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Mayor Craig Little and Wairoa District Council CEO Fergus Power.

‘Nā ngā pakihwi o ō tātou tīpuna, ka taea e tātou te titiro whakamua.’
‘From the shoulders of our ancestors, we are able to see the future.’

Welcome to our Long-term Plan (LTP). The development of the 2015-25 LTP has provided an opportunity for individuals, organisations and businesses to have their say on the Council's direction, priorities, work programme and budgets for the next 10 years.

Council's direction is about maintaining sound infrastructure and core services as well as looking for new and creative solutions to see Wairoa prosper. This double edged approach ensures that ratepayers and the community have an affordable strategy now and for future growth. We encourage the people of Wairoa to assist us in setting priorities and programmes which build a brighter tomorrow and invest in the future.

We know that ambitious development is not possible without a sound financial base. Recently we have been working hard on resetting the financial baseline of Council with a particular focus on intergenerational equity, where resources and assets are administered and preserved in trust for future generations. Investing

in our future will require rates increases; however, Council will use its reserves to keep rates at an affordable level.

The next 10 years will be some of the most important for us in deciding the future of Wairoa. There are many challenges including economic development, infrastructure, social and cultural imperatives and this plan seeks to address those in an innovative and cost-effective way.

Throughout the plan's development, Council has sought to consider transformation and investment into the community. The need to arrest and reverse population decline and build our economic capabilities remains vital; economic development is a key priority. Our goal is to partner with others to develop further a Council environment which assists businesses to bring about real change for Wairoa.

Infrastructure provides a foundation for building strong and resilient communities and Council will be investing in infrastructure over the life of this plan. These projects will keep our district working and are necessary to continue or improve levels of service and regulatory compliance.

The projected average rates increase up to 2025 is 4.34% per annum.

Maintaining sound infrastructure and core services as well as planning for the future and looking for new and creative solutions to see Wairoa prosper is the key theme throughout this plan and Council calls on the community to support its vision for bringing real change. It is up to each and every one of us to contribute to positive change, and together, we can make this happen.

The LTP was adopted on 5 August 2015. This is outside the statutory requirement to adopt the LTP on, or before 30 June 2015.

Thank you for taking the time to read this plan.

Fergus Power
CEO
WAIROA DISTRICT COUNCIL

Craig Little
MAYOR
WAIROA

Introduction

This document is the 2015-2025 Long-term Plan (LTP) for the Wairoa District.

It takes account of the Local Government Act 2002 – the governing legislation that sets out what Council can and cannot do and reflects a clear move towards a concept of ‘general competence’.

On the one hand, general competence gives Council greater flexibility in terms of the activities it can become involved with and on the other; it increases the opportunity for more community involvement in decision making.

The life of this LTP is from 1 July 2015 until 30 June 2025 (with a review in 2018).

What is an LTP? It is a document that sets out the Wairoa District Council and community’s priorities over the medium to longer term. It will also tell you how Council intends to contribute to the well-being of the community over the life of the plan.

An LTP details what Council intends to do over the next ten years, how this will be achieved and what it will cost.

It is a ten-year plan and is more holistic in terms of acknowledging and responding to community concerns. It will be reviewed every three years to keep it up to date.

An Annual Plan will also be completed to keep everyone informed of Council’s work during the year.

The full LTP includes this document, details of all Council’s activities and contains summaries of the Wairoa District Council’s:

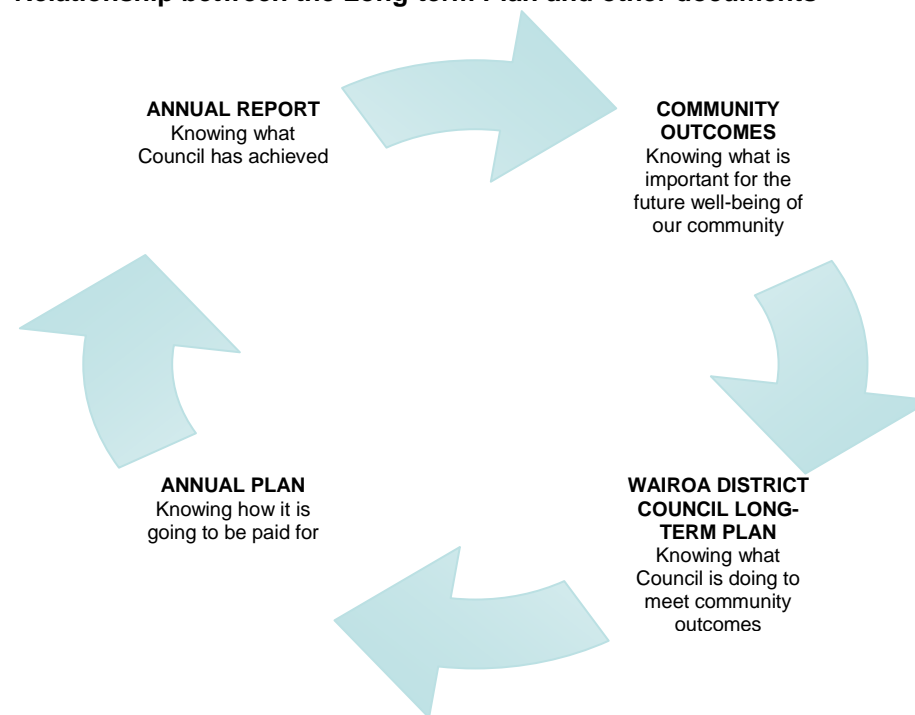
- Waste Management and Minimisation Variations, and
- Water and Sanitary Services Assessment Variations.

Changing the plan

If any significant changes need to be made to the LTP before it is formally revised at each three-year interval, the proposed changes will be publicly notified to give anyone affected an opportunity to have their say before Council decides whether or not to make the proposed changes.

Our ‘significance and engagement policy’ guides us in determining the importance of an issue and the possible impact on the community. When an issue is deemed significant, we will consider how best to consult you. The significance and engagement policy is included in the policy section.

Relationship between the Long-term Plan and other documents



Plan Structure

The Local Government Act 2002 requires Council to have a Long-term Plan.

However, instead of undertaking a public consultation process on the Annual Plan every year as Council has done in the past, the LTP covers some new ground, and will normally go through a full public consultation process every three years.

This LTP supersedes Council's current Long-term Plan adopted on 23 July 2009.

The **Introduction** includes an overview of the LTP, an outline of the plan structure and a schedule of items, some of which are subject to a special consultative procedure. Within this section also are a number of 'significant issues' which have been identified as being of particular interest to the community because of their impact on service levels, cost, or because of their effect on the social, economic, environmental or cultural well-being of the district. Finally, pursuant to schedule 10 (section 17) of the Local Government Act 2002, this section contains an outline of 'significant forecasting assumptions'.

Part One of the plan places emphasis on nine community outcomes, which the community wishes to achieve.

The Act recognises a need for all sectors, including central and local government, Māori, and non-government organisations, to work towards collaborating, sharing information and coordinating collective efforts to achieve the community's outcomes over time.

The Local Government Act 2002 recognises the special role local authorities will have in facilitating this result.

Part One also indicates what steps Council will take to ensure improved Māori capacity in decision making and will also address how achievement towards the community outcomes will be monitored and reported.

Part Two of the plan sets out Council's proposed future levels of service and performance targets and measures for each group of activities and their direct linkage to community outcomes. Detailed information on each group of activities, the rationale for involvement, significant adverse effects of those activities on the social, economic, cultural and environmental well-being of the community, service levels, as well as costs and funding mechanisms is contained in part two of this plan.

Part Three of the plan has the ten-year financial details for all activities combined, together with financial statements and forecasts for that same period.

Part Three also includes the Statement of Accounting Policies that provides the basis upon which the financial results and financial position have been measured. It provides information on specific policies relating to the valuation of revenue, costs, assets and liabilities and the useful lives applicable in depreciation of fixed and infrastructure assets.

Part Four of the plan includes reference to a range of funding and financial policies.

Part Five of the plan includes reference to a range of current Council plans and documents (e.g. the Wairoa District Plan, Coastal Strategy etc.) and briefly relates these to the achievement of community expectations and outcomes.

Part Five also includes a schedule of fees and charges that will be reviewed annually and published as part of the Annual Plan.

Big Issues

There were a number of 'big issues' within the Consultation Document which were identified as being of particular interest to the community because of their impact on levels of service and costs, or their effects on the social, economic, environmental or cultural well-being of the district.

This is a brief summary of those issues and the decisions Council has reached following the public consultation process.

WAIROA WI-FI

As part of the Consultation Document and consultation process, Council presented a Wairoa Wi-Fi proposal which aimed to provide internet access for its urban ratepayers. Wairoa district is currently the second most digitally disconnected community in New Zealand. The Wairoa Wi-Fi proposal aligns with: (a) a number of central government principles notably promoting competition, supporting innovation, technology neutrality and transparent social objectives; (b) Council's Mission Statement, which speaks of 'Connected Communities'; and (c) it also provides resources for both residents and business to enter into the growing online commerce sector.

The costs included in the Consultation Document covered the feasibility process, capital costs associated with the core connection, distribution sites, access points, additional wireless units to cover low density urban areas, and ongoing operational costs. This would not be a user pays system and these costs would fall on urban ratepayers.

Council considered the following options:

OPTION 1 - LOAN FUND

Council's preferred option was to loan fund the capital works of this project. The draft LTP included an increase in external debt of \$900k with associated interest and loan repayment costs of \$1.2m being funded by rates. This would equate to a cost of \$8 (including GST) per month for the average urban ratepayer.

This option would contribute no more than 3% annually (including capital and operational spend) to the increase in rates over the 10-year period.

OPTION 2 - FUND FROM RESERVES

If it was decided that funding be provided from general reserves then the impact on the LTP would be to reduce external debt by \$900k, reduce rates by \$1.2m and reduce reserves by \$900k. No capital costs per month would be incurred. This option would contribute no more than 2% annually (including capital and operational spend) to the increase in rates over the 10-year period.

OPTION 3 - DO NOT PROVIDE FOR WI-FI

If it was decided that Wi-Fi is a proposal not supported by the community and it was removed from the LTP, the impact on the LTP would be to reduce debt by \$900k and reduce rates by \$1.2m. This option would not contribute to any growth in rates over the 10-year period.

