PERFORMANCE

Level of service	Performance Measure C = Customer measure T = Technical measure	Actual 2016/17	Target 2018/19 Year 1	Target 2019/20 Year 2	Target 2020/21 Year 3	Target 2021-28 Years 4-10	Measured by
New food premises can open to the public quickly and existing food premises can continue to trade	(T) % of New Premises Applications and Renewal Premises Applications are processed within 10 working days	100%	≥ 95%	≥ 95%	≥ 95%	≥ 95%	Internal Reporting System
Food premises are hygienic and food sold to the public is safe to eat	(T) % of licensed premises that are audited within 1 month of the due date	100%	≥ 95%	≥ 95%	≥ 95%	≥ 95%	Internal Reporting System
Food premises operators receive high quality service	(C) The number of complaints received from food premises operators about the standard of service per annum	0	≤ 5	≤ 5	≤ 5	≤ 5	Internal Monitoring of CRMs
Hairdressers, camping grounds/holiday parks, funeral homes & offensive trade premises are hygienically safe	(T) % of licensed premises that are inspected annually	New measure	≥ 95%	≥ 95%	≥ 95%	≥ 95%	Internal Reporting System

LICENSING - ALCOHOL AND GAMBLING

WHY WE DO IT

The Alcohol and Gambling Licensing activity regulates the sale, supply and consumption of alcohol to promote its safe and responsible consumption and to minimise the harm that excessive consumption can cause. We aim to reduce the harmful social effects that can result from excessive and unsafe exposure to alcohol and gambling facilities.

This activity is legislatively required of the Council through the Sale and Supply of Alcohol Act 2012, the Gambling Act 2003 and the Racing Act 2003.

WHAT WE DO

The activity involves the protection of public health through providing reports for the purposes of the Sale and Supply of Alcohol Act 2012 and licensing and monitoring for compliance with the licence conditions of that Act. This includes issuing on, off, club and special liquor licences as well as issuing manager's certificates. It also involves developing partnership strategies with the Police and the Taranaki District Health Board to reduce liquor abuse and promote host responsibility. The Council is also required to operate a District Licensing Committee to determine all new and renewal applications for licences and certificates. This may involve holding public hearings for opposed applications.

Under this activity we control and manage the number of Class IV gaming venues in our District. We also develop and administer the gambling policies for Class IV Venues (gaming machine venues) and Board Venues (TABs).

LOOKING AHEAD

Growth and Demand

The demand for this service is likely to continue at current levels.

FUTURE PROJECTS

- > Develop and introduce a Local Alcohol Policy in consultation with the community, partner organisations and Iwi in 2018.

WHAT YOU CAN EXPECT AND MEASURING OUR PERFORMANCE

Level of service	Performance Measure C = Customer measure T = Technical measure	Actual 2016/17	Target 2018/19 Year 1	Target 2019/20 Year 2	Target 2020/21 Year 3	Target 2021-28 Years 4-10	Measured by
Premises selling alcohol to the public are licensed and are running their businesses responsibly	(C) Number of workshops to encourage host responsibility that the Council is involved in facilitating per annum	2	2	2	2	2	Internal Reporting System
	(T) % of licensed premises that the Council has contact with or are inspected	100%	≥ 95%	≥ 95%	≥ 95%	≥ 95%	Internal Reporting System
Unopposed Alcohol Licence Applications are processed promptly	(T) % of unopposed Alcohol Licence Applications processed within 10 working days of receipt of all reports	100%	≥ 95%	≥ 95%	≥ 95%	≥ 95%	Internal Reporting System

Note: There are no performance measures relating to the Gambling Activity

NOISE CONTROL

WHY WE DO IT

A Noise Control service is provided so unreasonable noise doesn't intrude on residents' enjoyment of their living environments.

WHAT WE DO

This 24 hour, seven days a week service involves responding to and investigating noise complaints, the issuing of Excessive Noise Direction Notices, Abatement Notices and Infringements, and the seizure of the noise generating equipment when excessive noise is detected.

LOOKING AHEAD

Growth and Demand

The demand for this service is likely to continue at current levels.

FUTURE PROJECTS

There are no major projects or changes expected in this activity.

WHAT YOU CAN EXPECT AND MEASURING OUR PERFORMANCE

Level of service	Performance Measure C = Customer measure T = Technical measure	Actual 2016/17	Target 2018/19 Year 1	Target 2019/20 Year 2	Target 2020/21 Year 3	Target 2021-28 Years 4-10	Measured by
Provide a prompt and reliable noise control service 24 hours a day, 7 days a week	(T) % of noise complaints responded to within one hour	75%	≥ 90%	≥ 90%	≥ 90%	≥ 90%	Internal Reporting System

ANIMAL SERVICES

WHY WE DO IT

The Animal Services activity is provided to mitigate the potentially adverse effects of dog and stock ownership on our community. This activity involves promotion and education of responsible animal ownership, and the regulation and rehoming of dogs. There is a significant level of public contact and response to complaints. The Council has a responsibility under the Dog Control Act 1996 and Impounding Act 1955 to provide this service.

WHAT WE DO

Animal Services involves requiring all dogs to be registered; responding to and investigating complaints of dogs roaming, barking or attacking; responding to and investigating complaints of wandering stock; making special provision for dangerous and menacing dogs; educating owners to be more aware of their responsibilities so that their dogs do not cause a nuisance or injury to people, stock, domestic animals or protected wildlife.

The Council owns and operates a Pound in Hāwera. Management strategies for this asset are contained in the Pound Asset Management Plan.

LOOKING AHEAD

Growth and Demand

The number of dogs in the District is unlikely to increase in the foreseeable future. The demand for this service is likely to continue at current levels.

FUTURE PROJECTS

There are no major projects or changes expected in this activity.

WHAT YOU CAN EXPECT AND MEASURING OUR PERFORMANCE

Level of service	Performance Measure C = Customer measure T = Technical measure	Actual 2016/17	Target 2018/19 Year 1	Target 2019/20 Year 2	Target 2020/21 Year 3	Target 2021-28 Years 4-10	Measured by
Residents are satisfied with the Animal Control service	(C) % of residents satisfied with the Animal Control service	New Measure	≥ 75%	≥ 75%	≥ 75%	≥ 75%	Annual Residents Survey
A prompt and reliable animal service will be provided 24 hours a day, 7 days a week for wandering stock and serious dog* incidents	(C) % of reported serious dog or wandering stock incidents responded to within 4 hours	98%	≥ 95%	≥ 95%	≥ 95%	≥ 95%	Internal Monitoring of CRM's
A reliable and responsive animal service that investigates general dog* incidents	(C) % of reported general dog incidents responded to within 1 working day	98%	≥ 95%	≥ 95%	≥ 95%	≥ 95%	Internal Monitoring of CRM's

* serious dog incidents - dog attacks, threatening or rushing dogs

* general dog incidents - barking and roaming

REGULATION MONITORING

WHY WE DO IT

We undertake this activity in response to public demand to deal with the issues of nuisance, public health and safety and offensive behaviour. There is a public expectation we will respond to and enforce bylaws and statutes where required. We have an obligation under the Local Government Act 2002 and the Litter Act 1979 to undertake these activities.

WHAT WE DO

This activity enforces a number of Council bylaws. Key duties include licensing of street stalls, removing obstructions in public places such as overgrown trees, responding to complaints about long grass in urban areas, removing abandoned vehicles or vehicles parked in the wrong place and responding to illegal waste/rubbish dumping.

LOOKING AHEAD

Growth and Demand

The demand for this service is likely to continue at current levels.

FUTURE PROJECTS

There are no major projects or changes expected in this activity.

There are no performance measures for this activity.

PARKING CONTROL

WHY WE DO IT

Parking Control services are provided to maximise the availability of the parking resource and ensure efficient use of parking spaces to provide convenient parking opportunities for our communities. This also enhances economic activity and vibrancy in our town centres. Additionally, this service contributes to vehicle safety by regulating the safety standard of vehicles parked in controlled parking locations.

WHAT WE DO

This 30 hour, five days per week service involves patrolling the central business districts of Hāwera and surrounding townships, responding to parking complaints, education and the issuing of warning notices and infringement notices.

LOOKING AHEAD

Growth and Demand

The demand for this service is likely to continue at current levels.

FUTURE PROJECTS

There are no major projects or changes expected in this activity.

There are no performance measures for this activity.

CIVIL DEFENCE & EMERGENCY MANAGEMENT

WHY WE DO IT

The purpose of this activity is to ensure the community is ready and prepared for a natural hazard or emergency event and the adverse environmental effects that may follow. We understand that there is a strong community desire for us to take a lead in an emergency situation. There are also statutory requirements for the Council to be involved under the Civil Defence and Emergency Management (CDEM) Act 2002. Planning and training is undertaken, both locally and regionally, to continue to operate lifeline utility services to the fullest extent possible after an emergency event.

WHAT WE DO

This activity ensures we are prepared to respond to, and recover from, a major natural hazard or emergency event. Part of our role involves ensuring we have the resources and information required to help the community recover from a disaster. Further work is intended to be done to aid communities in risk reduction and readiness.

The Council is part of the Taranaki Civil Defence Emergency Management Group (CDEMG). This is a regional approach to delivering Civil Defence and Emergency Management in the Taranaki region. We work with other councils and agencies while the CDEMG is centrally administered within Taranaki. While planning and work programme development will be co-ordinated at a regional level and be consistent with the CDEMG Group Plan, the delivery will be undertaken locally with a strong emphasis on building community resilience through risk identification and reduction activities, and preparedness for an emergency. Staff from the Taranaki Emergency Management Office (TEMO) provide a service to the region and assist us with the training and preparedness of our staff and our community. Under the Group Plan various advisory groups have been set up to provide specialist advice and liaison with key stakeholders in the community. For example the Rural Advisory Group (RAG) provides advice on rural issues and represents the rural sector. Visit the Taranaki Emergency Management website www.cdemtaranaki.govt.nz for more information.

As part of the regional Civil Defence, the Council is able to establish an Emergency Operations Centre (EOC), in the Hāwera Administration Building during an emergency or disaster in the South Taranaki District. This EOC can be

activated for a Council level crisis or in support of TEMO at a regional level. Business continuity plans are in place for core Council activities and departments, to ensure essential services continue to be delivered to the community as far as possible in the event of a disaster.

SIGNIFICANT NEGATIVE EFFECTS

There are no significant negative effects from this activity. If the Council's ability to function is severely disrupted during a disaster we will be unable to provide essential services to the community. If there is a disaster event needing emergency works that we cannot afford to fund within our current budget there is potential for this to affect the Council's financial position, although this is dependent on the scale, duration and location of the event. Alongside the Council, Central Government also has a role in disaster recovery and restoration works after natural disasters have happened.

CIVIL DEFENCE & EMERGENCY MANAGEMENT

LOOKING AHEAD

Following a recent service level review, there has been significant change in the structure of the Taranaki Emergency Management Office (TEMO), and how TEMO is funded, managed and supported. This has resulted in an improved level of service for the South Taranaki District. This will mean an increase in the funding for this service and also involve the Council being more directly involved in service delivery.

Growth and Demand

The population or risk environment in South Taranaki is not expected to change significantly during the life of the LTP. However, following a service level review, there has been an increase in the level of service provided by TEMO for the South Taranaki District.

FUTURE PROJECTS

- > Council will focus on the development of readiness in our communities with priority on Community Readiness Plans to assist communities in times of civil emergency.
- > The Local Emergency Operations Centre in our Hāwera Administration Building will also be tested with at least one exercise annually.

WHAT YOU CAN EXPECT AND MEASURING OUR PERFORMANCE

Level of service	Performance Measure C = Customer measure T = Technical measure	Actual 2016/17	Target 2018/19 Year 1	Target 2019/20 Year 2	Target 2020/21 Year 3	Target 2021-28 Years 4-10	Measured by
The Council is ready to respond to a Civil Defence Emergency and is able to function for as long as required during an emergency	(C) Roles identified and staffed for 24 hour operations of the Emergency Operations Centre and staff trained to the appropriate level agreed to by the Civil Defence and Emergency Management Group	New measure	100% of roles filled 35% of staff trained	100% of roles filled 50% of staff trained	100% of roles filled 65% of staff trained	100% of roles filled 85% of staff trained	Internal Measure
The Council actively engages with the wider community to increase the level of awareness, and understanding of, and preparation and readiness for emergencies and strengthening community resilience	(C) Community Action Plans are prepared in conjunction with, and for, each town. By 2026 Community Action Plans are prepared and in place for all 8 principal towns in the South Taranaki District	New Measure	One Community Action Plan prepared per year	One Community Action Plan prepared per year	One Community Action Plan prepared per year	One Community Action Plan prepared per year	Internal Measure



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MAKING SOUTH TARANAKI

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DISTRICT IN NZ

COASTAL STRUCTURES NGĀ MOMO HANGA KI TAI



vibrant SOUTH TARANAKI

prosperous SOUTH TARANAKI

sustainable SOUTH TARANAKI



COASTAL STRUCTURES

WHY WE DO IT

The District has a beautiful marine and river environment. The Council owns, maintains and provides infrastructure in locations where people can access the beaches and lakes, and boat users can access the water. To maintain these facilities the Council may need to protect erosion prone areas close to existing infrastructure, so this activity is not a mandatory one.

WHAT WE DO

The Council provides access paths and steps to the sea and a number of boat ramps to allow recreational craft to access water bodies. It provides coastal protection in the form of revetments in a number of places, and maintains a number of significant structures in the Pātea estuary, such as the moles. These concrete and stone walls guide the Pātea River out to sea. The Moles and associated structures in the Pātea estuary would cost over \$20 million to replace.

LOOKING AHEAD

Infrastructure built in the marine environment is subject to dynamic and on-going natural forces (tides, currents, wave action, and corrosion) and therefore requires significantly more robust engineering and relatively expensive maintenance, compared to similar land-based construction. The effects of climate change will only exacerbate this situation.

The Pātea moles were designed in the 1880's to allow coastal shipping to get to the old freezing works wharf, and access to the sea from Pātea is now only for recreational craft and the Coast Guard. Maintaining the more than 100 year old moles to their original service standard will be a large and on-going financial commitment. This commitment is funded from the Pātea Harbour Endowment Fund, with oversight by the Pātea Community Board, Iwi and the Council.

Minor structures are monitored and maintenance is carried out when and as needed, within a reactive maintenance budget.

WHAT YOU CAN EXPECT AND MEASURING OUR PERFORMANCE

Level of service	Performance Measure C = Customer measure T = Technical measure	Actual 2016/17	Target 2018/19 Year 1	Target 2019/20 Year 2	Target 2020/21 Year 3	Target 2021-28 Years 4-10	Measured by
Comply with the Taranaki Regional Council Resource Consent conditions for coastal structures	(C) % of compliance with Resource Consent conditions	New Measure	≥ 100%	≥ 100%	≥ 100%	≥ 100%	Internal Reporting System

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CORPORATE ACTIVITIES NGĀ MAHINGA MATAKITE Ā ROHE

ACTIVITIES IN THIS GROUP INCLUDE: CONTACT CENTRE / COMMUNICATIONS /
FINANCE / HUMAN RESOURCES / INFORMATION MANAGEMENT / SUPPORT SERVICES



CORPORATE ACTIVITIES

WHAT IS THIS GROUP OF ACTIVITIES?

The Corporate activity group contains all of the activities that are involved in supporting the delivery of our projects, plans and external activities. These are often referred to as our “internal activities”. The following section contains detail on our internal activities that assist us in the running of the Council.

CONTACT CENTRE

WHY WE DO IT

The Contact Centre staff have a number of responsibilities including processing and managing incoming requests for services, managing bookings (for parks, halls, reserves etc) and processing payments. They are usually the first point of contact for all the Council’s activities. We realise our customer’s needs are varied and are continually changing, which is why we are focused on growing our online services, so our customers can gain access to our services in ways that are convenient for them.

FINANCE

WHY WE DO IT

This activity provides financial, rating and treasury support to all units within the Council. This activity is largely driven by the legislation that requires us to deliver Annual Reports, Annual Plans and LTPs. Finance is responsible for the provision and development of effective monitoring and reporting on our financial performance. Our other responsibilities include budgeting, paying the Council’s creditors and managing the debtors, managing the payroll, charging and collecting rates and answering rates queries.

COMMUNICATIONS

WHY WE DO IT

The Council provides a communication service which co-ordinates the publication and dissemination of information to the public through a range of communication channels including: press releases, newsletters, website, social media, radio, public presentations and SouthLink, a weekly news page in the District’s free community newspaper (The Taranaki Star).

HUMAN RESOURCES

WHY WE DO IT

This activity provides advisory services and tools to support staff. Our Human Resources team is responsible for recruitment, induction, employment relations, organisational development, performance management, health and safety, training and remuneration. We do this activity to attract, retain, motivate and reward high calibre employees to assist in the delivery of our goals and values.

This activity has a high level of legislative compliance to ensure the Council meets the laws of employment, payroll, human rights and health and safety.

CORPORATE ACTIVITIES

INFORMATION MANAGEMENT

WHY WE DO IT

This activity delivers information services to internal and external customers. It consists of Information Communication Technology management, Records and Archives management, Business Intelligence Reporting and Geographic Information Systems. The Corporate Information activity is the guardian of the Council's data, information and knowledge assets. This information must be securely managed for current and future generations, as well as meeting our legislative obligations to keep and provide information.

As part of our duty to manage our information responsibly and effectively, we run a Digital Transformation Programme. Documentation of all Council processes forms the basis for this programme. Major projects within this programme are the digitisation of Council records including the building consent process and property files so that we can protect records and ensure integrity of the information. The Property File Digitisation Project, which ran from 2014-2018, enables property files to be requested, processed and accessed online.

SUPPORT SERVICES

WHY WE DO IT

This activity provides printing, stationery, formatting documents, minute taking and catering support to all activities within the Council. Support Services is responsible for ensuring external documents are formatted and designed within the Council's guidelines and provides appropriate equipment and materials to the organisation. The activity also manages the co-ordination of Land Information Memorandums, which is driven by legislative deadlines.

HOW THIS GROUP IS FUNDED

The operational costs associated with this group are funded by charging overheads on other activities. During the development of this LTP we reviewed how overheads are allocated across our activities. No major changes were made in the portion of overheads allocated to the majority of our group of activities. Capital Expenditure is generally funded by way of corporate loans or depreciation funding. The interest from these loans is also allocated as overheads while the principal repayment is collected through the general rate.

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SECTION 3: DECISION MAKING PROCESS TUKANGA WAKATAUNGA WHAKAARO



SIGNIFICANCE AND ENGAGEMENT POLICY

BACKGROUND

Councils must have a Significance and Engagement Policy. This requirement is set out in Part 6 of the Local Government Act 2002 (the Act).

Section 10 of the Act defines the purpose of local government as:

- > enabling democratic local decision-making and action by, and on behalf of, communities; and
- > meeting the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.

Whenever a council makes a decision on any matter it must determine the significance of the decision to be made and, where appropriate, engage with its community.

Under legislation there are clearly defined principles for making decisions, determining significance and engaging with communities. These include:

- > identification and assessment of options;
- > quantification of advantages and disadvantages
- > the amount of detail;
- > evidence of compliance with the significance and engagement policy; and
- > providing processes to engage with Māori.

Once a decision is determined as significant according to the approach, criteria and procedures of this Policy, or by council resolution, the decision-making and associated engagement provisions contained in section 76(1) of the Act will be observed.

SOUTH TARANAKI DISTRICT COUNCIL'S GENERAL APPROACH TO SIGNIFICANCE

The Act requires councils to set out their 'general approach to determining the significance of proposals and decisions in relation to issues, assets, or other matters' (section 76AA).

South Taranaki District Council's general approach to determining level of "significance" will be to consider:

Level	Goal
Degree	The number of residents and ratepayers affected and the degree to which they are affected by the decision or proposal.
LOS	The achievement of, or ability to achieve, the Council's stated levels of service as set out in the Long-Term Plan 2018 - 28.
Decision	Whether this type of decision, proposal or issue has a history of generating wide public interest within South Taranaki.
Financial	The impact of the decision or proposal on the Council's overall budget or included in an approved Long Term Plan and its ability to carry out its existing or proposed functions and activities now and in the future.
Reversible	The degree to which the decision or proposal is reversible.

If the issue, proposal, decision or other matters concerned involves a significant decision in relation to land or a body of water, the Council will take into account the relationship of Māori and their culture and traditions with their ancestral land, water, sites, wahi tapu, valued flora and fauna, and other taonga.

When making decisions, the Council will:

- > Identify and assess as many options as are practicable;
- > Quantify the advantages and disadvantages resulting from the decision to be made;
- > Provide detailed information accessible to the public; and
- > Maintain clear and complete records showing how compliance with the Significance and Engagement Policy was achieved.

The Council will take into account views already expressed in the community and make judgements on the level of support for those views, when determining the significance of a decision.

CRITERIA AND PROCEDURES

Any criteria and procedures used for assessing the significance of a matter must be set out in the Significance and Engagement Policy (section 76AA).

The range of issues requiring decisions by the Council is very wide and it is impossible to foresee every possibility. The use of the following proposed procedure will be used to determine significance.

TE HĪHIRA ME TE WHAKAPĀNGA KAUPAPA HERE

PROCEDURE FOR DETERMINING SIGNIFICANCE

- > Identification of an issue requiring a council decision;
- > An assessment of significance, using South Taranaki District Council's general approach to significance (set out above);
- > Council officer or other professional advice on significance and options; and
- > Council consideration and final decision-making on the degree of significance of the issue and appropriate level and type of engagement.

Typically the Chief Executive will make the final decision. However, advice from Council Officers will, in normal circumstances, come through the Council-approved report format. This format specifically alerts elected members to significant impacts as set out in the Council's general approach outlined above.

STRATEGIC ASSETS

The Significance and Engagement Policy must list those Council-owned assets, considered by the Council to be strategic assets (section 76AA).

The Act defines strategic assets as:

“An asset or group of assets that the local authority needs to retain if the local authority is to maintain the local authority's capacity to achieve or promote any outcome that the local authority determines to be important to the current or future well-being of the community; and includes:

- > Any asset or group of assets listed in accordance with section 76AA by the local authority; and
- > Any land or building owned by the local authority and required to maintain the local authority's capacity to provide affordable housing as part of its social policy; and
- > Any equity securities held by the local authority in:
 - A port company within the meaning of the Port Companies Act 1988.
 - An airport company within the meaning of the Airport Authorities Act 1966.”

The assets and groups of assets the Council deems to be significant are:

- > All roading networks; or
- > All solid waste networks except buildings; or
- > All stormwater networks except buildings; or
- > All wastewater networks except buildings; or
- > All water networks except buildings; or
- > All pensioner housing units.

SOUTH TARANAKI DISTRICT COUNCIL'S GENERAL APPROACH TO ENGAGEMENT

The Council preference is for the representative model of democracy and engagement. However, it realises the following sections of the Act need to be taken into account.

Section 14 of the Act sets out the principles relating to local authorities, including:

- > conducting its business in an open, transparent and democratically accountable manner;

- > making itself aware of, and having regard to, the views of all of its communities;
- > when making a decision, taking account of: the diversity of the community and the community's interests within its district or region; the interests of future as well as current communities; and the likely impact of any decision on the interests; and
- > providing opportunities for Māori to contribute to its decision-making processes.

The Council is committed to engaging with its communities and to applying the assessment criteria outlined below. The Council acknowledges that “communities” may be communities of place or communities of issue and will use appropriate tools and techniques to make meaningful and timely connections that elicit feedback.

The Council requires an Engagement Plan to be prepared for each significant decision or group of inter-related decisions that requires consultation.

An Engagement Plan will outline the:

- > engagement objectives – the feedback that is sought from communities;
- > timeframe and completion date;
- > communities to be engaged with;
- > engagement tools and techniques to be used;
- > resources needed to complete the engagement;
- > communication planning needed;
- > basis of assessment and feedback to the communities involved; and
- > project team roles and responsibilities.

SIGNIFICANCE AND ENGAGEMENT POLICY

ENGAGEMENT ASSESSMENT CRITERIA

- > The level to which the Council will engage will align with the significance of the decision to be made and will be at one of the levels shown below ¹:

Level	Goal
Inform	To provide the public with balanced and objective information to assist them in understanding the problems, alternatives, opportunities and/or solutions.
Consult	To obtain public feedback on analysis, alternatives and/or decisions.
Involve	To work directly with the public throughout the process to ensure that public concerns and aspirations are consistently understood and considered.
Collaborate	To partner with the public in each aspect of the decision including the development of alternatives and the identification of the preferred solution.
Empower	To place final decision-making in the hands of the public.

- > In some circumstances the Council is required to use the special consultative procedure, set out in section 83 of the Act and described below: All decisions must be “informed”¹ as a minimum
 - Decisions identified as high significance decisions: engagement tools and techniques beyond “inform” should be used; and
 - The level of engagement will be made on a case-by-case basis. This decision will guide the selection of appropriate engagement tools and techniques to be used.

SPECIAL CONSULTATIVE PROCEDURE

In some cases the Act, and other enactments, require use of the special consultative procedure set out in section 83 of the Act. This process requires the Council to:

- > prepare and adopt a statement of proposal and in some cases a summary of the statement of proposal which must:
 - be a fair representation of the statement of proposal;
 - be in a form determined by the Council;
 - indicate where it is available; and
 - state the period it is open for public submission.
- > make publicly available:
 - the statement of proposal;
 - a description of how people will be able to present their views; and
 - a statement of the period the proposal is open for comment/submission.
- > make the summary of proposal widely available;
- > allow people to present their views to the Council ensuring that they have a reasonable opportunity to do so and know how and when this opportunity will be available to them; and
- > consider allowing people to present their views by audio link or audio-visual link.

The Council may also request advice or comment from a Council Officer or any other person.

Where the Council is required to use the special consultative procedure in relation to making, amending or revoking bylaws the statement of proposal must include:

- > a draft of the proposed bylaw, or the proposed amendment or a statement of revocation of the bylaw;
- > the reasons for the proposal; and
- > a report on any determinations made under section 155 of the Act on whether a bylaw made under this Act is appropriate.

Where none of sections 86 or 93a of the Act apply but a council is required or chooses to use the special consultative procedure, the statement of proposal is a draft of any plan, policy or similar document or in any other case, a detailed statement of the proposal must include:

- > the reasons for the proposal;
- > an analysis of options; and
- > any other relevant information.

REVIEW OF THIS POLICY

This Policy will be reviewed at least once every three years. The review process will involve community engagement.

¹ Adapted from IAP2 Spectrum of Engagement

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DEVELOPMENT



BUILDING MĀORI CAPACITY TO CONTRIBUTE TO COUNCIL DECISION-MAKING POLICY

WHAKARĀPOPOTONĀ TE KĀHUI KAHIKA - EXECUTIVE SUMMARY

The Council is committed to upholding the mana of Māori by building strong relationships with Iwi and provide opportunities for Māori to contribute effectively and actively in decision-making processes that will affect the wider community.

NGĀ KAWENGA Ā TE KAUNIHERA - COUNCIL'S ROLE AND RESPONSIBILITY

To build and maintain opportunities for Māori to contribute to decision-making processes within the South Taranaki District.

To consider ways in which South Taranaki District Council (Council) will develop this process in the future.

TE KORONGA Ā TE KAUPAPA HERE - PURPOSE OF THE POLICY

To provide more opportunities for Māori to contribute to decision-making within South Taranaki District Council. To assist Iwi and the Council to work collaboratively to meet the needs of Māori, by developing strong relationships through te reo Māori, Māori representation on Committees and a Bi-lingual Policy.

NGĀ WHAINGA PAETAETAE - OBJECTIVES

- > To have direct appointments of Māori delegates to Committees and Portfolio Groups which allow Māori to have a voice in Committee decisions.
- > To employ an Iwi Liaison Advisor who will be the liaison between Council and Iwi.
- > To develop a Te Reo Māori Policy that ensures the Council acknowledges and promotes the use of te reo Māori in everyday use throughout the organisation.
- > To introduce a Bi-lingual Policy to the organisation.

- > To provide a Te Reo Māori and Cultural workshop for all Councillors about the local rohe and the importance of Iwi engagement with the Council.
- > To actively promote and participate in Māori activities within the region.
- > To develop a Mana Whakahono-a-Rohe Agreement between local Iwi.
- > To have biannual Iwi forums to present and discuss upcoming activities of importance to Iwi.
- > To consult with Iwi in relation to Reserve Management Plans.
- > To develop better communication by working with Iwi to produce articles and information to inform the Māori community.

TE WHAKAWHANAKE I TE RAHI A TE IWI MĀORI KIA WHAKATAKOTO WHAKATAUNGA

KAUPAPA HERE - POLICY

The Policy will look at building capacity for Māori to contribute to decision-making with the introduction of the following policies and initiatives:

1.0 HERENGA TŪTURU - DIRECT APPOINTMENTS

- 1.1 Appointment of Māori representatives to Committees and Portfolio Groups. For example, the Environment and Hearings Committee. There will be between one and two appointees depending on the Group.

2.0 KAITAKAWAENGA Ā-IWI – APPOINT AN IWI LIAISON ADVISOR

- 2.1 Provide direction, advice and support to the Council, Chief Executive and staff of South Taranaki District Council on issues of significance to Iwi/Māori.
- 2.2 Develop and maintain good relationships with Iwi/hapū.
- 2.3 Provide advice and support for the development of Council policy and

3.0 TE KAUPAPA HERE O TE REO MĀORI - TE REO MĀORI POLICY

- 3.1 The introduction of a Te Reo Māori Policy to encourage and promote te reo Māori within the Council organisation and over time the District. The use of te reo Māori within the main administration building. To promote active use of te reo Māori in conversations and acknowledgements.

4.0 TE TOHU REORUA – BI-LINGUAL SIGNS

- 4.1 The development of bilingual signage around the community and the Council organisation for the promotion and encouragement of the language to be used within South Taranaki.
- 4.2 This will be a long term programme that

strategic partnerships with Iwi/hapu.

- 2.4 Encourage Iwi/hapū participation by providing a point of contact, support and advice for the Iwi Liaison Committee members.

5.0 MAHI-A-IWI - ACTIVE PARTICIPATION IN MĀORI EVENTS

- 5.1 The development of Iwi activities with Council support. By providing advice and/or resources, such as Taranaki Tū Mai or Ngā Manu Kōrero-ā-Rohe Speech Competitions.
- 5.2 To encourage Council to be actively participating in Iwi led activities. To promote positive relationships at Iwi events and give support.

6.0 AWHEAWHE-A-IWI KI NGĀ KAIKAUNIHERA - ELECTED MEMBERS CULTURAL WORKSHOP

- 6.1 Workshop to assist elected members to have a basic and informative introduction to working and engaging with Iwi in a positive environment. This will be run

will involve utilising Kaumatua and language experts of Taranaki to provide appropriate signage for the Iwi location.

- 4.3 Replacement of old signs with new bi-lingual signs.

BUILDING MĀORI CAPACITY TO CONTRIBUTE TO COUNCIL DECISION-MAKING POLICY

at the beginning of each year following the Local Government Elections and will focus on assisting elected members with pronunciation, local history, Iwi information and tikanga.

7.0 MANA WHAKAHONO-A-ROHE

7.1 To develop a Mana Whakahono-a-Rohe (MWR) agreement with local Iwi. This will encourage positive engagement with Iwi under the Resource Management Act 1991 and the 2017 amendments.

8.0 HUI TŌPŪ-A-MĀRAMARUA - BIENNIAL IWI FORUMS

8.1 Meet biannually with Iwi leaders for the discussion and recommendation of current issues pertinent to Māori. For example, the Iwi Chairs Forum. Presentation at Rūnanga hui by Iwi Liaison Advisor to deliver current activities being carried out by Council which involve Iwi.

8.2 Parihaka 18th and 19th Forum – Iwi Liaison Advisor to attend biennially to give feedback and information on activities relevant to Taranaki Iwi.

8.3 Kaumatua Kaunihera Hui – Iwi Liaison Advisor to deliver information to Iwi Kaumatua on current actions undertaken by Council within the District that impact upon Iwi. For example, Kaumatua Kaunihera o Ngāruahine.

9.0 MAHERE KAITIAKI WHENUA - RESERVE MANAGEMENT PLAN

9.1 Iwi hui to discuss activities of importance to Iwi in relation to specific reserves within their rohe.

10.0 PARI KARANGARANGA – IWI COMMUNICATIONS

10.1 The Iwi Liaison Advisor will work with Iwi to produce articles and information of activities the Council are involved in which affect relevant Iwi to be shared with the Māori community.

KUPU WHAKAMĀRAMA - DEFINITIONS

Council means the South Taranaki District Council.

Mana Whakahono-a-Rohe is an amendment under the Resource Management Act for an Iwi Participation Agreement.