DECISION:

Following consultation, hearings and deliberations, Council has adopted option 3 - do not provide for Wi-Fi.

WAIROA WASTEWATER TREATMENT PLANT

A significant issue for the Wairoa Wastewater Treatment Plant is the renewal of the discharge consent, with the current consent due to expire in 2019. In recognition of a potentially time-consuming resource consent process, a feasibility study is underway to identify options for consultation with stakeholders. It is possible that the current discharge of treated effluent direct to the Wairoa River will have to be modified and that a new method of discharge will be required. A sum of \$4.35m has been allowed for the development of the new/upgraded scheme with an additional \$500k for associated professional services over the next five years. Please note this project only affects those ratepayers connected to the Wairoa wastewater treatment system.

Council considered the following options:

OPTION 1 - LOAN FUND

Council's preferred option was to fund this major development from external loans. The LTP included within it \$5m of external debt and \$2.3m of associated interest and loan repayment costs which were to be funded through rates. This option would contribute no more than 2% annually to the increase in rates over the 10-year period.

OPTION 2 - FUND CONSENTING COSTS FROM RATES AND PART FUND PLANT BUILD COSTS FROM RESERVES

For the purpose of the Consultation Document, it was assumed that \$1m of the total \$5m could reasonably be considered consenting costs and 50% of the remaining costs could reasonably be funded from reserves. This option would contribute up to 4% of rates growth to 2018/19 annually, then 1% of rates growth annually thereafter.

If this option were to be adopted then the impact on the LTP would be to reduce external debt by \$3m, reduce rates by \$400k and reduce reserves by \$2m.

DECISION:

Following consultation, hearings and deliberations, Council has resolved that the Wairoa Wastewater Treatment Plant is to be funded through depreciation funds (if appropriate, subsidies and loan funds).

The split between depreciation and loan funding is 20%/80%.

PIPING OPEN DRAINS

When an open drain is piped, one of the results is a much better-looking streetscape. It makes the roadside safer and more usable as the finish is a grass 'swale' that can be easily mowed and gives somewhere for people to walk off the carriageway.

Council currently pipes drains to the value of around \$100k per year. This equates to approximately 200m of open drain each year. There are over 22km of open drains in the Wairoa township, and our assessment of the cost to pipe them is approximately \$12m. At the current rate of piping, it would take 100 years to complete the programme.

Options to accelerate the piping programme have been considered in the past but the status quo has been retained due to the likely impact on household rates of an accelerated programme. As such, an allowance of \$100k per annum has been made in this plan for its duration.

As well as the 'standard' roadside drain that typically gets replaced with a 300mm (12 inch) diameter pipe, there are a number of larger drains, most notably the Kitchener Street drain, which would require pipes of up to 1800mm (6ft) diameter. Provision has now also been made for piping of the Kitchener Street drain with \$1.3m allocated between 2015 and 2022, to be completed in two stages.

Council considered the following options:

OPTION 1 - LOAN FUND

Council's preferred option was to loan fund any new piping of open drains. The draft LTP included an increase in external debt of \$1.3m with associated interest and loan repayment costs of \$600k being funded through rates. This option would contribute to less than 1% of rates growth for each year in the 10-year period.

OPTION 2 - RATE FUNDED

Alternatively, Council considered that the piping of open drains should be funded from rates alone. The impact on the LTP of this proposal would be to reduce external debt by \$1.3m and increase rates by \$800k. This option would contribute to approximately 1% of growth in rates for each year of the LTP.

OPTION 3 - DEFER WORK

Council considered postponing or deferring this work. If this were to happen, the impact on the LTP would be a reduced external debt of \$1.3m and a reduction in rates of \$600k. This option would not contribute to any growth in rates over the 10-year period.

DECISION:

Following consultation, hearings and deliberations, Council has confirmed that the status quo of \$100,000 per annum funded from rates is to continue for the piping of open drains. The work is to be conducted based on a prioritisation list (this is essentially option 3).

FIRE APPLIANCES

Council is responsible under the Forest and Rural Fires Act 1977 to reduce the incidence of fire, be prepared to respond to fires, extinguish them and to assist with the recovery of damage caused by those fires. Council does this by providing fire stations, appliances, equipment and training of rural firefighting volunteers. In addition, Council coordinates these activities through the provision of a trained Rural Fire Officer who manages fires within the Wairoa District Council Rural Fire Authority Area. The officer is also responsible for ensuring suitable resources are available for use in the event of a fire.

The response vehicles currently in use have been sufficient to address any fires that have occurred in the district. However, some of the vehicles are ageing and it is necessary to replace them to ensure a reliable, effective fire response is maintained. It is considered that no emergency vehicle should be older than 20 years and that all current rural fire response vehicles should be on a 20-year renewal cycle to ensure appropriate resources are available in the event of a rural fire. Council is planning to purchase three fire appliances (one each year over the next three years).

Council considered the following options:

OPTION 1 - LOAN FUND

This was Council's preferred option and the draft LTP included within it an increase in external debt of \$700k together with associated interest and loan repayment costs of \$700k being funded by rates. This option would contribute less than 1% of rates growth for each year in the 10-year period.

OPTION 2 - RATES FUNDED

If this option were to be selected, then the impact on the LTP would be to reduce external debt by \$700k. This option would lead to an increase in rates of approximately 2% each year for the first three years of the LTP.

OPTION 3 - USE GENERAL RESERVES

If this option were to be selected then the impact on the LTP would be to reduce external debt by \$700k, reduce rates by \$700k and reduce reserves by \$700k. This option would not contribute to any growth in rates over the 10-year period.

DECISION:

Following consultation, hearings and deliberations, Council has resolved to defer the decision to the 2016/17 Annual Plan. Council will carry out a thorough appraisal of the current appliances and equipment to ensure that Council meets the needs of our community. A sum of \$10,000 for the appraisal is to be funded from rates.

USE OF COUNCIL RESERVES TO SMOOTH RATES

Council is proposing to use reserves to reduce the forecasted rates increases from 2016-2017 until 2021. Council then proposes to repay those reserves. This effectively reduces the amount of rates payable in the years 2016-2021 but increases rates from 2021-22 until the end of the LTP. Currently, Council has sufficient reserves to enable this to occur. As these are general reserves and at this stage have no specific purpose, this is a prudent use of the reserves. The amounts required to be transferred will be confirmed in the future year's Annual and LTPs. Over the 10 years of the LTP, it is proposed to allocate \$39.5m to replace existing assets. This is more than Council intends to rate for depreciation purposes. The difference will be funded from reserves. This is why the asset replacement reserves were created. The reason for the difference is that asset replacements are based on condition and performance of the asset and are not consistent with depreciation which is based on the total useful life.

This will see the asset replacement reserves decreasing over the 10 years.

Council considered the following options:

OPTION 1 - NOT TO USE RESERVE FUNDS

This would increase the rate payable until 2018-2019.

OPTION 2 - NOT REPAY THE AMOUNT TRANSFERRED FROM THE RESERVES

This would reduce the rate payable from 2020-2021 but will also reduce both the reserve funds and cash on hand from that period.

DECISION:

Following consultation, hearings and deliberations, Council has approved the use of reserves to smooth rates. Council is proposing to use reserves to reduce the forecasted rates increases from 2016-2017 until 2021. Council then proposes to repay those reserves. This effectively reduces the amount of rates payable but increases rates from 2021-22

Project Updates

This is a brief summary of key projects Council has been working on:

ECONOMIC DEVELOPMENT

We all want to live in a prosperous district where everyone has an opportunity to benefit from a strong local economy. Our district offers some considerable opportunities for economic development and growth including a superb climate and sunshine hours, strong agricultural and forestry sectors, comparatively low property costs, under-utilised tourism resources and excellent lifestyle appeal. Council aims to leverage off those opportunities and, in partnership with the community and other stakeholders, create an environment where people, communities and businesses thrive.

GAIETY THEATRE

Council has tagged funding towards supporting the Gaiety Theatre in the interests of working with the community to return the Gaiety Theatre to prominence. Council has coordinated the sub-lease of the theatre to Te Matarae o Te Wairoa Trust. The Trust has gained sponsorship for high quality sound equipment and digital movie screening technology.

PARKS AND RESERVES

Refer to the 2015 Parks and Reserves Asset Management Plan for a more detailed outline of significant issues for the next 10 years.

WALKWAY LOOP DESIGN FEASIBILITY

The previous Council witnessed the positive impact the walkway has had on the district and were interested in investigating an extension or loop to the current track. Council is currently evaluating the options.

IMPLEMENTATION OF RESERVE MANAGEMENT PLANS

Over the course of the past few years, Council has adopted Reserve Management Plans for Māhanga, Māhia Grouped Reserves, Wairoa Riverbank Reserve and Rangi-houa Pilot Hill Reserve. Ōpoutama and Waikōkopu Reserve Management Plans are in the final stages of preparation and adoption. \$100k was allocated for the 2014-15 financial year for the implementation of the proposals for Ōpoutama. A further \$50k has been allowed for 2015-16 for partial implementation of the Rangi-houa Reserve Management Plan starting with a carpark area. Council is currently working with Hawke's Bay Regional Council to mitigate erosion issues at Rangi-houa which will allow full implementation.

WHAKAMAHI & WHAKAMAHIA ENHANCEMENT PROJECT

Council is working with a number of key stakeholders on the Whakamahi and Whakamahia Enhancement Project. The concepts of 'kaitiakitanga' or 'guardianship' form the basis of a project to create an attractive and accessible platform from which both locals and visitors can enjoy the Whakamahia area. The area from Rangi-houa to the end of Whakamahia Road will become an extension of our town, providing a worthy presentation of the place where river meets sea. Improvements to roading, designated picnic areas including BBQs and basic comfort facilities are earmarked to be included in the plan which will be developed with extensive community consultation. Provision to progress this project has been accounted for in this plan.

NEIGHBOURHOOD PLAYGROUNDS

Following earlier consultation with a community group on proposals for upgrades of neighbourhood playgrounds and the Marine Parade playground, \$50k has been allocated for 2015-16 and \$50k for 2019-20 to implement playground upgrades. An allocation of \$50k has also been made for the installation of security cameras.

WASTE MANAGEMENT

Refer to the 2015 Waste Management Asset Management Plan and Council's Infrastructure Strategy for a more detailed outline of significant issues for the next 10 years.

ZERO WASTE

The district philosophy of moving toward zero waste has had a consequence of reducing waste volumes over the weighbridge and increasing the quantity of recycling (no user charges). The waste stream has reduced to less than 2,000 tonnes per annum. This is likely to put pressure on the affordability and sustainability of the landfill operation due to the fixed operating costs.

A sum of \$50k in 2015-16 has been set aside in this plan to improve the existing diversion facilities with \$100k over the next 10 years for renewals and improvements to the recycling area.

WASTEWATER

Refer to the 2015 Sewerage Asset Management Plan and the Council's Infrastructure Strategy for a more detailed outline of significant issues for the next 30 years.

MĀHIA BEACH AND ŌPOUTAMA COMMUNITY WASTEWATER SCHEMES

The Māhia Beach and Ōpoutama Community Wastewater Schemes are now both operational. However, wastewater will continue to be an issue for the district for years to come.

INFLOW AND INFILTRATION

The Wairoa sewerage scheme pipe network is approximately 55% through its average service life and infiltration through pipe joints leaking has led to the system overflowing during and after a sustained wet period. This causes breaches of resource consent from the Wairoa wastewater treatment plant. Council is currently undertaking condition assessments in order to prioritise works and develop the most cost-effective renewals programme to address these issues. \$1.0m has been allocated to renewals for the next three years with \$250k per annum up to year 10 of this plan and then reducing to \$100k per annum beyond. An additional \$400k over the next three years has been specifically allowed for infiltration investigations/condition assessments which will assist in developing the optimum programme of pipe renewals.

WATER SUPPLY

Refer to the 2015 Water Supply Asset Management Plan and the Council's Infrastructure Strategy for a more detailed outline of significant issues for the next 30 years.

TUAI WATER SUPPLY

The Tuai supply was upgraded in 2012 to provide treated water that meets the Drinking Water Standards.

WAIROA WATER SUPPLY

Resilience is a key issue for the Wairoa water supply. The Tawhara tank renewals, to ensure 24-hour minimum storage for Wairoa, are programmed to commence in 2015-16 with estimated costs of \$2.5m (\$1.7m subsidy). The supply is dependent on a single source where raw water is taken from the Waiau River, treated at the Frasertown treatment plant and distributed through a single trunk main to storage reservoirs at the township boundary. Under the Infrastructure Strategy which addresses significant issues associated with core infrastructure for the next 30 years and the 2015 Asset Management Plan, provision has been made from 2025-35 for the development of an alternative treated source of water supply.

An allowance of \$150k to \$250k per annum has also been made in the plan for pipe renewals, including modelling and condition assessments. This programme will replace critical pipes which are deteriorating thereby reducing unplanned outages of the water supply.

MĀHANGA WATER SUPPLY

The Māhanga water supply (a neighbourhood supply under the Drinking Water Amendment Act 2007) does not meet the New Zealand Drinking Water Standards (NZDWS). Furthermore, the pressure available from the supply means it is not suitable for firefighting, even though there are hydrants in the reticulation. As the drinking water supplier, Council is required under legislation to meet the NZDWS by 1 July 2016. A sum of \$200,000 has been allocated for a treatment upgrade to the Mahanga supply before 2020. The community's views on whether to decommission this supply or upgrade it will be determined through a referendum after the reorganisation poll, after which a final decision on whether to proceed with this will be made.

STORMWATER

Refer to the 2015 Stormwater Asset Management Plan and the Council's Infrastructure Strategy for a more detailed outline of significant issues for the next 30 years.

It is noted above that there are inflow and infiltration issues in the wastewater system. In conjunction with works to address this under the wastewater budget, provision has been made to undertake renewals of stormwater pipes as best determined through condition assessments and the development of a cost-effective renewals programme. To date, asset condition is not well known and has primarily been based on age of pipes/assets and visual inspections. Renewals of \$200k to \$250k have been allowed in this plan for stormwater assets.

STORMWATER DISCHARGE CONSENT

Under the Hawke's Bay Regional Plan, the Wairoa township stormwater network requires discharge consent. Primarily, it is those pipes that drain industrial or commercial areas where there is a higher risk of contamination through spillage. The process of obtaining consent involves water sampling, testing and subsequent analysis by scientists to determine whether the effects of our discharges are 'no more than minor'. Where there are potentially adverse effects, we may be required to install treatment devices on Council pipes, or individual high-risk properties may be required to install their own devices.

There is a \$100k provision in 2015-17 for obtaining resource consent with a further \$50k allocation in 2040-2045 to maintain this consent. Subsequent works will need to be costed and included in future annual plans for consideration by Council. These costs have increased from those previously estimated, partly in recognition of developing appropriate conditions of consent.

LAND TRANSPORT

Refer to the 2015 Land Transport Asset Management Plan and the Council's Infrastructure Strategy for a more detailed outline of significant issues for the next 30 years.

There is significant pressure nationally to reallocate road maintenance funding. Financial assistance subsidy rates for approved roading authorities have been adjusted and this framework will reduce specific emergency works and special purpose road funding for Wairoa.

Budgets provided in the 2015 Land Transport Asset Management Plan allow for us to generally maintain levels of service detailed in the LTP. The following paragraphs outline the most significant considerations for the land transport activity. Budgets provide for \$8.1m per annum for subsidised and non-subsidised works.

ROAD MAINTENANCE

Over the past few years, Council has acted to mitigate road funding increases through reduced use of consultants (by establishing our own infrastructure unit). Staff have made significant efforts to identify savings and we will continue to look for ways to deliver acceptable levels of service with the same or less money.

A significant issue on the horizon is that Council's bridge stock begins to reach into the second half of its design life. We currently do not have enough information on the scale of the challenge we might be facing and a key project for our asset managers over the next one to two years will be to get a better understanding of when renewals will be required and how these might be funded. The budget for bridge renewals is to be increased from \$400k to \$600k per annum for the next 10 years to address this.

It is proposed to increase the length of reseals across the district from 28km to 34km per annum in an attempt to 'catch up' on the backlog of deferred reseals. This will come at a cost of \$2.8m over the next three years.

TE UREWERA RAINFOREST ROUTE (SH38)

Over the previous Council term, consultation with tangata whenua and neighbouring councils led to the formation of a group focused on promoting the upgrade of Te Urewera Rainforest Route from Frasertown to Rainbow Mountain (the intersection with SH5). The group includes tangata whenua representatives from Waikaremoana and Ruatāhuna as well as representatives from the Wairoa, Whakatāne and Rotorua District Councils, NZTA and the Department of Conservation.

A key foundation in the upgrade proposal is for Council to take control of the route within the district and this has led to NZTA considering revocation of the state highway section of this route. The revocation sequence would include an initial three years where NZTA will fully fund renewal and upgrade works then responsibility would fall onto Council with the normal level of subsidy. This revocation is provided for over the next three years and forms part of this LTP.

FOOTPATHS

Council policy is to have at least one footpath on every residential street. Council currently constructs new footpaths to the value of around \$100k per year. This equates to approximately 1km of new footpath each year. There are around 30km of new footpaths required to meet Council's policy. This is made up of around 10km in Wairoa township, with a further 20km in rural townships (7km in Māhia Beach). The cost to construct all these footpaths is estimated at around \$3.3m which at the current rate of funding would take 30 years to complete. Options to accelerate the footpath programme have been considered in the past but the status quo has been retained due to the likely impact on household rates of an accelerated programme. An allowance of \$100k per annum has been made for the duration of this plan.

As with open drains, Council prioritises sites based on a range of criteria which includes safety, pedestrian volumes and proximity to community facilities.

HINERAUIRI STREAM/HAPPY JACKS ROAD FORD

Council has made an allowance of \$41k in year 2 of the plan for capital works to improve the Hinerauri Stream/Happy Jacks Road Ford crossing. The design and progress of this project will be subject to referendum as well as liaison with appropriate stakeholders.

CEMETERIES

Refer to the 2015 Public Cemeteries Asset Management Plan for a more detailed outline of significant issues for the next 10 years.

PUBLIC CEMETERY AT MĀHIA

This project was originally approved in the 2009 LTP but has not progressed to completion due to a lack of suitable land. A public advertisement in 2011 seeking land for the purpose returned some interest, but no land that was deemed suitable. Council still intends to explore the possibility of a public cemetery at Māhia. Maintenance costs for a future cemetery will be limited to mowing which can be managed within existing budgets or with minor adjustment to existing budgets during adoption of the Annual Plan for the year the costs come on-stream. Costs for interment will be established through tender or negotiation with appropriate contractors and these will be on-charged to the customer (user pays). It is not yet possible to determine what these costs will be, but please refer to the register of fees and charges for the Wairoa Cemetery for likely costs.

AIRPORT

Refer to the 2015 Airport Asset Management Plan for a more detailed outline of significant issues for the next 10 years.

WAIROA AIRPORT

Wairoa Airport is deemed to be a strategic asset that should be retained to serve the needs of the Wairoa community.

The runway is showing signs of wear and tear with age and, with works being previously deferred, has now been identified for resurfacing over the next five years at an estimated cost of \$500k to ensure continued service.

PROPERTY

Refer to the 2015 Property Asset Management Plan for a more detailed outline of significant issues for the next 10 years.

COMMUNITY CENTRE AND SKATE PARK

Council assumed ownership of the Wairoa Community Centre in 2011. A programme of refurbishment and upgrade has commenced in conjunction with the skate park completion. \$1.8m (granting funding of \$1m expected, net cost of \$800k) has been allocated for a new learners' pool, construction of which will commence in the 2014-15 financial year and continue through the 2015-16 financial year.

RESOURCE PLANNING

DISTRICT PLAN REVIEW

Section 73(1) of the Resource Management Act 1991 (RMA) requires Council to have a district plan to assist in the carrying out of its functions in order to achieve the purpose of the act. Council has a district plan that became operative in 2005. Section 79 of the RMA requires that a district plan must be reviewed every 10 years. As such the Wairoa District Plan must now be reviewed.