PĀTAI WHAKAPĀNGA - CONTACTS

Reg Korau, Iwi Liaison Advisor, South Taranaki District Council
06 278 0555 or 0800 111 323

AROMATAWAI A TE KAUPAPA HERE - REVIEW OF POLICY

This Policy shall be reviewed every three years as part of the Long Term Plan to ensure the Policy is effective and efficient in achieving the long term goals in conjunction with the Iwi Liaison Committee.



connected
PEOPLE

ASSUMPTIONS AND DATA

GENERAL FORECASTING ASSUMPTIONS

#	Item	Assumption	Risk	Level of risk & uncertainty	Commentary on potential financial effect and implications and mitigating the risk
1.	Population growth forecasting	There will be small population growth of 1.1% over the ten year term of the plan (see Table 1 and Figure 1 at the end of these assumptions).	That the population will decline or increase at a faster rate than projected. If actual growth differs substantially from the assumption, growth-related projects and work programmes will need to be adjusted.	Low	<p>Statistics New Zealand's November 2017 medium population projection of 1.1% growth for the ten years from 2018 to 2028 appears realistic. Table 1 and Figure 1 show that the current modest growth is expected to peak in 2018 and then decline slightly through to 2043. The growth will not be evenly spread across the District. Most of our towns and rural areas are projected to experience small decreases in population during the ten-year planning period, apart from Hāwera and its rural environs to the north, west and south. Continued growth in these areas is predicted.</p> <p>Reports of strong interest in the local housing market from persons living outside of the Taranaki region suggest the projections may be considered pessimistic but there is no data to support this view. The District continues to offer a wide range of affordable housing stock that is likely to attract migrants. The Council will monitor population changes through Census information and demand for residential land.</p> <p>The Council will look at measures to encourage population growth through economic development strategies at local and regional levels.</p>
2.	Rating base change	There will be no significant change in the rating base over the ten year term of the Plan.	That the rating base will increase ahead of projections and infrastructure will not be in place to meet this growth.	Low	<p>The high level of outstanding consented properties does not support a further increase in the rating base over the short to medium term. The information used in the rating calculations are the most up to date as at 1 July 2017.</p>
3.	Land Use - Residential, Commercial and Industrial development	Demand for residential properties will be mainly focused around Hāwera. Land use elsewhere in the District is assumed to maintain the status quo. Growth in Hāwera for new dwellings will remain stable over the term of the Plan. Capacity for residential land will be sufficient for the next 10 years. Sporadic growth may continue in the commercial / industrial markets of Hāwera and Normanby.	New dwelling numbers and commercial and industrial development in Hāwera will rise faster than anticipated, putting pressure on Council services to meet demands. Alternatively, infrastructure may be expanded or developed for residential growth that does not materialise. There is a risk that some changes in land use elsewhere may place an unforeseen burden on Council infrastructure.	Low	<p>Demand for new dwellings in Hāwera has fluctuated three years ago but has been stable for the last two years. There are currently over 150 consented subdivision lots, which are predicted to be sufficient to accommodate residential growth demand for several years at current rates of development. There are undeveloped areas in existing residential, commercial and industrial zones, which are not consented subdivisions, to cater for future growth. Demand for coastal residential development is expected to continue at similar growth rates to those of the past 10 years.</p> <p>Potential demand for water supply and wastewater services in the Hāwera area has been planned for in the 30 year Infrastructure Strategy.</p> <p>The Council will continue to monitor changes to land use in the District and this will inform our work programmes.</p>

NGĀ WHAKAPAE ME NGĀ RARAUNGA

GENERAL FORECASTING ASSUMPTIONS

#	Item	Assumption	Risk	Level of risk & uncertainty	Commentary on potential financial effect and implications and mitigating the risk
4.	Economic growth	Annual economic growth will be low over the ten year term of the Plan according to Statistics New Zealand projections.	If economic growth does not proceed as expected, related infrastructure projects and Council work programmes may need to be amended and potentially businesses requiring significant water resources and wastewater capacity may be asked to contribute extensively to or provide their own water and wastewater services.	Low	<p>Overall, South Taranaki's GDP per capita increased by 73% between 2000 and 2017. Our GDP per capita reached a high of \$86,355 in 2014. Dairy produce prices have fallen and oil and gas development has slowed, and our GDP per capita dropped back to \$75,271 in 2016. Taranaki's regional GDP per capita is the highest in New Zealand, at \$71,297; however, the optimistic tone of the 2015-25 Long Term Plan has been replaced by a more cautious outlook. While further reductions in GDP are considered unlikely, neither is significant growth expected during the life of this Plan.</p> <p>The Council adopted an Economic Development Strategy in 2014 and is involved in the development of a Regional Economic Strategy "The Tapuae Roa: Make Way for Taranaki". The Council will continue to monitor economic growth and adjust capital work infrastructure programmes as required to meet demands, especially from new commercial and industrial development, should this occur. Infrastructural renewals and demand management practices are planned to accommodate business growth in the medium term.</p>
5.	Natural and biological disasters	Our District is at risk of a range of natural hazards such as earthquakes, flooding, tornado and volcanic activity, as well as biological disasters such as a pandemic for humans and biosecurity risks such as foot and mouth disease for animals. Although we are unable to make an assumption on the occurrence of such events, we are able to continue operating to deliver essential services to the community in the event of a disaster.	If the Council's ability to function is severely disrupted during a disaster we will be unable to provide the essential services to the community. If there is a disaster event needing emergency works that we cannot afford to fund within our current budget there is potential for this to affect the Council's financial position, although this is dependent on the scale, duration and location of the event.	High	<p>The Council remains a member of the Local Authority Protection Programme (LAPP), which provides cover up to 40% of damage to underground infrastructure assets in the event of a natural disaster (LAPP is under review). No emergency budget has been allowed for the repair of infrastructure damaged by any future natural disasters occurring over the life of the Plan. However, an emergency budget is being re-established for roading repairs after natural disasters.</p> <p>Alongside the Council, Central Government also has a role in disaster recovery and restoration works after natural disasters have happened. NZTA subsidies for damage to the roading network can be higher than the usual Financial Assistance Rate (FAR) subsidy rate (there is an emergency rate of +20% applied with some preliminary criteria).</p> <p>The Council is part of the Regional Taranaki Civil Defence Group, which has emergency plans in place including a Pandemic Plan. The central government has national preparedness plans to deal with biological disasters.</p> <p>The Council is able to establish an Emergency Operations Centre in the Hāwera Administration Building. Business continuity plans are in place or being developed for core departments to enable essential services to be delivered to the community in the event of a disaster.</p>

ASSUMPTIONS AND DATA

GENERAL FORECASTING ASSUMPTIONS

#	Item	Assumption	Risk	Level of risk & uncertainty	Commentary on potential financial effect and implications and mitigating the risk
6.	Climate change	Climate change is likely to impact on various activities of the Council over the medium to long term in line with predicted national changes.	More frequent and severe weather events will affect our built environment risking the roading network, stormwater and water supplies.	Low Medium	The uncertainty of the effects of climate change is high, as evidenced by the range of severity of effects predicted by various researchers. Severe weather events are becoming more frequent; and parts of the District are prone to rising rivers with associated flooding, and strong wind events. Rivers rising quickly endanger bridges, water intakes and roading networks. Contingency planning is part of the asset management planning that is continually reviewed and updated.
7.	Recreation	The Council's role in providing recreational infrastructure will continue. Providing informal sporting activities will increase along with a greater role in administering leisure and recreational activities.	Increasing demand for recreational activities that require greater resources from the Council.	Medium	The Council continues to provide a significant investment in recreation facilities throughout the District. TSB Hub, the Taumata Recreation Centre, pool upgrades across the District and walkway developments are principal foundations to the Council's commitment to recreation and leisure in the District. The Council adopted an Open Space Strategy in 2014. TSB Hub is also a key part of the Council's strategy to provide facilities that will retain existing residents and attract new ones. The Council recognises the changes occurring in the recreation market, with more informal activities becoming important. Its role in being more actively involved in recreation events is acknowledged, given the limited number of community volunteers available, and further resourcing may be required to meet future demands.
8.	Inflation	The estimates within the Plan have had inflation adjustors applied to them.	That inflation will be different from that predicted.	Medium	Inflation has been predicted after taking account of the estimates provided by BERL (September 2017). Please refer to other relevant forecasting information for details.
9.	Legislative demands on Council	There will continue to be changes to legislation that could affect our work programme.	That there will be major unexpected changes to legislation that cause significant changes to how we operate, what we do and who pays for things. This may result in over-expenditure in some areas where significant changes are not foreseen and able to be budgeted for.	Medium	We have set our work programme to take into account the expected outcome of legislative changes where possible. It is expected there will be limited impact as historically the timeframes for Central Government legislation changes give the Council time to plan and implement as required.

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GENERAL FORECASTING ASSUMPTIONS

#	Item	Assumption	Risk	Level of risk & uncertainty	Commentary on potential financial effect and implications and mitigating the risk
10.	Resource Consents held by the Council	There will be no significant tightening of our resource consent conditions over the life of this Plan and when renewing resource consents, the majority of the consent conditions will remain the same.	Resource consent conditions could tighten and tougher environmental conditions could be imposed or consents could fail to be granted, resulting in increased costs.	Low	Where there is an anticipated change in resource consent conditions, the Council will budget accordingly. Project budgets are to take into account preliminaries including consenting.
11.	Service Levels	Service levels for all activities remain constant unless stated within the activity pages.	The community expects a higher level of service but with no increase in costs.	Low	Good two-way communication with our communities ensures that expectations of this nature are limited. The Council will pursue shared services opportunities and other methods such as private/public partnerships, sponsorship and accessing external funding. It will carry out periodic service delivery reviews under Section 17A to assess options for service delivery.
12.	Funding from other sources	External funding will be secured for projects where indicated.	Changes to the criteria or level of funding available may change, resulting in less or no money being available for our projects. If this is the case the relevant project will not be progressed or will need to be adjusted to meet the Council's ability to pay. This may impact on future levels of service.	Medium	We will continue to seek subsidies for projects and external funding where available. However, where funding becomes unavailable, we will reassess the viability of the project before progressing.
13.	Relationships with external bodies	The Council will maintain good relationships with external bodies, including Iwi, the Regional Council and other local authorities and Central Government departments. We will continue to explore and collaborate with external partners where it is deemed suitable.	A lack of desire for collaboration may make co-operation difficult or unlikely. This could mean that the Council is unable to take advantage of potential efficiency savings or lose the support of important partners.	Medium	Regular communication between the Council and external bodies can mitigate the risks. The Council will build on the success of previous projects to look for further co-operation and develop relationships further. The Council's role in working with Iwi through the Iwi Liaison Committee will play an essential role in mitigating the risk and maintaining good relationships and communication with Iwi.

ASSUMPTIONS AND DATA

GENERAL FORECASTING ASSUMPTIONS

#	Item	Assumption	Risk	Level of risk & uncertainty	Commentary on potential financial effect and implications and mitigating the risk
14.	Community buy-in	That the community will continue to support projects committed to through the LTP.	The community may no longer support a project after it has commenced. This may lead to the continuation of a project with little community backing or the cancellation of a project with the associated costs not having created any benefits.	Low	The risk can be mitigated by developing and implementing comprehensive communication plans that engage the community through the LTP and alongside projects.
15.	Council boundaries, structure and elections	Any changes to the Council's structure, including the number of Councillors, ward boundaries and Community Board Members will be made in accordance with the legislation. Local government amalgamation in Taranaki will not occur within the life of the LTP.	Changes to the Council's structure are not accepted by the community and adds additional cost to the process. Local government amalgamation processes are commenced in any part of the Taranaki Region, with associated costs and uncertainty.	Low	The representation review is scheduled in 2018/19 to determine the Council structure for the 2019 elections. The Council will undertake community engagement around any proposed changes in 2018/19. If that decision is appealed, the Local Government Commission has the ability to make the final decision on all aspects of the Council's structure, not just that being appealed. Any changes to the boundaries or the form of local government will be known by March 2019 which provides a long lead in time for the Council to respond. The Central Government has stated that it does not intend to legislate around amalgamation. There is a risk that amalgamation processes started in one part of the Taranaki region will impact on South Taranaki. Any such proposal is required to comply with the 2012 LGA (S24) amendments pertaining to local government reorganisation, to which the Council would then be a participant in that process.
16.	Human Resources	The Council will be able to attract and retain suitably qualified and able staff.	The risk is that the Council will not be able to recruit and retain the right staff. If the risk occurs then increased reliance may be placed on contractors with an impact on costs.	Medium	Human Resources has implemented recruitment processes that focus on the lifestyle offered by the South Taranaki District and ensures that remuneration reflects the market. Development of management and leadership capabilities is ongoing.

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GENERAL FORECASTING ASSUMPTIONS

#	Item	Assumption	Risk	Level of risk & uncertainty	Commentary on potential financial effect and implications and mitigating the risk
17.	Availability of contractors	We will be able to find skilled contractors to undertake the work we require, to the agreed standards, deadlines and cost.	The risk is that there will be a shortage of contractors, or that contractors will not deliver to the agreed standards within the timeframes. If the risk occurs, it could result in an increase in the price of the project and may impact on the completion of projects and therefore levels of service.	Medium	We have a procurement manual which ensures we have robust contracts. Our contracts outline what we expect to receive from our contractors. If the work is not completed to the agreed standards and specifications then we have legal recourse. Procuring appropriate contract resources for specialist fields is also achieved through increased scale and scope – we work with our neighbouring authorities in identifying and optimising opportunities for improved cost of service delivery through combined contracts e.g. this is already in place for solid waste services, and water and waste electrical services, and street light procurement.
18.	Local Government Funding Agency (LGFA) Guarantee	Each of the shareholders of the LGFA is a party to a Deed of Guarantee, whereby the parties to the deed guarantee the obligations of the LGFA and guarantee the obligations of other participating local authorities to the LGFA, in the event of default.	In the event of a default by the LGFA, each guarantor would be liable to pay a proportion of the amount owing. The proportion to be paid by each respective guarantor is set in relation to each guarantor's relative rates income.	Low	The Council believes the risk of the guarantee being called on and any financial loss arising from the guarantee is low. The likelihood of a local authority borrower defaulting is extremely low as all of the borrowings by a local authority from the LGFA are secured by charge over of the rates.
19.	Drinking Water Standards	The Council has made adequate financial provision to accommodate likely changes that may be made to the NZ Drinking Water Standards as a result of the recommendations of the Havelock North inquiry.	That the expected changes to the standards will impose requirements that are more expensive.	Low	Provision has been made in the 2017/18 year and in 2018/19 for full compliance with the NZ drinking Water Standards. If the cost differs from current projection the impact will be minor.
20	CHALCI	CHALCI has been budgeted at a cost of \$8m of which \$3.2m is budgeted from external funding.	That the external funding will not be achieved.	Medium	If the full amount of external funding is not able to be achieved the Council will need to reconsider options such as reducing the scope and overall cost or funding the balance from Council sources such as the LTIF.
21	Central Landfill	Council has budgeted for Central Landfill under a Joint Committee Model.	There is a risk from the consideration of alternatives that the Central Landfill model may not go ahead.	Medium	The Council is part of a Joint Committee which is established between all three Taranaki territorial authorities to build the new Central Landfill. There are other alternatives to establishing the Central Landfill. A review is being undertaken to ensure the approach of developing the Central Landfill is prudent and in the best long term interest of the community. Although the risk is of a medium level, the Council considers the impact to be very low in terms of rating impact.

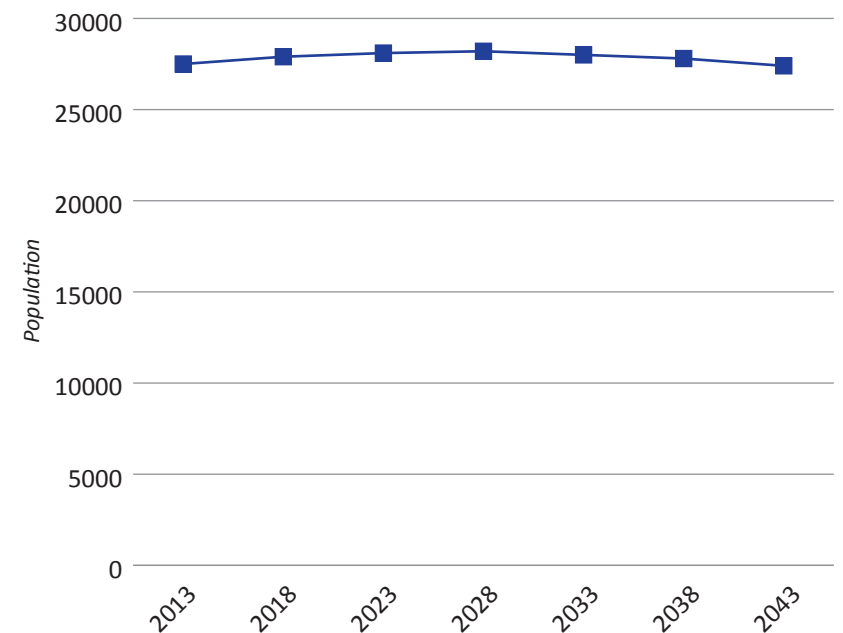
ASSUMPTIONS AND DATA

TABLE 1: MEDIUM POPULATION PROJECTIONS BY STATISTICAL AREA UNIT, 2013 TO 2043

Year at 30 June	2013	2018	2023	2028	2033	2038	2043
South Taranaki District	27,500	27,900	28,100	28,200	28,000	27,800	27,400
Ōpūnake	1,380	1,360	1,330	1,310	1,280	1,230	1,180
Rahotu	260	270	280	280	290	300	310
Kahui	2,690	2,800	2,850	2,880	2,890	2,870	2,840
Kaponga	320	310	310	300	290	290	280
Mangatoki-Moeroa	1,750	1,760	1,780	1,790	1,790	1,770	1,750
Eltham	2,010	2,000	1,980	1,950	1,900	1,850	1,780
Kapuni	1,370	1,350	1,320	1,280	1,240	1,190	1,140
Manaia	990	1,000	1,000	1,000	1,000	1,000	980
Normanby	920	920	920	910	900	880	850
Hāwera North	3,990	4,080	4,110	4,120	4,090	4,050	4,000
Hāwera South	3,990	4,030	4,060	4,080	4,070	4,060	4,040
Ōhawe Beach	710	780	840	910	970	1,030	1,090
Tawhiti	750	850	910	970	1,020	1,070	1,120
Waingongoro	410	430	440	450	470	490	510
Hāwera West	810	880	920	950	990	1,010	1,030
Ohangai	590	580	560	540	520	500	470
Okaiawa	560	560	550	550	540	530	510
Waitotara	70	70	60	60	60	50	50
Whenuakura	1,100	1,150	1,160	1,160	1,140	1,100	1,060
Makakaho	840	830	830	820	820	800	790
Pātea	1,140	1,100	1,060	1,020	970	910	840
Waverley	820	820	820	820	820	800	760

Source: Statistics New Zealand

SOUTH TARANAKI POPULATION PROJECTIONS - 2013 TO 2043 (NOVEMBER 2017 MEDIUM PROJECTION)



Source: Statistics New Zealand

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FINANCIAL FORECASTING ASSUMPTIONS

#	Item	Assumption	Risk	Level of risk & uncertainty	Commentary and implications	Sensitivity Analysis
1.	Useful asset life	The useful asset life reflects the best estimate available as at forecast date and is based on current asset information held.	That the useful asset life information held is incomplete or inaccurate. Subsequent depreciation calculations will result in incorrect revenue setting meaning rates are either too high or too low.	Medium	Details relating to the Council's current estimates of useful life are recorded within the depreciation note in the accounting policies. An updated identification, assessment and valuation of our infrastructural assets, park assets and operational buildings were completed in June 2017 and the results are incorporated within this Plan.	<p>If there are any changes to useful asset life, it will have an impact on the Council's future depreciation and renewals expenditure. If the useful life of an asset decreases, it will increase the future depreciation and will result in Council having no sufficient funds to meet this additional expenditure.</p> <p>If the useful life of an asset increases, it will reduce the future depreciation and delay the renewal schedules. The Council believes the current useful asset lives reflects the true condition of its assets.</p>
2.	Depreciation	Depreciation has been calculated annually using the opening balance of assets plus Council's inflation factors as a proxy for the adjusted revalued asset values.	<p>That the amount of depreciation required is significantly different from the amount budgeted and this has an impact on the rates required.</p> <p>Revaluation adjustments are different to that forecast. That detailed components of new assets will be different from the inflation factors, requiring different depreciation rates.</p>	Low	The depreciation cost will depend on the projects completed. Changes in the project detail (both WIP and future projects) will impact on the depreciation calculation.	<p>The Council's depreciation is driven by Asset Management Plans and through the useful life of assets. The Council's current depreciation totals \$17.7m per annum. If depreciation increases, the Council will have more funded depreciation as a result and can use it to pay for capital expenditures.</p> <p>A 5% increase in depreciation will have a maximum impact of about 2.8% on District Rates, a maximum of \$9 for water targeted rates and \$0.01-\$0.05 per cubic metre on various water schemes. A 5% increase in depreciation will have a maximum impact of \$11 per annum on wastewater charges.</p>

ASSUMPTIONS AND DATA

FINANCIAL FORECASTING ASSUMPTIONS

#	Item	Assumption	Risk	Level of risk & uncertainty	Commentary and implications	Sensitivity Analysis
3.	Capital expenditure projects	Projects have been identified and planned using the best information available as at the date of forecast. Projects will be run within cost and the timeframes specified.	That project components will differ from those outlined in the Plan. This could be as a result of changes in scope or delays due to circumstances outside of Council's control.	Low	The forecasts reflect the most likely outcome as at the time of preparing this document. Assessment of the possible variation for the strategic asset exists for each project and contingencies built into project plans. Forecasts may vary up to 10% above or below the forecast amount for the non-strategic asset projects. Any significant changes will be included in the relevant Annual Plan. Further detail relating to specific projects can be found in the Asset Management Plans.	The delayed capital expenditure does have an impact on borrowing costs and original costs of the projects. Every \$1m delayed capital projects will have an impact between \$35k - \$70k per annum reduction in borrowing costs for the year it is originally planned for. The capital expenditure may increase by the inflation index resulting in increased costs of borrowing. Every 1% increase in a \$1m project will have an impact of \$500 - \$600 per annum on borrowing costs.
4.	Funding replacement assets	Funds needed for future replacement of strategic assets will be available.	That the funds for replacement of strategic assets will not be available.	Low	The Council funds asset replacement through a variety of sources, as detailed in the Revenue and Financing Policy, with loans being utilised for major capital works. Throughout the Plan, the Council operates within the prudent parameters of its Liability Management Policy.	If the Council decides to change its policy on how it funds the replacement of assets, it will have an impact on rates. For example, if replacements are funded from depreciation and if it is changed to loans, there will be an impact on rates.
5.	Currency movements and related asset values	The inflation adjustors have sufficient provision to cater for currency movements.	That the exchange rate will decline adversely.	Low	A moderate portion of the infrastructural capital projects involve components sourced directly from overseas.	The impact of currency movements on related asset values will not be material.
6.	Borrowing interest rate and timing of drawdowns	The forecast interest rate of 5.06% - 5.71% has been used in the Plan.	That interest rates will differ from the forecast rate.	Medium	Professional debt managers are being utilised by the Council to effectively manage the debt and interest rate risk in accordance with the Liability Management Policy. A range of 5.06% - 5.71% was used after discussion with Council and PWC for Long Term Plan projections.	The Council currently has \$115m of external borrowing. The Council maintains its fixed and floating rate ratio as per the Council's Treasury Management Policy. The debt is projected to be at \$132m by 2027/28. For every increase in interest rate of 0.25% total rates will have to increase by a maximum of 0.72% on \$115m debt and by 0.83% on \$132m debt. However the impact will be reduced depending on the actual fixed and floating percentage of actual debt. The increase in interest rate will have a long term impact on securing a fixed rate at a higher interest rate for the future.

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FINANCIAL FORECASTING ASSUMPTIONS

#	Item	Assumption	Risk	Level of risk & uncertainty	Commentary and implications	Sensitivity Analysis
7.	Earnings rate on general investment	Forecast interest rate of 4% - 5% has been used in the Plan.	That interest rates will be lower than those forecast and the Council receives less income than budgeted.	Low	Small income from general investments has been factored into the forecast income. The investment will be for a short term as a result of an advanced rate payment.	A 1% increase in return on investment will result in about \$7,000 additional income for the year.
8.	Earnings from the Long Term Investment Fund (LTIF)	The forecast return on LTIF of 6.1% - 6.5% has been used in the Plan.	That return on the LTIF will be lower than forecast and the Council receives less income than budgeted.	Medium	<p>Professional Investment Advisors are being used to provide guidance on an investment portfolio that will achieve the required rate of return over time. Returns lower than those projected in any year, will impact on the Council's ability to inflation proof the Fund and/or utilise excess earnings for projects. Earnings on the Long Term Investment Fund are expected to continue to exceed fixed rate returns given that the diversified Fund is to be inflation-proofed.</p> <p>The Long Term Investment Fund is perpetual in nature and has a mixture of growth and income assets held with external fund managers. The mix of 60% growth/40% income assets has an expected net return of 4% (after fees and inflation) p.a. Ten year rolling average yields range with the probability of meeting its investment objectives with a 66% probability over a ten year period.</p>	<p>IFRS7 requires that a sensitivity analysis should show the effect of changes that are reasonably possible over the period until risk is next reported; in this case this would be 30 June 2018. The impact of a 1% change in Year One of the Long Term Plan would reduce gross income by \$1,320,000, for year 2 it would be \$ 1,350,000, for year 3 it would be \$1,370,000.</p> <p>If this was to happen, it would not have any impact on Council's subsidy (\$6.6m pa) commitment due to a healthy current inflation fluctuation reserves of \$26m.</p>
9.	Revaluation of non-current assets	That the forecast valuations of fixed assets are based on BERL indicators.	Actual revaluation differs from those in the forecast.	Low	If there is a big difference between how much we thought the asset would be worth and how much it is actually revalued at, this could impact on the Council's budget. However the revaluations are timed to coincide with subsequent ten year plan reviews, and as a result the impact during the life of this Plan is negligible.	As per the Sensitivity Analysis under Depreciation.

ASSUMPTIONS AND DATA

FINANCIAL FORECASTING ASSUMPTIONS

#	Item	Assumption	Risk	Level of risk & uncertainty	Commentary and implications	Sensitivity Analysis
10.	NZTA Subsidy	That the current funding from NZTA continues at the same levels and that the pledged subsidy is paid. NZTA funding increased to 56% in 2017/18 and will increase at 1% per annum up to a maximum of 58% in 2019/20.	That NZTA subsidy levels will fall or cease and/or pledged subsidy will not be paid or be delayed.	Low	It is unlikely that the NZTA will amend the Financially Assisted Funding (FAR) rate. Any changes in the FAR are signalled well ahead of time to enable the Council to incorporate changes into its budgets and roading programme.	NZTA has tentatively approved the Roothing Maintenance and Renewal annual budget for the next three years. The risk of these amounts changing is considered to be low. The Council currently receives 56% subsidy from the New Zealand Transport Agency which is increasing to 58% in 2019/20. The current subsidy rate would only change through a further national review.
11.	Local Government Funding Agency (LGFA) Guarantee	Each of the shareholders of the LGFA is a party to a Deed of Guarantee, whereby the parties to the deed guarantee the obligations of the LGFA and guarantee the obligations of other participating local authorities to the LGFA, in the event of default.	There is a very low risk of a default by the LGFA.	Low	The Council believes the risk of the guarantee being called on and any financial loss arising from the guarantee is low. The likelihood of a local authority borrower defaulting is extremely low as all of the borrowings by a local authority from the LGFA are secured by charge over of the rates.	In the event of a default by the LGFA, each guarantor would be liable to pay a proportion of the amount owing. The proportion to be paid by each respective guarantor is set in relation to each guarantor's relative rates income.

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OTHER RELEVANT FORECASTING INFORMATION

In addition to the significant forecasting assumptions outlined above, the Council makes a number of other judgements and estimates in preparing the Long Term Plan. This section details other relevant forecasting information.

THE BELOW BERL ADJUSTORS HAVE BEEN USED FOR REVALUATION PROJECTION

Year ending	Roading %	Water/Wastewater/ Stormwater %
Jul-18	1.9	2.3
Jun-19	4.0	5.3
Jun-20	6.3	8.3
Jun-21	8.6	10.9
Jun-22	11.1	13.7
Jun-23	13.7	16.6
Jun-24	16.5	19.8
Jun-25	19.4	23.2
Jun-26	22.5	26.8
Jun-27	25.8	30.7
Jun-28	29.3	34.9

INFLATION FACTORS

Adjustor class	Factor years 1-3	Factor years 4-10	Reason
Roading	BERL	BERL	BERL Adjustors are widely used in the Local Government sector as they are deemed to be more relevant and applicable.
Property	BERL	BERL	BERL Adjustors are widely used in the Local Government sector as they are deemed to be more relevant and applicable.
Water	BERL	BERL	BERL Adjustors are widely used in the Local Government sector as they are deemed to be more relevant and applicable.
Energy	BERL	BERL	BERL Adjustors are widely used in the Local Government sector as they are deemed to be more relevant and applicable.
Staffing	BERL	BERL	BERL Adjustors are widely used in the Local Government sector as they are deemed to be more relevant and applicable.
LGCI	BERL	BERL	BERL Adjustors are widely used in the Local Government sector as they are deemed to be more relevant and applicable.
All other	BERL	BERL	BERL Adjustors are widely used in the Local Government sector as they are deemed to be more relevant and applicable.

Year ending	Roading	Planning & Regulation	Water	Transport	Salaries	Community Activities	Pipelines
Jun-19	2.1	2	2.4	2.1	1.7	1.7	2.2
Jun-20	4.4	4.2	5	4.2	3.3	3.8	5
Jun-21	6.7	6.4	7.4	6.4	5.1	6	7.6
Jun-22	9.2	8.7	10	8.8	7	8.3	10.3
Jun-23	11.8	11.1	12.7	11.3	9	10.7	12.9
Jun-24	14.6	13.7	15.6	13.9	11.1	13.2	15.6
Jun-25	17.5	16.4	18.6	16.6	13.3	15.9	18.4
Jun-26	20.6	19.2	21.8	19.6	15.5	18.7	21.3
Jun-27	23.9	22.1	25.2	22.7	17.9	21.6	24.2
Jun-28	27.4	25.2	28.8	26	20.5	24.8	27.2

ASSUMPTIONS AND DATA

BALANCED BUDGET REQUIREMENT

Section 100 of the Local Government Act 2002 (LGA) requires local authorities to set each year's operating revenue at a level sufficient to meet its operating expenditure for that year. This is known as the balanced budget requirement.

However, the LGA provides local authorities with discretion to vary its operating revenues where it resolves that it is financially prudent to do so. In reaching this decision a local authority must have regard to:

- “(a) the estimated expenses of achieving and maintaining the predicted levels of service provision set out in the Long Term Plan, including the estimated expenses associated with maintaining the service capacity and integrity of assets throughout their useful life; and
- (b) the projected revenue available to fund the estimated expenses associated with maintaining the service capacity and integrity of assets throughout their useful life; and
- (c) the equitable allocation of responsibility for funding the provision and maintenance of assets and facilities throughout their useful life; and
- (d) the funding and financial policies adopted under Section 102.”

The overarching principles for application of the balanced budget requirement are contained in the Council's Revenue and Financing Policy. The financial impact of these principles is detailed in both the Funding Impact Statement and within the Significant Forecasting Assumptions. In accordance with Section 100 of the LGA the Council has resolved that it is financially prudent to depart from the balanced budget

requirement in the following circumstances:

NON-FUNDING OF DEPRECIATION ON COUNCIL ASSETS

In accordance with Section 100 of the Local Government Act 2002 the Council has satisfied itself that it is not financially prudent to fund all/part of the depreciation expenditure on its non-strategic assets. The Council is funding part of the depreciation that will enable components of the assets to be replaced to ensure the useful life of the asset's structure can be achieved. A decision on the total replacement of the asset will be made at the time the asset's useful life has expired.

All strategic assets will have depreciation fully funded with the exception of some assets associated with the Pope Water Supply (as it is planned to amalgamate the Scheme and these assets will not require replacement) and all the Council assets associated with the Nukumarū Water Supply (at the request of the Nukumarū Consumers' Committee). While the Plan has assumed the following projects will result in capital assets: water quality investigations, inflow and infiltration investigations, condition reviews, network modelling, the Plan does not provide for the depreciation to be funded as it is not certain that an asset will be created nor is there certainty over the life of those assets created. Once the assets are created from these projects then the depreciation will be addressed at that point.

ASSET SALES

No asset sales are planned in the Long Term Plan.

DRAWDOWN FROM LTIF EARNINGS FOR RATES SUBSIDY

A drawdown of \$3.87 million for the general and roading rate subsidy has been factored into each year of the ten year projections. This amount will be reviewed every three years

during the Long Term Plan review.

DRAWDOWN FROM LTIF EARNINGS FOR CAPITAL PROJECTS LOAN REPAYMENTS

A drawdown of \$1.73 million to fund selective community projects (e.g. TSB Hub's loan repayments) has been factored into each year of the ten year projections. This amount will be reviewed every three years during the Long Term Plan review.

DRAWDOWN FROM LTIF EARNINGS FOR HĀWERA TOWN CENTRE DEVELOPMENT (INCLUDING COUNCIL'S EARTHQUAKE PRONE BUILDINGS, INITIAL SEISMIC ASSESSMENTS AND COUNCIL'S ASSISTANCE PACKAGE)

A drawdown of \$960k per annum on average to fund the above projects (loan funded) has been factored into each year of the ten year projections.

DISCLOSURES

PROSPECTIVE FINANCIAL INFORMATION

The prospective financial information contained in this Long Term Plan is based on assumptions that the Council reasonably expects to occur. However, readers should be aware that actual results are likely to vary from the information presented and these variations may be material, especially for the years 2018/19 and onwards.

DIFFERENCES BETWEEN PROSPECTIVE FINANCIAL INFORMATION EXPLANATIONS

Under accounting standard FRS42 we are required to explain the relationship between the prospective financial statements and the additional information provided in the activity statements.

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The revenue on the income statement reflects the totals from the activity statements together with the subsidy from the Long Term Investment Fund and general rates allocated to and fees of the support centres. The income and expenditure of support centres (interest costs, depreciation and overheads not recovered) which have not been allocated to other activities is included directly in the financial statements. The total income for the Council reflects the impact of the rates subsidy, commissions from Taranaki Regional Council, petrol tax, rates penalties and general interest which is not reflected in any individual activity statement.

The cash flow statement reflects movements in expected debtor and creditor balances i.e. amounts being paid/received from previous years and amounts that will be paid/received in future years, whilst the Income Statement reflects income and expenditure on an accruals basis. The Funding Impact Statement reflects the impact of the subsidy and fees used to reduce the rating requirement. This is not split on the activity statements. The funding impact statement also incorporates the allocation of the rate subsidy and fees between UAGC, general and roading rate.

EFFECT OF COUNCIL'S RATE REMISSION POLICY

The Council's implementation of its Rate Remission Policy is estimated at \$160,000 per annum and is recovered from the general rate.

NUKUMARU

The Nukumarū Water Supply is a non-potable supply that is being managed by the consumers. In recent years the consumers have constructed a bore and hold its resource consent, therefore there is a mix of ownership of the assets. The consumers arrange the maintenance and the charging of

the water by meter rate. Renewals of the assets owned by the Council are not planned within this Long Term Plan, as requested by the Nukumarū consumers' committee.

ASSET INFORMATION

Asset Management Plans (AMPs) have been developed for activities which use physical assets in the delivery of services. The AMPs, which are the focus for running these activities, have been used in the preparation of financial forecasts used in this Plan. The AMPs contain improvement plans detailing how the plans will be developed further. They are dynamic documents and will be updated as required by the asset managers with a formal review every three years.

FINANCIAL REPORTING STANDARD 42: PROSPECTIVE FINANCIAL STATEMENTS (FRS 42 DISCLOSURES)

The Council has complied with FRS 42 in the preparation of these prospective financial statements. In accordance with PBE FRS 42, the following information is provided.

- (i) **Description of the nature of the entity's current operation and its principal activities**
The Council is a Territorial Local Authority, as defined in the Local Government Act 2002. The Council's principal activities are outlined within this proposed LTP.
- (ii) **Purpose for which the Prospective Financial Statements are prepared**
It is a requirement of the Local Government Act

2002 to present Prospective Financial Statements that span ten years and include them within the proposed LTP. This provides an opportunity for ratepayers and residents to review the projected financial results and position of the Council. Prospective Financial Statements are revised annually to reflect updated assumptions and costs.

(iii) **Base for assumptions, risks and uncertainties**

The financial information has been prepared on the basis of best estimate assumptions as to future events which the Council expects to take place. The Council has considered factors that may lead to a material difference between information in the Prospective Financial Statements and actual results. These factors, and the assumptions made in relation to the sources of uncertainty and potential effect, are outlined within the LTP.

(iv) **Cautionary Note**

The financial information is prospective. Actual results are likely to vary from the information presented, and the variations may be material. No actual events and transactions have been reflected in the prospective financial statements.

AUDIT REPORT

TO THE READER:

INDEPENDENT AUDITOR'S REPORT ON SOUTH TARANAKI DISTRICT COUNCIL'S 2018-28 LONG-TERM PLAN

I am the Auditor-General's appointed auditor for South Taranaki District Council (the Council). Section 94 of the Local Government Act 2002 (the Act) requires an audit report on the Council's long term plan (the plan). Section 259C of the Act requires a report on disclosures made under certain regulations. We have carried out this work using the staff and resources of Audit New Zealand. We completed our report on 27 June 2018.

OPINION

IN MY OPINION:

- the plan provides a reasonable basis for:
 - long-term, integrated decision-making and co-ordination of the Council's resources; and
 - accountability of the Council to the community; and
- the information and assumptions underlying the forecast information in the plan are reasonable; and
- the disclosures on pages 246 to 249 represent a complete list of the disclosures required by Part 2 of the Local Government (Financial Reporting and Prudence) Regulations 2014 (the Regulations) and accurately reflect the information drawn from the plan.

This opinion does not provide assurance that the forecasts in the plan will be achieved, because events do not always occur as expected and variations may be material. Nor does it guarantee the accuracy of the information in the plan.

BASIS OF OPINION

We carried out our work in accordance with the International Standard on Assurance Engagements (New Zealand) 3000 (Revised): Assurance Engagements Other Than Audits or Reviews of Historical Financial Information. In meeting the requirements of this standard, we took into account particular elements of the Auditor-General's Auditing Standards and the International Standard on Assurance Engagements 3400: The Examination of Prospective Financial Information that were consistent with those requirements.

We assessed the evidence the Council has to support the information and disclosures in the plan and the application of its policies and strategies to the forecast information in the plan. To select appropriate procedures, we assessed the risk of material misstatement and the Council's systems and processes applying to the preparation of the plan.

Our procedures included assessing whether:

- the Council's financial strategy, and the associated financial policies, support prudent financial management by the Council;
- the Council's infrastructure strategy identifies the significant infrastructure issues that the Council is likely to face during the next 30 years;
- the information in the plan is based on materially complete and reliable information;
- the Council's key plans and policies are reflected consistently and appropriately in the development of the forecast information;
- the assumptions set out in the plan are based on the best information currently available to the Council and provide a reasonable and supportable basis for the preparation of

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the forecast information;

- the forecast financial information has been properly prepared on the basis of the underlying information and the assumptions adopted, and complies with generally accepted accounting practice in New Zealand;
- the rationale for the Council's activities is clearly presented and agreed levels of service are reflected throughout the plan;
- the levels of service and performance measures are reasonable estimates and reflect the main aspects of the Council's intended service delivery and performance; and
- the relationship between the levels of service, performance measures, and forecast financial information has been adequately explained in the plan.

We did not evaluate the security and controls over the electronic publication of the plan.

RESPONSIBILITIES OF THE COUNCIL AND AUDITOR

The Council is responsible for:

- meeting all legal requirements affecting its procedures, decisions, consultation, disclosures, and other actions relating to the preparation of the plan;
- presenting forecast financial information in accordance with generally accepted accounting practice in New Zealand; and
- having systems and processes in place to enable the preparation of a plan that is free from material misstatement.

I am responsible for expressing an independent opinion on the plan and the disclosures required by the Regulations, as required by sections 94 and 259C of the Act. I do not express an opinion on the merits of the plan's policy content.

INDEPENDENCE

In carrying out our work, we complied with the Auditor-General's:

- independence and other ethical requirements, which incorporate the independence and ethical requirements of Professional and Ethical Standard 1 (Revised); and
- quality control requirements, which incorporate the quality control requirements of Professional and Ethical Standard 3 (Amended).

Other than our work in carrying out all legally required external audits, and an assurance review of the Council's Debenture Trust Deed which is compatible with those requirements, we have no relationship or interest in the Council or its subsidiary.



Andrew Clark

Audit New Zealand

On behalf of the Auditor-General, Wellington, New Zealand

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LIFESTYLE

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MAKING SOUTH TARANAKI

THE MOST
liveable

DISTRICT IN NZ

SECTION 4: OUR COSTS

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REVENUE AND FINANCING POLICY

The purpose of the Council's Revenue and Financing Policy is to provide predictability and certainty about sources and levels of funding for all its activities. The Policy explains the rationale for, and the process of, the selection of various funding methods to fund the operating and capital expenditures of the Council activities. It is an important instrument of the Council's Financial Management because how the activities are funded can have a significant impact on the financial viability of the Council services as well as on the overall impact of any allocation of liability for revenue needs on the community.

In the past year the Council has reviewed its funding of activities, and no changes are proposed in the Policy.

REVENUE AND FINANCING POLICY CONSIDERATIONS

The Policy requirements are included in Sections 101(3), 102 and 103 of the Local Government Act 2002 (LGA02). The Council when reviewing the most appropriate funding sources for its activities considered the following:

- > The community outcomes to which the activity primarily contributes (why the service is provided)
- > The distribution of benefits between the community as a whole, any identifiable part of the community, and individuals (user/beneficiary pays principle)
- > The period in or over which those benefits are expected to occur (intergenerational equity principle)
- > The extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity (exacerbator pays principle); and
- > The costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.

The Council also considered the overall impact of any allocation of liability for revenue needs on the community.

COUNCIL OUTCOMES

A full description of the outcomes are included as part of the Long Term Plan. The individual activity analysis lists the community outcomes that the activity primarily contributes to and links to the reasons why the activity is undertaken.

DISTRIBUTION OF BENEFITS – WHO BENEFITS?

In general, benefits flow to an individual or group where it is possible to identify the user and to withhold the service to the user if the user does not pay. The costs of these benefits should generally be funded on a user-pays basis. These benefits are often described as 'private benefits'. 'Public benefits' which flow to the community as a whole arise where it is not possible to identify the individuals or groups that benefit and there is little effect on the cost of additional people benefiting or all the community benefits. The costs of these benefits are generally funded through rates as it is not possible or practicable or it is undesirable to charge users directly.

At this stage, the Council is required to consider who benefits from the activities performed by the Council. This is expressed as the Public/Private split. Economic theory suggests there are two main characteristics that need to be considered when looking at a particular good or service:

At one end of the continuum there are so-called 'public goods'. At the other end of the continuum are 'private goods' which are both rival and excludable. Most daily consumables are private goods.

Rivalry in Consumption – a good is a rival in consumption if one person's consumption of the good or service prevents others from doing so, e.g. a chocolate bar is a good with a large degree of rivalry in consumption, i.e. if Bill eats it then Jane cannot.

Excludability – a good or service is excludable if a person can be prevented from consuming the good or service, e.g. if Bill

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does not buy a movie ticket, then the usher can exclude him by preventing him from entering the theatre.

Public goods are goods which are both non-rival and non-excludable, i.e. everyone can consume them and no one can be prevented from consuming them if they wish. A good example of a 'public good' is national defence, where the whole community is protected from an invasion by the armed forces whether it wishes to be or not, and this protection cannot be removed from anyone in New Zealand.

Very few goods and services are entirely 'public goods' or 'private goods'. Most goods and services are 'mixed goods' and fall somewhere between the two ends of the continuum.

The characteristics of a good or service determine what type of funding mechanism might be used to fund a particular service. The Council has already made judgements about what it considers are 'public goods' when deciding whether or not to undertake a particular activity.

For example, a good towards the public end of the continuum may not be a good candidate for user charges as people cannot be prevented from consuming it, or because everyone consumes it whether they wish to or not. Such goods will generally be candidates for funding from some general source such as a general rate. A good towards the private end of the spectrum may be a candidate for a targeted rate or a user charge.

In the end, it is likely to come down to 'reasonable' judgement. Both the LGA02 and previous case law place the responsibility on elected members to make decisions about who benefits and who should pay.



TIME PERIOD OF THE BENEFITS

The Council must assess the period over which the benefits flow from each activity. For all its activities, the operating costs directly relate to the benefits of an activity provided during the year of the expenditure. Operating costs are therefore funded on an annual basis from annual income including rates, user charges, subsidies and other income.

Capital expenditure produces assets that will produce benefits over their useful lives. These lives range from a few years for office equipment, computers and vehicles to 100 years for some infrastructural assets such as bridges and some pipe networks. The costs of these assets should therefore be funded over the time of benefit. This is the concept of intergenerational equity

and is particularly relevant for larger capital assets. Building reserves to fund the capital expenditure required to renew an existing asset is the most prudent financial method that also preserves intergenerational equity i.e. each generation pays a share of the value of the asset while it receives benefit from the asset. The interest earned on the reserves helps to fund the appropriate amount required to eventually replace the asset. When renewals or replacement occur before the reserve has sufficient funds then loans will be utilised to fund the early deficit.

WHO CAUSES THE NEED FOR AN ACTIVITY?

The Council is required to assess the extent to which each activity exists because of the actions or inactions of an individual or group. This principle, known as the 'exacerbator' pays or polluter pays, suggests that costs should be recovered directly from those causing the need for the activity. Examples are parking fines, food licences, pool safety, dog control and trade waste.

COSTS AND BENEFITS OF FUNDING THE ACTIVITY DISTINCTLY FROM OTHER ACTIVITIES

The Council considers the individual costs and benefits of the funding of each activity. This analysis takes into account the consequences for transparency and accountability of the chosen funding method. Distinct funding allows ratepayers to assess whether or not the activity represents good value to them. For some activities, the costs of collecting user charges

REVENUE AND FINANCING POLICY

would be more than the revenue collected. As a result the Council has chosen to fund a number of activities entirely from rates.

These five matters were all considered with no single criterion given a greater weight than the others. The Council then considered the overall impact of the allocations on the overall impact of any allocation of liability for revenue needs on the community and considered the following matters:

- > The likely impact of the mix of funding sources on ratepayers on fixed incomes (affordability).
- > Will the Policy act as a barrier to the accessibility of the activity?
- > What incentives will the Policy have for development of the District?
- > How is the burden of funding distributed across differing sectors of the community?
- > Does the Policy support people to conserve scarce resources, avoid environmentally unfriendly activities and preserve our natural heritage?
- > Does the Policy support the community participating in recreational and cultural activities and to preserve historical and other cultural heritage?

The Council has continued with its past practice of deducting the Long Term Investment Fund rates subsidy from each activity's expenditure prior to the Policy's allocation between funding sources. In that respect the Long Term Investment Fund is not considered general revenue.

FINANCIAL MANAGEMENT

In terms of the LGA02, the Council is required to ensure that each year's projected operating revenues are set at a level sufficient to meet that year's operating expenses (a balanced budget). Despite this requirement, under Section 100(2) of the Act, the Council is allowed to set projected operating revenues at a different level from that required to achieve a balanced budget if the Council resolves that it is financially prudent to do so, e.g. to fund a previous or future year's deficit or to repay debt.

OTHER LEGAL REQUIREMENTS

While the Revenue and Financing Policy is governed by the LGA02, there are a number of other pieces of legislation that are relevant for determining appropriate funding mechanisms.

They include:

LOCAL GOVERNMENT (RATING) ACT 2002

This Act sets out legal requirements for rating. It covers who is liable to pay rates, what land is rateable, what kind of rates may be set and how those rates are set, the valuation system which may be used and the various rating mechanisms available (such as targeted rates). It also sets a number of limits on Local Government. For example, all rates set on a uniform fixed amount basis (including the Uniform Annual General Charge but excluding a uniform rate for water or wastewater) may not exceed 30% of the total rates revenue.

OTHER LEGISLATION

A number of Acts, such as the Sale and Supply of Alcohol Act 2012, set out statutory fees for various types of regulatory services. These fees may not be exceeded. Where fee setting is up to a Local Authority, there is often a general legal requirement for this to be "fair and reasonable".

RESOURCE MANAGEMENT ACT 1991 (RMA)

This Act sets out the Council's responsibilities in terms of the environment. It also specifies the circumstances in which Local Authorities may require Financial Contributions from developers to meet the costs of their impact on the environment including their impact on the demand for infrastructure. Alternatively, under the LGA02, Local Authorities are allowed to seek Development Contributions or a combination of Development and Financial Contributions under the respective Acts (subject to compliance with both Act's requirements). The South Taranaki District Council does not currently take Development Contributions but instead take Financial Contributions.

GENERAL POLICIES ON FUNDING AND SOURCES OF FUNDING

Capital expenditure is the category of spending which creates a new asset or extends the lifetime of an existing asset. Expenditure on the Council's day-to-day operations is classed as operating expenditure and also includes overhead costs, which represent all costs not directly attributed to any of the activities e.g. support services like Financial Services, IT Services and Human Resources.

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The sources of funding available to the Council include:

- > General Rates, including
 - Choice of valuation system
 - Differential rating; and
 - Uniform Annual General Charge
- > Targeted Rates
- > Lump sum contributions
- > Fees and Charges
- > Interest and Dividends from Investments
- > Borrowing
- > Proceeds from Asset Sales
- > Development Contributions
- > Financial Contributions under the Resource Management Act 1991
- > Grants and Subsidies
- > Any other source

FUNDING OF OPERATING EXPENDITURE

GENERAL RATES

During the Council's Funding Review, the Council chose to continue with the capital value rating system for its general rates. The capital value rating system for general rates was supported by the Council over land value and more targeted rates because of its greater tendency to match the 'ability to pay', with owners of higher capital value properties paying a larger contribution in rates than owners with lower valued properties.

Differentials are a tool for altering the incidence of rates.

Setting a differential rate does not increase the rating income it merely allocates the rates requirement in a different way from a pure value-based system. The Council is not proposing to apply a differential to the general rate.

UNIFORM ANNUAL GENERAL CHARGE (UAGC)

The Council assesses a UAGC as a fixed amount on each separately used or inhabited part of a rating unit.

The previous Revenue and Financing Policy consulted upon as part of the 2012-22 Long Term Plan had public good component specific activities as being funded by the UAGC. The Council has, as part of this review, changed to a fixed value increasing in proportion to the increase in general rates.

TARGETED RATES

Targeted rates can be assessed on property, including on the basis of use, the area of land, location of land, the value of the land and the provision or availability of Council services. Targeted rates may be imposed as a uniform annual charge, on capital or land value, or differentially for different types of property uses. The Council may also apply targeted rates to fund any part of the cost of activities which benefit identifiable groups of beneficiaries in the District.

The Council will charge the targeted rates, including:

- > Water
- > Wastewater
- > Roading
- > Kerbside collection services
- > Eltham Drainage
- > Hāwera Business Rate for town promotion

VOLUNTARY TARGETED RATES

The Council has a voluntary targeted rate for warmer homes scheme for property owners who have benefited from the installation of insulation provided by the Council in respect of the property.

FEES AND CHARGES

The Council impose fees and charges to recover either the full or part cost of a variety of services provided. These include, for example, the Regulatory Services such as building consents, provision of utility connections and vehicle crossings.

INTEREST AND DIVIDENDS

Since the sale of Egmont Electricity Limited in 1997, the Council allocates \$3.87 million each year from interest earned on its Long Term Investment Fund towards subsidising general rates, UAGC and the roading rate.

GRANTS AND SUBSIDIES

The Council receives subsidies from the New Zealand Transport Agency, which covers a proportion of the capital and maintenance costs of our roading network.

ANY OTHER SOURCE

Special funds are funds which have either been received by the Council from a third party to be used in a specific way (Restricted Funds) or monies tagged by the Council to be applied for a specific purpose or area of benefit (Non Restricted Funds).

REVENUE AND FINANCING POLICY

FUNDING OF CAPITAL EXPENDITURE

The Council categorises its capital expenditure projects as renewals, extending level of service or growth related projects. The following funding sources are used for each category under normal circumstances, with any alternative funding sources specifically resolved by the Council.

RENEWAL PROJECTS

Renewal projects restore or replace components of an asset or the entire asset to meet the current level of service (to its original size, condition or capacity). These projects will be funded from capital reserves built up from funded depreciation. Where the reserve is not sufficient to meet the programmed renewals, then loans will be utilised and repaid from a contribution from the reserve that best fits intergenerational equity and/or the operational funding sources for the particular activity as per the Policy.

EXTENDING LEVEL OF SERVICE PROJECTS

Extending levels of service projects are the creation of a new asset or alterations to an existing asset that means a higher level of service is delivered. These projects will be funded by loans and repaid from the operational funding sources.

GROWTH RELATED PROJECTS

Growth related projects are additional assets required to serve growth in existing services due to new areas being serviced. These projects will be funded from financial contributions with the Council considering a contribution from the Economic Development Fund towards the asset creation on a case by case basis after considering specific criteria.

SOURCES OF FUNDING FOR CAPITAL EXPENDITURE

BORROWING

The Council will not borrow to fund operating costs unless there are short term reasons that justify this as an interim solution. When funded by debt, the Council spreads the repayment of that borrowing over several years. This enables the Council to match charges placed on the community against the period of benefits from capital expenditure.

Borrowing is managed within the framework specified in the Liability Management Policy. While seeking to minimise interest costs and financial risks associated with borrowing is of primary importance, the Council seeks to match the term of borrowings with the average life of assets when practical. The Council's overall borrowing requirement is reduced to the extent that other funds are available to finance capital expenditure. Such other funds include:

- > Council Reserves, including Reserves comprising of Financial Contributions
- > Contributions towards capital expenditure from other parties such as New Zealand Transport Agency (in relation to certain roading projects)
- > Revenue collected to cover depreciation charges
- > Proceeds from the sale of assets
- > Operating surpluses

DEVELOPMENT CONTRIBUTIONS

The LGA02 provides for Local Authorities to recover, through development contributions, capital expenditure related to

growth. Councils may require development contributions from developments where the effect, including the cumulative effect, of development is to require new or additional assets or assets of increased capacity, and as a consequence, the Council incurs capital expenditure. This includes capital expenditure a Council has already incurred in anticipation of growth.

The Council has chosen not to take development contributions as a form of revenue in previous years and has relied on using the Financial Contributions provisions under the RMA to fund additional assets for new businesses and residential development.

However, the Council may wish to consider developing a Development Contributions Policy for the next LTP 2021-31 as financial contributions will no longer be available as a funding source from 2022.

FINANCIAL CONTRIBUTIONS UNDER THE RMA

Financial Contributions are provided for in the Council's District Plan. Contributions may be imposed as a condition of development or resource consent. Works and services may be required for purposes specified in the District Plan for ensuring positive effects on the environment. Development can place a significant strain on existing physical resources (utility networks, reserves and public amenities). The Plan places a requirement for developers, in most cases, to meet the full and actual costs of extensions and connections to the existing reticulation network.

There is flexibility in the provision of reserve contributions to take into account variations from site to site, particularly the ability to connect to existing reserves or to create access to the margins of waterways and other natural areas. In urban

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residential subdivision there is also a threshold figure for the provision of land so that a realistic area can be provided. In lieu of land, cash can be provided for the enhancement of reserves in the vicinity.

The Council will collect financial contributions as provided for in the District Plan under the RMA and the Council's approach is included in its Financial Contribution Policy.

Financial contributions are being phased out under the Resource Legislation Amendment Act 2017. Council's will not be able to charge financial contributions under the RMA from 1 July 2022. As discussed above, the Council may consider adopting a Development Contributions Policy for the next LTP 2021-31 which will trigger a review of the Revenue and Financing Policy.

GRANTS AND SUBSIDIES

The Council receives subsidies from the New Zealand Transport Agency, which covers a proportion of the capital and maintenance costs of our roading network.

ANY OTHER SOURCE

Special funds are funds which have either been received by the Council from a third party to be used in a specific way (Restricted Funds) or monies tagged by the Council to be applied for a specific purpose or area of benefit (Non Restricted Funds).

PROCEEDS FROM ASSET SALES

The Council owns, on behalf of the community, assets worth about \$832 million. The great majority of these assets are required in order to deliver the services that the community

requires of the Council. For example, the pipes, pumps and monitoring equipment of the Council's water supply network are essential to provide the community with the water supply service it needs and expects.

The Council's property portfolio has been categorised into the following:

- > Vital to the provision of the Council service or function
- > Advantageous to own; or
- > Surplus to requirements.

The Council is actively pursuing sales of property categorised as surplus to requirements. The Council may consider the sale of parks, roads and other non-strategic assets where any sale and consequent use of funds would have an overall benefit to the community.

Proceeds from any asset sale will in the first instance go to repay debt that may be associated with the asset. If the asset was to be replaced with a similar asset or an asset built to provide for a similar purpose in the foreseeable future (1 - 2 years) then the sale proceeds will be held in trust to pay for the new asset's creation. Wherever the sale proceeds are greater than the known debt or the replacement cost of the 'like' asset then the proceeds will be made available to the Long Term Investment Fund.

BALANCED BUDGET PROPOSAL

The Council's Policy for the funding of depreciation for its non-strategic assets is that rather than fund the depreciation for the replacement of the non-strategic assets, the Council

will fund a proportion that allows for the renewals of components. As an example, buildings will have roofs and other components replaced to ensure the full useful life of the structure can be achieved, but no funds will be built up to replace the structure.

The Council has this Policy as it does not consider it prudent to build up reserves (and increase rates from this generation) for the ultimate replacement of these assets, which for the most part will be in 30 - 50 years' time, when it is unknown if these types of assets will be wanted by future generations. The Council has taken account of the current global economic climate and the Council's significant debt programme when considering the funding of depreciation. Non-strategic assets include all assets within the following activities; Parks and Reserves – grandstands, playgrounds, sheds; Public Toilets; Swimming Pools; The Hub; Halls; Libraries and Sundry Property.

REVENUE AND FINANCING POLICY

SUMMARY OF FUNDING MECHANISMS BY ACTIVITY (Note: The General Rate includes UAGC)

	Community Outcomes	Use or beneficiary principle	Intergenerational equity principle	Negative Effect/ Exacerbator	Cost and benefits	Rationale	Funding Sources Private Operational	Funding Sources Private Capital	Funding Sources Public Operational	Funding Sources Public Capital
DEMOCRACY & LEADERSHIP										
Democracy and Leadership	Prosperous, Vibrant, Together & Sustainable	Low	Low	Low	High	The public good component of this activity reflects that this activity is contributing to the open, transparent and accountable democratic process of local government and supports elected members to be effective decision-makers.	N/A	N/A	General Rates and Revenue + Reserves	General Rates and Revenue + Borrowings + Reserves
WATER SUPPLY										
Urban and Rural	Prosperous & Sustainable	High	High	Low to Medium	Low	The users can be identified and restrict the users.	Fees & Charges + Water by Meter Rate + Targeted Rate	Fees & Charges + Water by Meter Rate + Targeted Rate + Borrowings + Reserves + Financial Contributions	General Rates and Revenue + Targeted Rates	General Rates and Revenue + Targeted Rates + Borrowings + Reserves
STORMWATER NETWORK										
Stormwater	Prosperous & Sustainable	Low	High	Medium	Low	This activity benefits groups of properties rather than individuals.	Fees & Charges + General Rates and Revenue	General Rates and Revenue	General Rates and Revenue	General Rates and Revenue + Borrowings + Reserves
Eltham Drainage		High	High	Low	Low	The primary purpose of this activity is to provide land drainage to enable land to be effectively farmed.	Targeted Rates (Differential)	Targeted Rates (Differential) + Borrowings + Reserves + Contributions	Targeted Rates (Differential) + General Rates and Revenue	Targeted Rates (Differential) + Borrowings + Reserves + Contributions

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SUMMARY OF FUNDING MECHANISMS BY ACTIVITY (Note: The General Rate includes UAGC)

	Community Outcomes	Use or beneficiary principle	Intergenerational equity principle	Negative Effect/Exacerbator	Cost and benefits	Rationale	Funding Sources Private Operational	Funding Sources Private Capital	Funding Sources Public Operational	Funding Sources Public Capital
WASTEWATER										
Wastewater	Prosperous & Sustainable	High	High	Medium to High	Low	While we can identify properties that are connected we can't identify efficiently their volumes. There is a high public good in the efficient disposal of waste.	Fees & Charges + Targeted Rate	Fees & Charges + Targeted Rate + Borrowings + Reserves + Financial Contributions + Other Contributions	General Rates and Revenue + Targeted Rates	General Rates and Revenue + Targeted Rates + Borrowings + Reserves
SOLID WASTE										
Kerbside Collection	Prosperous & Sustainable	Very high	Low	Medium to High	Low	This activity benefits individuals but it is also in the public interest to provide this service.	Fees & Charges + Targeted Rates (Differential)	N/A	General Rates and Revenue + Targeted Rates	N/A
Disposal	Prosperous & Sustainable	Medium to High	High	Medium	Medium	This activity benefits individuals but it is also a higher public interest to provide this service, because of the longevity of disposal.	Fees & Charges + General Rates and Revenue + Targeted Rates (Differential)	Fees & Charges + Targeted Rates (Differential) + Borrowings + Reserves + External Contributions	General Rates and Revenue + Targeted Rates	General Rates and Revenue + Targeted Rates + Borrowings + Reserves
ROADING										
Subsidised	Prosperous & Vibrant	High	High	Low	High	Individuals benefit directly from the provision of the service.	Grants/Subsidies + Targeted Rates + Fees & Charges + Financial Contributions + Other Contributions	Grants/Subsidies + Targeted Rates + Fees & Charges + Financial Contributions + Other Contributions	Targeted Rates (Differential) + Investment Income + General Rates and Revenue + Reserves	General Rates and Revenue + Targeted Rates (Differential) + Borrowings + Reserves

REVENUE AND FINANCING POLICY

SUMMARY OF FUNDING MECHANISMS BY ACTIVITY (Note: The General Rate includes UAGC)

	Community Outcomes	Use or beneficiary principle	Intergenerational equity principle	Negative Effect/Exacerbator	Cost and benefits	Rationale	Funding Sources Private Operational	Funding Sources Private Capital	Funding Sources Public Operational	Funding Sources Public Capital
Non-Subsidised	Prosperous & Vibrant	High	High	Low	High	Individuals benefit directly from the provision of the service.	Targeted Rates + Fees & Charges + Financial Contributions + Other Contributions	Targeted Rates + Fees & Charges + Financial Contributions + Other Contributions	Targeted Rates (Differential) + General Rates and Revenue + Reserves	Targeted Rates (Differential) + General Rates & Revenue + Borrowings + Reserves
Regional Road Safety		Low	Low	High	Low	Road safety is predominantly for the greater public good.	Fees & Charges + General Rates and Revenue	Fees & Charges + General Rates and Revenue	General Rates and Revenue	General Rates and Revenue
COMMUNITY FACILITIES										
Parks and Reserves (including sports-grounds)	Prosperous, Vibrant, Together & Sustainable	Medium	High	Low	Low	Individuals have a private benefit from the provision of parks and reserves however there is a significant public benefit in the provision of these facilities.	Fees & Charges + General Rates and Revenue	General Rates and Revenue + Borrowings	General Rates + Revenue	General Rates and Revenue + Borrowings + Reserves
Sportsgrounds (now included in parks and reserves)		High	High	Medium to High	Low	Individuals receive high benefit from the provision of the service, however there is a wider benefit to the community in the availability of this service.	Fees & Charges + General Rates	General Rates and Revenue + Borrowings	General Rates and Revenue	General Rates and Revenue + Borrowings + Reserves
Public Spaces		High	High	Low	Low	Individuals have a private benefit from the provision of public spaces however there is a significant public benefit in the provision of these facilities.	Fees & Charges + General Rates	General Rates and Revenue + Borrowings	General Rates and Revenue	General Rates and Revenue + Borrowings + Reserves
Halls		Medium	Medium	Low	Low	Individuals receive high benefit from the provision of this service, however there are social benefits to the community.	Fees & Charges + General Rates and Revenue	Grants + Surpluses from Rentals + Donations + Borrowings	General Rates and Revenue	General Rates and Revenue + Borrowings + Reserves

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SUMMARY OF FUNDING MECHANISMS BY ACTIVITY (Note: The General Rate includes UAGC)

	Community Outcomes	Use or beneficiary principle	Intergenerational equity principle	Negative Effect/Exacerbator	Cost and benefits	Rationale	Funding Sources Private Operational	Funding Sources Private Capital	Funding Sources Public Operational	Funding Sources Public Capital
Aquatic Centre (in conjunction with Rural Pools)	Prosperous, Vibrant, Together & Sustainable	Very High	High	Low	Low	Individuals receive high benefit from the provision of the service, however there is a wider benefit to the community in the availability of this service for social purposes.	Fees & Charges + General Rates and Revenue	Grants + Surpluses from Rentals + Donations + Borrowings	General Rates and Revenue + Interest	Borrowings + Reserves + Grants + Investment
Rural Pools (in conjunction with Aquatic Centre)		High	Medium to High	Low	Low	Individuals receive high benefit from the provision of the service, however there is a wider benefit to the community in the availability of this service for recreational purposes.	Fees & Charges + General Rates and Revenue	Grants	General Rates and Revenue	General Rates and Revenue + Borrowings + Reserves
Public Toilets		High	High	Medium	Low	Individuals receive high benefit from the provision of the service, however there is a wider benefit to the community in the availability of this service for sanitary purposes.	General Rates and Revenue	General Rates and Revenue + Borrowings	General Rates and Revenue	General Rates and Revenue + Borrowings + Reserves
Holiday Parks		Very High	Medium to High	Low	Low	Individuals receive high benefit from the provision of the service, however there are economic benefits to the community.	Fees & Charges	Grants + Surpluses from Rentals	General Rates and Revenue	General Rates and Revenue + Borrowings + Reserves
Cemeteries		Medium	High	Medium	Low	Individuals receive high benefit from provision of the service, however there is a passive reserve function within this activity.	Fees & Charges + Bequests	Fees & Charges + Borrowings + Financial Contributions + Bequests	General Rates and Revenue	General Rates and Revenue + Borrowings + Reserves
Pensioner Housing		High	High	Low	Low	Selected individuals receive the greatest benefit from this activity.	Fees & Charges + General Rates and Revenue	Grants + Borrowings + Reserves + Asset Sales	General Rates and Revenue	General Rates and Revenue + Borrowings + Reserves

REVENUE AND FINANCING POLICY

SUMMARY OF FUNDING MECHANISMS BY ACTIVITY (Note: The General Rate includes UAGC)

	Community Outcomes	Use or beneficiary principle	Intergenerational equity principle	Negative Effect/Exacerbator	Cost and benefits	Rationale	Funding Sources Private Operational	Funding Sources Private Capital	Funding Sources Public Operational	Funding Sources Public Capital
TSB Hub	Prosperous, Vibrant, Together & Sustainable	Very High	Medium to High	Low	Low	Individuals receive high benefit from the provision of the service, however there are social and economic benefits to the community.	Fees & Charges + General Rates and Revenue	Grants + Borrowings	General Rates and Revenue	Borrowings + Reserves + Grants + Investment
Hāwera Cinemas		Very High	Low	Low	Low	Individuals receive high benefit from the provision of the service, however there are benefits to the social and leisure fabric of the community.	Fees & Charges + General Rates and Revenue	Grants + Borrowings	General Rates and Revenue	General Rates and Revenue + Borrowings + Reserves
Corporate Property		Medium to High	Medium to High	Medium	Medium	Individuals receive high benefit from the use of sundry Council properties. However this activity also manages Council properties which are used for community good by not-for-profit organisations.	Fees & Charges + General Rates and Revenue	General Rates and Revenue + Borrowing	General Rates and Revenue	General Rates and Revenue + Borrowings + Asset Sales + Reserves
ARTS AND CULTURE										
Arts	Prosperous, Vibrant, Together & Sustainable	Low	Low	Low	Low	The Community receives the benefit of this activity together with individuals who are able to enhance their skills through this process.	Fees & Charges + General Rates and Revenue	N/A	General Rates and Revenue	N/A
Heritage (Museum)		High	Low	Low	Low	There is benefit of education, retention of heritage, community identity. Individuals benefit from the displays and the information.	Fees & Charges + General Rates and Revenue	N/A	General Rates and Revenue	Borrowings + Reserves
LibraryPlus		High	High	Low to Medium	Low	Individuals receive high benefit from the provision of the service, however there is a wider benefit to the community in the availability of this service for social purposes.	Fees & Charges + General Rates and Revenue	Grants + Bequests + Borrowings	General Rates and Revenue + Investment Income	Reserves + Borrowings + General Rates and Revenue

KAUPAPA HERE MONI Ā - TAUMĒ TE PŪTEA

SUMMARY OF FUNDING MECHANISMS BY ACTIVITY (Note: The General Rate includes UAGC)

	Community Outcomes	Use or beneficiary principle	Intergenerational equity principle	Negative Effect/Exacerbator	Cost and benefits	Rationale	Funding Sources Private Operational	Funding Sources Private Capital	Funding Sources Public Operational	Funding Sources Public Capital
CHALCI - Hāwera LibraryPlus	Prosperous, Vibrant, Together & Sustainable	High	High	Low to Medium	Low	Individuals receive high benefit from the provision of the service, however there is a wider benefit to the community in the availability of this service for social purposes.	Fees & Charges + General Rates and Revenue	Grants + Bequests + Borrowings	General Rates and Revenue + Investment Income	Reserves + Borrowings + General Rates and Revenue
CHALCI - i-SITE		Medium	Low	Low	Low	Individuals benefit directly from the provision of the service and the community indirectly benefits from this activity because of the positive economic impact.	Fees & Charges + General Rates and Revenue	Borrowings	General Rates and Revenue + Reserves	General Rates and Revenue + Borrowings + Reserves
DISTRICT ECONOMY										
Economic Development	Prosperous & Vibrant	Low to Medium	Low	Low	Medium to High	Individuals benefit directly from the provision of the service and the community indirectly benefits from this activity because of the positive economic impact.	Fees & Charges + Targeted Rates	N/A	General Rates and Revenue + Targeted Rates (Differential) + Reserves	Borrowings + Reserves
Tourism (includes i-SITE)		Medium	Low	Low	Low	Individuals benefit directly from the provision of the service and the community indirectly benefits from this activity because of the positive economic impact.	Fees & Charges + General Rates and Revenue	Borrowings	General Rates and Revenue + Reserves	General Rates and Revenue + Borrowings + Reserves
Events (run or supported)		High	Low	Low	High	Individuals who attend the events gain the benefits of the activity.	Fees & Charges + General Rates and Revenue	N/A	General Rates and Revenue + Reserves	N/A
COMMUNITY DEVELOPMENT										
Community Development	Vibrant, Together & Sustainable	Low	Low	Medium	Low	The community receives the greatest benefit from the outcomes of this activity.	General Rates and Revenue	N/A	General Rates and Revenue	N/A

REVENUE AND FINANCING POLICY

SUMMARY OF FUNDING MECHANISMS BY ACTIVITY (Note: The General Rate includes UAGC)

	Community Outcomes	Use or beneficiary principle	Intergenerational equity principle	Negative Effect/ Exacerbator	Cost and benefits	Rationale	Funding Sources Private Operational	Funding Sources Private Capital	Funding Sources Public Operational	Funding Sources Public Capital
Community Support	Vibrant, Together & Sustainable	Low	Low	Low	High	The public good component of this activity recognises the contribution made by organisations and groups within the community and offers a helping hand in appreciation of this voluntary contribution in the way of grants. The civil ceremonies and recognition awards contribute to the social and cultural well-being of the community.	N/A	N/A	General Rates and Revenue + Reserves	General Rates and Revenue + Borrowings + Reserves
ENVIRONMENTAL SUSTAINABILITY										
Planning (Consents)	Prosperous Together & Sustainable	Very High	Low	High	Medium	There is a high level of private benefit to the applicant, but there are also some public benefits.	Fees & Charges	N/A	General Rates and Revenue	Borrowings + Reserves
Environmental Policy		Low	Low	Low to Medium	Low	This activity is a high public good because it sets the overall framework for development within the district.	Fees & Charges	N/A	General Rates and Revenue + Borrowings	N/A
REGULATORY SERVICES										
Building Control (Consents)	Sustainable	High	Low	Low to Medium	Medium	There is a high level of private benefit to the applicant, but there are also some public benefits.	Fees & Charges	N/A	General Rates and Revenue	Borrowings + Reserves
Environmental Health		Medium to High	Low	High	High	These activities have a high public good because of public protection.	Fees & Charges	N/A	General Rates and Revenue	N/A
Licensing - Alcohol and Gambling		Medium to High	Low	High	High	These activities have a high public good because of public protection.	Fees & Charges	N/A	General Rates and Revenue	Borrowings + Reserves

KAUPAPA HERE MONI Ā - TAU ME TE PŪTEA

SUMMARY OF FUNDING MECHANISMS BY ACTIVITY (Note: The General Rate includes UAGC)

	Community Outcomes	Use or beneficiary principle	Intergenerational equity principle	Negative Effect/Exacerbator	Cost and benefits	Rationale	Funding Sources Private Operational	Funding Sources Private Capital	Funding Sources Public Operational	Funding Sources Public Capital
Noise Control	Sustainable	Medium to High	Low	High	High	These activities have a high public good because of public protection.	Fees & Charges	N/A	General Rates and Revenue	N/A
Animal Services		High	Low to Medium	Very High	Medium	Within the activity there is a high degree of public benefit, but the costs are influenced by the exacerbator.	Fees & Charges	Fees & Charges + Borrowings + Reserves	General Rates and Revenue	General Rates and Revenue + Borrowings + Reserves
Regulation Monitoring		Medium to High	Low	High	High	These activities have a high public good because of public protection.	Fees & Charges	N/A	General Rates and Revenue	N/A
Parking Control		Medium to High	Low	High	High	These activities have a high public good because of public protection.	Fees & Charges	N/A	General Rates and Revenue	Borrowings + Reserves
Civil Defence and Emergency Management		Low	Low	Low to Medium	Low	This activity is about preparedness for a disaster.	N/A	N/A	General Rates and Revenue	N/A
COASTAL STRUCTURES										
Coastal Structures	Prosperous, Vibrant & Sustainable	Very High	Low	Low	Low	Individuals receive high benefit from the provision of the service, however there are benefits to the social and leisure fabric of the community	General Rates and Revenue	Grants + Borrowings	General Rates and Revenue	General Rates and Revenue + Borrowings

The table above indicates the range of public or private good based on the following descriptors:

High (80% - 100%), **Medium to High** (60% - 80%), **Medium** (40% - 60%), **Low to Medium** (20% - 40%), **Low** (0% - 20%)

A "High" public good would indicate that the expenditure for that activity likely meets the criteria of a public good on a percentage basis between 80% and 100%.