Reviewing the district plan is a significant project and must be undertaken by people skilled in policy formation and analysis. A complete review of the plan including the extensive consultation required by the RMA will take a great deal of time. When the plan was first formed consultants were used extensively. The use of consultants is not considered to be the best option as it limits Council's ability to engage directly with the community and reduces the direct input from the community and other Council staff in the formation of policy objectives and rules. Additionally, it is often more costly to have consultants engaged over such long timeframes (the full district plan review is estimated to take three years). As such, Council proposes to employ two planning policy people to undertake the work required under fixed-term contracts. These staff will be supported by subject matter experts where required.

Financial Strategy

Executive summary

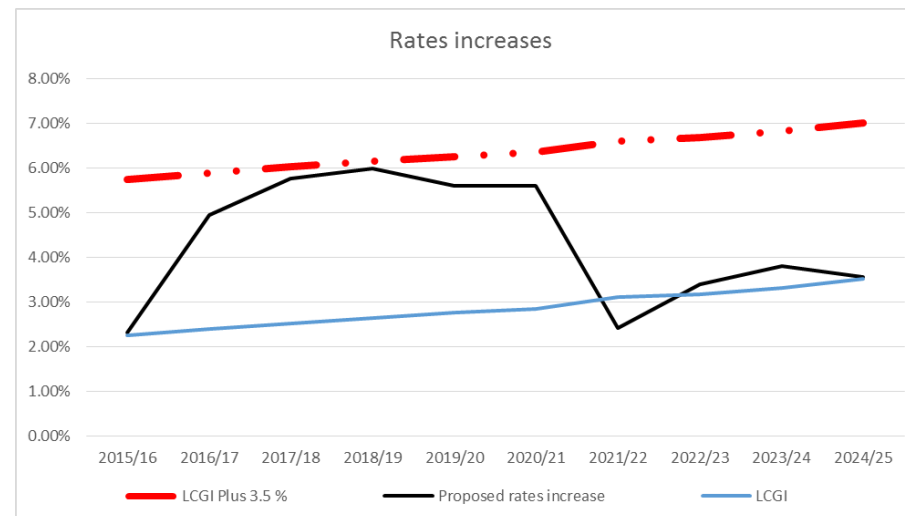
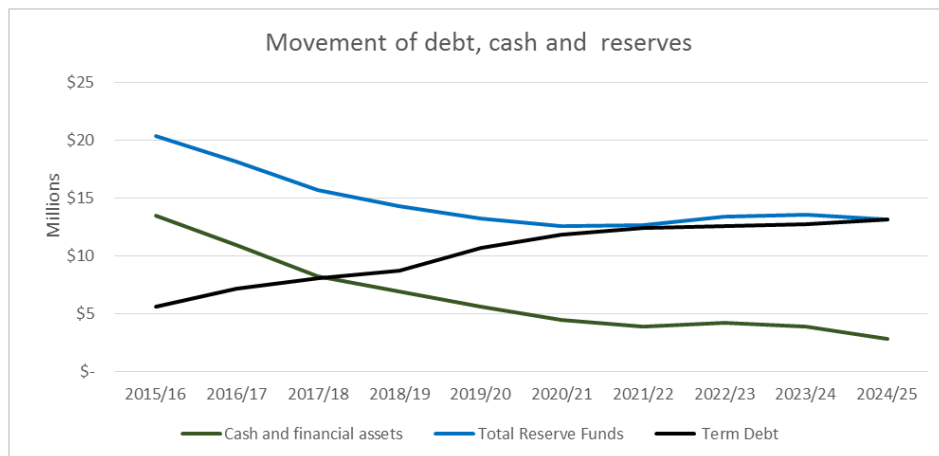
Our financial strategy describes how we plan to pay for the services we provide to our communities in a way that is financially affordable and sustainable both now and into the future. Council must plan its expenditure in a way that is sustainable to ensure that the district will have the capacity and resources available to deliver affordable services to our residents and ratepayers in the medium and long term.

Our strategy is to:

- maintain, including replacing (or renewing), infrastructure assets to maintain the current level of service
- maintain the core services we currently provide as efficiently as possible (many of these are essential services and legislatively required)
- encourage economic development.

Council has a very strong balance sheet; as at 30 June 2014 Council had over \$20 million of financial assets, over \$21 million of reserves and only \$5 million of debt. Council also has a robust process for ensuring there is sufficient funding (including rates and subsidy) to ensure the adequate replacement of its infrastructure over the next 10 years.

However Council's reserves will decline over the 10 years as Council undertakes a number of critical projects and debt will increase from \$5 million to approximately \$13 million. The additional debt is being used to pay for new infrastructure including a new wastewater plant for Wairoa. The interest and principal on these loans will be paid for by the users of those schemes. Debt will remain within prudent levels.



Our overall approach to funding is that we fund approximately 50% of operating costs from rates with the balance funded from other sources such as subsidies (from Government agencies such as NZTA and MOH) and user fees and charges.

To ensure that the users of the district’s assets pay their fair share;

- we use depreciation (which is operating expenditure) to fund renewals, and
- we use borrowing to spread the cost of new capital expenditure over a longer period.

We will place the following affordability limits on rates and rates increases.

- The overall rates increases for the district will be limited to inflation (Local Government Cost Index or LGCI) plus 3.5% each year. The actual impact on individual properties might be considerably more than this, depending on the targeted rates for sewerage and water that might apply.
- Total rates will be approximately 50% of our total income¹.

¹ Total income is defined as total revenue.

The reasons for the progressive rate increases are changes in the NZTA subsidy for roading (the removal of 100% subsidy for special purpose roads) and the introduction of new capital projects.

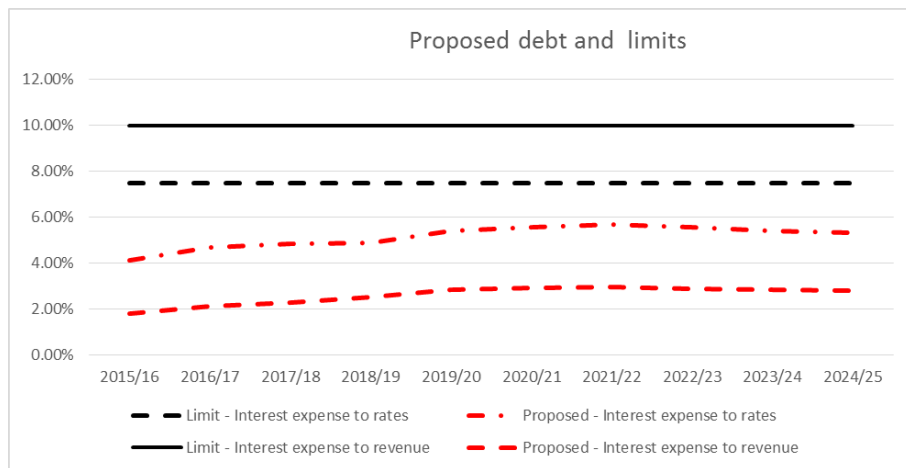
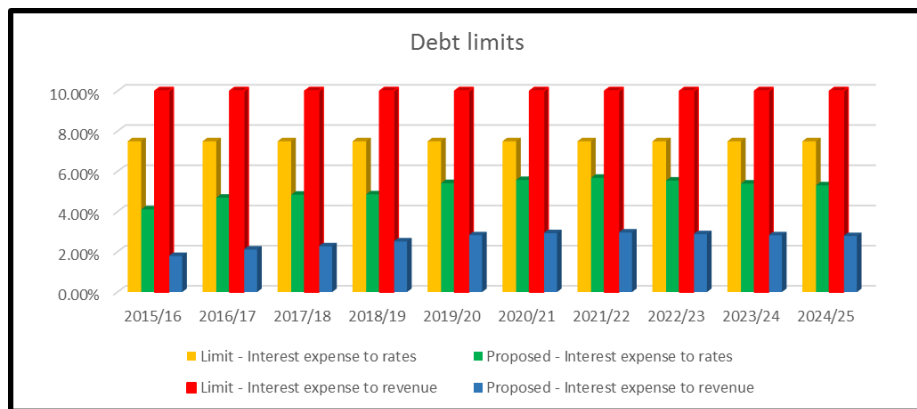
We will review our complete set of rating policies in the 2015-16 financial year.

The following limits on debt will be applied.

- Interest cost will not exceed 10% of our total annual revenue².
- Interest cost will not exceed 7.5% of rate income.

For most of the ten years of this Long-term Plan debt will be substantially below this level.

² Total annual revenue is as defined in our Treasury Policy.



Purpose of the Financial Strategy

Our financial strategy sets out how we plan to pay for the services we provide to our communities in a way that is financially affordable and sustainable both now and into the future. We must ensure that the different communities within the district have clear information about the proposed projects and the likely costs to them of the services Council is proposing to provide in the medium and long term so they can make informed comment on Council's plans.

In developing the financial strategy, Council has considered the likely future demand for services, what that will cost, the ability and willingness of our ratepayers to pay for services, fairness in allocation of rates, as well as applying good financial management and prudent decision-making.

Introduction

The financial strategy is an essential element of the 2015-2025 Long-term Plan. Council must be financially sustainable to continue delivering services to its communities into the future. This involves a balancing act: delivering services while keeping rates affordable, ensuring equity between current and future generations and sharing the costs of services across users in a fair and equitable manner.

This financial strategy is designed to provide an understanding of Council's current financial situation and how it has arisen, the main factors that influence the cost and demand for Council services, and the financial challenges Council is likely to face into the future.

Importantly the financial strategy sets out the key financial aspects of Council's strategic direction and how it plans to manage its financial performance over the next ten years. In essence the financial strategy establishes a financial endpoint or destination for Council to work towards and provides some defined parameters to guide Council in its journey.