FUNDING IMPACT STATEMENTS

FUNDING IMPACT STATEMENT - DEMOCRACY & LEADERSHIP / TE POUMANUKURA

<i>For the years ended 30 June</i>	2017/18 (\$,000)	2018/19 (\$,000)	2019/20 (\$,000)	2020/21 (\$,000)	2021/22 (\$,000)	2022/23 (\$,000)	2023/24 (\$,000)	2024/25 (\$,000)	2025/26 (\$,000)	2026/27 (\$,000)	2027/28 (\$,000)
SOURCES OF OPERATING FUNDING											
General rates, uniform annual general charges, rates penalties	2,734	2,374	2,453	2,512	2,641	2,643	2,718	2,869	2,852	2,928	3,071
Targeted Rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	0	0	0	0	0	0	0	0	0	0	0
Internal Charge and Overheads Recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	548	576	519	448	455	509	444	455	517	445	463
Total operating funding (A)	3,282	2,950	2,972	2,960	3,096	3,152	3,162	3,322	3,369	3,373	3,534
APPLICATIONS OF OPERATING FUNDING											
Payments to staff and suppliers	863	1,009	1,016	959	1,037	1,070	1,022	1,117	1,139	1,087	1,176
Finance Costs	1	0	0	0	0	0	0	0	0	0	0
Internal Charges and Overheads applied	1,914	1,935	1,949	1,994	2,053	2,076	2,133	2,198	2,223	2,280	2,352
Operating funding applications	516	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding (B)	3,295	2,943	2,965	2,953	3,089	3,145	3,155	3,315	3,363	3,366	3,528
Surplus (deficit) of operating funding (A-B)	-12	7	7	7	7	7	7	7	7	7	7
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	-7	0	0	0	0	0	0	0	0	0	0
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	-7	0	0	0	0	0	0	0	0	0	0

TE TAUĀKI PŪTEA WHAKAPĀNGA

FUNDING IMPACT STATEMENT - DEMOCRACY & LEADERSHIP / TE POUMANUKURA

<i>For the years ended 30 June</i>	2017/18 (\$,000)	2018/19 (\$,000)	2019/20 (\$,000)	2020/21 (\$,000)	2021/22 (\$,000)	2022/23 (\$,000)	2023/24 (\$,000)	2024/25 (\$,000)	2025/26 (\$,000)	2026/27 (\$,000)	2027/28 (\$,000)
APPLICATIONS OF CAPITAL FUNDING											
- To meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- To improve the level of service	0	0	0	0	0	0	0	0	0	0	0
- To replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in reserves	-19	7	7	7	7	7	7	7	7	7	7
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	-19	7	7	7	7	7	7	7	7	7	7
Surplus (deficit) of capital funding (C - D)	12	-7	-7	-7	-7	-7	-7	-7	-7	-7	-7
Funding Balance ((A - B) + (C - D))	0	0	0	0	0	0	0	0	0	0	0
Excludes depreciation of:	5	7	7	7	7	7	7	7	7	7	7

FUNDING IMPACT STATEMENTS

FUNDING IMPACT STATEMENT - WATER SUPPLY / NGĀ PUNA WAI

<i>For the years ended 30 June</i>	2017/18 (\$,000)	2018/19 (\$,000)	2019/20 (\$,000)	2020/21 (\$,000)	2021/22 (\$,000)	2022/23 (\$,000)	2023/24 (\$,000)	2024/25 (\$,000)	2025/26 (\$,000)	2026/27 (\$,000)	2027/28 (\$,000)
SOURCES OF OPERATING FUNDING											
General rates, uniform annual general charges, rates penalties	0	0	0	0	0	0	0	0	0	0	0
Targeted Rates	12,343	12,832	13,150	13,564	13,939	14,307	14,660	15,075	15,486	15,930	16,357
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	80	83	85	87	89	91	94	96	99	101	104
Internal Charge and Overheads Recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	281	375	384	393	402	412	423	434	445	457	471
Total operating funding (A)	12,704	13,290	13,619	14,043	14,431	14,810	15,176	15,605	16,030	16,488	16,932
APPLICATIONS OF OPERATING FUNDING											
Payments to staff and suppliers	2,812	3,170	3,281	3,382	3,494	3,610	3,735	3,865	4,004	4,146	4,310
Finance Costs	2,945	2,799	2,828	2,838	2,955	3,056	3,103	3,176	3,183	3,158	3,103
Internal Charges and Overheads applied	2,042	2,097	2,101	2,148	2,226	2,237	2,293	2,379	2,399	2,454	2,543
Operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding (B)	7,799	8,066	8,211	8,368	8,675	8,902	9,131	9,420	9,586	9,758	9,956
Surplus (deficit) of operating funding (A-B)	4,905	5,224	5,408	5,676	5,756	5,908	6,045	6,184	6,445	6,730	6,976
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	-825	2,436	-392	-1,109	2,758	-1,363	1,332	-108	-369	-1,151	-1,051
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	37	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding											
Total sources of capital funding (C)	-788	2,436	-392	-1,109	2,758	-1,363	1,332	-108	-369	-1,151	-1,051

TE TAUĀKI PŪTEA WHAKAPĀNGA

FUNDING IMPACT STATEMENT - WATER SUPPLY / NGĀ PUNA WAI

<i>For the years ended 30 June</i>	2017/18 (\$,000)	2018/19 (\$,000)	2019/20 (\$,000)	2020/21 (\$,000)	2021/22 (\$,000)	2022/23 (\$,000)	2023/24 (\$,000)	2024/25 (\$,000)	2025/26 (\$,000)	2026/27 (\$,000)	2027/28 (\$,000)
APPLICATIONS OF CAPITAL FUNDING											
- To meet additional demand	0	217	2,311	95	1,691	0	0	0	0	0	0
- To improve the level of service	1,585	3,055	632	373	1,342	91	634	24	24	25	26
- To replace existing assets	2,957	3,918	3,591	4,658	6,253	4,987	6,014	5,184	4,752	4,340	4,484
Increase (decrease) in reserves	-425	470	-1,518	-558	-772	-533	728	869	1,300	1,214	1,415
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	4,116	7,660	5,016	4,567	8,514	4,545	7,377	6,077	6,076	5,579	5,925
Surplus (deficit) of capital funding (C - D)	-4,905	-5,224	-5,408	-5,676	-5,756	-5,908	-6,045	-6,184	-6,445	-6,730	-6,976
Funding Balance ((A - B) + (C - D))	0	0	0	0	0	0	0	0	0	0	0
Excludes depreciation of:	4,784	4,611	4,699	5,146	5,157	5,200	5,639	5,659	5,660	6,226	6,172

FUNDING IMPACT STATEMENTS

FUNDING IMPACT STATEMENT - STORMWATER / TE WAI ĀWHIOWHIO ME ŌNA RĪTENGA

<i>For the years ended 30 June</i>	2017/18 (\$,000)	2018/19 (\$,000)	2019/20 (\$,000)	2020/21 (\$,000)	2021/22 (\$,000)	2022/23 (\$,000)	2023/24 (\$,000)	2024/25 (\$,000)	2025/26 (\$,000)	2026/27 (\$,000)	2027/28 (\$,000)
SOURCES OF OPERATING FUNDING											
General rates, uniform annual general charges, rates penalties	785	900	945	1,027	1,095	1,151	1,247	1,314	1,368	1,468	1,500
Targeted Rates	8	8	8	8	9	9	9	9	9	10	10
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	0	0	0	0	0	0	0	0	0	0	0
Internal Charge and Overheads Recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	158	174	179	183	187	197	202	208	218	223	227
Total operating funding (A)	950	1,081	1,132	1,219	1,291	1,356	1,459	1,531	1,596	1,700	1,736
APPLICATIONS OF OPERATING FUNDING											
Payments to staff and suppliers	303	218	232	245	260	275	290	307	324	342	361
Finance Costs	196	196	208	222	235	247	255	260	263	263	260
Internal Charges and Overheads applied	280	388	391	399	411	416	427	440	446	457	471
Operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding (B)	779	803	831	866	907	937	971	1,007	1,033	1,061	1,092
Surplus (deficit) of operating funding (A-B)	171	279	301	353	384	419	487	524	563	639	644
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	185	302	186	146	125	104	49	26	2	-58	-46
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding											
Total sources of capital funding (C)	185	302	186	146	125	104	49	26	2	-58	-46

TE TAUĀKI PŪTEA WHAKAPĀNGA

FUNDING IMPACT STATEMENT - STORMWATER / TE WAI ĀWHIOWHIO ME ŌNA RĪTENGA

<i>For the years ended 30 June</i>	2017/18 (\$,000)	2018/19 (\$,000)	2019/20 (\$,000)	2020/21 (\$,000)	2021/22 (\$,000)	2022/23 (\$,000)	2023/24 (\$,000)	2024/25 (\$,000)	2025/26 (\$,000)	2026/27 (\$,000)	2027/28 (\$,000)
APPLICATIONS OF CAPITAL FUNDING											
- To meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- To improve the level of service	158	248	400	479	492	500	407	439	98	202	381
- To replace existing assets	199	332	87	19	18	22	129	111	467	378	216
Increase (decrease) in reserves	0	1	0	1	0	1	1	1	0	0	1
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	356	581	487	499	510	523	537	551	565	581	598
Surplus (deficit) of capital funding (C - D)	-171	-279	-301	-353	-384	-419	-487	-524	-563	-639	-644
Funding Balance ((A - B) + (C - D))	0	0	0	0	0	0	0	0	0	0	0
Excludes depreciation of:	492	463	463	503	512	522	572	582	592	639	643

FUNDING IMPACT STATEMENTS

FUNDING IMPACT STATEMENT - WASTEWATER / NGĀ PARAPARA

<i>For the years ended 30 June</i>	2017/18 (\$,000)	2018/19 (\$,000)	2019/20 (\$,000)	2020/21 (\$,000)	2021/22 (\$,000)	2022/23 (\$,000)	2023/24 (\$,000)	2024/25 (\$,000)	2025/26 (\$,000)	2026/27 (\$,000)	2027/28 (\$,000)
SOURCES OF OPERATING FUNDING											
General rates, uniform annual general charges, rates penalties	0	0	0	0	0	0	0	0	0	0	0
Targeted Rates	4,324	4,595	4,877	5,159	5,442	5,724	5,966	6,207	6,449	6,691	6,933
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	649	903	1,057	1,086	1,118	1,145	1,175	1,205	1,237	1,269	1,308
Internal Charge and Overheads Recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	100	0	0	0	0	0	0	0	0	0	0
Total operating funding (A)	5,073	5,498	5,934	6,246	6,560	6,869	7,140	7,412	7,686	7,961	8,241
APPLICATIONS OF OPERATING FUNDING											
Payments to staff and suppliers	2,198	2,428	2,647	2,645	2,798	2,807	2,933	2,920	3,083	3,115	3,298
Finance Costs	1,590	1,554	1,614	1,662	1,701	1,722	1,721	1,697	1,665	1,634	1,595
Internal Charges and Overheads applied	483	623	627	640	661	667	684	707	715	732	756
Operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding (B)	4,271	4,605	4,888	4,947	5,160	5,197	5,338	5,323	5,463	5,481	5,649
Surplus (deficit) of operating funding (A-B)	802	893	1,046	1,299	1,400	1,672	1,802	2,089	2,223	2,479	2,592
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	624	1,602	1,421	76	-186	-148	-765	-765	-695	-766	-766
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding											
Total sources of capital funding (C)	624	1,602	1,421	76	-186	-148	-765	-765	-695	-766	-766

TE TAUĀKI PŪTEA WHAKAPĀNGA

FUNDING IMPACT STATEMENT - WASTEWATER / NGĀ PARAPARA

<i>For the years ended 30 June</i>	2017/18 (\$,000)	2018/19 (\$,000)	2019/20 (\$,000)	2020/21 (\$,000)	2021/22 (\$,000)	2022/23 (\$,000)	2023/24 (\$,000)	2024/25 (\$,000)	2025/26 (\$,000)	2026/27 (\$,000)	2027/28 (\$,000)
APPLICATIONS OF CAPITAL FUNDING											
- To meet additional demand	126	143	0	0	0	0	0	0	0	0	0
- To improve the level of service	119	317	916	129	121	249	12	12	195	13	13
- To replace existing assets	1,309	2,323	1,864	1,598	1,534	1,444	1,067	1,230	1,267	1,358	1,423
Increase (decrease) in reserves	-128	-289	-313	-352	-441	-169	-42	82	67	342	389
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	1,426	2,495	2,467	1,374	1,214	1,525	1,037	1,323	1,528	1,713	1,826
Surplus (deficit) of capital funding (C - D)	-802	-893	-1,046	-1,299	-1,400	-1,672	-1,802	-2,089	-2,223	-2,479	-2,592
Funding Balance ((A - B) + (C - D))	0	0	0	0	0	0	0	0	0	0	0
Excludes depreciation of:	1,841	1,355	1,365	1,474	1,477	1,480	1,612	1,612	1,613	1,771	1,771

FUNDING IMPACT STATEMENTS

FUNDING IMPACT STATEMENT - SOLID WASTE / TE TUKUHANGA O NGĀ PARAPARA

<i>For the years ended 30 June</i>	2017/18 (\$,000)	2018/19 (\$,000)	2019/20 (\$,000)	2020/21 (\$,000)	2021/22 (\$,000)	2022/23 (\$,000)	2023/24 (\$,000)	2024/25 (\$,000)	2025/26 (\$,000)	2026/27 (\$,000)	2027/28 (\$,000)
SOURCES OF OPERATING FUNDING											
General rates, uniform annual general charges, rates penalties	822	729	680	689	695	688	688	690	681	680	676
Targeted Rates	2,023	1,909	1,950	1,950	1,950	1,950	1,950	1,950	1,950	1,950	1,950
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	795	729	776	791	806	824	841	859	879	898	921
Internal Charge and Overheads Recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	718	671	430	435	441	447	453	460	470	476	486
Total operating funding (A)	4,360	4,037	3,837	3,864	3,892	3,909	3,932	3,959	3,979	4,004	4,033
APPLICATIONS OF OPERATING FUNDING											
Payments to staff and suppliers	3,260	2,959	2,666	2,720	2,773	2,826	2,882	2,942	3,000	3,062	3,124
Finance Costs	271	273	268	263	257	248	238	227	216	204	192
Internal Charges and Overheads applied	460	523	525	537	555	560	574	595	602	615	638
Operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding (B)	3,991	3,755	3,460	3,519	3,585	3,634	3,695	3,764	3,818	3,881	3,954
Surplus (deficit) of operating funding (A-B)	369	283	377	345	306	275	238	195	162	123	79
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	1,753	-136	-114	-188	-215	-214	-213	-212	-211	-210	-210
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	1,753	-136	-114	-188	-215	-214	-213	-212	-211	-210	-210

TE TAUĀKI PŪTEA WHAKAPĀNGA

FUNDING IMPACT STATEMENT - SOLID WASTE / TE TUKUHANGA O NGĀ PARAPARA

<i>For the years ended 30 June</i>	2017/18 (\$,000)	2018/19 (\$,000)	2019/20 (\$,000)	2020/21 (\$,000)	2021/22 (\$,000)	2022/23 (\$,000)	2023/24 (\$,000)	2024/25 (\$,000)	2025/26 (\$,000)	2026/27 (\$,000)	2027/28 (\$,000)
APPLICATIONS OF CAPITAL FUNDING											
- To meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- To improve the level of service	0	31	32	27	0	0	0	0	0	0	0
- To replace existing assets	20	51	74	5	6	6	6	6	6	6	6
Increase (decrease) in reserves	2,102	65	158	124	86	56	19	-23	-55	-94	-137
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	2,122	147	263	157	92	61	25	-17	-49	-87	-131
Surplus (deficit) of capital funding (C - D)	-369	-283	-377	-345	-306	-275	-238	-195	-162	-123	-79
Funding Balance ((A - B) + (C - D))	0	0	0	0	0	0	0	0	0	0	0
Excludes depreciation of:	35	45	45	49	48	38	41	41	41	45	43

FUNDING IMPACT STATEMENTS

FUNDING IMPACT STATEMENT - ROADING & FOOTPATHS (INCLUDING ROAD SAFETY & PATHWAYS) / NGĀ HUARAHI ARA RAU

<i>For the years ended 30 June</i>	2017/18 (\$,000)	2018/19 (\$,000)	2019/20 (\$,000)	2020/21 (\$,000)	2021/22 (\$,000)	2022/23 (\$,000)	2023/24 (\$,000)	2024/25 (\$,000)	2025/26 (\$,000)	2026/27 (\$,000)	2027/28 (\$,000)
SOURCES OF OPERATING FUNDING											
General rates, uniform annual general charges, rates penalties	46	43	42	42	43	42	44	43	42	44	43
Targeted Rates	6,721	6,649	6,815	6,910	7,076	7,252	7,478	7,640	8,087	8,381	8,596
Subsidies and grants for operating purposes	4,844	4,457	4,596	4,694	5,341	5,465	5,598	5,736	5,884	6,046	6,208
Fees and charges	98	108	109	110	111	112	114	115	116	117	119
Internal Charge and Overheads Recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	1,619	1,675	1,658	1,687	1,814	1,821	1,886	1,878	1,857	1,917	1,933
Total operating funding (A)	13,327	12,932	13,220	13,443	14,385	14,692	15,120	15,412	15,986	16,507	16,899
APPLICATIONS OF OPERATING FUNDING											
Payments to staff and suppliers	9,215	8,699	8,910	9,140	10,047	10,284	10,539	10,803	11,085	11,395	11,704
Finance Costs	221	278	270	266	263	258	252	245	236	227	217
Internal Charges and Overheads applied	308	300	299	306	320	320	329	344	345	353	370
Operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding (B)	9,743	9,277	9,479	9,711	10,629	10,861	11,120	11,392	11,666	11,975	12,291
Surplus (deficit) of operating funding (A-B)	3,584	3,655	3,741	3,732	3,756	3,831	4,001	4,021	4,320	4,531	4,607
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	3,940	3,926	4,085	4,175	3,961	4,055	4,157	4,262	4,719	4,852	4,985
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	-124	-70	-172	-172	-172	-172	-174	-174	-174	-175	-175
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding											
Total sources of capital funding (C)	3,815	3,856	3,913	4,003	3,789	3,883	3,983	4,088	4,544	4,677	4,810

TE TAUĀKI PŪTEA WHAKAPĀNGA

FUNDING IMPACT STATEMENT - ROADING & FOOTPATHS (INCLUDING ROAD SAFETY & PATHWAYS) / NGĀ HUARAHI ARA RAU

<i>For the years ended 30 June</i>	2017/18 (\$,000)	2018/19 (\$,000)	2019/20 (\$,000)	2020/21 (\$,000)	2021/22 (\$,000)	2022/23 (\$,000)	2023/24 (\$,000)	2024/25 (\$,000)	2025/26 (\$,000)	2026/27 (\$,000)	2027/28 (\$,000)
APPLICATIONS OF CAPITAL FUNDING											
- To meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- To improve the level of service	1,678	1,204	1,376	1,401	1,178	1,206	1,236	1,267	1,301	1,336	1,374
- To replace existing assets	6,132	6,424	6,565	6,710	6,332	6,483	6,645	6,813	7,584	7,792	8,012
Increase (decrease) in reserves	-411	-117	-287	-376	36	26	103	28	-20	81	32
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	7,399	7,512	7,654	7,735	7,545	7,714	7,984	8,108	8,865	9,209	9,417
Surplus (deficit) of capital funding (C - D)	-3,584	-3,655	-3,741	-3,732	-3,756	-3,831	-4,001	-4,021	-4,320	-4,531	-4,607
Funding Balance ((A - B) + (C - D))	0	0	0	0	0	0	0	0	0	0	0
Excludes depreciation of:	6,363	6,515	6,534	6,955	6,979	7,000	7,520	7,541	7,563	8,227	8,250

FUNDING IMPACT STATEMENTS

FUNDING IMPACT STATEMENT - COMMUNITY FACILITIES / NGĀ WHARE-Ā-HAPORI

<i>For the years ended 30 June</i>	2017/18 (\$,000)	2018/19 (\$,000)	2019/20 (\$,000)	2020/21 (\$,000)	2021/22 (\$,000)	2022/23 (\$,000)	2023/24 (\$,000)	2024/25 (\$,000)	2025/26 (\$,000)	2026/27 (\$,000)	2027/28 (\$,000)
SOURCES OF OPERATING FUNDING											
General rates, uniform annual general charges, rates penalties	4,423	5,233	5,372	6,102	6,063	5,880	6,561	6,798	6,816	7,170	7,155
Targeted Rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	17	23	23	7	7	7	7	7	7	8	8
Fees and charges	1,299	1,956	2,012	2,072	2,109	2,136	2,166	2,202	2,243	2,281	2,310
Internal Charge and Overheads Recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	2,914	3,102	3,101	3,153	3,112	3,069	3,099	3,097	3,109	3,102	3,089
Total operating funding (A)	8,652	10,313	10,508	11,334	11,290	11,093	11,832	12,105	12,176	12,561	12,561
APPLICATIONS OF OPERATING FUNDING											
Payments to staff and suppliers	4,782	5,894	5,805	6,338	6,185	6,091	6,369	6,543	6,561	6,753	6,829
Finance Costs	1,534	1,578	1,595	1,637	1,667	1,649	1,623	1,570	1,508	1,442	1,359
Internal Charges and Overheads applied	991	1,195	1,200	1,232	1,276	1,287	1,324	1,376	1,391	1,427	1,480
Operating funding applications	58	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding (B)	7,364	8,667	8,600	9,207	9,129	9,026	9,317	9,489	9,460	9,622	9,668
Surplus (deficit) of operating funding (A-B)	1,288	1,647	1,908	2,127	2,161	2,067	2,516	2,616	2,716	2,939	2,893
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	0	125	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	53	464	-44	497	-875	-895	-1,163	-1,403	-1,126	-1,494	-1,524
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	43	13	8	30	3	97	4	4	4	4
Other dedicated capital funding											
Total sources of capital funding (C)	53	632	-31	505	-845	-892	-1,065	-1,399	-1,122	-1,490	-1,520

TE TAUĀKI PŪTEA WHAKAPĀNGA

FUNDING IMPACT STATEMENT - COMMUNITY FACILITIES / NGĀ WHARE-Ā-HAPORI

<i>For the years ended 30 June</i>	2017/18 <i>(\$,000)</i>	2018/19 <i>(\$,000)</i>	2019/20 <i>(\$,000)</i>	2020/21 <i>(\$,000)</i>	2021/22 <i>(\$,000)</i>	2022/23 <i>(\$,000)</i>	2023/24 <i>(\$,000)</i>	2024/25 <i>(\$,000)</i>	2025/26 <i>(\$,000)</i>	2026/27 <i>(\$,000)</i>	2027/28 <i>(\$,000)</i>
APPLICATIONS OF CAPITAL FUNDING											
- To meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- To improve the level of service	923	929	416	49	144	98	171	91	41	38	132
- To replace existing assets	933	1,200	1,389	2,031	1,803	1,022	650	395	801	357	246
Increase (decrease) in reserves	-516	150	72	553	-631	54	629	731	751	1,053	996
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	1,340	2,279	1,877	2,632	1,317	1,175	1,450	1,217	1,594	1,449	1,374
Surplus (deficit) of capital funding (C - D)	-1,288	-1,647	-1,908	-2,127	-2,161	-2,067	-2,516	-2,616	-2,716	-2,939	-2,893
Funding Balance ((A - B) + (C - D))	0	0	0	0	0	0	0	0	0	0	0
Excludes depreciation of:	2,084	2,840	3,034	3,288	3,321	2,850	3,082	3,038	3,065	3,263	2,992

FUNDING IMPACT STATEMENTS

FUNDING IMPACT STATEMENT - ARTS & CULTURE / NGĀ MAHI Ā-TOI ME RĒHIA

<i>For the years ended 30 June</i>	2017/18 (\$,000)	2018/19 (\$,000)	2019/20 (\$,000)	2020/21 (\$,000)	2021/22 (\$,000)	2022/23 (\$,000)	2023/24 (\$,000)	2024/25 (\$,000)	2025/26 (\$,000)	2026/27 (\$,000)	2027/28 (\$,000)
SOURCES OF OPERATING FUNDING											
General rates, uniform annual general charges, rates penalties	2,532	2,409	2,505	2,584	2,830	2,811	2,953	3,087	3,114	3,244	3,250
Targeted Rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	45	41	42	43	44	17	18	18	18	19	19
Fees and charges	300	38	39	42	76	77	78	79	81	82	84
Internal Charge and Overheads Recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	595	535	544	528	556	549	554	563	572	571	571
Total operating funding (A)	3,472	3,023	3,130	3,197	3,506	3,454	3,603	3,747	3,786	3,916	3,923
APPLICATIONS OF OPERATING FUNDING											
Payments to staff and suppliers	2,206	1,848	1,896	1,897	2,174	2,178	2,235	2,331	2,365	2,496	2,508
Finance Costs	64	47	53	52	52	50	48	45	43	40	37
Internal Charges and Overheads applied	903	795	804	832	859	870	898	933	950	977	1,008
Operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding (B)	3,173	2,690	2,753	2,781	3,085	3,097	3,181	3,309	3,357	3,513	3,554
Surplus (deficit) of operating funding (A-B)	299	332	376	416	421	357	422	438	428	403	369
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	183	266	-49	-19	-50	-50	-50	-50	-50	-50	-50
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding											
Total sources of capital funding (C)	183	266	-49	-19	-50	-50	-50	-50	-50	-50	-50

TE TAUĀKI PŪTEA WHAKAPĀNGA

FUNDING IMPACT STATEMENT - ARTS & CULTURE / NGĀ MAHI Ā-TOI ME RĒHIA

<i>For the years ended 30 June</i>	2017/18 (\$,000)	2018/19 (\$,000)	2019/20 (\$,000)	2020/21 (\$,000)	2021/22 (\$,000)	2022/23 (\$,000)	2023/24 (\$,000)	2024/25 (\$,000)	2025/26 (\$,000)	2026/27 (\$,000)	2027/28 (\$,000)
APPLICATIONS OF CAPITAL FUNDING											
- To meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- To improve the level of service	54	0	0	0	0	0	0	0	0	0	0
- To replace existing assets	441	572	279	391	266	274	331	290	285	273	338
Increase (decrease) in reserves	-13	26	48	7	105	32	41	98	93	80	-20
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	482	598	327	397	371	307	372	388	378	352	319
Surplus (deficit) of capital funding (C - D)	-299	-332	-376	-416	-421	-357	-422	-438	-428	-403	-369
Funding Balance ((A - B) + (C - D))	0	0	0	0	0	0	0	0	0	0	0
Excludes depreciation of:	458	455	484	503	479	381	429	424	414	388	353

FUNDING IMPACT STATEMENTS

FUNDING IMPACT STATEMENT - DISTRICT ECONOMY / WHAKATIPURANGA O TE ROHE

<i>For the years ended 30 June</i>	2017/18 (\$,000)	2018/19 (\$,000)	2019/20 (\$,000)	2020/21 (\$,000)	2021/22 (\$,000)	2022/23 (\$,000)	2023/24 (\$,000)	2024/25 (\$,000)	2025/26 (\$,000)	2026/27 (\$,000)	2027/28 (\$,000)
SOURCES OF OPERATING FUNDING											
General rates, uniform annual general charges, rates penalties	842	820	843	890	905	929	958	986	1,009	1,034	1,065
Targeted Rates	161	164	167	169	172	175	178	181	185	188	192
Subsidies and grants for operating purposes	13	63	13	14	14	14	15	15	15	16	16
Fees and charges	112	168	208	130	197	136	200	142	210	149	220
Internal Charge and Overheads Recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	680	894	985	1,187	1,291	1,214	1,194	1,169	1,156	1,131	1,117
Total operating funding (A)	1,808	2,109	2,216	2,390	2,579	2,469	2,545	2,494	2,575	2,518	2,611
APPLICATIONS OF OPERATING FUNDING											
Payments to staff and suppliers	862	1,053	1,012	968	1,043	1,006	1,073	1,032	1,128	1,083	1,183
Finance Costs	283	355	462	575	619	636	621	605	590	574	559
Internal Charges and Overheads applied	206	224	225	233	281	284	292	303	307	315	326
Operating funding applications	282	284	287	289	292	175	178	181	185	188	192
Total applications of operating funding (B)	1,634	1,916	1,986	2,065	2,235	2,100	2,164	2,121	2,210	2,160	2,260
Surplus (deficit) of operating funding (A-B)	174	192	230	325	344	369	382	373	365	358	350
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	3,215	389	3,644	727	963	-315	-308	-300	-293	-286	-279
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	3,334	0	0	0	0	0	0	0	0
Other dedicated capital funding											
Total sources of capital funding (C)	3,215	389	6,978	727	963	-315	-308	-300	-293	-286	-279

TE TAUĀKI PŪTEA WHAKAPĀNGA

FUNDING IMPACT STATEMENT - DISTRICT ECONOMY / WHAKATIPURANGA O TE ROHE

<i>For the years ended 30 June</i>	2017/18 (\$,000)	2018/19 (\$,000)	2019/20 (\$,000)	2020/21 (\$,000)	2021/22 (\$,000)	2022/23 (\$,000)	2023/24 (\$,000)	2024/25 (\$,000)	2025/26 (\$,000)	2026/27 (\$,000)	2027/28 (\$,000)
APPLICATIONS OF CAPITAL FUNDING											
- To meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- To improve the level of service	3,017	500	7,016	1,000	0	17	0	0	18	0	0
- To replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in reserves	372	81	193	52	1,307	36	74	72	54	72	72
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	3,389	581	7,208	1,052	1,307	53	74	72	72	72	72
Surplus (deficit) of capital funding (C - D)	-174	-192	-230	-325	-344	-369	-382	-373	-365	-358	-350
Funding Balance ((A - B) + (C - D))	0	0	0	0	0	0	0	0	0	0	0
Excludes depreciation of:	137	177	188	280	298	322	316	308	301	295	285

FUNDING IMPACT STATEMENTS

FUNDING IMPACT STATEMENT - COMMUNITY DEVELOPMENT / WHAKAWHANAKE HAPORI

<i>For the years ended 30 June</i>	2017/18 (\$,000)	2018/19 (\$,000)	2019/20 (\$,000)	2020/21 (\$,000)	2021/22 (\$,000)	2022/23 (\$,000)	2023/24 (\$,000)	2024/25 (\$,000)	2025/26 (\$,000)	2026/27 (\$,000)	2027/28 (\$,000)
SOURCES OF OPERATING FUNDING											
General rates, uniform annual general charges, rates penalties	716	872	885	886	900	912	940	958	967	986	1,001
Targeted Rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	336	0	0	0	0	0	0	0	0	0	0
Internal Charge and Overheads Recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	218	245	245	234	231	231	227	224	227	223	223
Total operating funding (A)	1,271	1,117	1,129	1,120	1,131	1,143	1,167	1,182	1,194	1,209	1,224
APPLICATIONS OF OPERATING FUNDING											
Payments to staff and suppliers	702	361	367	373	315	321	327	334	340	348	355
Finance Costs	143	64	63	63	63	63	62	61	59	58	55
Internal Charges and Overheads applied	294	208	211	217	223	229	237	245	250	258	266
Operating funding applications	0	525	575	505	505	505	505	505	505	505	505
Total applications of operating funding (B)	1,138	1,158	1,216	1,158	1,107	1,117	1,132	1,146	1,155	1,168	1,182
Surplus (deficit) of operating funding (A-B)	132	-41	-87	-38	24	26	35	37	39	40	42
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	127	-22	-25	-25	-24	-25	-34	-36	-38	-40	-41
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding											
Total sources of capital funding (C)	127	-22	-25	-25	-24	-25	-34	-36	-38	-40	-41

TE TAUĀKI PŪTEA WHAKAPĀNGA

FUNDING IMPACT STATEMENT - COMMUNITY DEVELOPMENT / WHAKAWHANAKE HAPORI

<i>For the years ended 30 June</i>	2017/18 (\$,000)	2018/19 (\$,000)	2019/20 (\$,000)	2020/21 (\$,000)	2021/22 (\$,000)	2022/23 (\$,000)	2023/24 (\$,000)	2024/25 (\$,000)	2025/26 (\$,000)	2026/27 (\$,000)	2027/28 (\$,000)
APPLICATIONS OF CAPITAL FUNDING											
- To meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- To improve the level of service	260	0	0	0	0	0	0	0	0	0	0
- To replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in reserves	0	-64	-112	-63	0	1	1	1	1	0	1
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	260	-64	-112	-63	0	1	1	1	1	0	1
Surplus (deficit) of capital funding (C - D)	-132	41	87	38	-24	-26	-35	-37	-39	-40	-42
Funding Balance ((A - B) + (C - D))	0	0	0	0	0	0	0	0	0	0	0
Excludes depreciation of:	194	2	2	1	1	1	1	1	1	1	1

FUNDING IMPACT STATEMENTS

FUNDING IMPACT STATEMENT - ENVIRONMENTAL SUSTAINABILITY / TOITŪ TE TAIAO

<i>For the years ended 30 June</i>	2017/18 (\$,000)	2018/19 (\$,000)	2019/20 (\$,000)	2020/21 (\$,000)	2021/22 (\$,000)	2022/23 (\$,000)	2023/24 (\$,000)	2024/25 (\$,000)	2025/26 (\$,000)	2026/27 (\$,000)	2027/28 (\$,000)
SOURCES OF OPERATING FUNDING											
General rates, uniform annual general charges, rates penalties	577	632	790	722	778	1,104	752	829	853	844	879
Targeted Rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	152	162	165	169	172	176	180	184	189	193	198
Internal Charge and Overheads Recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	150	222	254	235	242	299	237	248	255	250	257
Total operating funding (A)	879	1,016	1,209	1,126	1,192	1,579	1,168	1,261	1,297	1,287	1,334
APPLICATIONS OF OPERATING FUNDING											
Payments to staff and suppliers	535	635	725	759	790	822	851	931	963	944	979
Finance Costs	0	0	0	0	0	0	0	0	0	0	0
Internal Charges and Overheads applied	265	281	283	290	301	305	315	328	332	341	354
Operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding (B)	800	916	1,008	1,049	1,091	1,127	1,166	1,259	1,295	1,285	1,333
Surplus (deficit) of operating funding (A-B)	79	100	201	77	101	452	2	2	2	2	1
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	0	0	0	0	0	0	0	0	0	0	0
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding											
Total sources of capital funding (C)	0	0	0	0	0	0	0	0	0	0	0

TE TAUĀKI PŪTEA WHAKAPĀNGA

FUNDING IMPACT STATEMENT - ENVIRONMENTAL SUSTAINABILITY / TOITŪ TE TAI AO

<i>For the years ended 30 June</i>	2017/18 (\$,000)	2018/19 (\$,000)	2019/20 (\$,000)	2020/21 (\$,000)	2021/22 (\$,000)	2022/23 (\$,000)	2023/24 (\$,000)	2024/25 (\$,000)	2025/26 (\$,000)	2026/27 (\$,000)	2027/28 (\$,000)
APPLICATIONS OF CAPITAL FUNDING											
- To meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- To improve the level of service	0	0	6	0	0	0	0	6	0	0	0
- To replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in reserves	79	100	195	77	101	452	2	-4	2	2	1
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	79	100	201	77	101	452	2	2	2	2	1
Surplus (deficit) of capital funding (C - D)	-79	-100	-201	-77	-101	-452	-2	-2	-2	-2	-1
Funding Balance ((A - B) + (C - D))	0	0	0	0	0	0	0	0	0	0	0
Excludes depreciation of:	0	1	1	1	1	1	1	2	2	2	1