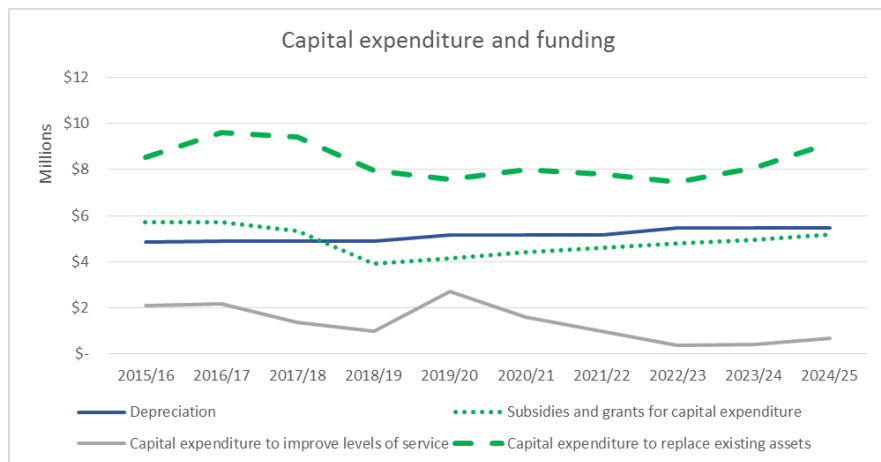
The strategy is to:

- maintain, including replacing (or renewing), infrastructure assets to maintain the current level of service
- maintain the core services we currently provide as efficiently as possible (many of these are essential services and legislatively required).

A key element of the financial strategy is, therefore, based around the ongoing maintenance of Council's infrastructure. Maintenance of the infrastructure includes both the replacement of existing assets and the creation of new assets to meet the intended levels of service required by the community.

The definition of depreciation is allocating the cost of an asset over its useful life. This ensures that current users including ratepayers are being charged the use of the asset at the time the assets are being used. As Council has a “balanced budget”, including the depreciation expense when setting its revenues, results in surplus cash. This surplus cash is transferred to a depreciation reserve or is used to repay debt.

The graph below highlights the fluctuating capital expenditure for both replacement and new assets, together with the depreciation expense. One of the most significant funding sources for the replacement of existing roading assets is the NZTA subsidy.



This graph indicates that Council is maintaining its current levels of service, but there is an increase in rates to achieve this.

Limits on rates and rates increases

Council activities are often expensive to deliver. Local government costs increase at a higher rate than the Consumer Price Index (CPI). The CPI measures changes in price for consumer goods such as food, entertainment etc. The LGCI measures the increases in costs for the products we consume such as asphalt and pipes, which have a high oil component. Continued devolution of responsibilities and the increasing standards set by central Government add to this cost pressure.

Currently, Council draws about 50% from rates because it does not have alternative revenue streams (for example, significant investments in corporate enterprises) and has taken a fairly low risk approach to borrowing. It relies on the subsidy from NZTA for roading expenditure. While the overall rate of NZTA subsidy will increase from 68% to 75% of cost over the next three years, the current rate for special purpose roads will reduce from 100% to 75%. This will increase the rates by \$80,000 pa.

- The overall rates increases will be limited to growth, inflation (LGCI) plus 3.5% each year. The impact of the overall increase on individual properties will be different, based on property valuation changes and targeted rates for items such as water and sewerage.
- Total rates will be a maximum of 60% of our total income³. This minimum 40% of income will come from other sources including NZTA subsidies.

Sources of income

Council activities are funded through a variety of rating tools, which are outlined below.

- General rates pay for Council activities which the community requires and has available to them but no identifiable person or property benefits. How much you pay depends on the land and/or capital value of your property. The general rates (including the UAGC) average less than 28% of the total rates take over the course of the Long-term Plan.
- Uniform Annual General Charge (UAGC) also pays for Council activities that everyone benefits from. These activities – library, museum, toilets and civil defence – are more related to the existence of a household than the value of the property. Every ratepayer pays the same amount whether you live in Nuhaka, Tuai or Wairoa – that’s why it’s uniform. If you have two houses, you pay two UAGCs. On average, Council derives less than 26% of its total rate take from UAGCs over the course of the Long-term Plan.

³ Total income is defined as total revenue less vested (gifted) assets, as this transaction is non cash.

- Targeted rates (i.e. user pays). The majority of our rates are based on what services – like stormwater/drainage, water supply, wastewater, roads and waste management – you receive or have access to. If you can access them, you pay. On average Council derives over 65% of its rate take from targeted rates over the Long-term Plan.

Because of our rating structure, the overall increase in rates will not be consistent for each property throughout the district. It will depend on the targeted rates that are charged to that particular property and also the capital value of the property.

Council intends to review its Revenue and Financing Policy in the next 12 months including the method of rating which includes a series of complex differentials. These differentials result in different levels of rates being charged.

Projected population decline coupled with an ageing population means that a greater proportion of ratepayers are likely to be retired, and on a fixed income. A further decline in the district's population may place additional pressure on the ability to pay on some of the district's ratepayers. Council is therefore actively pursuing economic development opportunities to arrest the population decline.

Balanced budget

Council maintains the practice that each year's projected operating revenues are set at a level sufficient to meet that year's projected operating expenses. This ensures that current ratepayers are paying the right amount of costs for the service they receive and are neither subsidising future ratepayers, nor transferring current operating costs to future ratepayers.

Borrowings funding

Council's financial policies require that new assets are funded by debt, with assets being replaced to be funded from depreciation reserves. Where there are insufficient depreciation reserves to fund replacement assets, then borrowing will be used to meet the funding shortfall.

In managing borrowing, Council will adhere to the following limits.

- The cost of servicing borrowing must not exceed 7.5% of rate income.

- The cost of servicing borrowing must not exceed 10% of revenue.

Council will continue to consider and approve the borrowing requirement for each financial year in the Annual Plan or Long-term Plan recognising that borrowing capacity does not have to be fully utilised.

Securities on borrowing

Council borrowing is secured by way of a charge over rates and Council remains free to deal with other assets as it sees fit. All new bank borrowings rank equally with existing stock issues. In all borrowing and related activities, Council will comply with the relevant provisions of the securities legislation.

Council does not have, nor does it intend to seek a recognised credit rating.

Equity investments

Council does not see itself as an active investor in equities, but will continue to hold, acquire and sell equity investments where there are economic opportunities and social benefits for the Wairoa District. Council will consider investing in equity investments only where there is an economic benefit for the Wairoa District and the investment has limited risk exposure from capital loss. Council's only significant equity investment is a 100% shareholding in the Council-controlled organisation Quality Roading and Services (Wairoa) Limited (QRS).

Our holding in QRS is to maintain and enhance competition for local infrastructure contracts issued by Council. QRS is a significant employer in the Wairoa District and its presence in Wairoa also ensures resources are available to respond to emergencies. QRS is required to return 40% of its after-tax income to Council as dividend income. The after-tax income targets for QRS are set out in the QRS Statement of Intent that is reviewed and approved by Council annually.

Council also holds an equity investment in Civic Assurance Limited

Our holding in Civic Assurance Limited was to maintain Civic as an option in the insurance market. Civic was set up to provide local authorities with an option for insurance that generally met the unique insurance requirements faced by councils. Civic insurance was heavily affected by the claims made as a result of the Canterbury earthquakes and there was a need to recapitalise to ensure that it remains part of the insurance market for local authorities in the

future. It is not expected to return a dividend over the period of the Long-term Plan.

Wairoa 2015-2025:

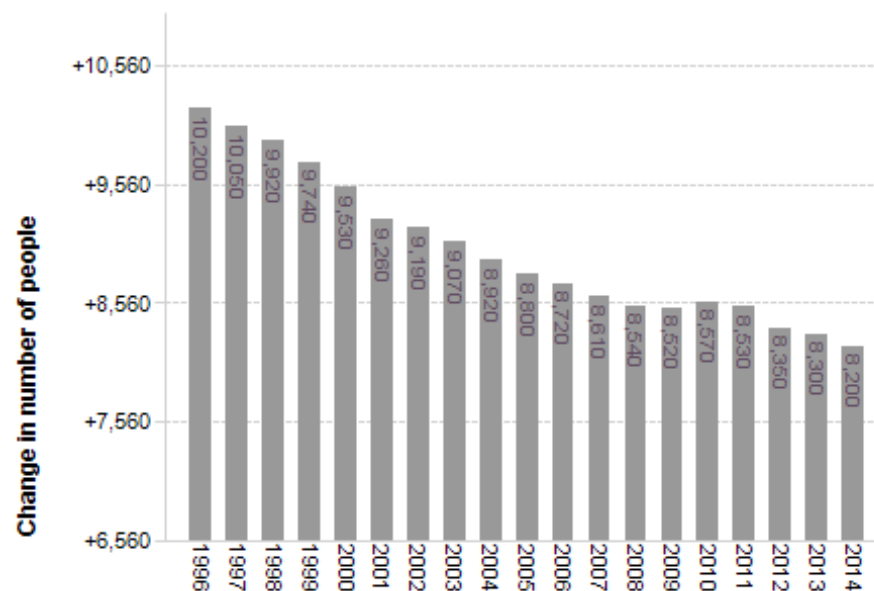


Our Community
Our Environment
Our Economy

Our community

Wairoa District is home to 8,200 people (as of 30 June 2014). The Statistics NZ 2013 population estimate for the district shows that our population is expected to further decline over the next decade (to 8,070 in 2018 and 7,820 in 2023).

Estimated Resident Population, Wairoa District



Source: Statistics New Zealand, Subnational Population Estimates – information releases for 30th June 2013 and earlier issues. Compiled and pres

Overall, 29.5% of the population was aged between 0 and 17, and 22.3% were aged 60 years and over, compared with 24.6% and 19.8% respectively for New Zealand as a whole.

The major differences between the age structure of the Wairoa District and New Zealand were:

- A larger percentage of 'primary schoolers (aged 5 to 11)' (11.6% compared to 9.4%).
- A smaller percentage of 'parents and homebuilders (aged 35 to 49)' (16.9% compared to 20.6%).
- A smaller percentage of 'young workforce (aged 25 to 34)' (9.3% compared to 12.1%).
- A smaller percentage of 'tertiary education and independence (aged 18 to 24)' (7.3% compared to 9.6%).

From 2006 to 2013, Wairoa District's population decreased by 591 people (7.0%). This represents an average annual population change of -1.03% per year over the period.

The largest changes in age structure in this area between 2006 and 2013 were in the following age groups:

- parents and homebuilders (aged 35 to 49) (-438 persons)
- empty nesters and retirees (aged 60 to 69) (+225 persons)
- primary schoolers (aged 5 to 11) (-201 persons)
- young workforce (aged 25 to 34) (-147 persons).

Overall, 46.7% of the population identified themselves as European, 59.4% as Māori and 2.0% as Pacific peoples, compared with 70.0%, 14.1% and 7.0% respectively for New Zealand as a whole.

The major differences between the ethnic group responses of the population in the Wairoa District and New Zealand were:

- A larger percentage of responses to Māori ethnic group (59.4% compared to 14.1%).
- A smaller percentage of responses to European ethnic group (46.7% compared to 70.0%).
- A smaller percentage of responses to Asian ethnic group (1.6% compared to 11.1%).
- A smaller percentage of responses to Pacific peoples ethnic group (2.0% compared to 7.0%).

Analysis of the family types in the Wairoa District in 2013 compared to New Zealand shows that there was a lower proportion of couple families with child(ren) as well as a higher proportion of one-parent families. Overall, 34.8% of total families were couple families with child(ren), and 26.3% were one-parent families, compared with 41.3% and 17.8% respectively for New Zealand.

There was a lower proportion of couples without children in Wairoa District, 38.9% compared to 40.9% in New Zealand.

Analysis of the number of persons usually resident in a household in the Wairoa District compared with New Zealand, shows that there was a higher proportion of lone-person households, and a lower proportion of larger households (those with four persons or more). Overall there were 28.4% of lone-person households, and 23.8% of larger households, compared with 22.9% and 26.6% respectively for New Zealand.

Overall, 53.1% of the population aged 15 and over held educational qualifications, and 31.7% had no qualifications, compared with 70.3% and 18.6% respectively for New Zealand.

Analysis of individual income levels in the Wairoa District in 2013 compared to New Zealand, shows that there was a lower proportion of persons earning a high income (those earning more than \$70,000 per annum) and a higher proportion of low income persons (those earning less than \$15,000 per annum).

Overall, 4.7% of the population earned a high income, and 29.4% earned a low income, compared with 12.4% and 26.0% respectively for New Zealand as a whole.

The major differences between the Wairoa District's individual incomes and New Zealand's individual incomes were:

- A larger percentage of persons who earned \$10,001 to \$15,000 (11.0% compared to 7.9%).
- A smaller percentage of persons who earned \$50,001 to \$70,000 (7.4% compared to 11.7%).

- A smaller percentage of persons who earned \$70,001 to \$100,000 (3.1% compared to 7.1%).
- A smaller percentage of persons who earned \$100,001 or more (1.6% compared to 5.4%).

Analysis of household income levels in the Wairoa District in 2013 compared to New Zealand shows that there was a smaller proportion of high income households (those earning more than \$70,000 per annum) and a higher proportion of low income households (those earning less than \$30,000 per annum).

Overall, 20.3% of households earned a high income, and 26.3% were low income households, compared with 38.7% and 18.7% respectively for New Zealand.

The major differences between the household incomes of the Wairoa District and New Zealand as a whole were:

- A larger percentage of households who earned \$30,001 to \$40,000 (10.8% compared to 8.3%).
- A larger percentage of households who earned \$40,001 to \$50,000 (8.6% compared to 6.7%).
- A smaller percentage of households who earned \$100,001 or more (8.0% compared to 23.4%).
- A smaller percentage of households who earned \$70,001 to \$100,000 (12.3% compared to 15.3%).

Analysis of the type of internet connection of households in the Wairoa District compared to the New Zealand average shows that there was a lower proportion of households with access to the internet, as well as a lower proportion of households with access to a cell/mobile phone.

Overall 51.4% of households had access to the internet, and 61.5% had access to a cell/mobile phone, compared with 72.8% and 79.4% respectively in New Zealand.

The New Zealand Social Deprivation Index is a measure of socio-economic status calculated for small geographic areas. The calculation uses a range of

variables from the 2013 Census of Population and Dwellings which represent nine dimensions of socio-economic disadvantage to create a summary deprivation score. The nine variables (proportions in small areas) in decreasing weight in the index are:

1 Communication	People aged <65 with no access to the internet at home
2 Income	People aged 18-64 receiving a means-tested benefit
3 Income	People living in equivalised* households with income below an income threshold
4 Employment	People aged 18-64 unemployed
5 Qualifications	People aged 18-64 without any qualifications
6 Owned home	People not living in own home
7 Support	People aged <65 living in a single-parent family
8 Living Space	People living in equivalised* households below a bedroom occupancy threshold
9 Transport	People with no access to a car.

* *Equivalisation: methods used to control for household composition.*

For the purpose of comparison, the Social Deprivation Index is presented as a scale, ranking small areas from the least deprived to the most deprived. The mean is 1000 index points and the higher the number, the greater the deprivation.

The Social Deprivation Index is used in the measurement and interpretation of socio-economic status of communities for a wide variety of contexts such as needs assessment, resource allocation, research and advocacy. Note that the deprivation index applies to areas rather than individuals who live in those areas.

For the index, a lower number indicates a less deprived area and a higher number indicates a more deprived area.

Social Deprivation Index, 2013

Area	Index
Wairoa	1166.00
Nuhaka - Whakaki	1108.00
Mahia	1097.00
Maungataniwha - Tuai	1079.00
Wairoa District	1079.00
Raupunga	1063.00
Hawke's Bay Region	1013.00
Ruakituri-Morere - Frasertown	1006.00

Migration, (or residential mobility), together with births and deaths are significant components of population change in New Zealand. The movement of people into, and out of an area directly influences the characteristics of the population, and the community's aspirations. Demand for services and facilities in an area will also be influenced by the characteristics of people moving in and out, and their family status (e.g. with young children).

The main types of migration in New Zealand are migration to and from overseas, and migration within New Zealand. The most common form of migration is within New Zealand, and this largely involves moves between neighbouring and existing urban areas where moves are often short.

Understanding where current residents have moved from, helps in predicting future mobility patterns and demographic change. Understanding where your residents are moving to, indicates areas of population growth and possible strategies councils can use to retain and attract residents.

Generally, areas of new housing growth attract residents from established areas, especially young couples and families, coastal communities attract retirees and people seeking a lifestyle change, while inner city areas, and areas near universities attract young adults. These are broad general trends, while local demographic patterns also have a major impact on population movement.

The data below provides a summary of where current residents lived five years prior to the last Census.

Top 10 Territorial Authorities ranked by net loss to the area

Wairoa District - between 2008 and 2013

TA	In migration	Out migration	Net migration
Napier City	108	-213	-105
Hastings District	87	-183	-96
Gisborne District	120	-180	-60
Rotorua District	21	-42	-21
Wanganui District	3	-21	-18
Dunedin City	6	-24	-18
Matamata-Piako District	3	-15	-12
Hamilton City	27	-39	-12
Tauranga City	6	-18	-12
Central Hawke's Bay District	21	-33	-12

Our environment

The Wairoa District covers a total area of about 4,118 square kilometres with approximately 130 kilometres of coastline. The majority of the region is hill country, merging with mountains in the west and often deeply dissected with gorges. Areas of coastal and river flats of versatile soils give greater variety to the landscape.

The Wairoa District boasts one of the most spectacular ranges of wilderness landscapes in New Zealand – rainforest-surrounded Lake Waikaremoana in Te Urewera, the surf and fishing beaches of balmy Mahia Peninsula, thermal hot springs at Morere and the sunny riverside town of Wairoa at the centre of the district. There are also numerous lakes, rivers and wetlands – a number of which are of local, regional and national importance – including the Mohaka, Nuhaka and Wairoa Rivers. There are also a series of interconnected wetlands, the largest of which is Lake Whakaki. Within the district there are high quality trout-fishing areas and coastal lagoons that are

important for providing waterfowl habitat and game-bird hunting opportunities.

Our economy

Pasture farming continues to be a significant part of the local economy along with forestry, horticulture and cropping. The town of Wairoa functions as a service centre for the farming sector through manufacturing and processing.

The size of the Wairoa District's labour force in 2013 was 3,600 persons, of which 792 were employed part time and 2,388 were full-time workers.

Analysis of the employment status (as a percentage of the labour force) in the Wairoa District in 2013 compared to the New Zealand average shows that there was a lower proportion in employment, and a higher proportion unemployed. Overall, 88.3% of the labour force was employed (53.5% of the population aged 15+), and 11.7% unemployed (7.1% of the population aged 15+), compared with 92.9% and 7.1% respectively for New Zealand.

Analysis of the labour force participation rate of the population in the Wairoa District in 2013 shows that there was a lower proportion in the labour force (60.6%) compared with New Zealand (63.8%).

An analysis of the jobs held by the resident population in Wairoa District in 2013 shows the three most popular industry sectors were:

- agriculture, forestry and fishing (723 people or 22.7%)
- manufacturing (540 people or 17.0%)
- education and training (315 people or 9.9%).

In combination, these three industries employed 1,578 people in total or 49.6% of the employed resident population.

In comparison, the New Zealand average employed 6.5% in agriculture, forestry and fishing; 9.4% in manufacturing; and 8.0% in education and training.

The major differences between the jobs held by the population of the Wairoa District and New Zealand as a whole were:

- A larger percentage of persons employed in agriculture, forestry and fishing (22.7% compared to 6.5%).
- A larger percentage of persons employed in manufacturing (17.0% compared to 9.4%).
- A smaller percentage of persons employed in professional, scientific and technical services (2.5% compared to 8.4%).
- A smaller percentage of persons employed in wholesale trade (1.0% compared to 4.8%).

An analysis of the jobs held by the resident population in the Wairoa District in 2013 shows the three most popular occupations were:

- labourers (930 people or 29.3%)
- managers (513 people or 16.1%)
- professionals (360 people or 11.3%).

In combination these three occupations accounted for 1,803 people in total or 56.8% of the employed resident population. In comparison, New Zealand as a whole employed 10.5% labourers; 17.8% managers; and 21.3% professionals.