FUNDING IMPACT STATEMENTS

FUNDING IMPACT STATEMENT - REGULATORY SERVICES / RATONGA WHAKATURE

<i>For the years ended 30 June</i>	2017/18 (\$,000)	2018/19 (\$,000)	2019/20 (\$,000)	2020/21 (\$,000)	2021/22 (\$,000)	2022/23 (\$,000)	2023/24 (\$,000)	2024/25 (\$,000)	2025/26 (\$,000)	2026/27 (\$,000)	2027/28 (\$,000)
SOURCES OF OPERATING FUNDING											
General rates, uniform annual general charges, rates penalties	700	797	769	817	818	848	863	905	889	943	943
Targeted Rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	1,617	1,582	1,617	1,651	1,685	1,723	1,764	1,806	1,849	1,892	1,941
Internal Charge and Overheads Recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	141	162	154	154	151	153	150	152	151	153	152
Total operating funding (A)	2,457	2,541	2,540	2,622	2,654	2,724	2,777	2,863	2,889	2,987	3,035
APPLICATIONS OF OPERATING FUNDING											
Payments to staff and suppliers	1,613	1,676	1,675	1,737	1,731	1,787	1,811	1,864	1,875	1,951	1,963
Finance Costs	15	8	8	9	9	8	8	8	7	7	6
Internal Charges and Overheads applied	775	813	823	845	872	887	917	948	965	988	1,024
Operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding (B)	2,403	2,497	2,506	2,591	2,612	2,682	2,736	2,820	2,847	2,946	2,993
Surplus (deficit) of operating funding (A-B)	55	44	34	31	42	42	41	43	42	41	42
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	-12	-8	20	-3	-11	-8	-11	-5	-11	-4	-12
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding											
Total sources of capital funding (C)	-12	-8	20	-3	-11	-8	-11	-5	-11	-4	-12

TE TAUĀKI PŪTEA WHAKAPĀNGA

FUNDING IMPACT STATEMENT - REGULATORY SERVICES / RATONGA WHAKATURE

<i>For the years ended 30 June</i>	2017/18 (\$,000)	2018/19 (\$,000)	2019/20 (\$,000)	2020/21 (\$,000)	2021/22 (\$,000)	2022/23 (\$,000)	2023/24 (\$,000)	2024/25 (\$,000)	2025/26 (\$,000)	2026/27 (\$,000)	2027/28 (\$,000)
APPLICATIONS OF CAPITAL FUNDING											
- To meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- To improve the level of service	0	0	6	0	0	0	0	6	0	0	0
- To replace existing assets	25	6	33	12	0	6	0	6	7	8	0
Increase (decrease) in reserves	18	30	15	16	31	28	30	26	24	30	30
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	43	36	54	28	31	33	30	38	31	37	30
Surplus (deficit) of capital funding (C - D)	-55	-44	-34	-31	-42	-42	-41	-43	-42	-41	-42
Funding Balance ((A - B) + (C - D))	0	0	0	0	0	0	0	0	0	0	0
Excludes depreciation of:	53	56	46	43	43	42	42	43	42	38	38

FUNDING IMPACT STATEMENTS

FUNDING IMPACT STATEMENT - COASTAL STRUCTURES / NGĀ MOMO HANGA KI TAI

<i>For the years ended 30 June</i>	2017/18 (\$,000)	2018/19 (\$,000)	2019/20 (\$,000)	2020/21 (\$,000)	2021/22 (\$,000)	2022/23 (\$,000)	2023/24 (\$,000)	2024/25 (\$,000)	2025/26 (\$,000)	2026/27 (\$,000)	2027/28 (\$,000)
SOURCES OF OPERATING FUNDING											
General rates, uniform annual general charges, rates penalties	79	96	104	115	124	131	145	155	164	181	164
Targeted Rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	0	0	0	0	0	0	0	0	0	0	0
Internal Charge and Overheads Recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total operating funding (A)	79	96	104	115	124	131	145	155	164	181	164
APPLICATIONS OF OPERATING FUNDING											
Payments to staff and suppliers	31	22	22	23	22	23	24	25	26	26	27
Finance Costs	21	26	28	30	34	33	33	33	32	31	30
Internal Charges and Overheads applied	16	32	32	33	33	34	35	36	36	37	38
Operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding (B)	68	79	82	86	89	90	92	94	94	95	95
Surplus (deficit) of operating funding (A-B)	11	16	21	29	34	41	53	61	70	86	69
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	15	124	-16	72	-18	-18	23	-19	-19	-19	-19
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding											
Total sources of capital funding (C)	15	124	-16	72	-18	-18	23	-19	-19	-19	-19

TE TAUĀKI PŪTEA WHAKAPĀNGA

FUNDING IMPACT STATEMENT - COASTAL STRUCTURES / NGĀ MOMO HANGA KI TAI

<i>For the years ended 30 June</i>	2017/18 (\$,000)	2018/19 (\$,000)	2019/20 (\$,000)	2020/21 (\$,000)	2021/22 (\$,000)	2022/23 (\$,000)	2023/24 (\$,000)	2024/25 (\$,000)	2025/26 (\$,000)	2026/27 (\$,000)	2027/28 (\$,000)
APPLICATIONS OF CAPITAL FUNDING											
- To meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- To improve the level of service	11	154	158	161	165	169	173	178	183	188	193
- To replace existing assets	154	140	0	107	0	0	116	0	0	125	0
Increase (decrease) in reserves	-138	-154	-152	-168	-149	-147	-213	-136	-133	-246	-144
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	26	140	5	101	16	22	76	42	50	67	50
Surplus (deficit) of capital funding (C - D)	-11	-16	-21	-29	-34	-41	-53	-61	-70	-86	-69
Funding Balance ((A - B) + (C - D))	0	0	0	0	0	0	0	0	0	0	0
Excludes depreciation of:	73	283	290	312	316	320	345	350	354	384	389

FUNDING IMPACT STATEMENTS

FUNDING IMPACT STATEMENT - CORPORATE ACTIVITIES / NGĀ MAHINGA MATAKITE Ā ROHE

<i>For the years ended 30 June</i>	2017/18 (\$,000)	2018/19 (\$,000)	2019/20 (\$,000)	2020/21 (\$,000)	2021/22 (\$,000)	2022/23 (\$,000)	2023/24 (\$,000)	2024/25 (\$,000)	2025/26 (\$,000)	2026/27 (\$,000)	2027/28 (\$,000)
SOURCES OF OPERATING FUNDING											
General rates, uniform annual general charges, rates penalties	123	168	298	-71	207	384	241	108	178	107	294
Targeted Rates	120	209	209	209	209	189	167	133	119	49	0
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	50	81	87	93	95	97	99	101	104	106	109
Internal Charge and Overheads Recovered	11,923	13,507	13,599	13,935	14,382	14,574	15,010	15,529	15,737	16,140	16,684
Local authorities fuel tax, fines, infringement fees and other receipts	3,521	2,928	2,667	2,570	2,725	2,889	3,219	3,446	3,779	3,982	4,302
Total operating funding (A)	15,737	16,893	16,859	16,736	17,617	18,134	18,735	19,317	19,918	20,385	21,390
APPLICATIONS OF OPERATING FUNDING											
Payments to staff and suppliers	9,773	10,505	10,506	10,684	11,031	11,095	11,342	11,684	11,789	11,966	12,290
Finance Costs	348	399	387	405	433	445	451	442	430	423	415
Internal Charges and Overheads applied	2,702	3,218	3,321	3,410	3,517	3,595	3,729	3,857	3,922	4,033	4,170
Operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding (B)	12,822	14,121	14,214	14,499	14,982	15,135	15,522	15,983	16,142	16,423	16,874
Surplus (deficit) of operating funding (A-B)	2,915	2,771	2,645	2,237	2,635	2,999	3,214	3,334	3,776	3,962	4,515
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	208	-377	-388	533	-148	-7	-309	-425	-330	-183	-339
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding											
Total sources of capital funding (C)	208	-377	-388	533	-148	-7	-309	-425	-330	-183	-339

TE TAUĀKI PŪTEA WHAKAPĀNGA

FUNDING IMPACT STATEMENT - CORPORATE ACTIVITIES / NGĀ MAHINGA MATAKITE Ā ROHE

<i>For the years ended 30 June</i>	2017/18 (\$,000)	2018/19 (\$,000)	2019/20 (\$,000)	2020/21 (\$,000)	2021/22 (\$,000)	2022/23 (\$,000)	2023/24 (\$,000)	2024/25 (\$,000)	2025/26 (\$,000)	2026/27 (\$,000)	2027/28 (\$,000)
APPLICATIONS OF CAPITAL FUNDING											
- To meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- To improve the level of service	461	53	107	691	55	189	158	333	245	267	13
- To replace existing assets	220	246	171	699	602	603	333	81	378	423	406
Increase (decrease) in reserves	2,443	2,095	1,980	1,381	1,830	2,199	2,413	2,494	2,822	3,089	3,757
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	3,124	2,394	2,258	2,770	2,487	2,991	2,904	2,908	3,446	3,779	4,177
Surplus (deficit) of capital funding (C - D)	-2,915	-2,771	-2,645	-2,237	-2,635	-2,999	-3,214	-3,334	-3,776	-3,962	-4,515
Funding Balance ((A - B) + (C - D))	0	0	0	0	0	0	0	0	0	0	0
Excludes depreciation of:	615	566	564	665	593	536	546	576	609	644	639

FUNDING IMPACT STATEMENTS

FUNDING IMPACT STATEMENT - WHOLE OF COUNCIL

<i>For the years ended 30 June</i>	2017/18 <i>(\$,000)</i>	2018/19 <i>(\$,000)</i>	2019/20 <i>(\$,000)</i>	2020/21 <i>(\$,000)</i>	2021/22 <i>(\$,000)</i>	2022/23 <i>(\$,000)</i>	2023/24 <i>(\$,000)</i>	2024/25 <i>(\$,000)</i>	2025/26 <i>(\$,000)</i>	2026/27 <i>(\$,000)</i>	2027/28 <i>(\$,000)</i>
SOURCES OF OPERATING FUNDING											
General rates, uniform annual general charges, rates penalties	14,253	14,836	15,449	16,077	16,849	17,269	17,849	18,473	18,660	19,351	19,755
Targeted Rates	24,840	25,493	26,291	27,070	27,867	28,653	29,433	30,197	31,262	32,151	32,962
Subsidies and grants for operating purposes	4,919	4,584	4,675	4,758	5,406	5,504	5,638	5,776	5,925	6,089	6,251
Fees and charges	5,488	5,811	6,156	6,230	6,459	6,518	6,710	6,790	7,005	7,090	7,315
Interest and dividends from investments	8,738	8,436	8,333	8,502	8,801	8,935	9,293	9,550	9,917	10,158	10,568
Local authorities fuel tax, fines, infringement fees and other receipts	2,178	2,491	2,203	2,165	2,310	2,410	2,400	2,447	2,563	2,553	2,616
Total operating funding (A)	60,415	61,651	63,106	64,801	67,693	69,288	71,323	73,233	75,333	77,391	79,467
APPLICATIONS OF OPERATING FUNDING											
Payments to staff and suppliers	37,882	38,496	38,833	39,909	41,729	42,177	43,376	44,591	45,535	46,516	47,877
Finance Costs	6,905	6,943	7,204	7,485	7,794	7,970	8,023	8,033	7,953	7,843	7,671
Operating funding applications	857	809	811	795	797	680	683	687	690	694	697
Total applications of operating funding (B)	45,644	46,249	46,898	48,189	50,320	50,828	52,082	53,311	54,178	55,052	56,245
Surplus (deficit) of operating funding (A-B)	14,771	15,403	16,208	16,613	17,373	18,461	19,241	19,923	21,155	22,339	23,222
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	3,940	4,051	4,085	4,175	3,961	4,055	4,157	4,262	4,719	4,852	4,985
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	6,372	5,948	5,048	1,511	3,125	-2,134	-646	-2,495	-2,337	-3,460	-3,534
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	37	43	3,348	9	31	4	97	4	4	4	4
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	10,348	10,042	12,481	5,695	7,116	1,925	3,608	1,770	2,386	1,396	1,455

TE TAUĀKI PŪTEA WHAKAPĀNGA

FUNDING IMPACT STATEMENT - WHOLE OF COUNCIL

<i>For the years ended 30 June</i>	2017/18 (\$,000)	2018/19 (\$,000)	2019/20 (\$,000)	2020/21 (\$,000)	2021/22 (\$,000)	2022/23 (\$,000)	2023/24 (\$,000)	2024/25 (\$,000)	2025/26 (\$,000)	2026/27 (\$,000)	2027/28 (\$,000)
APPLICATIONS OF CAPITAL FUNDING											
- To meet additional demand	126	360	2,311	95	1,691	0	0	0	0	0	0
- To improve the level of service	8,264	6,490	11,058	4,309	3,496	2,519	2,792	2,349	2,105	2,069	2,132
- To replace existing assets	12,390	15,213	14,053	16,229	16,811	14,847	15,290	14,115	15,548	15,061	15,132
Increase (decrease) in reserves	4,339	3,381	1,267	1,675	2,491	3,019	4,767	5,228	5,888	6,605	7,413
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	25,119	25,444	28,689	22,307	24,489	20,386	22,848	21,693	23,541	23,735	24,677
Surplus (deficit) of capital funding (C - D)	-14,771	-15,403	-16,208	-16,613	-17,373	-18,461	-19,241	-19,923	-21,155	-22,339	-23,222
Funding Balance ((A - B) + (C - D))	0	0	0	0	0	0	0	0	0	0	0
Excludes depreciation of:	17,130	17,375	17,722	19,227	19,233	18,700	20,155	20,183	20,262	21,928	21,585

FUNDING IMPACT STATEMENTS

FUNDING IMPACT STATEMENT - RATING

				17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28			
				(\$,000)	(\$,000)	(\$,000)	(\$,000)	(\$,000)	(\$,000)	(\$,000)	(\$,000)	(\$,000)	(\$,000)	(\$,000)			
				For the years ended 30 June													
RATE		Rating Amount 2018/19 (inclusive of GST)															
General rates	Capital Value Rating	0.08716c per \$ of capital value		7,482	7,780	8,123	8,441	8,751	9,057	9,333	9,642	9,629	9,800	9,963			
Uniform Annual General Charge (UAGC)	A fixed amount per separately used or inhabited part (SUIP) of a rating unit - see definition below	\$586.10 per SUIP of rating unit		6,732	7,125	7,397	7,711	8,032	8,351	8,662	8,981	9,288	9,614	9,911			
Total General & Uniform Annual General Charge Rates				14,213	14,905	15,520	16,152	16,783	17,409	17,995	18,623	18,917	19,414	19,874			
TARGETED RATE	Rating Matter (Schedule 2)	Rating Factor (Schedule 3)															
Roading	All rating units	Capital Value		6,722	6,649	6,815	6,910	7,076	7,252	7,478	7,640	8,087	8,381	8,596			
Total Roading Targeted Rate				6,722	6,649	6,815	6,910	7,076	7,252	7,478	7,640	8,087	8,381	8,596			
Total General, UAGC and Roading Rates				20,936	21,553	22,335	23,062	23,859	24,661	25,473	26,264	27,004	27,795	28,470			
URBAN WATER																	
Connected rating unit	All properties connected to Council's water supply	A fixed amount per SUIP		\$609.50 on each SUIP* of a rating unit	4,071	4,208	4,311	4,415	4,518	4,621	4,732	4,843	4,963	5,082	5,201		
Water meter charge up to <=32mm connection	All properties connected to Council's water supply and where land is situated	The number and nature of connections from the land within each rating unit to the Council's water scheme		\$150 per connection	59	59	62	62	62	62	62	62	62	62	62		
Water meter charge up to <=32mm connection with backflow				\$260 per connection	132	132	79	79	79	79	79	79	79	79	79	79	
Water meter charge up to <=40mm connection				\$175 per connection	1	1	3	3	3	3	3	3	3	3	3	3	3
Water meter charge up to <=40mm connection with backflow				\$325 per connection	12	12	5	5	5	5	5	5	5	5	5	5	5
Water meter charge up to <=50mm connection with backflow				\$460 per connection	7	7	9	9	9	9	9	9	9	9	9	9	9
Water meter charge up to > 50mm connection with backflow				\$630 per connection	10	10	10	10	10	10	10	10	10	10	10	10	10

TE TAUĀKI PŪTEA WHAKAPĀNGA

FUNDING IMPACT STATEMENT - RATING

				<i>For the years ended 30 June</i>										
				17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28
				(\$,000)	(\$,000)	(\$,000)	(\$,000)	(\$,000)	(\$,000)	(\$,000)	(\$,000)	(\$,000)	(\$,000)	(\$,000)
Serviceable rating unit	All properties that have a connection available to Council's water supply	A fixed amount per SUIP	\$304.75 per serviceable SUIP* of a rating unit	78	76	78	80	82	84	86	88	90	92	94
Metered consumers - Town			\$2.58 per m ³	540	560	580	624	645	663	689	718	741	770	796
Metered consumers - High User	Not required		\$2.70 per m ³	1,407	1,528	1,560	1,584	1,637	1,683	1,749	1,822	1,881	1,954	2,020
Metered consumers - Extra High User			\$2.74 per m ³	1,432	1,547	1,606	1,690	1,729	1,769	1,769	1,822	1,881	1,954	2,020
Total Urban Water Rates				7,751	8,141	8,302	8,559	8,778	8,987	9,192	9,459	9,723	10,018	10,297
OTHER WATER SCHEMES														
Waimate West Metered Consumers	Not required		\$1.05 per m ³	3,545	4,454	4,611	4,768	4,925	5,083	5,231	5,379	5,527	5,675	5,823
Water meter charge up to <=32mm connection			\$150 per connection	1	2	2	2	2	2	2	2	2	2	2
Water meter charge up to <=32mm connection with backflow			\$260 per connection	155	189	189	189	189	189	189	189	189	189	189
Water meter charge up to <=40mm connection			\$175 per connection	0	0	0	0	0	0	0	0	0	0	0
Water meter charge up to <=40mm connection with backflow	All properties connected to Council's water supply and where land is situated		\$325 per connection	26	37	37	37	37	37	37	37	37	37	37
Water meter charge up to <=50mm connection with backflow			\$460 per connection	2	2	2	2	2	2	2	2	2	2	2
Water meter charge up to >50mm connection with backflow			\$630 per connection	3	7	7	7	7	7	7	7	7	7	7
Inaha Metered Consumers	Not required			860	Now included in Waimate West									
Total Water				12,343	12,832	13,150	13,564	13,939	14,306	14,660	15,075	15,486	15,930	16,357

FUNDING IMPACT STATEMENTS

FUNDING IMPACT STATEMENT - RATING

				17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28
				(\$,000)	(\$,000)	(\$,000)	(\$,000)	(\$,000)	(\$,000)	(\$,000)	(\$,000)	(\$,000)	(\$,000)	(\$,000)
				<i>For the years ended 30 June</i>										
WASTEWATER														
Connected rating unit	All properties connected to Council's wastewater supply	A fixed amount per SUIP	\$655.50 on each SUIP* of a rating unit	4,243	4,512	4,789	5,066	5,343	5,620	5,858	6,095	6,333	6,570	6,808
Serviceable rating unit	All properties that have a connection available to Council's wastewater supply	A fixed amount per SUIP	\$327.75 per serviceable SUIP* of a rating unit	82	83	88	93	98	103	108	112	116	121	125
Total Wastewater Rates				4,324	4,595	4,877	5,159	5,442	5,724	5,966	6,207	6,449	6,691	6,933
Kerbside Collection Targeted Rate - Urban	Where the service is available and where land is situated	The number of bins provided to the property (extent of provision of service)	\$264.50 per set of bins per rating unit	1,727	1,627	1,662	1,662	1,662	1,662	1,662	1,662	1,662	1,662	1,662
Kerbside Collection Targeted Rate - Rural	Where the service is available and where land is situated	The number of bins provided to the property (extent of provision of service)	\$264.50 per set of bins per rating unit	296	282	288	288	288	288	288	288	288	288	288
Eltham Drainage Rate	Class A Land	Land Value	0.01051c per \$ of land value	5	5	6	6	6	6	6	6	6	7	7
	Class B Land	Land Value	0.00683c per \$ of land value	1	1	1	1	1	1	1	1	1	1	1
	Class C Land	Land Value	0.00367c per \$ of land value	1	1	1	2	2	2	2	2	2	2	2
Hāwera Business Rate	Rating Units with defined area in Hawera and use to which land is put	Capital Value	0.10807c per \$ of capital value	161	164	167	169	172	175	178	185	185	188	192

TE TAUĀKI PŪTEA WHAKAPĀNGA

FUNDING IMPACT STATEMENT - RATING

<i>For the years ended 30 June</i>				17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28
				(\$,000)	(\$,000)	(\$,000)	(\$,000)	(\$,000)	(\$,000)	(\$,000)	(\$,000)	(\$,000)	(\$,000)	(\$,000)
Warmer Homes Scheme Rate	All properties that have a warmer homes scheme funding	The value of the service provided	VTR - 15% of the service amount	120	209	209	209	209	189	167	133	119	49	0
Total Targeted Rates				18,981	19,719	20,363	21,062	21,723	22,355	22,932	23,561	24,201	24,820	25,444
Total Rates Levied				39,916	41,272	42,698	44,124	45,582	47,016	48,405	49,825	51,205	52,615	53,914

OTHER FUNDING MECHANISMS

<i>For the years ended 30 June</i>	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	(\$,000)	(\$,000)	(\$,000)	(\$,000)	(\$,000)	(\$,000)	(\$,000)	(\$,000)	(\$,000)	(\$,000)	(\$,000)
User fees and charges	5,488	5,811	6,156	6,230	6,459	6,518	6,710	6,790	7,005	7,090	7,315
General Interest	109	317	286	286	286	246	277	327	327	327	327
Earnings Long Term Investment Fund	9,358	8,752	8,630	8,753	9,009	9,134	9,409	9,560	9,869	10,051	10,402
Less: Interest on Internal Borrowings	(727)	(633)	(583)	(537)	(494)	(445)	(392)	(337)	(279)	(221)	(161)
Operational grants and subsidies	4,918	4,534	4,675	4,758	5,406	5,504	5,638	5,776	5,925	6,089	6,251
Capital contributions, grants and subsidies	3,976	3,969	7,433	4,184	3,992	4,059	4,254	4,266	4,723	4,856	4,989
Sundry Revenue	2,342	2,491	2,203	2,165	2,310	2,410	2,400	2,447	2,563	2,553	2,616
Loans Raised	9,808	7,112	7,867	5,413	7,154	2,044	3,849	2,135	2,386	1,295	1,256
Number of Rating Units	14,192	14,197	14,207	14,217	14,227	14,237	14,247	14,257	14,267	14,277	14,287

*SUIP - Separately used or unhabited part of a rating unit

*As at 30 June of the preceding year, eg. 2018/19 = as at 30 June 2018.

FUNDING IMPACT STATEMENTS

GENERAL RATES

The Council will set a general rate based on the capital value rating system. The capital value rating system for general rates was preferred by the Council over land value and more targeted rates because of its greater tendency to match the “ability to pay”.

UNIFORM ANNUAL GENERAL CHARGE

The Council will set a uniform annual general charge (UAGC) which is a fixed amount assessed on every separately used or inhabited part (SUIP) of a rating unit in the district. It is calculated according to the judgement of the Council on what is the proper balance between the fixed and variable parts of the general rate, and any consequential impacts on individuals and groups of ratepayers.

ROADING RATE

The Council has a roading rate based on capital value. It is assessed on all rateable rating units in the District to fund maintenance and development of roading network.

TARGETED RATES

The Council will charge the following targeted rates:

- > Water (not-metered and metered)
- > Wastewater
- > Kerbside collection services
- > Hāwera Business Rate for town promotion
- > Eltham Drainage Rate
- > Warmer Homes Scheme

WATER SUPPLY

The water supply rate funds treatment and distribution of water supply.

*The Council has the following mechanism of payment for water supply:

NOT METERED

- > A fixed charge being a uniform targeted rate for each SUIP which is not metered and connected to an urban water supply.

WATER DIFFERENTIALS

The differential categories for the uniform water supply rate are:

- > Connected – any rating unit that is connected to a Council operated waterworks
- > Serviceable – any rating unit that is not connected to a Council operated waterworks, but is within 100 metres of such waterworks. For serviceable rating unit, a half charge of the connected water supply is assessed.

METERED

- > A rate per cubic metre of water supplied to each rating unit which is metered and connected to an urban or rural water supply; and
- > An amount per connection, based on connection size and backflow availability.

WATER BY METER RATE – URBAN WATER SUPPLY

In 2011/12, the Council proposed that the urban water per cubic metre rate go up by 25% per annum. The majority of urban residents who pay the urban water per cubic metre rate do not use large amounts of water, so the increase was not excessive. However bulk water users on the urban water metered system faced a major cost increase at the time.

For this reason, and based on feedback received during the 2011/12 Annual Plan consultation phase, the Council decided to introduce three urban water per cubic metre rate categories. Customers using less than 4 cubic metres per day would be on a town rate, customers using more than 4 cubic metres of water a day would be on a high user rate and the districts two largest water consumers, Silver Fern Farms and Riverlands would be on an extra high user rate.

The Council identified different types of users at the time and wrote to each customer who was affected by these different categories. In that letter the Council explained its intention to smooth the rate by charging 10% per annum for the high and extra high users until the rates are all the same, which would then be called the town rate.

The categories only apply to the customers who the Council identified in 2011/12. Any new connections which may fall within these different categories after 2011/12 would be automatically on the town rate.

TE TAUĀKI PŪTEA WHAKAPĀNGA

WASTEWATER

The wastewater rate funds treatment and disposal of wastewater as a fixed amount per separately used or inhabited part of a rating unit.

WASTEWATER DIFFERENTIALS

The differential categories for the wastewater disposal rate are:

- > Connected – any rating unit that is connected to a public wastewater drain
- > Serviceable – any rating unit that is not connected to a public wastewater drain, but is within 30 metres of such a drain. For serviceable rating unit, a half charge of the connected wastewater is assessed.

KERBSIDE COLLECTION SERVICES

The kerbside collection targeted rate is charged for the number of sets of bins each rating unit uses ie if a property has two sets of bins (for refuse and recycling) then it will be charged two targeted kerbside collection rates.

A targeted rate for kerbside collection is based on the following:

- > Urban - \$264.50 for Year 1 and thereafter (Years 2 – 10) \$270.25 for each set of bins (refuse and recycling) on every rating unit situated within the urban areas of Pungarehu, Rahotu, Ōpūnake, Kaponga, Eltham, Manaia, Ōhawe, Hāwera, Normanby, Pātea, Waverley and Waverley Beach where the service is available.
- > Rural - \$264.50 for Year 1 and thereafter (Years 2 – 10) \$270.25 for each set of bins (refuse and recycling) on every rating unit situated within the rural area where the service is available and to which the Council is prepared to provide the service.

HĀWERA BUSINESS RATE

The Hāwera business differential has been applied to properties used for commercial and industrial purposes within a defined area of Hāwera and including areas of the former Hāwera County that are located within 1,500 metres of the former Hāwera Borough boundary. The rate is an amount per dollar of capital value.

ELTHAM DRAINAGE RATE

The Council has a targeted rate for drainage maintenance work in Eltham on differing classes of land as follows:

- > Class A Land Swamp land within 600m of an improved main drain.
- > Class B Land Swamp land between 600m and 1000m of an improved main drain.
Swamp land within 400m of a main drain not improved in this scheme but maintained by the Board.
Where foreign waters (ie. from catchments outside the drainage district) are discharged into main drains via subsidiary drains, a strip 200m wide through the “C” land zone is to be placed in Class “B” land.
- > Class C Land Swamp land over 1000m from and draining into a main drain.

Hill country that drains into a main drain provided that the area of hill country in “C” does not exceed three times the area of swamp in “A”, “B” and “C” on the property.

FUNDING IMPACT STATEMENTS

VOLUNTARY TARGETED RATE - WARMER HOMES SCHEME

Warmer Homes Scheme rate is a targeted rate set on properties that have benefited from the installation of insulation and approved heating products provided by the South Taranaki District Council in respect of the property. The rate is calculated as a percentage of the service amount (the cost of the installation) until the service amount and the costs of servicing the service amount are recovered.

LUMP SUM CONTRIBUTIONS

The Council may accept lump sum contributions in respect of any targeted rates.

DEFINITION OF SUIP:

A SUIP is defined as a separately used or inhabited part of a rating unit and includes any part of a rating unit that is used or inhabited by any person, other than the ratepayer or any part or parts of a rating unit that are used or inhabited by the ratepayer for more than one single use.

GUIDELINES

Any part of a rating unit means:

- > A residential property that contains two or more separately inhabited units/flats/houses would be each separately assessed for uniform charges;
- > A rural property/farm with multiple dwellings (eg a house is used by a farm worker) would be each separately assessed for uniform charges;
- > Where a number of different businesses are located in one rating unit (eg two retail shops) then each separate business would be assessed for uniform charges.

An exception is made for motels/hotels as these are treated as one business even if each accommodation unit may be capable of separate habitation.

EXAMPLES OF RATING IMPACT

The examples on pages 243-245 show the impact of the rating proposals on low, medium and high valued urban and rural properties as well as one example of commercial property in Hāwera. They are required to be provided under clause 15(5) of Schedule 10 of the Local Government Act 2002 and are indicative only. The examples exclude water by meter rates and Warmer Homes Scheme rates.



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PROSPECTIVE FINANCIAL STATEMENTS

PROSPECTIVE STATEMENT OF FINANCIAL PERFORMANCE / TE TAUĀKI PŪTEA TAWHITIROA

	2017/18 (\$,000)	2018/19 (\$,000)	2019/20 (\$,000)	2020/21 (\$,000)	2021/22 (\$,000)	2022/23 (\$,000)	2023/24 (\$,000)	2024/25 (\$,000)	2025/26 (\$,000)	2026/27 (\$,000)	2027/28 (\$,000)
<i>For the year ended 30 June</i>											
REVENUE											
Revenue from exchange transactions											
- Water by meter rate	8,194	8,634	8,846	9,155	9,426	9,688	9,928	10,230	10,520	10,842	11,148
- LTIF Income	8,629	8,119	8,047	8,216	8,515	8,689	9,016	9,223	9,590	9,831	10,241
- Interest Income	109	317	286	286	286	246	277	327	327	327	327
Revenue from non-exchange transactions											
- Rates	30,734	31,695	32,894	33,992	35,290	36,234	37,354	38,440	39,402	40,660	41,569
- Fees and charges	5,488	5,811	6,156	6,230	6,459	6,518	6,710	6,790	7,005	7,090	7,315
- Sundry revenue	2,342	2,491	2,203	2,165	2,310	2,410	2,400	2,447	2,563	2,553	2,616
- Operational grants and subsidies	4,918	4,584	4,675	4,758	5,406	5,504	5,638	5,776	5,925	6,089	6,251
- Capital Contributions, grants and subsidies	3,976	4,094	7,433	4,184	3,992	4,059	4,254	4,266	4,723	4,856	4,989
Total Revenue	64,391	65,745	70,539	68,985	71,684	73,347	75,576	77,499	80,056	82,247	84,456
EXPENDITURE											
Community Development	1,237	1,158	1,216	1,158	1,108	1,118	1,133	1,146	1,156	1,169	1,183
Arts and Culture	3,605	3,121	3,214	3,263	3,533	3,447	3,580	3,704	3,744	3,873	3,881
Democracy and Leadership	3,300	2,950	2,972	2,960	3,096	3,152	3,162	3,322	3,369	3,373	3,534
District Economy	1,768	2,085	2,165	2,345	2,531	2,421	2,478	2,428	2,510	2,454	2,544
Environmental Sustainability	3,255	917	1,009	1,050	1,092	1,128	1,167	1,261	1,297	1,287	1,334
Regulatory Services	-	2,553	2,552	2,634	2,655	2,724	2,778	2,863	2,889	2,984	3,031
Community Facilities	9,224	11,056	11,191	12,044	11,991	11,409	11,923	12,042	12,033	12,386	12,152
Roading and Footpaths	15,952	15,652	15,878	16,534	17,479	17,736	18,519	18,817	19,119	20,097	20,442
Solid Waste	3,948	3,729	3,437	3,505	3,574	3,617	3,688	3,764	3,824	3,898	3,975
Stormwater	1,147	1,135	1,168	1,248	1,301	1,346	1,436	1,485	1,527	1,608	1,649

TE TAUĀKI PŪTEA TAWHITIROA

PROSPECTIVE STATEMENT OF FINANCIAL PERFORMANCE / TE TAUĀKI PŪTEA TAWHITIROA

<i>For the year ended 30 June</i>	2017/18 (\$,000)	2018/19 (\$,000)	2019/20 (\$,000)	2020/21 (\$,000)	2021/22 (\$,000)	2022/23 (\$,000)	2023/24 (\$,000)	2024/25 (\$,000)	2025/26 (\$,000)	2026/27 (\$,000)	2027/28 (\$,000)
Wastewater	5,820	5,653	5,958	6,136	6,363	6,415	6,700	6,699	6,854	7,046	7,228
Waster Supply Services	11,903	12,110	12,343	12,946	13,264	13,533	14,201	14,510	14,676	15,415	15,556
Coastal Structures	142	362	372	398	405	410	437	444	448	479	484
Corporate Activities	1,473	1,141	1,141	1,196	1,162	1,071	1,036	1,008	993	909	836
Total Expenditure	62,773	63,622	64,617	67,415	69,553	69,529	72,237	73,494	74,441	76,980	77,831
Net cost of services - Surplus/(Deficit)	1,617	2,123	5,922	1,570	2,131	3,819	3,339	4,005	5,615	5,267	6,626
Taxation	0	0	0	0	0	0	0	0	0	0	0
Surplus/(Deficit) after taxation	1,617	2,123	5,922	1,570	2,131	3,819	3,339	4,005	5,615	5,267	6,626
Disclosures											
Total expenditure includes:											
Direct Costs	38,739	39,303	39,692	40,702	42,526	42,859	44,059	45,278	46,226	47,209	48,575
Interest	6,905	6,944	7,204	7,485	7,794	7,970	8,023	8,033	7,953	7,843	7,671
Amortisation and Depreciation	17,130	17,375	17,722	19,227	19,233	18,700	20,155	20,183	20,262	21,928	21,585

**The Council surplus represents the capital contributions, grants, roading subsidies and LTIF income and contributions towards loans and to pay for capital expenditure. All other expenditure includes a management fee on the LTIF and is funded by income from the LTIF.*

PROSPECTIVE FINANCIAL STATEMENTS

PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENDITURE

<i>For the year ended 30 June</i>	2017/18 (\$,000)	2018/19 (\$,000)	2019/20 (\$,000)	2020/21 (\$,000)	2021/22 (\$,000)	2022/23 (\$,000)	2023/24 (\$,000)	2024/25 (\$,000)	2025/26 (\$,000)	2026/27 (\$,000)	2027/28 (\$,000)
REVENUE											
Revenue from exchange transactions											
- Water by meter rate	8,194	8,634	8,846	9,155	9,426	9,688	9,928	10,230	10,520	10,842	11,148
- LTIF Income	8,629	8,119	8,047	8,216	8,515	8,689	9,016	9,223	9,590	9,831	10,241
- Interest Income	109	317	286	286	286	246	277	327	327	327	327
Revenue form non-exchange transactions											
- Rates	30,734	31,695	32,894	33,992	35,290	36,234	37,354	38,440	39,402	40,660	41,569
- Fees and charges	5,488	5,811	6,156	6,230	6,459	6,518	6,710	6,790	7,005	7,090	7,315
- Sundry revenue	2,342	2,491	2,203	2,165	2,310	2,410	2,400	2,447	2,563	2,553	2,616
- Operational grants and subsidies	4,918	4,584	4,675	4,758	5,406	5,504	5,638	5,776	5,925	6,089	6,251
- Capital Contributions, grants and subsidies	3,976	4,094	7,433	4,184	3,992	4,059	4,254	4,266	4,723	4,856	4,989
Total Revenue	64,391	65,745	70,539	68,985	71,684	73,347	75,576	77,499	80,056	82,247	84,456
EXPENDITURE											
Other costs	38,739	39,303	39,692	40,702	42,526	42,859	44,059	45,278	46,226	47,209	48,575
Interests	6,905	6,944	7,204	7,485	7,794	7,970	8,023	8,033	7,953	7,843	7,671
Depreciation	17,130	17,375	17,722	19,227	19,233	18,700	20,155	20,183	20,262	21,928	21,585
Total Expenditure	62,774	63,622	64,617	67,415	69,553	69,529	72,237	73,494	74,441	76,980	77,831
Net cost of service - Suprlus(Deficit)	1,617	2,123	5,922	1,570	2,130	3,818	3,338	4,005	5,615	5,266	6,625
Gains on assets revaluations	-	-	51,120	-	-	61,721	-	-	76,822	-	-
Total comprehensive income for the year	1,617	2,123	57,041	1,570	2,130	65,539	3,338	4,005	82,438	5,266	6,625