The major differences between the jobs held by the population of the Wairoa District and the New Zealand average were:

- A larger percentage of persons employed as labourers (29.3% compared to 10.5%).
- A smaller percentage of persons employed as professionals (11.3% compared to 21.3%).
- A smaller percentage of persons employed as clerical and administrative workers (7.6% compared to 11.4%).
- A smaller percentage of persons employed as sales workers (5.1% compared to 8.8%).

The number of employed people in Wairoa District decreased by 543 between 2006 and 2013.

The Wairoa District's industry statistics identify the industry sectors in which the residents work (which may be within the residing area or elsewhere).

This will be influenced by the skill base and socio-economic status of the residents as well as the industries and employment opportunities present in the region.

Industry sector of employment

Wairoa District Industry sector	2013		New %Zealand %
	Number	%	
Agriculture, forestry and fishing	723	22.7	6.5
Mining	9	0.3	0.3
Manufacturing	540	17.0	9.4
Electricity, gas, water and waste services	24	0.8	0.7
Construction	195	6.1	7.6
Wholesale trade	33	1.0	4.8
Retail trade	204	6.4	9.4
Accommodation and food services	114	3.6	5.6
Transport, postal and warehousing	69	2.2	4.1
Information media and telecommunications	24	0.8	1.8
Financial and insurance services	27	0.8	3.4
Rental, hiring and real estate services	57	1.8	2.5
Professional, scientific and technical services	78	2.5	8.4
Administrative and support services	60	1.9	3.3
Public administration and safety	111	3.5	4.9
Education and training	315	9.9	8.0
Health care and social assistance	261	8.2	9.6
Arts and recreation services	36	1.1	1.8
Other services	96	3.0	3.9
Not elsewhere included	207	6.5	4.0
Total	3,183	100.0	100.0

Wairoa 2015-2025:



Māori Involvement In Decision Making

Legislative background

I raro i te mauri o te Tiriti o Waitangi me āta kōrero te Kaunihera o Te Wairoa ki ngā tangata whenua nōna nei te whenua, te ahikaa me te mana ki runga i ngā wahi i whakatapua e o rātou tūpuna. Mā reira e whakamana ngā wawata o ia rohe, o ia rohe i roto i te Kaunihera o Te Wairoa kia tūtuki ai te hā o te Tiriti o Waitangi.

Within the spirit of the Treaty of Waitangi, the Wairoa District Council must consult with Māori who are the descendents of the original inhabitants, who own the land, who currently reside in the area, and who exercise traditional authority over the areas made sacred by their ancestors.

The Local Government Act 2002 requires that Council **'must, in the course of its decision-making process in relation to a matter, give consideration to the views and preferences of the persons likely to be affected by, or to have an interest in, the matter'**.

Section 81 of the Act specifically requires Council to:

- (a) Establish and maintain processes to provide opportunities for Māori to contribute to the decision-making processes of Council.
- (b) Consider ways in which it may foster the development of Māori capacity to contribute to the decision-making processes of Council.
- (c) Provide relevant information to Māori for the purposes of (a) and (b) above.

Through this consultation process the aspirations of each area within Wairoa will be realised in accordance with the Local Government Act 2002, and the principles of the Treaty of Waitangi 1840.

Position statement

The Wairoa community is 58.6% Māori compared to 15.8% in New Zealand as a whole. This means that Māori are well represented at most levels within the community.

Council acknowledges that specific iwi, hapū and whānau have ahikaa (unbroken occupation) and exercise mana whenua (maintenance and sustainable management of land) over lands within the Council's boundaries. Council consult iwi for the purpose of the Resource Management Act 1991

(where there is a duty to consult with tangata whenua) and where there is mutual agreement between the Council and iwi exercising mana whenua. The Council also acknowledges that specific iwi, hapū and whānau have historical and spiritual ties to land within Council's boundaries.

The Council maintains processes that provide opportunities for Māori to contribute to decisions. The Wairoa District Council Māori Standing Committee, (the group that advise and support Council on things pertaining to Māori) advise on how best to manage the consultation process and to facilitate relationships between the Council and iwi exercising mana whenua. The Wairoa District Council Māori Policy, which was adopted in 2012, outlines the relationship between the Council and tangata whenua.

Within the Wairoa district there are several Māori organisations which involve themselves in a range of issues. These organisations are noted in appendix 1 of the Wairoa District Council Māori Policy.

Council will continue to consider, and where appropriate, implement ways to foster the development of Māori capacity to contribute to the decision-making process.

Council has adopted the following steps to further facilitate and enhance Māori involvement in decision making:

- Council has established the position of Māori Relationships Manager. The roles of this position are:
 - To liaise with local hapū to ensure they understand the processes of Council, how they can become involved and to ensure that their views are considered by Council on matters of concern to them.
 - To ensure Council and management have an understanding of tikanga and don't alienate Māori through their actions.
- Council's Māori Policy will be reviewed periodically to enable Council to re-evaluate the structure and composition of the Māori Standing Committee. It is intended that this Committee

will continue to be funded and supported by Council. The Māori Standing Committee will be free to discuss any item on Council agendas and make recommendations to Council on those matters.

- In consulting with the public, Council has a history of meeting with Māori and the community on local marae where appropriate.
- Council has a commitment to work with Māori at a variety of levels to both raise awareness of issues and hear their voice before making decisions.

Monitoring our effectiveness

Council's effectiveness in involving Māori in decision making will be measured in the following ways:

- The percentage of Māori councillors elected approximately reflecting the percentage of Māori in the community.
- The degree to which Māori participate in Council/community consultation.
- The attendance of elected representatives at meetings of the Māori Standing Committee.

Wairoa 2015-2025:



Collaboration

Council actively participates in a number of local, regional, national and international forums and partnerships which benefit the Wairoa community. The examples of collaboration below are a small sample of Council's collaborative interaction.

Local Government New Zealand

Local Government New Zealand are governed by a National Council, made up of 15 elected members from throughout New Zealand. Their purpose is to deliver the sector's vision: "Local democracy powering community and national success."

Local Government New Zealand represents the national interests of councils in New Zealand and lead best practice in the local government sector. They provide advocacy and policy services, business support, advice and training to members to assist with building successful communities throughout New Zealand.

New Zealand Society of Local Government Managers (SOLGM)

SOLGM is the national organisation that supports and develops local government professionals in New Zealand. As an incorporated society for local government, their focus is on providing professional leadership, promoting excellence in management practice and developing the sector capability to enhance service delivery to our local communities.

SOLGM plays a leading role in terms of thought leadership within local government, advocacy at the interface with other sectors, activities to support learning for the sector by the sector and most importantly linking the wealth of experience and expertise across New Zealand.

HB LASS Limited

HB LASS Limited was established in December 2012 by the five local authorities within the Hawke's Bay. The company was established to investigate, develop and deliver shared services, and, where and when that can be done more effectively for any combinations of some or all of the shareholding councils.

Wairoa District Council Internship Programme

Through its internship programme Wairoa District Council has established and continues to establish relationships with a number of national and international universities and tertiary institutions. The objective of the programme is to promote Wairoa district as a magnet for bright young minds. Wairoa is becoming recognised as an increasingly exciting site for the incubation of bright idea and Council's partnerships with institutions is an enabling factor for this to occur.

Sport Hawke's Bay

Sport Hawke's Bay is dedicated to achieving the regional vision of 'Hawke's Bay, New Zealand's most active and successful region for sport and recreation.' Their mission is 'leading and empowering Hawke's Bay through sport and active recreation.'

Sport Hawke's Bay holds a contract for service with Wairoa District Council to operate the Wairoa Community Centre and works collaboratively with Council on a number of community, sport and recreational initiatives.

Regional Land Transport Committee

This committee includes regional councillors and appointees from transport interests and other councils in the region. The aim is to prepare both the Regional Land Transport Strategy and the Regional Land Transport Programme for approval by Council, and consider other issues related to land transport which have a regional impact.

Road Controlling Authorities Forum New Zealand

The Road Controlling Authorities Forum New Zealand Inc (RCAF) is a closed, non-political group with representatives from the 73 territorial local authorities, the Department of Conservation, Local Government New Zealand and the New Zealand Transport Agency (NZTA).

The purpose of the RCAF is to exchange information and provide updates on working groups, legislation, standards and guidelines, highway and procurement strategies and other issues relevant to road controlling authorities and the other member organisations.

As the RCAF is an incorporated society it works to a set of rules. The RCAF also has a Strategic Plan.

The RCAF's vision is to 'Assist Road Control Authorities to make informed decisions'.

Road Safety

This forum discusses road safety issues with all Hawke's Bay councils, RoadSafe Hawke's Bay and the police and how to address these issues.

The aim of this forum is to reduce the incidence and severity of road crashes in the Hawke's Bay region.

Liaison Meetings with New Zealand Transport Agency

The NZTA is a Crown entity established on 1 August 2008, under the amended Land Transport Management Act 2003, bringing together the functions of Land Transport New Zealand and Transit New Zealand to provide an integrated approach to transport planning, funding and delivery. NZTA contributes to an integrated, safe, responsive and sustainable land transport system, in support of the updated New Zealand Transport Strategy.

It works in partnership with regional and local authorities, the transport industry and communities to achieve this.

NZTA is focused on delivering four key outcomes:

- integration
- safety
- sustainability
- value for money.

It provides a vital link between government policy making and the operation of the transport sector.

Hawke's Bay Civil Defence Emergency Management Group Joint Committee

The Civil Defence Emergency Management Act 2002 requires all local authorities within a region to form a Civil Defence Emergency Management Group as a joint standing committee under Section 114S of the Local Government Act 1974.

The Joint Committee is composed by a representative from each local authority that is a member of the group; representatives must be a chairperson or mayor of that local authority or an elected person from that local authority, who has delegated authority to act for the chairperson or mayor.

Te Wairoa He Hapori Haumarū - Wairoa Safe Communities

Te Wairoa He Hapori Haumarū is the 27th designated Safe Community in New Zealand. Council is working alongside a group of community and iwi organisations to raise Wairoa's capability to be a safe, resilient and progressive community that promotes the following principles:

- Safety is a human right.
- Safety is a shared responsibility.
- Safety is an attainable aspiration.