TE TAUĀKI PŪTEA TAWHITIROA

PROSPECTIVE STATEMENT OF CHANGES IN EQUITY

<i>For the year ended 30 June</i>	2017/18 (\$,000)	2018/19 (\$,000)	2019/20 (\$,000)	2020/21 (\$,000)	2021/22 (\$,000)	2022/23 (\$,000)	2023/24 (\$,000)	2024/25 (\$,000)	2025/26 (\$,000)	2026/27 (\$,000)	2027/28 (\$,000)
EQUITY AT THE START OF THE YEAR	818,149	851,458	853,581	910,623	912,194	914,324	979,863	983,203	987,209	1,069,644	1,074,912
Gain on asset revaluations			51,120			61,721			76,822		
Net income recognised directly in equity	0										
Surplus/(Deficit) for the year	1,617	2,123	5,922	1,570	2,130	3,818	3,339	4,005	5,615	5,267	6,626
Total recognised income and expenses	1,617	2,123	5,922	1,570	2,130	3,818	3,339	4,005	5,615	5,267	6,626
EQUITY AT THE END OF THE YEAR	819,766	853,581	910,623	912,194	914,324	979,863	983,203	987,209	1,069,644	1,074,912	1,081,537

PROSPECTIVE FINANCIAL STATEMENTS

PROSPECTIVE STATEMENT OF FINANCIAL POSITION

<i>For the year ended 30 June</i>	2017/18 (\$,000)	2018/19 (\$,000)	2019/20 (\$,000)	2020/21 (\$,000)	2021/22 (\$,000)	2022/23 (\$,000)	2023/24 (\$,000)	2024/25 (\$,000)	2025/26 (\$,000)	2026/27 (\$,000)	2027/28 (\$,000)
CURRENT ASSETS											
Cash and cash equivalents	4,988	5,688	3,788	3,616	3,207	2,893	4,592	6,487	5,495	5,229	5,072
Accounts Receivable	9,308	9,647	10,351	10,123	10,519	10,763	11,090	11,372	11,747	12,069	12,393
Stocks	161	168	188	148	198	238	288	213	163	183	153
Prepayments	81	641	641	641	641	641	641	641	641	641	641
Long Term Investment Fund	99,886	105,531	107,744	109,870	112,108	114,499	117,122	119,875	122,883	126,045	129,494
Total Current Assets	114,425	121,676	122,712	124,397	126,672	129,035	133,732	138,588	140,929	144,166	147,753
NON CURRENT ASSETS											
Long Term Investment Fund	24,972	26,383	26,936	27,467	28,027	28,625	29,280	29,969	30,721	31,511	32,373
Intangible Assets	611	611	511	611	550	500	450	400	350	300	250
Property, Plant and Equipment	823,579	853,939	914,859	916,164	918,991	979,428	977,405	973,737	1,048,000	1,043,252	1,038,981
Other Investments	6,907	7,722	7,667	7,609	7,546	7,479	7,407	7,330	10,275	13,251	16,251
Other Assets	0	171	171	171	171	171	171	171	171	171	171
Total Non Current Assets	856,068	888,825	950,144	952,023	955,285	1,016,203	1,014,713	1,011,607	1,089,517	1,088,485	1,088,026
Total Assets	970,493	1,010,502	1,072,855	1,076,420	1,081,957	1,145,238	1,148,444	1,150,194	1,230,446	1,232,652	1,235,779
CURRENT LIABILITIES											
Other Current Liabilities	1,053	932	982	1,082	1,002	932	962	1,042	992	962	942
Accounts Payable	7,219	9,841	9,995	10,428	10,758	10,755	11,174	11,368	11,515	11,907	12,039
Income Received in Advance	944	1,066	1,126	1,076	1,106	1,066	1,126	1,086	1,136	1,166	1,086
Current Portion of Term Liabilities	3,500	93	93	93	93	93	93	93	93	93	93
Total Current Liabilities	12,716	11,932	12,196	12,679	12,959	12,846	13,355	13,589	13,736	14,128	14,160

TE TAUĀKI PŪTEA TAWHITIROA

PROSPECTIVE STATEMENT OF FINANCIAL POSITION

<i>For the year ended 30 June</i>	2017/18 (\$,000)	2018/19 (\$,000)	2019/20 (\$,000)	2020/21 (\$,000)	2021/22 (\$,000)	2022/23 (\$,000)	2023/24 (\$,000)	2024/25 (\$,000)	2025/26 (\$,000)	2026/27 (\$,000)	2027/28 (\$,000)
NON CURRENT LIABILITIES											
Term Liabilities	130,692	136,820	141,868	143,379	146,504	144,370	143,724	141,229	138,892	135,432	131,898
Landfill Aftercare Provision & Other Liabilities	7,319	8,168	8,168	8,168	8,168	8,157	8,162	8,167	8,172	8,177	8,182
Total Non Current Liabilities	138,011	144,988	150,036	151,547	154,672	152,527	151,886	149,396	147,064	143,609	140,080
Total Liabilities	150,727	156,920	162,232	164,226	167,630	165,373	165,240	162,985	160,799	157,738	154,240
Net Assets	819,766	853,582	910,623	912,194	914,326	979,865	983,204	987,209	1,069,647	1,074,914	1,081,539
REPRESENTED BY:											
Accumulated Balances	422,150	418,641	422,962	422,507	422,124	419,445	422,088	420,940	420,822	419,667	418,825
Restricted and Statutory Reserves	1,939	1,275	1,360	1,436	1,502	1,596	1,679	1,752	1,815	1,866	1,904
Investment Revaluation Reserves	21	120	120	120	120	120	120	120	120	120	120
Separate Operating Reserves	1,059	4,629	2,941	2,233	1,255	745	1,562	2,527	3,823	5,369	7,533
Capital Replacement Reserves	439	234	295	638	1,247	1,150	1,647	2,300	2,893	3,742	4,672
Council Created Reserves	125,362	132,369	135,512	137,827	140,645	143,654	146,953	150,415	154,197	158,173	162,508
Asset Revaluation Reserves	268,796	296,314	347,433	347,433	347,433	409,155	409,155	409,155	485,977	485,977	485,977
Total Equity	819,766	853,582	910,623	912,194	914,326	979,865	983,204	987,209	1,069,647	1,074,914	1,081,539

PROSPECTIVE FINANCIAL STATEMENTS

PROSPECTIVE STATEMENT OF CASH FLOWS

<i>For the year ended 30 June</i>	2017/18 (\$,000)	2018/19 (\$,000)	2019/20 (\$,000)	2020/21 (\$,000)	2021/22 (\$,000)	2022/23 (\$,000)	2023/24 (\$,000)	2024/25 (\$,000)	2025/26 (\$,000)	2026/27 (\$,000)	2027/28 (\$,000)
CASH FLOW FROM OPERATING ACTIVITIES											
Cash will be provided from:											
Rates	39,394	40,452	40,957	43,465	44,240	45,678	46,845	48,503	49,547	51,130	52,503
Dividends	0	30	0	0	0	0	0	0	0	0	0
Interest on Investments	2,234	2,103	2,056	2,093	2,159	2,157	2,261	2,356	2,437	2,490	2,580
Other Revenue	16,725	16,950	20,466	17,336	18,167	18,490	19,001	19,279	20,217	20,588	21,171
Regional Council Rates	2,300	2,200	2,250	2,300	2,350	2,400	2,450	2,500	2,550	2,600	2,650
	60,653	61,735	65,729	65,195	66,916	68,726	70,556	72,638	74,750	76,807	78,904
Cash will be applied to											
Payments to Suppliers & Employees	37,698	38,563	38,873	39,762	41,691	42,486	42,933	44,513	45,469	46,247	48,098
Agency Rates paid over	2,300	2,200	2,250	2,300	2,350	2,400	2,450	2,500	2,550	2,600	2,650
Interest Paid on Loans	6,905	6,944	7,204	7,485	7,794	7,970	8,023	8,033	7,953	7,843	7,671
	46,902	47,706	48,327	49,547	51,835	52,856	53,406	55,046	55,972	56,690	58,419
Net Cash from Operating Activities	13,751	14,029	17,402	15,648	15,081	15,870	17,151	17,592	18,778	20,118	20,484
Cash will be provided from:											
Net cash inflow from Investments	2,883	2,869	3,072	3,301	3,383	3,317	3,275	3,264	3,220	3,206	3,157
Total Investing cash provided	2,883	2,869	3,072	3,301	3,383	3,317	3,275	3,264	3,220	3,206	3,157
Cash will be applied to:											
Purchase and Development of Fixed Assets	20,780	22,063	27,422	20,632	21,998	17,367	18,082	16,465	17,653	17,130	17,264
Purchase of Investments	3,900	0	0	0	0	0	0	0	3,000	3,000	3,000
Total Investing Cash Applied	24,680	22,063	27,422	20,632	21,998	17,367	18,082	16,465	20,653	20,130	20,264
Net Cash From Investing Activities	(21,797)	(19,195)	(24,351)	(17,331)	(18,615)	(14,049)	(14,806)	(13,201)	(17,433)	(16,924)	(17,107)

TE TAUĀKI PŪTEA TAWHITIROA

PROSPECTIVE STATEMENT OF CASH FLOWS

<i>For the year ended 30 June</i>	2017/18 (\$,000)	2018/19 (\$,000)	2019/20 (\$,000)	2020/21 (\$,000)	2021/22 (\$,000)	2022/23 (\$,000)	2023/24 (\$,000)	2024/25 (\$,000)	2025/26 (\$,000)	2026/27 (\$,000)	2027/28 (\$,000)
CASH FLOWS FROM FINANCING ACTIVITIES											
Cash will be provided from:											
Loans Raised	9,808	9,407	8,751	5,413	7,154	2,044	3,849	2,135	2,386	1,295	1,256
Loans Raised - Current Portion	3,500										
Total Financing Cash Provided	13,308	9,407	8,751	5,413	7,154	2,044	3,849	2,135	2,386	1,295	1,256
Cash will be applied to:											
Repayment of Loans	3,421	3,459	3,703	3,902	4,029	4,178	4,495	4,630	4,722	4,755	4,790
Repayment of Loans - Current Portion	3,500										
Total Financing Cash Applied	6,921	3,459	3,703	3,902	4,029	4,178	4,495	4,630	4,722	4,755	4,790
Net Cash from Financing Activities	6,387	5,948	5,048	1,511	3,125	(2,134)	(646)	(2,495)	(2,337)	(3,460)	(3,534)
Net Increase/(Decrease) in Cash Held	(1,659)	782	(1,900)	(172)	(409)	(313)	1,698	1,895	(992)	(266)	(157)
Total Cash Resources at 1 July	6,647	4,906	5,688	3,788	3,616	3,207	2,893	4,592	6,487	5,495	5,229
Total Cash Resources at 30 June	4,988	5,688	3,788	3,616	3,207	2,893	4,592	6,487	5,495	5,229	5,072

ALL ABOUT RATES

TEN YEAR PROJECTIONS FOR GENERAL AND TARGETED RATES (INCLUDES AN ALLOWANCE OF INFLATION)

For the year ended 30 June	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
RATE											
District Rate*	2.17%	2.95%	3.63%	3.25%	3.46%	3.36%	3.29%	3.10%	2.82%	2.93%	2.43%
General Rate – Cents per \$	0.08389	0.08716	0.09101	0.09456	0.09804	0.10147	0.10456	0.10803	0.10787	0.10979	0.11162
Roading Rate – Cents per \$	0.07538	0.07449	0.07635	0.07742	0.07928	0.08125	0.08378	0.08560	0.09060	0.09390	0.09631
UAGC	\$555	\$586	\$609	\$634	\$661	\$687	\$713	\$739	\$764	\$791	\$815
TARGETED RATES**											
Water Targeted Rate	\$592	\$610	\$624	\$639	\$654	\$669	\$685	\$702	\$719	\$736	\$753
Wastewater Targeted Rate	\$619	\$656	\$696	\$736	\$776	\$817	\$851	\$886	\$920	\$955	\$989
Kerbside Collection Rate	\$282	\$265	\$270	\$270	\$270	\$270	\$270	\$270	\$270	\$270	\$270
Water meter only charge <= 32mm	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150
Water meter and backflow charge <= 32mm	\$260	\$260	\$260	\$260	\$260	\$260	\$260	\$260	\$260	\$260	\$260
Water meter only <= 40mm	\$175	\$175	\$175	\$175	\$175	\$175	\$175	\$175	\$175	\$175	\$175
Water meter and backflow charge <= 40mm	\$325	\$325	\$325	\$325	\$325	\$325	\$325	\$325	\$325	\$325	\$325
Water meter and backflow charge <= 50mm	\$460	\$460	\$460	\$460	\$460	\$460	\$460	\$460	\$460	\$460	\$460
Water meter and backflow charge >50mm	\$630	\$630	\$630	\$630	\$630	\$630	\$630	\$630	\$630	\$630	\$630
WATER BY METER RATES PER CUBIC METRE											
Town	\$2.48	\$2.58	\$2.67	\$2.76	\$2.85	\$2.93	\$3.05	\$3.17	\$3.28	\$3.40	\$3.52
Urban Water High User	\$2.61	\$2.70	\$2.76	\$2.76	\$2.85	\$2.93	\$3.05	\$3.17	\$3.28	\$3.40	\$3.52
Urban Water Extra High User	\$2.66	\$2.74	\$2.84	\$2.94	\$3.01	\$3.08	\$3.08	\$3.17	\$3.28	\$3.40	\$3.52
Waimate West	\$1.01	\$1.05	\$1.08	\$1.12	\$1.15	\$1.18	\$1.22	\$1.25	\$1.29	\$1.32	\$1.36
Inaha Water	\$1.04	Now included in Waimate West									

* The district rate includes the UAGC, general rate and roading rate. The general and roading rates are calculated on the capital value of the property, so each property pays a different amount.

**Targeted rates are uniform charges (every property pays the same amount) with the exception of the water by meter charges which are volumetric (you pay for what you use).

NGĀ TĀKE KAUNIHERA KATOĀ

RATING EXAMPLES (INCLUDING GST)

Below are seven property examples to show the impact of the rates increases for the next ten years.



URBAN

\$101,200 CAPITAL VALUE - URBAN

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
General	\$84.90	\$88.20	\$92.10	\$95.70	\$99.22	\$102.69	\$105.81	\$109.32	\$109.17	\$111.11	\$112.96
Roading	\$76.28	\$75.38	\$77.27	\$78.35	\$80.23	\$82.22	\$84.78	\$86.62	\$91.68	\$95.02	\$97.46
UAGC	\$554.93	\$586.10	\$608.49	\$634.29	\$660.69	\$687.00	\$712.52	\$738.78	\$764.07	\$790.84	\$815.25
Water	\$592.46	\$609.50	\$624.45	\$639.40	\$654.35	\$669.30	\$685.40	\$701.50	\$718.75	\$736.00	\$753.25
Wastewater	\$619.28	\$655.50	\$695.75	\$736.00	\$776.25	\$816.50	\$851.00	\$885.50	\$920.00	\$954.50	\$989.00
Kerbside Collection	\$281.75	\$264.50	\$270.25	\$270.25	\$270.25	\$270.25	\$270.25	\$270.25	\$270.25	\$270.25	\$270.25
Total Rates	\$2,209.59	\$2,279.18	\$2,368.30	\$2,453.99	\$2,540.99	\$2,627.96	\$2,709.77	\$2,791.98	\$2,873.92	\$2,957.72	\$3,038.17
Increase each year		\$69.59	\$89.12	\$85.69	\$87.00	\$86.97	\$81.81	\$82.21	\$81.94	\$83.80	\$80.44
% increase		3.15%	3.91%	3.62%	3.55%	3.42%	3.11%	3.03%	2.93%	2.92%	2.72%

\$161,920 CAPITAL VALUE - URBAN

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
General	\$135.84	\$141.13	\$147.36	\$153.12	\$158.75	\$164.30	\$169.30	\$174.92	\$174.67	\$177.77	\$180.73
Roading	\$122.05	\$120.61	\$123.62	\$125.36	\$128.37	\$131.56	\$135.66	\$138.60	\$146.70	\$152.04	\$155.94
UAGC	\$554.93	\$586.10	\$608.49	\$634.29	\$660.69	\$687.00	\$712.52	\$738.78	\$764.07	\$790.84	\$815.25
Water	\$592.46	\$609.50	\$624.45	\$639.40	\$654.35	\$669.30	\$685.40	\$701.50	\$718.75	\$736.00	\$753.25
Wastewater	\$619.28	\$655.50	\$695.75	\$736.00	\$776.25	\$816.50	\$851.00	\$885.50	\$920.00	\$954.50	\$989.00
Kerbside Collection	\$281.75	\$264.50	\$270.25	\$270.25	\$270.25	\$270.25	\$270.25	\$270.25	\$270.25	\$270.25	\$270.25
Total Rates	\$2,306.30	\$2,377.33	\$2,469.92	\$2,558.42	\$2,648.66	\$2,738.90	\$2,824.12	\$2,909.55	\$2,994.43	\$3,081.40	\$3,164.42
Increase each year		\$71.03	\$92.59	\$88.50	\$90.24	\$90.25	\$85.22	\$85.42	\$84.89	\$86.97	\$83.02
% increase		3.08%	3.89%	3.58%	3.53%	3.41%	3.11%	3.02%	2.92%	2.90%	2.69%

ALL ABOUT RATES



URBAN

\$242,880 CAPITAL VALUE - URBAN

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
General	\$203.76	\$211.69	\$221.04	\$229.68	\$238.13	\$246.45	\$253.95	\$262.37	\$262.00	\$266.65	\$271.10
Roading	\$183.07	\$180.91	\$185.44	\$188.04	\$192.55	\$197.33	\$203.48	\$207.90	\$220.04	\$228.06	\$233.91
UAGC	\$554.93	\$586.10	\$608.49	\$634.29	\$660.69	\$687.00	\$712.52	\$738.78	\$764.07	\$790.84	\$815.25
Water	\$592.46	\$609.50	\$624.45	\$639.40	\$654.35	\$669.30	\$685.40	\$701.50	\$718.75	\$736.00	\$753.25
Wastewater	\$619.28	\$655.50	\$695.75	\$736.00	\$776.25	\$816.50	\$851.00	\$885.50	\$920.00	\$954.50	\$989.00
Kerbside Collection	\$281.75	\$264.50	\$270.25	\$270.25	\$270.25	\$270.25	\$270.25	\$270.25	\$270.25	\$270.25	\$270.25
Total Rates	\$2,435.24	\$2,508.20	\$2,605.41	\$2,697.66	\$2,792.22	\$2,886.83	\$2,976.60	\$3,066.30	\$3,155.12	\$3,246.31	\$3,332.75
Increase each year		\$72.96	\$97.21	\$92.25	\$94.56	\$94.61	\$89.77	\$89.70	\$88.81	\$91.19	\$86.45
% increase		3.00%	3.88%	3.54%	3.51%	3.39%	3.11%	3.01%	2.90%	2.89%	2.66%

\$404,800 CAPITAL VALUE - URBAN

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
General	\$339.60	\$352.81	\$368.39	\$382.80	\$396.88	\$410.75	\$423.26	\$437.29	\$436.67	\$444.42	\$451.84
Roading	\$305.12	\$301.52	\$309.06	\$313.39	\$320.92	\$328.89	\$339.14	\$346.49	\$366.74	\$380.10	\$389.84
UAGC	\$554.93	\$586.10	\$608.49	\$634.29	\$660.69	\$687.00	\$712.52	\$738.78	\$764.07	\$790.84	\$815.25
Water	\$592.46	\$609.50	\$624.45	\$639.40	\$654.35	\$669.30	\$685.40	\$701.50	\$718.75	\$736.00	\$753.25
Wastewater	\$619.28	\$655.50	\$695.75	\$736.00	\$776.25	\$816.50	\$851.00	\$885.50	\$920.00	\$954.50	\$989.00
Kerbside Collection	\$281.75	\$264.50	\$270.25	\$270.25	\$270.25	\$270.25	\$270.25	\$270.25	\$270.25	\$270.25	\$270.25
Total Rates	\$2,693.13	\$2,769.93	\$2,876.39	\$2,976.13	\$3,079.34	\$3,182.69	\$3,281.56	\$3,379.82	\$3,476.48	\$3,576.12	\$3,669.43
Increase each year		\$76.80	\$106.46	\$99.74	\$103.20	\$103.35	\$98.88	\$98.25	\$96.66	\$99.64	\$93.31
% increase		2.85%	3.84%	3.47%	3.47%	3.36%	3.11%	2.99%	2.86%	2.87%	2.61%

This does not include all rate examples so if you require further explanation please feel free to contact the Rates Department.

NGĀ TĀKE KAUNIHERA KATOĀ



HĀWERA
COMMERCIAL



RURAL

\$500,160 CAPITAL VALUE - HĀWERA COMMERCIAL/INDUSTRIAL

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
General	419.60	435.93	455.18	472.97	490.38	507.51	522.97	540.30	539.54	549.12	558.28
Roading	377.00	372.55	381.87	387.22	396.52	406.37	419.03	428.12	453.13	469.64	481.68
UAGC	554.93	586.10	608.49	634.29	660.69	687.00	712.52	738.78	764.07	790.84	815.25
Water	592.46	609.50	624.45	639.40	654.35	669.30	685.40	701.50	718.75	736.00	753.25
Wastewater	619.28	655.50	695.75	736.00	776.25	816.50	851.00	885.50	920.00	954.50	989.00
Hāwera Business Rate	532.96	540.54	549.19	557.97	567.46	577.11	587.50	598.07	609.43	621.01	633.43
Total Rates	3,096.22	3,200.11	3,314.92	3,427.86	3,545.64	3,663.78	3,778.41	3,892.27	4,004.92	4,121.11	4,230.89
Increase each year		103.89	114.81	112.94	117.78	118.14	114.62	113.87	112.65	116.19	109.77
% increase		3.36%	3.59%	3.41%	3.44%	3.33%	3.13%	3.01%	2.89%	2.90%	2.66%

\$5,164,000 CAPITAL VALUE PROPERTY - RURAL

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
General	4,332.25	4,500.81	4,699.57	4,883.32	5,063.00	5,239.88	5,399.46	5,578.45	5,570.54	5,669.47	5,764.04
Roading	3,892.37	3,846.46	3,942.68	3,997.92	4,093.94	4,195.62	4,326.35	4,420.21	4,678.45	4,848.89	4,973.21
UAGC	554.93	586.10	608.49	634.29	660.69	687.00	712.52	738.78	764.07	790.84	815.25
Total Rates	8,779.55	8,933.37	9,250.74	9,515.53	9,817.62	10,122.49	10,438.33	10,737.44	11,013.06	11,309.20	11,552.49
Increase each year		153.82	317.37	264.78	302.10	304.87	315.83	299.12	275.62	296.14	243.29
% increase		1.75%	3.55%	2.86%	3.17%	3.11%	3.12%	2.87%	2.57%	2.69%	2.15%

\$7,746,000 CAPITAL VALUE PROPERTY - RURAL

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
General	6,498.38	6,751.22	7,049.36	7,324.97	7,594.50	7,859.81	8,099.19	8,367.68	8,355.80	8,504.21	8,646.06
Roading	5,838.55	5,769.69	5,914.02	5,996.87	6,140.91	6,293.43	6,489.53	6,630.31	7,017.68	7,273.33	7,459.81
UAGC	554.93	586.10	608.49	634.29	660.69	687.00	712.52	738.78	764.07	790.84	815.25
Total Rates	12,891.86	13,107.00	13,571.87	13,956.14	14,396.09	14,840.24	15,301.23	15,736.77	16,137.56	16,568.38	16,921.12
Increase each year		215.14	464.86	384.27	439.95	444.15	460.99	435.54	400.78	430.83	352.74
% increase		1.67%	3.55%	2.83%	3.15%	3.09%	3.11%	2.85%	2.55%	2.67%	2.13%

FINANCIAL PRUDENCE BENCHMARKS

LONG TERM PLAN DISCLOSURE STATEMENT FOR PERIOD COMMENCING 1 JULY 2018

WHAT IS THE PURPOSE OF THE STATEMENT?

The purpose of this statement is to disclose the Council's planned financial performance in relation to various benchmarks to enable the assessment of whether the Council is prudently managing its revenue, expenses, assets, liabilities and general financial dealings.

The Council is required to include this statement in its long-term plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

RATES AFFORDABILITY BENCHMARK

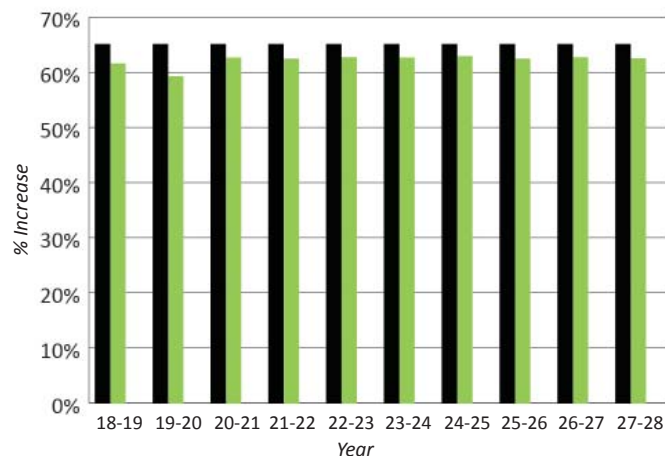
The Council meets the Rates Affordability Benchmark if –

- > Its actual rates income equals or is less than each quantified limit on rates; and
- > Its actual rate increases equal or are less than each quantified limit on rates increases.

RATES (INCOME) AFFORDABILITY

The following graph compares the Council's planned rates with a quantified limit on rates contained in the Financial Strategy included in this Long Term Plan. The quantified limit for rates income is 60-65% of the total projected revenue.

RATES (INCOME) AFFORDABILITY BENCHMARK

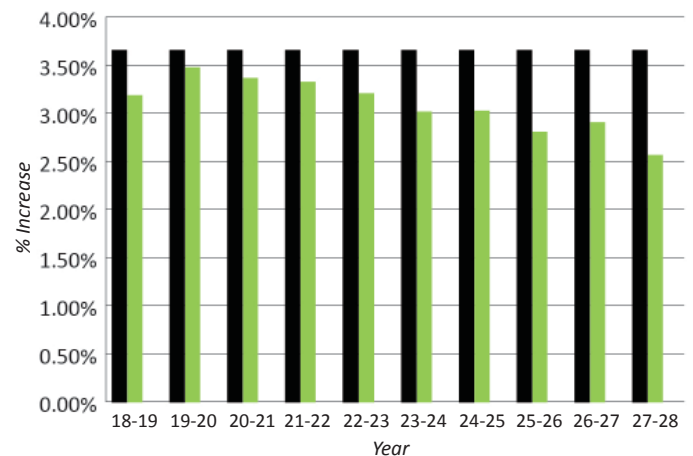


- Quantified limit on rates income
- Proposed rates income (at or within limit)
- Proposed rates income (exceeds limit)

RATES (INCREASES) AFFORDABILITY

The following graph compares the Council's planned rates increases with a quantified limit on rates increases contained in the Financial Strategy included in this Long Term Plan. The quantified limit is the Local Government Cost Index (2.65%) plus 1% for growth if applicable.

RATES (INCREASES) AFFORDABILITY BENCHMARK



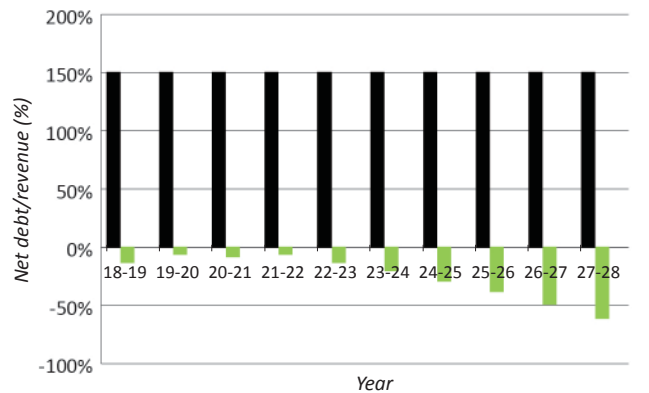
- Quantified limit on rates income
- Proposed rates increases (at or within limit)
- Proposed rates increases (exceeds limit)

TE PŪTEA PAE MATAWHĀITI

DEBT AFFORDABILITY

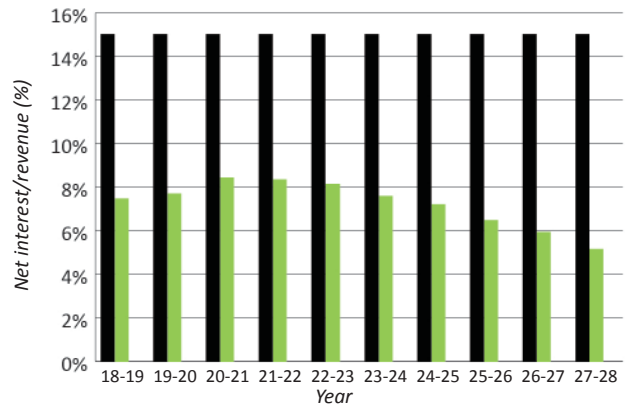
The Council meets the debt affordability benchmark if its planned borrowing is within each quantified limit of borrowing. The following 4 graphs compares the Council's proposed borrowing stated in the Financial Strategy included in the Council's Long Term Plan. These 4 graphs are based on Council's definitions and not the legislation.

1. THE QUANTIFIED LIMIT IS NET DEBT LESS THAN 150% OF REVENUE



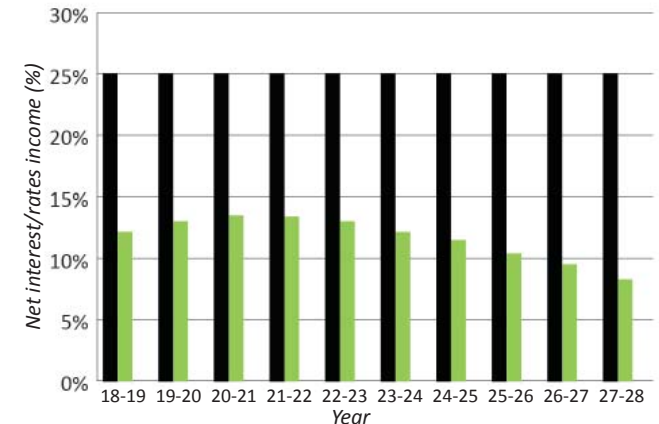
- Quantified limit on debt
- Proposed net debt/revenue (at or within limit)
- Proposed net debt/revenue (over limit)

2. NET INTEREST EXPENSE AS A PERCENTAGE OF TOTAL ANNUAL INCOME OF NOT MORE THAN 15%



- Quantified limit on debt
- Proposed net interest/revenue (at or within limit)
- Proposed net interest/revenue (over limit)

3. NET INTEREST EXPENSE AS A PERCENTAGE OF TOTAL ANNUAL RATES INCOME OF NOT MORE THAN 25%



- Quantified limit on debt
- Proposed net interest/rates revenue (at or within limit)
- Proposed net interest/revenue (over limit)

FINANCIAL PRUDENCE BENCHMARKS

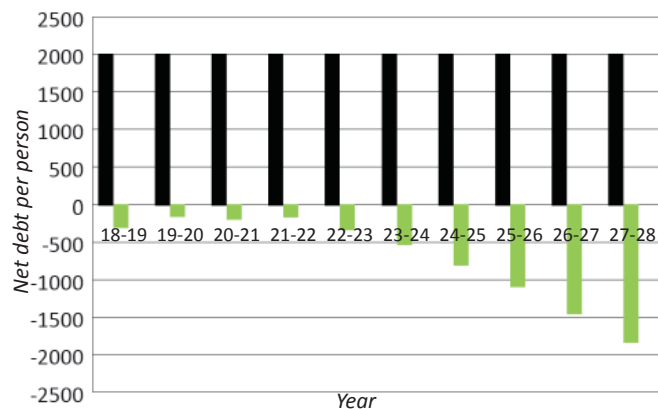
BALANCED BUDGET BENCHMARK

The following graph displays the Council’s planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment) as a proportion of planned operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment). The Council meets the balanced budget benchmark if its planned revenue equals or is greater than its planned operating expenses.

ESSENTIAL SERVICES BENCHMARK

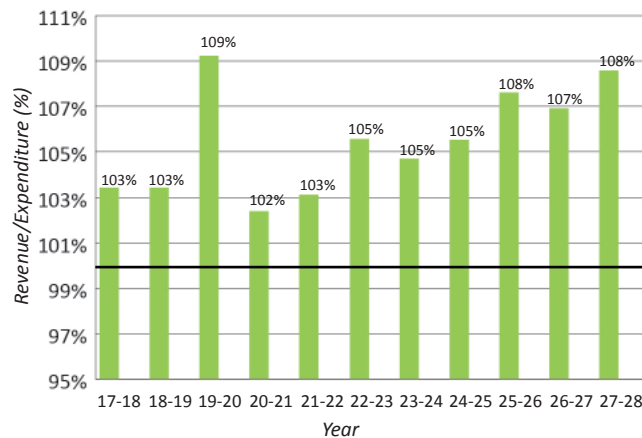
The following graph displays the Council’s planned capital expenditure on network services as a proportion of expected depreciation on network services. The Council meets the essential benchmark if its planned capital expenditure on network services equal or is greater than expected depreciation on network services.

4. NET DEBT PER CAPITA IS LESS THAN \$2,000 PER PERSON



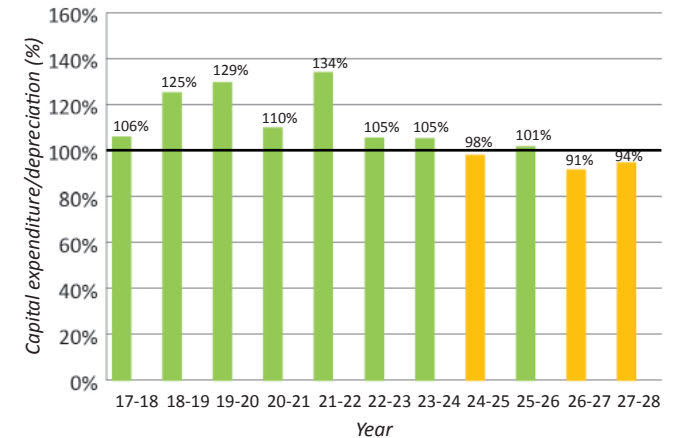
- Quantified limit on debt
- Proposed net debt per person (at or within limit)
- Proposed net debt per person (over limit)

BALANCED BUDGET BENCHMARK



- Benchmark met
- Benchmark not met

ESSENTIAL SERVICES BENCHMARK



- Benchmark met
- Benchmark not met

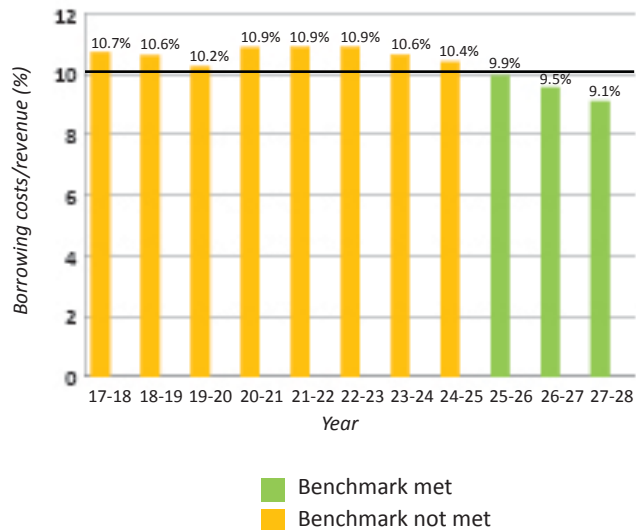
TE PŪTEA PAE MATAWHĀITI

DEBT SERVICING BENCHMARK

The following graph displays the Council's planned borrowing costs as a proportion of planned revenue (excludes development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment). Because Statistics New Zealand projects the Council's population will grow more slowly than the national population is projected to grow, it meets the debt servicing benchmark if its planned borrowing costs is equal or less than 10% of its planned revenue.

Explanation: The Council is proposing to use an additional subsidy from the LTIF to pay for Urban Growth Projects and for Regulatory Earthquake Prone Building Projects. As a result the Council is proposing to borrow \$12.6m of external debt which results in the Council exceeding the above limit. The Council is comfortable that the forecast debt levels are sustainable and they are well within the Council's Liability Management Policy limits.

DEBT SERVICING BENCHMARK



CAPITAL PROJECTS PROGRAMME

CAPITAL PROJECTS PROGRAMME / TE IHIRANGI TAKE WHAIRAWA

ACTIVITY	PROJECT NAME	LTP 2018/19	LTP 2019/20	LTP 2020/21	LTP 2021/22	LTP 2022/23	LTP 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28
WATER SUPPLY - URBAN											
10032	Wai-inu DWSNZ2005 compliance	153,600	-	-	-	-	-	-	-	-	-
10034	Waverley Beach DWSNZ2005 compliance	153,600	-	-	-	-	-	-	-	-	-
13107	Kapuni - Borehole 2	40,960	210,000	94,512	1,690,700	-	-	-	-	-	-
13109	Kapuni WTP - Replacement Membranes (13 MLD)	-	-	-	-	-	1,572,160	-	-	-	-
13121	Eltham WSTM - WTP to Cornwall Rd	307,200	-	-	-	-	-	-	-	-	-
13125	Resource Consent Renewals - Urban	158,720	152,250	-	5,500	50,715	-	-	-	12,520	32,200
15319	Scott St Reservoir - Upgrade	10,240	194,250	-	-	-	-	-	-	-	-
15323	Kapuni WSTM - Duplication Kapuni - Hāwera 450 Trunk Main	-	-	21,480	1,210,000	-	-	-	-	-	-
15325	Ōpūnake Water Supply Storage - Contact Tanks Replacement	-	-	-	-	-	-	58,114	542,010	-	-
15326	Ōpūnake WTP - Replacement Membranes	-	-	-	-	-	197,676	-	-	-	-
15327	Pātea WTP - Chlorination	444,416	-	-	-	-	-	-	-	-	-
15337	Waverley WTP - Chlorination	1,343,488	-	-	-	-	-	-	-	-	-
70006	Renewals - Water Supply - Recirculation – Urban	1,024,000	1,260,000	1,468,158	2,878,700	1,540,609	2,055,368	2,108,708	2,165,604	2,226,056	2,290,064
71001	Water Demand Management - Additional water metering & other	338,944	401,100	329,718	-	-	-	-	-	-	-
71003	Waverley - Second Reservoir	-	-	-	-	68,533	611,258	-	-	-	-
73001	Water Treatment Plant Renewals	153,600	157,500	272,796	279,400	286,258	523,668	537,258	551,754	567,156	583,464
74001	Eltham WTP - Backwash Water Recycling	92,160	-	-	-	-	-	-	-	-	-
74002	Health and Safety Improvements - Urban WTP	20,480	21,000	21,480	22,000	22,540	23,120	23,720	24,360	25,040	25,760
74003	Urban Water Treatment - Pipe Spare Store	51,200	210,000	-	-	-	-	-	-	-	-
	TOTAL WATER SUPPLY - URBAN	4,292,608	2,606,100	2,208,144	6,086,300	1,968,655	4,983,250	2,727,800	3,283,728	2,830,772	2,931,488

TE IHIRANGI TAKE WHAIRAWA

CAPITAL PROJECTS PROGRAMME / TE IHIRANGI TAKE WHAIRAWA

ACTIVITY	PROJECT NAME	LTP 2018/19	LTP 2019/20	LTP 2020/21	LTP 2021/22	LTP 2022/23	LTP 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28
WATER SUPPLY - WAIMATE WEST											
08003	Waimate West - New Reservoir 2008	176,128	2,101,050	-	-	-	-	-	-	-	-
15332	Waimate West WTP - Renewals	15,360	15,750	28,839	29,537	30,262	31,298	32,110	32,976	33,897	34,871
15335	Waimate West WTP - Resource Consent – Renewals	-	-	10,740	69,300	82,271	-	-	-	-	-
76003	Renewals - Water Supply Reticulation - Waimate West	1,228,800	1,680,000	2,827,842	2,896,300	2,967,391	1,331,712	1,366,272	1,403,136	1,442,304	1,483,776
77501	Coagulation Control - Waimate West WTP	-	-	-	110,000	-	-	-	-	-	-
	TOTAL WATER SUPPLY - WAIMATE WEST	1,420,288	3,796,800	2,867,421	3,105,137	3,079,924	1,363,010	1,398,382	1,436,112	1,476,201	1,518,647
WATER SUPPLY - INAHA											
15320	Inaha WTP - Resource Consent Renewal	-	10,500	21,480	66,000	-	-	-	-	-	-
78001	Renewals - Water Supply Treatment Plant – Inaha	5,120	5,250	5,370	5,500	5,635	42,371	43,471	44,644	45,890	47,209
79001	Inaha WTP - Sand Filter Renewal	-	-	-	-	-	248,540	1,025,890	-	-	-
79002	Inaha WTP - Ongoing Renewal of Water Supply Reticulation	15,360	15,750	22,554	23,100	23,667	11,560	11,860	12,180	12,520	12,880
	TOTAL WATER SUPPLY - INAHA	20,480	31,500	49,404	94,600	29,302	302,471	1,081,221	56,824	58,410	60,089
	TOTAL WATER SUPPLY	5,733,376	6,434,400	5,124,969	9,286,037	5,077,881	6,648,731	5,207,403	4,776,664	4,365,383	4,510,224
STORMWATER											
15340	Stormwater Reticulation CCTV	5,120	5,250	5,370	5,500	5,635	5,780	5,930	6,090	6,260	6,440
90001	Stormwater Network - Reticulation Rehabilitation	331,978	86,562	18,642	17,954	22,180	128,709	110,985	466,863	378,056	216,213
92001	District Stormwater Renewals and Improvements	137,485	394,821	473,744	486,352	494,504	402,271	432,749	91,541	195,936	374,284
	TOTAL STORMWATER	474,583	486,633	497,756	509,806	522,319	535,760	549,664	564,494	580,252	596,937

CAPITAL PROJECTS PROGRAMME

CAPITAL PROJECTS PROGRAMME / TE IHIRANGI TAKE WHAIRAWA

ACTIVITY	PROJECT NAME	LTP 2018/19	LTP 2019/20	LTP 2020/21	LTP 2021/22	LTP 2022/23	LTP 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28
WASTEWATER											
10074	Hāwera WWTP - De-sludge Anaerobic Lagoon	190,464	-	-	-	-	-	-	-	-	-
13039	Wastewater PS Renewals	153,600	26,250	23,628	24,200	24,794	110,976	113,856	116,928	120,192	123,648
13077	Wai-inu WWTP - Plant Relocation	143,360	-	-	-	-	-	-	-	-	-
13078	Hāwera Benthic Survey	-	-	-	-	-	6,936	71,160	-	-	77,280
15361	Hāwera Septic Tanker Disposal	-	283,500	-	-	-	-	-	-	-	-
15362	WWTP Screen Replacement	-	-	-	132,000	-	-	-	-	-	-
15368	Permanent Flow Logging - Hāwera Reticulation	-	78,750	-	-	-	-	-	-	-	-
15377	Fonterra Cliff Access Track Improvements	-	47,250	-	-	-	-	-	-	-	-
15386	CCTV Condition Inspection	205,824	211,050	79,476	81,400	83,398	85,544	87,764	90,132	92,648	95,312
15402	Manaia WWTP - Wetland Renewal	-	10,500	-	-	11,270	-	-	-	-	-
15410	WWTP Renewals	76,800	54,600	109,548	35,200	36,064	98,260	100,810	121,800	106,420	109,480
15420	Consent Renewals	61,440	42,000	64,440	22,000	22,540	46,240	118,600	194,880	275,440	231,840
15425	Hāwera WWTP - Transformer Upgrade	-	-	-	-	-	-	-	182,700	-	-
80003	Wastewater Reticulation Rehabilitation (place holder only)	1,150,566	1,179,780	1,206,746	1,235,960	1,266,297	705,160	723,460	742,980	763,720	785,680
86001	Oxidation Pond Desludging and Sludge Survey	112,640	-	113,844	-	-	13,872	14,232	-	-	-
87001	Standby Electrical Generation	163,840	-	-	-	237,797	-	-	-	-	-
87002	Wastewater Treatment Plant Capacity	143,360	52,500	118,140	110,000	-	-	-	-	-	-
87003	Wastewater Health and Safety Improvements	10,240	10,500	10,740	11,000	11,270	11,560	11,860	12,180	12,520	12,880
	TOTAL WASTEWATER	2,412,134	1,996,680	1,726,562	1,651,760	1,693,430	1,078,548	1,241,742	1,461,600	1,370,940	1,436,120
SOLID WASTE											
10153	Hāwera Transfer Station Renewals	30,720	21,000	5,370	5,500	5,635	5,780	5,930	6,090	6,260	6,440
19240	Pit Gates for District Transfer Station	30,720	31,500	-	-	-	-	-	-	-	-

TE IHIRANGI TAKE WHAIRAWA

CAPITAL PROJECTS PROGRAMME / TE IHIRANGI TAKE WHAIRAWA

ACTIVITY	PROJECT NAME	LTP 2018/19	LTP 2019/20	LTP 2020/21	LTP 2021/22	LTP 2022/23	LTP 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28
19241	Concrete Replacement - Hāwera Transfer Station	-	52,500	-	-	-	-	-	-	-	-
19242	Storage Shed - Hāwera Transfer Station	-	-	26,850	-	-	-	-	-	-	-
19243	Wastewater Pump Station - Hāwera Transfer Station	5,120	-	-	-	-	-	-	-	-	-
19245	Hazardous Goods Shed Upgrade - Hāwera	15,360	-	-	-	-	-	-	-	-	-
	TOTAL SOLID WASTE	81,920	105,000	32,220	5,500	5,635	5,780	5,930	6,090	6,260	6,440

ROADING & FOOTPATHS (INCLUDES ROAD SAFETY & PATHWAYS)

5212	Sealed Road Resurfacing	2,000,117	2,045,053	2,090,107	2,139,078	2,190,009	2,244,857	2,301,664	2,362,389	2,427,031	2,495,591
5213	Drainage Renewals	621,216	634,588	648,568	663,765	679,568	696,588	714,216	733,059	753,117	774,392
5214	Pavement Rehabilitation	2,264,382	2,313,176	2,364,137	1,884,235	1,929,098	1,977,412	2,027,451	2,672,117	2,745,235	2,822,784
5215	Structures Component Replacement	705,955	721,588	737,485	754,764	772,735	792,088	812,132	833,558	856,367	880,558
5222	Traffic Services Renewal	193,990	198,360	202,730	207,480	212,420	217,740	223,250	229,140	235,410	242,060
5341	Minor Improvements	1,102,156	1,125,881	1,150,685	1,177,646	1,205,685	1,235,881	1,267,155	1,300,587	1,336,175	1,373,920
6030	Footpaths	571,118	583,412	596,265	610,236	624,765	640,412	656,618	673,942	692,383	711,942
6081	Professional Services Renewals	56,678	57,955	59,231	60,619	62,062	63,617	65,227	66,947	68,779	70,722
6111	Street Lighting Renewals	10,904	11,150	11,396	11,663	11,940	12,239	12,549	12,880	13,233	13,606
6033	Walking and Cycle Facilities	-	250,000	250,000	-	-	-	-	-	-	-
	TOTAL ROADING AND FOOTPATHS	7,526,516	7,941,163	8,110,604	7,509,485	7,688,283	7,880,833	8,080,261	8,884,619	9,127,730	9,385,576

COMMUNITY FACILITIES - CEMETERIES

13223	Hāwera Cemetery - Design Extension, Roadworks & Drainage	-	110,028	-	-	-	-	-	-	-	-
13224	Kaponga Cemetery - Plan for Extension into Alamein Park	-	-	-	-	8,856	-	-	-	-	-
14001	Hāwera Cemetery Land Purchase	305,100	-	-	-	-	-	-	-	-	-

CAPITAL PROJECTS PROGRAMME

CAPITAL PROJECTS PROGRAMME / TE IHIRANGI TAKE WHAIRAWA

ACTIVITY	PROJECT NAME	LTP 2018/19	LTP 2019/20	LTP 2020/21	LTP 2021/22	LTP 2022/23	LTP 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28
15223	Ōpūnake Cemetery Development	-	5,190	-	127,036	-	-	-	-	-	-
15224	Pātea Cemetery Development	20,340	-	-	-	-	-	-	-	-	-
19381	Eltham Cemetery - Tree Removal, Fencing, Retaining Wall	15,255	-	-	-	-	-	-	-	-	-
19382	Hāwera Cemetery - Replace concrete driveway on East Side	-	-	21,200	-	-	-	-	-	-	-
19383	Kaponga Cemetery - Remove Trees - Install Fencing	32,544	-	-	-	-	-	-	-	-	-
19390	Waihi Cemetery - Investigation to enable future expansion	10,170	-	-	-	-	-	-	-	-	-
19751	Eltham Cemetery - Replace Fencing	8,583	-	-	-	-	-	-	-	-	-
	TOTAL CEMETERIES	391,992	115,218	21,200	127,036	8,856	-	-	-	-	-

COMMUNITY FACILITIES - HALLS

13248	Replace Vinyl & Carpet - Eltham Town Hall	-	-	50,880	-	-	-	-	-	-	-
13249	Replace Vinyl in Toilets - Kaponga Town Hall	-	-	12,402	-	-	-	-	-	-	-
13253	Replace Theatre & Hall Lounge Carpet & Hall Kitchen Vinyl	-	44,634	-	-	-	-	-	-	-	-
13255	Replace Foyer Vinyl - Hāwera Community Centre	-	10,380	-	-	-	-	-	-	-	-
13258	Replace Carpet & Vinyl - Waverley Community Centre	-	57,401	-	-	-	-	-	-	-	-
15190	Manaia Hall – Refurbishment	55,200	50,000	950,000	-	-	-	-	-	-	-
15195	Hāwera Community Centre Roof	-	124,560	-	-	-	-	-	-	-	-
15205	Hāwera Community Centre - Replace Theatre Lounge Fridge	-	-	-	2,599	-	-	-	-	-	-
15215	Eltham Town Hall - Replace Cladding and Scaffolding	-	-	222,600	-	-	-	-	-	-	-

TE IHIRANGI TAKE WHAIRAWA

CAPITAL PROJECTS PROGRAMME / TE IHIRANGI TAKE WHAIRAWA

ACTIVITY	PROJECT NAME	LTP 2018/19	LTP 2019/20	LTP 2020/21	LTP 2021/22	LTP 2022/23	LTP 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28
15219	Normanby Recreation Centre - Replace Stoves and Fridges	2,237	-	-	-	-	-	-	2,374	-	-
19411	Hāwera Community Centre - Replace Portable Staging	2,034	-	-	-	-	-	-	-	-	-
19412	Hāwera Community Centre - Replace 2 Dishwashers	-	-	-	-	-	4,528	-	-	-	-
19413	Hāwera Memorial Theatre - Outdoor Lighting LED Upgrade	1,831	-	-	-	-	-	-	-	-	-
19416	Normanby Hall - Vinyl Replacement	-	-	-	-	-	-	-	13,674	-	-
	TOTAL HALLS	61,302	286,975	1,235,882	2,599	-	4,528	-	16,048	-	-
COMMUNITY FACILITIES - PARKS & RESERVES											
14013	District Parks – Ride-on Mower	34,751	-	-	-	-	38,680	-	-	-	-
15103	Goodson Dell Bridge Replacement	28,145	-	-	-	-	-	-	-	-	-
15110	King Edward Park Gates Renewal	-	-	-	-	-	102,814	-	-	-	-
15112	All Play Grounds - Soft Fall	-	206,562	-	-	220,293	-	-	236,213	-	-
15151	Water Blaster Trailer - Replacement	-	-	-	-	-	19,244	-	-	-	-
15189	Horticultural Renewals	20,340	20,760	21,200	21,660	22,140	22,640	23,180	23,740	24,320	24,960
19440	Parks Furniture - District Wide	5,085	5,190	5,300	5,415	5,535	5,660	5,795	5,935	6,080	6,240
19460	Bin Replacements 2018-2028 District Wide	3,051	3,114	3,180	3,249	3,321	3,396	3,477	3,561	3,648	3,744
19470	Playground Upgrades - District Wide	101,700	-	106,000	-	110,700	-	115,900	-	121,600	-
19480	Fence Replacement - District Wide	8,136	8,304	8,480	8,664	8,856	9,056	9,272	9,496	9,728	9,984
19483	Parks Chipper/Shredder Replacement	15,255	-	-	-	-	16,980	-	-	-	-
19484	Taumata Park Driveway Patching/Re-seal	25,425	-	-	-	-	-	-	-	-	-
19485	District Park Signage Replacement and Refurbishment	3,051	3,114	3,180	3,249	3,321	3,396	3,477	3,561	3,648	3,744

CAPITAL PROJECTS PROGRAMME

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ACTIVITY	PROJECT NAME	LTP 2018/19	LTP 2019/20	LTP 2020/21	LTP 2021/22	LTP 2022/23	LTP 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28
19486	Bridger Park - Mobility Access to lower Park area	-	-	21,200	-	-	-	-	-	-	-
19487	Taumata Park Concrete Footpath around Rec Centre and front of Grandstand	9,153	-	-	-	-	-	-	-	-	-
19488	Taylor Park - Dog Leash-Free Fencing	-	20,760	10,600	-	-	-	-	-	-	-
19489	Soldiers Park - Concrete work around Fountain and Toilet	3,051	-	-	-	-	-	-	-	-	-
19490	Beech Place - Dog Leash-Free Fencing	4,068	-	-	-	-	-	-	-	-	-
19491	Hāwera Self Contained Camper - Dump Site	-	5,190	-	-	-	-	-	-	-	-
19492	Replace Parks Kubota Tractor	-	-	-	10,830	-	-	-	-	-	-
19493	Stan Lay Entrance Driveway Re-seal	-	-	23,320	-	-	-	-	-	-	-
	TOTAL PARKS & RESERVES	261,211	272,994	202,460	53,067	374,166	221,866	161,101	282,506	169,024	48,672

COMMUNITY FACILITIES - RURAL SWIMMING POOLS

14017	Eltham Pool Backwash Tank	-	-	-	-	-	-	-	3,674	-	-
15038	Rural Pools Eltham - Replace Shade Cloths on 6 yearly cycle	-	-	6,360	-	-	6,792	-	-	-	-
15048	Rural Pools Rawhitiroa - Replace Filter Tank/s & Pipework	-	100,686	-	-	-	-	-	-	-	-
15049	Rural Pools Rawhitiroa - Install Poolsafe Fence around pool	-	-	-	27,075	-	-	-	-	-	-
15056	Rural Pools Rawhitiroa - Replace Shade Cloths (3)	-	-	-	-	9,963	-	-	-	-	-
15061	Rural Pools Kaponga - Replace Filter Tank & Pipework	-	-	-	-	107,379	-	-	-	-	-
15064	Rural Pools Pātea - Shade for North side of Main Pool	-	32,173	-	-	-	-	-	-	-	-
15065	Rural Pools Pātea - Tiered Seating for Main Pool	-	10,710	-	-	-	-	-	-	-	-

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CAPITAL PROJECTS PROGRAMME / TE IHIRANGI TAKE WHAIRAWA

ACTIVITY	PROJECT NAME	LTP 2018/19	LTP 2019/20	LTP 2020/21	LTP 2021/22	LTP 2022/23	LTP 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28
15066	Rural Pools Waverley - Replace Distribution Sparges in shallow end and in deep end of main pool	-	-	-	33,524	-	-	-	-	-	-
15067	Rural Pools Waverley - Build new floor in Main Pool	-	-	-	-	96,772	-	-	-	-	-
15068	Rural Pools Waverley - Renew Water Treatment Plant and Upgrade Plant Room	-	-	-	-	-	109,804	-	-	-	-
15069	Rural Pools Waverley - Replace 6 Shade Cloths on 6 yearly cycle (yr1 Dec 2012)	-	-	-	-	-	-	-	-	-	20,264
15071	Rural Pools Manaia - Staged Major Upgrade over 3 years	203,400	207,600	212,000	-	-	-	-	-	-	-
15072	Rural Pools Manaia - Replace Shade Cloths on 6 yearly cycle	-	-	-	-	3,875	-	-	-	-	-
15076	Rural Pools Kaponga - Replace Shade Cloths (2) on 6 yearly cycle	-	-	-	6,498	-	-	-	-	-	-
15077	Rural Pools Pātea - Replace (4) Shade Cloths on 6 yearly cycle	-	-	-	8,664	-	-	-	-	-	-
15078	Rural Pools Manaia - Replace Solar Heating System	-	-	-	50,901	-	-	-	-	-	-
15284	Waverley Pool - Small Pool Plant Replacement	-	-	-	-	-	-	-	-	19,730	-
15285	Manaia Pool - Small Pool Plant Replacement	-	-	-	-	-	-	-	-	19,730	-
15286	Kaponga Pool - Small Pool Plant Replacement	-	-	-	-	-	-	-	-	-	20,249
15287	Eltham Pool - Small Pool Plant Replacement	16,501	-	-	-	-	-	-	-	-	-
15288	Rawhitiroa Pool - Small Pool Plant Replacement	-	16,842	-	-	-	-	-	-	-	-
	TOTAL RURAL SWIMMING POOLS	219,901	368,010	218,360	126,662	217,988	116,596	-	3,674	39,460	40,513

COMMUNITY FACILITIES - HĀWERA AQUATIC CENTRE

13459	Aquatic Centre - Plant Renewals	65,586	-	-	-	-	-	-	-	-	-
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CAPITAL PROJECTS PROGRAMME

CAPITAL PROJECTS PROGRAMME / TE IHIRANGI TAKE WHAIRAWA

ACTIVITY	PROJECT NAME	LTP 2018/19	LTP 2019/20	LTP 2020/21	LTP 2021/22	LTP 2022/23	LTP 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28
13460	Aquatic Centre - Plant Renewals	-	66,941	-	-	-	-	-	-	-	-
13461	Aquatic Centre - Plant Renewals	-	-	68,359	-	-	-	-	-	-	-
13462	Aquatic Centre - Plant Renewals	-	-	-	69,843	-	-	-	-	-	-
15079	Aquatic Centre - Plant Renewals	-	-	-	-	71,390	73,003	74,744	76,550	78,420	80,484
15081	Aquatic Centre - Remove old & install new Plaster/Tiles	30,510	-	-	-	-	-	-	-	-	-
15082	Aquatic Centre - Install UV Irradiation Plant into 25m Pool/Learners Pool	-	-	-	-	-	-	-	-	-	13,728
15083	Aquatic Centre - Replace UV Irradiation tubes in 25m/ Learners Pool System	-	-	6,360	-	-	-	-	7,122	-	-
15086	Aquatic Centre - Replace (6) Shade Cloths on 6 yearly cycle	-	-	-	-	-	21,155	-	-	-	-
15089	Aquatic Centre - Reseal Carpark with Hot Mix Layer	-	-	-	-	53,330	-	-	-	-	-
15090	Aquatic Centre - Replace UV Irradiation Tubes in PR3 Plant	-	12,352	-	-	-	-	13,792	-	-	-
19620	Aquatic Centre - South East Access to KEP	6,102	-	-	-	-	-	-	-	-	-
	TOTAL HĀWERA AQUATIC CENTRE	102,198	79,293	74,719	69,843	124,720	94,158	88,536	83,672	78,420	94,212

COMMUNITY FACILITIES - TSB HUB

19463	TSB Hub LTP18-28 Capital Renewals	50,850	51,900	53,000	54,150	55,350	56,600	57,950	59,350	60,800	62,400
19464	TSB Hub Roof over Gym and Court No. 3	-	-	-	-	221,400	-	-	-	-	-
19465	TSB Hub - Transformer Down Grade	30,510	-	-	-	-	-	-	-	-	-
	TOTAL TSB HUB	81,360	51,900	53,000	54,150	276,750	56,600	57,950	59,350	60,800	62,400

COMMUNITY FACILITIES - PUBLIC TOILETS

15244	Toilet Replacement - Pātea Egmont Street	-	-	-	-	-	-	-	315,505	-	-
15250	Eltham Cemetery Toilet - Resurface Roof	-	-	3,710	-	-	-	-	-	-	-

TE IHIRANGI TAKE WHAIRAWA

CAPITAL PROJECTS PROGRAMME / TE IHIRANGI TAKE WHAIRAWA

ACTIVITY	PROJECT NAME	LTP 2018/19	LTP 2019/20	LTP 2020/21	LTP 2021/22	LTP 2022/23	LTP 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28
19581	Ōpūnake Rec Ground - Replace Toilets	-	-	212,000	-	-	-	-	-	-	-
19585	Ohawe Beach - Replace Toilets	-	-	-	-	-	113,200	-	-	-	-
19587	Wai-inu Beach Toilets	-	-	-	-	-	-	-	-	-	3,600
19586	Waihi Beach Toilets	250,000	-	-	-	-	-	-	-	-	-
	TOTAL PUBLIC TOILETS	250,000	-	215,710	-	-	113,200	-	315,505	-	3,600

COMMUNITY FACILITIES - HĀWERA CINEMAS

15251	Hāwera Cinemas - Carpet Foyer Passage Ways	-	29,988	-	-	-	-	-	-	-	-
15252	Hāwera Cinemas - Carpet Cinema 1	-	-	-	20,756	-	-	-	-	-	-
15253	Hāwera Cinemas - Carpet Cinema 2	-	-	-	23,696	-	-	-	-	-	-
15255	Hāwera Cinemas – Remove Seating to Re-carpet	-	-	-	10,830	-	-	-	-	-	-
19422	Hāwera Cinemas - Replace Exterior/Emergency Lights	2,034	-	-	-	-	-	-	-	-	-
19423	Hāwera Cinemas - Replace Hot Water Cylinder	-	7,266	-	-	-	-	-	-	-	-
19424	Hāwera Cinemas - Ceiling Tile Replacement	-	-	-	-	6,642	-	-	-	-	-
19425	Hāwera Cinemas - Handryers	-	1,661	-	-	-	-	-	-	-	-
19427	Hāwera Cinemas - Lighting Replacement	-	-	-	-	4,428	-	-	-	-	-
19428	Hāwera Cinemas - Roof Replacement	-	166,080	-	-	-	-	-	-	-	-
19429	Hāwera Cinemas/The Local – replace Ceiling Tiles	-	6,228	-	-	-	-	-	-	-	-
19430	Hāwera Cinemas/The Local - Light Replacements	-	4,152	-	-	-	-	-	-	-	-
	TOTAL HĀWERA CINEMAS	2,034	215,375	-	55,282	11,070	-	-	-	-	-

COMMUNITY FACILITIES - CORPORATE PROPERTY

14231	Centennial Close Rentals - Renewals	20,340	46,710	8,480	6,498	8,856	15,622	42,883	-	-	-
15156	Ōpūnake Beach Master Plan - Improved Access for 'Goat Track'	-	17,646	-	-	-	-	-	-	-	-
15159	Ōpūnake Beach Master Plan - Zig Zag Track – upgrade	-	35,468	-	-	-	-	-	-	-	-

CAPITAL PROJECTS PROGRAMME

CAPITAL PROJECTS PROGRAMME / TE IHIRANGI TAKE WHAIRAWA

ACTIVITY	PROJECT NAME	LTP 2018/19	LTP 2019/20	LTP 2020/21	LTP 2021/22	LTP 2022/23	LTP 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28
15163	Ōpūnake Beach - Replace Beach Furniture	-	-	-	-	-	-	-	34,809	-	-
15186	Hāwera i-SITE - Replace Carpet	-	-	11,500	-	-	-	-	-	-	-
16200	Council Owned Property - EPB Remedial Work	-	-	-	1,253,746	-	-	-	-	-	-
16207	EPB - ISAs - Other Buildings	15,000	10,500	-	-	-	-	-	-	-	-
19554	Water Tower - Lighting Replacement	40,680	-	-	-	-	-	-	-	-	-
19558	Sundry Property District Wide Fencing Replacement	5,085	10,380	10,600	5,415	5,535	5,660	5,795	5,935	6,080	6,240
19563	Earthquake Prone Buildings - DSA	45,765	-	-	-	-	-	-	-	-	-
	TOTAL CORPORATE PROPERTY	126,870	120,704	30,580	1,265,659	14,391	21,282	48,678	40,744	6,080	6,240

COMMUNITY SERVICES - HOLIDAY PARKS

13505	Repair Bridge (to extend life) - Te Ngutu O Te Manu (19/20)	-	7,481	-	-	-	-	-	-	-	-
15237	Power Outlets - Waverley Holiday Park	72,980	-	-	-	-	-	-	-	-	-
19272	Hāwera Holiday Park - Furniture and Chattels Renewals	3,051	3,114	3,180	3,249	3,321	3,396	3,477	3,561	3,648	3,744
19273	Pātea Dam Holiday Park Amenity Roof Replacement	7,119	-	-	-	-	-	-	-	-	-
19274	Waverley Beach Cookhouse Improvements	-	51,900	-	-	-	-	-	-	-	-
19471	Ōpūnake Beach Holiday Park - Gas Infinity Unit Replacements	6,102	2,076	2,120	-	-	-	-	-	-	-
19472	Ōpūnake Beach Holiday Park - Replace Vinyl in Ablutions Block Kitchen	-	6,747	-	-	-	-	-	-	-	-
19473	Ōpūnake Beach Holiday Park -- Replace Stove in Ablutions Block	-	-	5,088	-	-	-	-	-	-	-
19474	Ōpūnake Beach Holiday Park - Replace Fridge in Ablutions Block	-	-	-	5,848	-	-	-	-	-	-

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ACTIVITY	PROJECT NAME	LTP 2018/19	LTP 2019/20	LTP 2020/21	LTP 2021/22	LTP 2022/23	LTP 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28
19475	Ōpūnake Beach Holiday Park - Replace Washing Machines	-	-	-	16,245	-	-	-	-	-	-
19476	Ōpūnake Beach Holiday Park - Replace Dryers in Ablutions Block	-	-	-	16,245	-	-	-	-	-	-
19477	Ōpūnake Beach Holiday Park - Garage & Storage Facilities	35,595	-	-	-	-	-	-	-	-	-
19478	Ōpūnake Beach Holiday Park - Driveway Sealing & Parking	7,119	-	-	-	-	-	-	-	-	-
19479	Ōpūnake Beach Holiday Park - Spouting Replacement	3,051	-	-	-	-	-	-	-	-	-
19481	Ōpūnake Beach Holiday Park - Drainage	21,052	-	-	-	-	-	-	-	-	-
19482	Pātea Holiday Park - Replace Power Outlets	-	-	-	-	-	-	35,427	-	-	-
19494	Wai-inu Beach - New Drainage	20,340	-	-	-	-	-	-	-	-	-
19750	Hāwera Holiday Park - Replace Carpet and Vinyl	-	-	-	34,656	-	-	-	-	-	-
19752	Waverley Beach Holiday Park - Metalling of Tracks	50,850	-	-	-	-	56,600	-	-	-	-
	TOTAL HOLIDAY PARKS	227,259	71,318	10,388	76,243	3,321	59,996	38,904	3,561	3,648	3,744

COMMUNITY FACILITIES - PENSIONER HOUSING

13401	Pensioner Housing Upgrades	185,897	223,836	17,172	116,626	89,598	132,807	91,223	37,795	38,304	118,393
	TOTAL PENSIONER HOUSING	185,897	223,836	17,172	116,626	89,598	132,807	91,223	37,795	38,304	118,393
	TOTAL COMMUNITY FACILITIES	1,910,024	1,805,623	2,079,471	1,947,167	1,120,860	821,033	486,392	842,855	395,736	377,774

ARTS & CULTURE - LIBRARYPLUS

13272	Ōpūnake Library - Replace Carpet & Vinyl	50,850	-	-	-	-	-	-	-	-	-
13273	Ōpūnake Library - Replace Veranda Roof	-	-	24,115	-	-	-	-	-	-	-
15262	Ōpūnake Library - Heat Pump Replacement	-	-	-	23,230	-	-	-	-	-	-
15266	Manaia Library - Carpet and Vinyl	-	-	-	-	-	45,846	-	-	-	-

CAPITAL PROJECTS PROGRAMME

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ACTIVITY	PROJECT NAME	LTP 2018/19	LTP 2019/20	LTP 2020/21	LTP 2021/22	LTP 2022/23	LTP 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28
15267	Eltham Library - Re-roof	-	-	-	-	26,037	-	-	-	-	-
15268	Eltham Library - Driveway and Carpark	-	-	47,700	-	-	-	-	-	-	-
15269	Eltham Library - Carpet and Vinyl	-	-	-	-	-	-	43,463	-	-	-
15272	Kaponga Library - Carpet and Vinyl	-	-	-	-	-	-	24,107	-	-	-
15278	Pātea Library - Driveway Upgrade	35,595	-	-	-	-	-	-	-	-	-
15279	Pātea Library - Heat Pump Replacement	-	-	-	-	-	17,546	-	-	-	-
15280	Pātea Library - Exterior Cladding/Spouting	257,301	-	-	-	-	-	-	-	-	-
15281	Waverley Library - Heat Pump Replacement	-	-	-	-	-	13,584	-	-	-	-
19441	Replacement of Large TV Screen	-	-	21,200	-	-	-	-	-	-	-
19442	Eltham Library - Heat Pump Replacement	-	-	-	-	-	-	10,025	-	-	-
19446	Pātea Library - Carpet & Vinyl	-	-	-	-	-	-	-	-	-	58,406
19447	Pātea Library - Carpet	-	-	-	-	-	-	-	18,992	-	-
19448	LibraryPlus Furniture - District Wide	20,340	20,760	21,200	21,660	22,140	22,640	23,180	23,740	24,320	24,960
19449	LibraryPlus Signage - District Wide	-	-	12,720	-	-	-	-	-	-	-
62201	Adults Non Fiction	46,772	59,672	60,936	49,807	50,911	52,061	53,302	54,590	55,924	57,396
62202	Adults Fiction	67,563	86,198	88,025	71,948	73,542	75,203	76,997	78,857	80,784	82,910
62203	Large Print	31,181	36,599	37,375	33,205	33,941	34,707	35,535	36,393	37,283	38,264
62204	Children's	46,772	60,045	61,318	49,807	50,911	52,061	5,330	54,590	55,924	57,396
62211	E-books	15,591	15,913	16,250	16,602	16,970	17,354	17,767	18,197	18,641	19,132
	TOTAL LIBRARYPLUS	571,965	279,186	390,839	266,260	274,452	331,001	289,707	285,359	272,875	338,463
	TOTAL ARTS AND CULTURE	571,965	279,186	390,839	266,260	274,452	331,001	289,707	285,359	272,875	338,463
DISTRICT ECONOMY - ECONOMIC DEVELOPMENT											
15028	District Town Entrance Signage	-	15,630	-	-	16,665	-	-	17,880	-	-
15910	Centre for Heritage, Arts, Libraries, Culture & Information	-	5,500,000	-	-	-	-	-	-	-	-

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ACTIVITY	PROJECT NAME	LTP 2018/19	LTP 2019/20	LTP 2020/21	LTP 2021/22	LTP 2022/23	LTP 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28
15911	Hāwera Town Centre Development	-	1,000,000	1,000,000	-	-	-	-	-	-	-
15914	Hāwera Town Centre Projects Professional Fees	500,000	500,000	-	-	-	-	-	-	-	-
	TOTAL ECONOMIC DEVELOPMENT	500,000	7,015,630	1,000,000	-	16,665	-	-	17,880	-	-
	TOTAL DISTRICT ECONOMY	500,000	7,015,630	1,000,000	-	16,665	-	-	17,880	-	-
REGULATORY SERVICES - ALCOHOL & GAMBLING											
19120	Cameras - Licensing	-	2,084	-	-	-	-	2,328	-	-	-
	TOTAL LICENSING	-	2,084	-	-	-	-	2,328	-	-	-
REGULATORY SERVICES - ANIMAL SERVICES											
15035	Hāwera Pound - Fridge/Freezer	-	-	-	-	-	-	-	-	2,000	-
15036	Animal Control - Firearm Replacement	-	1,500	-	-	-	-	-	-	-	-
15037	Hāwera Pound - Reseal of Driveway	-	31,500	-	-	-	-	-	-	-	-
19122	Hāwera Pound - Cameras	-	4,000	-	-	-	-	4,000	-	-	-
19123	Hāwera Pound - Fencing	5,500	-	5,500	-	5,500	-	5,500	-	5,500	-
	TOTAL ANIMAL SERVICES	5,500	37,000	5,500	-	5,500	-	9,500	-	7,500	-
REGULATORY SERVICES - PARKING CONTROL											
12222	Electronic Parking Tickets	-	-	6,384	-	-	-	-	7,152	-	-
	TOTAL PARKING CONTROL	-	-	6,384	-	-	-	-	7,152	-	-
	TOTAL REGULATORY SERVICES	5,500	39,084	11,884	-	5,500	-	11,828	7,152	7,500	-
COASTAL STRUCTURES											
15341	Pātea Moles Assessment & LOS Review	153,600	157,500	161,100	165,000	169,050	173,400	177,900	182,700	187,800	193,200
15342	Coastal Structures Assets Renewals	-	-	107,400	-	-	115,600	-	-	125,200	-
15427	Waihi Beach Access Improvements	100,000	-	-	-	-	-	-	-	-	-
	TOTAL COASTAL STRUCTURES	253,600	157,500	268,500	165,000	169,050	289,000	177,900	182,700	313,000	193,200

CAPITAL PROJECTS PROGRAMME

CAPITAL PROJECTS PROGRAMME / TE IHIRANGI TAKE WHAIRAWA

ACTIVITY	PROJECT NAME	LTP 2018/19	LTP 2019/20	LTP 2020/21	LTP 2021/22	LTP 2022/23	LTP 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28
SUPPORT CENTRES											
11205	Records Management & Compliancy	11,001	11,218	11,455	11,703	11,961	12,241	12,532	12,833	13,145	13,479
13556	IT Hardware	16,320	20,319	597,436	-	21,665	145,536	320,100	232,440	253,968	-
14225	Records Management System Upgrade	-	-	-	-	99,990	-	-	-	-	-
15034	Fleet Vehicles	76,500	41,680	148,960	330,448	536,613	333,141	52,380	71,520	224,664	405,648
15178	Hāwera HQ - Replace Carpet	-	-	7,448	-	-	-	-	-	-	-
19376	Aerial Photos LTP 2018/28	-	62,520	-	-	66,660	-	-	71,520	-	-
19559	Headquarters Ceiling Tile Replacement	16,830	14,380	10,214	-	-	-	-	-	-	-
19560	Headquarters Air Conditioning Replacement	-	-	-	-	-	-	-	157,940	-	-
19562	Headquarters Lift Replacement	-	-	-	-	-	-	-	-	198,494	-
19564	Headquarters Fire/Smoke Detection Systems	-	-	-	-	-	-	29,100	-	-	-
19604	CBD Cameras - Upgrade Cameras Phase Two	-	52,100	53,200	-	-	-	-	-	-	-
19605	Website Renewal (Upgrade)	-	-	-	-	-	-	-	77,480	-	-
19607	Technology One Ci Anywhere - Mobility	-	-	266,000	271,750	-	-	-	-	-	-
19608	Windows 10/Office Microsoft Update to Cloud	137,700	-	-	-	-	-	-	-	-	-
19609	Sharepoint - Moving Sharepoint to Cloud	-	-	212,800	-	-	-	-	-	-	-
19610	VM Ware Upgrade (to Reduce SQL Licensing)	15,300	-	-	-	-	-	-	-	-	-
19612	Public Consultation Software for Corporate Support	-	-	28,728	-	-	-	-	-	-	-
19613	Video Conferencing	-	41,680	-	-	-	-	-	-	-	-
19614	Anntenno (Public Address System)	-	7,294	-	-	-	-	-	-	-	-
19615	Nintex Enterprise and Forms	-	26,050	-	-	-	-	-	-	-	-
19616	Electronic Signatures	-	-	53,200	-	-	-	-	-	-	-
19618	HR Information System	-	-	-	43,480	-	-	-	-	-	-
19619	Archives Storage - Compliant Storage Facility	-	-	-	-	55,550	-	-	-	-	-
19621	HR Process System	25,500	-	-	-	-	-	-	-	-	-

DEBT RATIOS FOR BORROWING LIMITS

CAPITAL PROJECTS PROGRAMME / TE IHIRANGI TAKE WHAIRAWA

ACTIVITY	PROJECT NAME	LTP 2018/19	LTP 2019/20	LTP 2020/21	LTP 2021/22	LTP 2022/23	LTP 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28
	TOTAL SUPPORT CENTRES	299,151	277,241	1,389,441	657,381	792,439	490,918	414,112	623,733	690,272	419,127
	Capital Carry-overs from 2016/17	2,294,681	884,346								
	GRAND TOTAL	22,063,450	27,422,486	20,632,246	21,998,396	17,366,514	18,081,604	16,464,939	17,653,146	17,129,948	17,263,861

DEBT RATIOS FOR BORROWING LIMITS - AS PER THE LIABILITY MANAGEMENT POLICY

<i>For the year ended 30 June</i>	2018/19 (\$,000)	2019/20 (\$,000)	2020/21 (\$,000)	2021/22 (\$,000)	2022/23 (\$,000)	2023/24 (\$,000)	2024/25 (\$,000)	2025/26 (\$,000)	2026/27 (\$,000)	2027/28 (\$,000)
Term Liability	136,820	141,868	143,379	146,504	144,370	143,724	141,229	138,892	135,432	131,898
Current Portion of Term Liabilities	93	93	93	93	93	93	93	93	93	93
Total Debt (External & Internal)	136,913	141,961	143,472	146,597	144,463	143,817	141,322	138,985	135,525	131,991
LTIF & Other Investments	139,636	142,347	144,946	147,681	150,603	153,809	157,173	163,878	170,807	178,118
Cash/Near Cash	5,688	3,788	3,616	3,207	2,893	4,592	6,487	5,495	5,229	5,072
Net Debt	-8,412	-4,174	-5,089	-4,290	-9,033	-14,583	-22,338	-30,388	-40,510	-51,199
Total Income per Comprehensive Income Statement	65,745	70,539	68,985	71,684	73,347	75,576	77,499	80,056	82,247	84,456
Less: LTIF Surplus Income available for offset to net interest expense	2,057	1,788	1,680	1,821	2,012	2,301	2,463	2,783	2,975	3,334
Total Income per Comprehensive Income Statement	63,688	68,751	67,305	69,863	71,335	73,276	75,036	77,273	79,272	81,122
Net Debt as percentage of total income <150%	-13%	-6%	-8%	-6%	-13%	-20%	-30%	-39%	-51%	-63%
Interest on External Debt	6,944	7,204	7,485	7,794	7,970	8,023	8,033	7,953	7,843	7,671
Less: LTIF Surplus Income available for offset	2,057	1,788	1,680	1,821	2,012	2,301	2,463	2,783	2,975	3,334
Net Interest Expenses	4,887	5,416	5,805	5,973	5,958	5,722	5,570	5,170	4,868	4,337
Net Interest Expense as a percentage of total annual income <15%	8%	8%	9%	9%	8%	8%	7%	7%	6%	5%
Total Rates Income	40,329	41,740	43,147	44,716	45,922	47,282	48,670	49,922	51,502	52,717
Net Interest Expense as a percentage of total annual rates income <25%	12%	13%	13%	13%	13%	12%	11%	10%	9%	8%
Net Debt per Capita (includes internal borrowings) <\$2000	-\$300	-\$149	-\$182	-\$153	-\$323	-\$521	-\$798	-\$1,085	-\$1,447	-\$1,829

STATEMENT OF SPECIAL RESERVES FUNDS

The following Statement of Special Reserves Funds concerns the Council's created reserves component of Council's equity.

The Council has an obligation to manage its revenue, expenses, assets, liabilities, investments and general financial dealings prudently and in a manner that promotes the current and future interests of the community, and to act in the best interest of its ratepayer as a whole and in part.

The Council has several types of Council created reserves, which are monies set aside by the Council for a specific purpose, and these are disaggregated into the following categories:

- > Separate Rate Reserves
- > Statutory Reserves; and
- > Restricted Reserves.

SEPARATE RATE RESERVES

Separate Rate Reserves are maintained for targeted rates charged for a specific purpose. A Separate Rate Reserves is maintained for each targeted rate to ensure that the funds are held and used for the specific purpose intended.

SEPARATE OPERATING RESERVES

	Opening balance \$000	Income \$000	Expenditure \$000	Other Adj \$000	Closing balance \$000	Purpose of funds
Roading	(179,135.38)	188,777,403.47	(178,530,781.75)	(10,101,565.42)	(34,079.07)	To keep surpluses/deficits in each activity separate from other activities.
Water Supply Urban	296,696.71	94,226,510.51	(94,297,603.24)	(268,603.80)	(42,999.82)	To keep surpluses/deficits in each activity separate from other activities.
Wastewater	617,564.28	69,546,683.50	(67,581,194.03)	(1,967,899.28)	615,154.47	To keep surpluses/deficits in each activity separate from other activities.
Eltham Drainage	15,427.26	89,588.61	(81,850.42)	0.00	23,165.45	To keep surpluses/deficits in each activity separate from other activities.
Water Supply Waimate West/Inaha	2,662,668.18	56,104,725.65	(48,941,567.23)	(4,255,145.56)	5,570,681.04	To keep surpluses/deficits in each activity separate from other activities.
Solid Waste Collection	903,287.88	21,994,343.00	(21,458,824.50)	0.00	1,438,806.38	To keep surpluses/deficits in each activity separate from other activities.
Hāwera Town Co-ordinator	19,306.52	1,771,579.22	(1,771,579.22)	0.00	19,306.52	To keep surpluses/deficits in each activity separate from other activities.
	4,298,876.07	432,510,833.95	(412,663,400.39)	(16,593,214.05)	7,553,095.59	

The other adjustment 2018-28 column includes capital expenditure, loan repayments, new loans and depreciation.

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COUNCIL CREATED RESERVES

	Opening balance \$000	Income \$000	Expenditure \$000	Other Adj \$000	Closing balance \$000	Purpose of funds
Safer Communities	15,542.92	5,345.46	0.00		20,888.38	To manage the balance of funds from Safer Community grants to be used on youth programmes.
Economic Development Fund	189,062.22	65,021.60	0.00		254,083.82	The purpose of the reserve is to enable the Council to strategically intervene when required by practically supporting new business.
Forestry	69,886.65	24,035.16	0.00		93,921.82	To manage income and expenditure relating the to joint venture forestry investment.
Okotuku Domain	16,513.05	59,588.78	0.00		76,101.84	To manage revenue from the leasing of Crown land which has been vested in the Council on behalf of the Okotuku Domain committee.
Centennial Close 1% Contribution	11,851.25	4,075.84	0.00		15,927.09	To manage the 1% contribution for the first 15 years from the deposit held for Centennial Close flats for the purpose of upgrading the units when they are vacated.
Long Term Investment Fund	128,880,058.00	93,568,747.00	(60,581,931.81)		161,866,873.19	To manage funds derived from the sale of the Council's shareholding in Egmont Electricity and to provide a rates subsidy.
Riparian/Indigenous	133,190.64	799,197.54	(753,391.10)		178,997.08	To fund riparian planting throughout the District.
	129,317,005.26	94,526,321.09	(61,335,322.91)	0.00	162,508,003.44	

* Excludes internal borrowing

CAPITAL REPLACEMENT RESERVES

	Opening balance \$000	Income \$000	Expenditure \$000	Other Adj \$000	Closing balance \$000	Purpose of funds
	149,400.65	0.00	0.00	4,522,422.34	4,671,822.99	

STATEMENT OF SPECIAL RESERVES FUNDS

RESTRICTED RESERVES

	Opening balance \$000	Income \$000	Expenditure \$000	Other Adj \$000	Closing balance \$000	Purpose of funds
Eltham Property	1,217.39	418.68	0.00	0.00	1,636.07	To hold funds from property sold in the Eltham ward for funding of various projects in the Eltham ward.
Pool Plant	35,405.98	12,176.70	0.00	0.00	47,582.67	To provide funds for district pools.
Larcom Bequest - Turuturu Mokai	96,640.40	33,236.22	0.00	0.00	129,876.61	To manage a bequest from Samuel Larcom which was divided into four parts, 1/4 for Parks and Reserves, 1/4 for Turuturu Mokai Reserve, 1/4 for Egmont A & P Association and 1/4 for the Pukeiti Rhododendron Trust.
Pātea Property	21,320.54	7,332.48	0.00	0.00	28,653.03	To hold funds from property sold in the Pātea ward for funding of various projects in the Pātea ward.
Wairoa Recreation Res	505,695.82	522,992.20	0.00	0.00	1,028,688.03	To manage revenue from the leasing of Crown land which has been vested in the Council and fees/charges from the campground for capital works on the Wairoa recreation reserve.
Harbour Endowment	144,478.84	625,214.02	0.00	(469,289.58)	300,403.28	To manage lease income from land formerly owned by the Pātea Harbour Board to be used for the following; (a) maintenance and improvement of endowment properties (b) maintenance and improvement of Harbour facilities, including harbour walls, and (c) on recreational and cultural facilities with the Pātea ward.
Centennial Bursary	67,175.11	36,040.00	(36,040.00)	0.00	67,175.11	To provide grants of up to \$400 towards tertiary education for eligible applicants. Only interest income from the fund may be used.
Kaupokonui Beach	41,299.52	10,931.91	(20,000.00)	0.00	32,231.42	To manage lease income from Crown land vested in the Council for capital works requested by the Kaupokonui Beach Society.
	913,233.60	1,248,342.21	(56,040.00)	(469,289.58)	1,636,246.23	

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STATUTORY RESERVES

	Opening balance \$000	Income \$000	Expenditure \$000	Other Adj \$000	Closing balance \$000	Purpose of funds
Waimate Development Levy	267,701.30	140,000.00	(140,000.00)	0.00	267,701.30	To hold funds derived from a levy on Kapuni Petrochemical Development for the funding of projects on public assets which are located on council owed property or reserves located within the boundaries of the old Waimate Plains County Council. The principle fund to remain at no less than \$260,000.00.
	267,701.30	140,000.00	(140,000.00)	0.00	267,701.30	

STATEMENT OF ACCOUNTING POLICIES

REPORTING ENTITY

South Taranaki District Council (the Council) is a territorial local authority governed by the Local Government Act 2002. The primary objective of the Council is to provide goods or services for the community or social benefit rather than making a financial return. Accordingly, the Council has designated itself a public benefit entity. The prospective financial statements are for the Council as a separate legal entity. Consolidated prospective statements comprising the Council and its subsidiaries have not been prepared.

BASIS OF PREPARATION

The Council, which is authorised to do so and believes that the assumptions underlying these prospective financial statements are appropriate, has adopted the financial statements within the Long Term Plan on 27 June 2018. The Council and Management of South Taranaki District Council accept responsibility for the preparation of the prospective financial statements, including the appropriateness of the assumptions underlying the prospective financial statements and all other required disclosures. No actual financial results have been incorporated within the prospective financial statement. The financial information contained within this LTP may not be appropriate for purposes other than those described.

STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

The prospective financial statements of South Taranaki have been prepared in accordance with the requirements of Section

95 of the Local Government Act 2002 and Financial Reporting Standards 42 (PBE FRS 42). The Council is a public benefit entity (PBE) and complies with the Accounting Standards Tier 1 issued by the New Zealand Accounting Standards Board of the External Reporting Board pursuant to section 24(1)(a) of the Financial Reporting Act 1993.

MEASUREMENT BASE

The financial statements have been prepared on an historical cost basis, modified by the revaluation of certain infrastructure assets, investment property, biological assets and certain financial instruments (including derivative instruments). These financial statements are rounded to the nearest thousand dollars (\$000) and as a result some rounding errors may occur in the financial statements. The Financial Statements are presented in New Zealand dollars.

STANDARDS ISSUED AND NOT YET EFFECTIVE AND NOT EARLY ADOPTED

PBE International Financial Reporting Standard (IFRS) 9 Financial Instruments is effective from periods beginning on or after 1 January 2021. PBE IFRS 9 addresses the classification, measurement and recognition of financial assets and financial liabilities and relaxes current requirements for hedge accounting. The council are currently assessing the impact of PBE IFRS 9 on the council.

All other standards, interpretations and amendments approved but not yet effective in the current year are either not applicable to the council or are not expected to have a material impact on the financial statements of the council and, therefore, have not been disclosed.

SIGNIFICANT ACCOUNTING POLICIES

1. SUBSIDIARY ENTITY

The Council has a subsidiary company Novus Contracting Limited (100% owned) and the company is inactive. The impact of any transactions with this entity on the Council's financial position is minimal. For the purposes of this LTP, only the operations of the parent entity, the Council, have been presented in these financial forecasts.

2. REVENUE

Revenue comprises rates, revenue from operating activities (fees and charges), investment revenue, grants and subsidies, capital contributions, gains, bequests and other revenue and is measured at the fair value of consideration received or receivable. Revenue may be derived from exchange and non-exchange transactions.

Exchange Transactions

An exchange transaction is where the Council receives assets or services, or has liabilities extinguished, and directly gives approximately equal value to the other party in exchange.

Non-Exchange Transactions

A non-exchange transaction is where the Council receives value from another party without giving approximately equal value in exchange.

An inflow of resources from non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

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A. RATES

Rates are set annually by a resolution from the Council and relate to a financial year. All ratepayers are invoiced within the financial year to which the rates have been set. Rates revenue is recognised when payable. Rates revenue collected on behalf of the Taranaki Regional Council is not recognised in the financial statements, apart from the statement of cash flows, as South Taranaki is acting as an agent for the Regional Council.

Revenue from water rates by meter is recognised on an accrual basis. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis.

Rate revenue is classified as non-exchange except for metered water rates which are classed as exchange revenue.

B. GOVERNMENT GRANTS AND SUBSIDIES

Government grants and subsidies are recognised upon entitlement at their fair value, which is when conditions pertaining to eligible expenditure have been fulfilled. The Council receives government grants from the New Zealand Transport Agency, which subsidises part of the costs in maintaining the local roading infrastructure. Grants and Subsidies are classified as non-exchange revenue.

C. FEES AND CHARGES AND SALE OF GOODS

Revenue from fees and charges is recognised from the rendering of services (eg building consent fees) where the transaction is based on the actual service provided as a percentage of the total services to be provided. Under this method, revenue is recognised in the accounting periods in which the services are provided. Within rendering of

services most activities are partially funded by rates and therefore classified as non-exchange revenue.

Sale of goods is recognised when goods are delivered and is classified as exchange revenue.

D. INVESTMENT INCOME

Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable. Interest income is classified as exchange revenue.

Dividends are recognised when the shareholders' rights to receive payment have been established and are recognised, net of imputation credits. Dividends are classified as exchange revenue.

E. OTHER GRANTS, BEQUESTS AND VESTED ASSETS

Other grants, bequests and assets vested in the Council are recognised when control over the asset is obtained. Vested assets are recognised as revenue at the fair value of the assets at the time of vesting. The above revenue is classified as non-exchange revenue.

F. CAPITAL CONTRIBUTIONS

Capital contributions for assets are recognised as revenue when received and is classified as non-exchange revenue.

G. GAINS

Gains include additional earnings on the disposal of property, plant and equipment and movements in the fair value of financial assets and liabilities. Gains are classified as exchange revenue.

H. FOREIGN CURRENCY - EXCHANGE DIFFERENCES

Foreign currency transactions have been converted into New Zealand dollars at the rate of exchange at the date of the transaction. Gains or losses on exchange have been recognised in the Surplus/Deficit. Gains on foreign currency exchange are classified as exchange revenue.

3. EXPENSES

Specific accounting policies for major categories of expenditures are outlined below:

A. GRANTS AND SPONSORSHIPS

Expenditure is classified as a grant or sponsorship if it results in a transfer of resources to another party in return for compliance with certain conditions relating to the operating activities of that party. It includes any expenditure arising from a funding arrangement with another party that has been entered into to achieve the objectives of the Council. Grants and sponsorships are distinct from donations which are discretionary or charitable gifts. Where grants and sponsorships are discretionary until payment, the expense is recognised when the payment is made. Otherwise, the expense is recognised when the specific criteria have been fulfilled.

B. FINANCE EXPENSES - INTEREST

Interest expense is recognised using the effective interest rate method. All borrowing costs are expensed in the period in which they are incurred. The Council has not capitalised borrowing costs associated with funding capital works in progress, which represents a departure from the

STATEMENT OF ACCOUNTING POLICIES

treatment required under PBE IPSAS 5: Borrowing Costs.

C. DEPRECIATION AND AMORTISATION

Depreciation of property, plant and equipment and amortisation of intangible assets are charged on a straight-line basis over the estimated useful life of the associated assets.

4. TAXATION

A. GOODS AND SERVICES TAX (GST)

GST has been excluded from all items in the financial statements except accounts receivable and accounts payable. Where GST is not recoverable as an input tax it is recognised as part of the related asset or expense.

B. INCOME TAX

Income tax expense is charged in the Statement of Financial Performance in respect of the current year's surplus after allowance for permanent differences.

Deferred taxation is the amount of income taxes payable (or receivable) in future years in respect of temporary differences (ie where the accounting treatment differs from the Inland Revenue Department's requirements). Deferred taxation is determined using the full provision method. Deferred tax assets are only recognised when recovery is probable.

5. FINANCIAL INSTRUMENTS

South Taranaki undertakes financial instrument

arrangements as part of normal operations. These financial instruments include cash and bank balances, investments, receivables, payables and borrowings. All financial instruments are recognised in the Statement of Financial Position and all revenues and expenses in relation to financial instruments are recognised in the Surplus/Deficit. Interest rate swaps are entered into to hedge against and manage its exposure to risk on debt.

A. FINANCIAL ASSETS

Financial Assets are initially measured at fair value plus transaction costs unless they are carried at fair value through profit or loss in which case the transaction costs are recognised in the Surplus/Deficit.

Purchases and sales of investments are recognised on trade-date, the date on which there is a commitment to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the transfer of substantial risks and rewards is completed.

Fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price used is the current bid price.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. A variety of methods and assumptions are used based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long term debt instruments held. Other techniques, such as discounted cash flows, are

used to determine fair value for the remaining financial instruments.

At year-end, the assets are assessed for indicators of impairment. Impairment is established when there is evidence that the Council and group will not be able to collect amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivable or liquidation and default in payments are indicators that the asset is impaired.

For shares, a significant or prolonged decline in the fair value of the shares below its cost is considered to be objective evidence of impairment. For listed bonds, significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership or liquidation and default in payments is considered to be objective evidence of impairment.

Financial assets are classified into four categories:

Financial assets at fair value through profit or loss:

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. After initial recognition they are measured at their fair values. Gains or losses on re-measurement are recognised in the Surplus/Deficit.

Loans and receivables:

These are non-derivative financial assets with fixed or determined payments that are not quoted in an active market. After initial recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or derecognised are recognised in the Surplus/Deficit. Loans and receivables

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are classified as “trade and other receivables” in the Statement of Financial Position.

Held to maturity investments:

Held to maturity investments are assets with fixed or determinable payments and fixed maturities that the Council has the positive intention and ability to hold to maturity. After initial recognition they are measured at amortised cost using the effective interest rate method. Gains and losses when the asset is impaired or derecognised are recognised in the Surplus/Deficit.

Investments in this category include term deposits, investments in local authority and government stock.

Financial assets at fair value through equity:

Financial asset at fair value through equity are those that are designated as fair value through equity or are not classified in any of the other three categories above. This category includes investments that are held long-term but which may be realised before maturity; and shareholdings that are held for strategic purposes. Investments in its subsidiary are not included in this category as they are held at cost. Gains and losses are recognised directly in equity except for impairment, which are recognised in the Surplus/Deficit. In the event of impairment, any cumulative losses previously recognised in equity will be removed from equity and recognised in the Surplus/Deficit even though the asset has not been derecognised. On de-recognition the cumulative gain or loss previously recognised in equity is recognised in the Surplus/Deficit.

6. FINANCIAL LIABILITIES

Financial liabilities comprise trade and other payables and borrowings. Financial liabilities (creditors, income in advance, loans, bonds and deposits) are initially recognised at fair value. Financial liabilities with duration of more than 12 months are recognised initially at fair value plus transaction costs and subsequently measured at amortised cost using the effective interest rate method. Amortisation is recognised within surplus or deficit. Financial liabilities with duration of less than 12 months are recognised at their nominal value. On disposal any gains or losses are recognised within surplus or deficit.

A. IMPAIRMENT OF FINANCIAL ASSETS

At each balance date the Council assesses whether there

is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised in the Surplus/Deficit.

B. DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING ACTIVITIES

The Council uses derivative financial instruments to hedge its exposure to interest rate risks arising from operational, financing and investment activities. In accordance with the treasury policies of the respective group entities, the Council does not hold or issue derivative financial instruments for trading purposes. However, derivatives are accounted for as trading instruments. Derivative financial instruments are recognised initially at fair value and subsequently at fair value. The gain or loss on re-measurement to fair value is recognised immediately in the Surplus/Deficit. The fair value of interest rate swaps is the estimated amount that would be received or would pay to terminate the swap at the balance sheet date, taking into account current interest rates and the current creditworthiness of the swap counterparties.

7. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with the original maturities of three months or less. It includes all funds held for the day-to-day management of the Council and does not include funds set aside for specific purposes (eg Reserve Funds).

8. ACCOUNTS RECEIVABLE

STATEMENT OF ACCOUNTING POLICIES

Accounts receivable are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

A provision for impairment of accounts receivable is established when there is objective evidence that the Council will not be able to collect all amounts due according to the original terms of the agreement. The amount of the provision is the difference between the assets' carrying amount and the present value of estimated future cash flows, discounted using the effective interest method.

9. INVENTORIES

Inventories are valued at the lower of cost (determined on a first-in first-out basis) and net realisable value. This valuation includes allowances for slow moving and obsolete inventories.

10. INVESTMENTS

Investments in bank deposits are recognised at cost plus accrued interest. This is considered fair value. Long term receivables and advances are recognised at cost plus accrued interest. Investments in associates are recognised at cost.

The Council's interest in the Joint Wanganui District Council's Forestry Committee is valued at fair value, using the discounted cash flow method. Movements in fair value will be taken through equity.

Investments and other shares are valued at fair value.

Where there is an active market, fair value is determined by reference to published prices. Otherwise fair value is determined by using a variety of valuation techniques. Movements in fair value will be taken through equity.

11. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consist of operational assets, restricted assets and infrastructure assets.

All assets are recorded at cost/valuation less accumulated depreciation (with the exception of land which is not depreciated).

All property, plant and equipment is classified as non-cash generating as these assets are not held with a primary objective of generating commercial return.

For those assets that are re-valued, the change in valuation is credited or debited to the asset revaluation reserve for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed in the Statement of Financial Performance. Any subsequent increase on revaluation that offsets a previous decrease in value recognised in the Statement of Financial Performance will be recognised first in the Statement of Financial Performance up to the amount previously expensed, and then credited to the revaluation reserve for that class of asset. Additions subsequent to revaluations are recorded at cost.

Disposals

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits or service potential are expected from its use or

disposal.

Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus or deficit. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated funds.

Operational Assets

These include land, building, motor vehicles, plant and equipment and library books.

Land and buildings are valued at fair value, as determined from market based evidence, by the Registered Valuers, as at 30 June 2017. Valuations are generally carried out on a three-yearly cycle unless market conditions require otherwise. Motor vehicles, library books and plant and equipment are valued at cost less accumulated depreciation.

Restricted Assets

These are assets owned by the Council that cannot be disposed of because of legal or other restrictions and provide a benefit or service to the community.

Land and buildings are valued at fair value, as determined from market based evidence, by the Registered Valuers, as at 30 June 2017. Valuations are generally carried out on a three-yearly cycle unless market conditions require otherwise.

Parks and Recreation Assets were valued at fair value by the Registered Valuers, as at 30 June 2017. Valuations are carried out on a three-yearly cycle.

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Heritage and Cultural Assets were valued at fair value by Registered Valuer as at 1 July 2001. This is considered deemed cost.

Infrastructural Assets

These are the fixed utility systems owned by the Council. Each asset type includes all items that are required for the network to function.

Sewerage, water, drainage, and roading infrastructural assets are valued using the depreciated replacement cost method. There are a number of estimates and assumptions exercised when valuing infrastructural assets using the depreciated replacement cost method. These include:

- Estimating any obsolescence or surplus capacity of the asset.
- Estimating the replacement cost of the asset. The replacement cost is derived from recent construction contracts in the region for similar assets.
- Estimates of the remaining useful life over which the asset will be depreciated. These estimates can be affected by the local conditions. For example, weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then the Council could be over-or-under-estimating the annual depreciation charge recognised as a n expense in the statement of comprehensive revenue and expense. To minimise this risk, infrastructural asset useful lives have been determined with reference to the New Zealand Infrastructural Asset Valuation and Depreciation Guidelines published by the National

Asset Management Steering Group, and have been adjusted for local conditions based on past experience. Asset inspections, deterioration, and condition-modelling are also carried out regularly as part of asset management planning activities, which provides further assurance over useful life estimates.

Infrastructural assets (excluding land) have all been valued at optimised depreciated replacement cost by the Registered Valuers as at 30 June 2017. Valuations are generally carried out on a three-yearly cycle unless market conditions require otherwise. Infrastructural land under Roads was valued at market value by the Registered Valuers, as at 30 June 2017. Valuations are generally carried out on a three-yearly cycle unless market conditions require otherwise.

Certain infrastructural assets and land have been vested in the Council as part of the sub-divisional consent process. The vested asset has been valued at the latest appropriately certified government valuation or at a mutually agreed market value or at a value determined through arbitration. Vested infrastructural assets have been based on the actual quantities of infrastructural components vested and current “in the ground” cost of providing identical services.

All other assets are valued at historical cost less accumulated depreciation.

12. DEPRECIATION

Depreciation rates for fixed assets are as follows:

Operational Assets

Depreciation rates for operational assets are based on a straight line basis.

Buildings	1.11% - 6.67%
Motor Vehicles	12.50% - 20.00%
Plant and Equipment	6.67% - 20.00%
Information Systems Equipment	25.00%
Library Books	10.00% - 20.00%
Furniture and Fittings	5.00 - 20.00%
Office Equipment	10.00% - 33.33%

Infrastructural Assets

Roading

Provision has been made for depreciation of those significant components of the roading asset, based on their remaining lives.

The significant component depreciation rates are as follows:

Traffic Facilities, Signs and Markings	7 - 60 yrs	1.60% - 15.00%
Bridges	50 - 100 yrs	1.00% - 2.00%
Footpaths	5 - 50 yrs	2.00% - 20.00%
Pavement Surfacing	8 - 16 yrs	6.25% - 12.50%
Drainage and Culverts	40 - 100 yrs	1.00% - 2.50%
Roading Base-course	30 - 80 yrs	1.25% - 3.33%

Water, Sewerage and Stormwater Reticulation Systems

Provision has been made for depreciation of components of the assets based on their remaining life.

STATEMENT OF ACCOUNTING POLICIES

Water Reticulation	35 - 100 yrs	1.00% - 2.90%
Water Treatment Plants	10 - 100 yrs	1.00% - 10.00%
Sewerage Reticulation	50 - 100 yrs	1.00% - 2.00%
Sewerage Treatment Plants	10 - 100 yrs	1.00% - 10.00%
Stormwater Pipes	50 - 100yrs	1.00% - 2.00%

Restricted Assets

Heritage and Cultural Assets

Provision has been made for depreciation of components of the assets based on their remaining life.

	5 - 250 yrs	0.40% - 20.00%
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Parks and recreation assets

Provision has been made for depreciation of components of the assets based on their remaining life.

	2 - 100 yrs	1.00% - 50.00%
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Assets under Construction

Assets under construction are not depreciated. All costs are initially capitalised as work in progress. On completion, the cost is transferred to the relevant asset class and is then depreciated.

for the disposal of effluent via the company's outfall. This has been recorded at cost and is amortised on a straight line basis over the life of the agreement (16 years).

Software licences are recognised at cost and amortised on a straight line basis over the life of the licence (two to five years).

14. IMPAIRMENT OF ASSETS

At each balance date the Council assesses whether there is any objective evidence that any asset has been impaired. Any impairment losses are recognised in the Surplus/Deficit.

15. EMPLOYEE ENTITLEMENTS

Provision is made for employee benefits accumulating as a result of services rendered.

Provision is made in respect of the Council's liability for annual leave and sick leave. Annual leave has been calculated on an actual entitlement basis at current rates of pay, while other provisions have been calculated on an actuarial basis at current rates of pay.

16. LANDFILL POST-CLOSURE COSTS

As operator of the District landfills, the Council has a legal obligation to provide on-going maintenance and monitoring services at the landfill site after closure. A provision for post-closure costs is recognised as a liability when the obligation for post-closure arises.

The provision is measured based on the present value of future cash flows expected to be incurred, taking into account future events including legal requirements, known improvements in technology and all other costs associated with landfill post-closure.

Amounts provided for landfill post-disclosure are capitalised to the landfill asset where they give rise to future economic benefits to be obtained. Components of the capitalised landfill asset are depreciated over their useful lives.

The time needed for post-closure care is as per the resource consents issued by TRC.

The discount rate used is a rate that reflects current market assessments of the time value of money and the risks specific to the Council.

17. COMMUNITY LOANS

The Council has acted as guarantor for a number of sports clubs. These are valued in the Council's financial statements at fair value, taking into account the likelihood of the Council being required to make payment on these loans.

18. PUBLIC EQUITY

Public equity is the community's interest in the Council, as measured by the value of total assets less total liabilities.

13. INTANGIBLE ASSETS

The Council has entered into an agreement with Fonterra

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Equity is dis-aggregated and classified to enable a clearer identification of the various components. Accumulated balances comprise accumulated surpluses over the years.

Restricted and Statutory Reserves are those funds subject to external restrictions accepted as binding by the Council, which may not be revised by the Council without reference to the courts or a third party. Investment Revaluation Reserves comprise accumulated valuation increments.

19. LEASES

Leases where the lessor substantially retains all the risks and benefits of ownership of the leased items are classified as operating leases. Payments under these leases are charged as expenses in the periods in which they are incurred.

Leases which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item are classified as finance leases. These are capitalised at the lower of the fair value of the asset or the present value of the minimum lease payments. The leased assets and corresponding lease liabilities are recognised in the Statement of Financial Position. The leased assets are depreciated over the period the Council is expected to benefit from their use.

20. STATEMENT OF CASH FLOWS

Cash means cash balances on hand, held in bank accounts, deposits on demand and other highly liquid investments

in which the Council invests as part of its day-to-day cash management.

Operating Activities include cash received from all income sources and record the payments made for the supply of goods and services. Agency transactions (for example, the collection of regional council rates) are recognised as receipts and payments in the Statement of Cash Flows given that they flow through the Council's main bank account.

Investing Activities are those activities relating to the acquisition and disposal of non-current assets.

Financing Activities comprise activities that change the equity and debt capital structure of the Council.

21. ALLOCATION OF OVERHEADS

All support centre costs are passed onto activity centres as overheads. The basis of recovery is usage based on the step method.

22. CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

In preparing these financial statements the Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. These estimates and assumptions that

have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are detailed below.

Infrastructural assets

There are a number of assumptions and estimates used when performing the depreciated replacement cost valuation. These include:

- > The physical deterioration and condition of an asset. This is mainly for the assets that are not visible (eg underground utilities). There are on-going physical inspections and condition modelling assessments to improve information on these assets. Estimating any obsolescence or surplus capacity of any asset.
- > Estimates are made determining the remaining useful lives over which the assets will be depreciated. Published guidelines, component design lives and local conditions have been used to assist with the estimation of the remaining useful lives.

Critical judgements in applying accounting policies

Management has consistently applied the Council's accounting policies for the period ended 30 June 2017 and has not been required to exercise critical judgement in implementing these policies beyond what would be expected on a normal day to day basis.

23. BORROWING COSTS

Borrowing costs are recognised as an expense in the period in which they are incurred.