These groups have been working with the Safe Community Foundation of New Zealand who is the national accrediting and support organisation to communities wishing to establish a 'safe community' model – a concept that recognises safety as "a universal concern and a responsibility for all". This approach to community safety encourages greater cooperation and collaboration between non-government organisations, the business sector, local and government agencies.

Wairoa 2015-2025:



Community Outcomes

Community outcomes are the outcomes Council seeks for the Wairoa District and its communities. They reflect what the community sees as important for its well-being and they help to build up a picture of the collective vision for the District's future. Council is not expected to achieve the outcomes on its own, but in collaboration with the community. The outcomes guide decision-making by Council. The Council links its activities and services back to the outcomes.

In the 2012-2022 Long-term Plan, Council readopted nine community outcomes. The community outcomes were derived from a regional-wide approach by the five Hawke's Bay councils: Hastings District Council, Napier City Council, Central Hawke's Bay District Council, Wairoa District Council and the Hawke's Bay Regional Council, to work collectively with the community to identify community outcomes and determine a long-term vision for the future of our region. A survey of the Wairoa district community reconfirmed the outcomes identified.

The 2010 amendments to the Local Government Act 2002 not only changed the definition of community outcomes, but also changed the focus from community-owned aspirations (in which Council was one of many organisations such as business, central government and other community agencies responsible for achieving these outcomes) to outcomes that relate to the activities that Council has responsibility for and has direct control over, in order to promote the four well-beings (economic, social, cultural and environmental) of its district in the present and for the future.

The community outcomes in this long-term plan remain unchanged from the 2012-2022 Long-term Plan and are described as follows:

ECONOMIC WELL-BEING**1. A strong prosperous and thriving economy**

Central government, local government and individuals working more effectively to create conditions that promote economic growth.

2. A safe and integrated transport system

A safe and affordable transport system that meets the needs of the people in our district.

SOCIAL AND CULTURAL WELL-BEING**3. A community that values and promotes its culture and heritage**

The community recognising, achieving and promoting their cultural goals. Acknowledging and protecting places of significance to pass to future generations. Communities respecting and embracing the cultural environment of all cultures represented in their communities.

4. Safe and accessible recreational facilities

A co-ordinated approach where all people are able to access safe recreational facilities.

5. Supportive, caring and valued communities

Caring communities where people feel respected and valued as important members of our district. They are

able to access resources to reach their full potential in life and participate towards achieving strong communities.

6. Strong district leadership and a sense of belonging

Co-ordinated leadership to achieve economic, social, cultural and environmental well-being of our communities. A democratic environment where all people are able to participate in the life of their communities and achieve a sense of belonging.

ENVIRONMENTAL WELL-BEING**7. A Safe and secure community**

Central government, local government and the community working together to create an environment that is safe for all people in our community.

8. A Lifetime of good health and well-being

An environment in which all people are able to achieve a lifetime of good health and well-being. They are protected from the negative effects of pollution, drug and alcohol abuse and illness. They have confidence in, and access to, health care provided in our region.

9. An environment that is appreciated, protected and sustained for future generations

Communities respecting the importance of our natural environment and working towards sustaining this for the well-being of future generations.

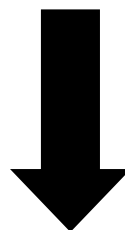
ACTIVITIES GROUP	ACTIVITY	ECONOMIC WELL-BEING		SOCIAL AND CULTURAL WELL-BEING				ENVIRONMENTAL WELL-BEING		
		1 A strong prosperous and thriving economy.	2 A safe and integrated transport system.	3 A community that values and promotes its culture and heritage.	4 Safe and accessible recreational facilities.	5 Supportive, caring and valued communities.	6 Strong district leadership and a sense of belonging.	7 A safe and secure community.	8 A lifetime of good health and well-being.	9 An environment that is appreciated, protected and sustained for future generations.
1. Water Services	Water Supply	✓				✓		✓	✓	✓
	Stormwater	✓	✓		✓	✓		✓	✓	✓
	Wastewater	✓		✓		✓		✓	✓	✓
2. Waste Management	Waste Management	✓	✓	✓	✓	✓		✓	✓	✓
3. Transport	Land Transport	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Airport	✓	✓	✓	✓			✓	✓	✓
4. Community Facilities	Cemeteries			✓		✓				✓
	Library			✓	✓	✓			✓	
	Parks & Reserves			✓		✓		✓	✓	✓
	Community Support			✓	✓	✓				

ACTIVITIES GROUP	ACTIVITY	ECONOMIC WELL-BEING		SOCIAL AND CULTURAL WELL-BEING				ENVIRONMENTAL WELL-BEING		
		1 A strong prosperous and thriving economy.	2 A safe and integrated transport system.	3 A community that values and promotes its culture and heritage.	4 Safe and accessible recreational facilities.	5 Supportive, caring and valued communities.	6 Strong district leadership and a sense of belonging.	7 A safe and secure community.	8 A lifetime of good health and well-being.	9 An environment that is appreciated, protected and sustained for future generations.
5. Planning & Regulatory	Resource Planning								✓	✓
	Environmental Health							✓	✓	
	Building Control	✓			✓			✓	✓	
	Liquor Control							✓	✓	✓
	Bylaw Compliance – Dog Control							✓	✓	✓
	Bylaw Compliance – Livestock Control							✓		
	Bylaw Compliance – General Bylaws Enforcement							✓	✓	✓
	Emergency Management							✓	✓	✓

ACTIVITIES GROUP	ACTIVITY	ECONOMIC WELL-BEING		SOCIAL AND CULTURAL WELL-BEING				ENVIRONMENTAL WELL-BEING		
		1 A strong prosperous and thriving economy.	2 A safe and integrated transport system.	3 A community that values and promotes its culture and heritage.	4 Safe and accessible recreational facilities.	5 Supportive, caring and valued communities.	6 Strong district leadership and a sense of belonging.	7 A safe and secure community.	8 A lifetime of good health and well-being.	9 An environment that is appreciated, protected and sustained for future generations.
6. Leadership & Governance	Community Representation	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Māori Relationships			✓						
	Economic Development	✓								
7. Corporate Functions	Property	✓		✓	✓	✓		✓	✓	✓
	Corporate & Funds Management	✓	✓	✓	✓	✓	✓	✓	✓	✓

Each of the above outcomes is aligned to Council services which will contribute toward the achievement of them. We are responsible for monitoring our performance each year, and the results are provided in our Annual Report. How we are going with each of our services will give a good indication of how we are going overall to achieve the community outcomes. See the Council activity management plans for performance information.

Community Outcomes		
<p>ECONOMIC WELL-BEING</p> <p>1. A strong prosperous and thriving economy 2. A safe and integrated transport system</p>	<p>SOCIAL AND CULTURAL WELL-BEING</p> <p>3. A community that values and promotes its culture and heritage 4. Safe and accessible recreational facilities 5. Supportive, caring and valued communities 6. Strong district leadership and a sense of belonging</p>	<p>ENVIRONMENTAL WELL-BEING</p> <p>7. A safe and secure community 8. A lifetime of good health and well-being 9. An environment that is appreciated, protected and sustained for future generations</p>



Council's Strategic Response		
<p>Community Representation Māori Relationships Economic Development Parks & Reserves Airport Library Community Support Property Land Transport</p>	<p>Resource Planning Environmental Health Bylaw Compliance: <ul style="list-style-type: none"> • Dog Control • Livestock Control • General Bylaw Enforcement Cemeteries Building Control Liquor Control</p>	<p>Waste Management Emergency Management Land Transport Water Supply Stormwater Wastewater</p>

Wairoa 2015-2025:



Sustainability

OUR COMMITMENT

The Council, in partnership with the community and tangata whenua, recognises its responsibility of stewardship for the environment of Wairoa, for the district's current and future prosperity and for the health and well-being of its people. We recognise that sustainability is a local, regional, national and global responsibility.

Section 14 of the Local Government Act 2002 provides for Council to take a 'sustainable development approach' in its role of promoting the economic, social, cultural and environmental well-being of its communities. The Act places a legal requirement on the Council to consider sustainability in all decisions. The sustainability policy helps clarify what sustainability means for the Council. It gives a commitment by the Council to adopt sustainability best practice and to show the way for others.

The Act provide that in taking a sustainable development approach, a local authority should take into account—

- (i) the social, economic, and cultural interests of people and communities; and
- (ii) the need to maintain and enhance the quality of the environment; and
- (iii) the reasonably foreseeable needs of future generations.

The Council will make decisions by assessing short and long-term financial and non-financial risks. Decisions will recognise the interconnectedness of environmental, social, cultural and economic well-being and will aim to produce multiple benefits.

The Council will meet its commitment to sustainability through the services it provides and in the way it operates as an organisation.

Council's Sustainability Policy

Sustainability is a process of ensuring the wise use and management of all resources within a framework in which environmental, social, cultural and economic well-being are integrated and balanced. It means meeting the needs of today without adversely impacting on the needs of future generations.

The sustainability policy will help to guide Council's decision-making processes, strategic direction, policy development and activity

management plans. The policy will also assist Council to achieve the community outcomes. It is an internal Council policy focusing on matters that the Council can control rather than a statement on behalf of the Wairoa community. However, a key to implementing the policy will be working in partnership with others.

Objective

To embed a culture of sustainability into all areas of Council by having an overarching policy to be given effect through Council decisions, strategies, plans and actions and against which future Council actions will be evaluated.

RESPONSIBILITY

The responsibility for this policy rests with the full Council and all employees. The Chief Executive Officer and managers are personally committed to its success.

The managers and their teams have a key role in understanding and leading the implementation of this policy in their departments.

Council is committed to monitoring and reviewing this policy in its Long-term Council Community Plan and Annual Reports.

SCOPE

The purpose of the sustainability policy is to provide guidance on:

- how the Council, as an organisation, performs in terms of sustainability (e.g. internal resource efficiency)
- the decisions that Council makes (e.g. providing a sustainability lens through which all proposals can be viewed)
- enabling our community to be sustainable (e.g. addressing the present and future environmental, social, cultural and economic well-being of our community).

CONTEXT

The Council recognises that sustainability is a journey, not a destination. It is not a point that is reached, but a process of continual improvement, where society adapts and responds to changes over time, in a way that recognises the fundamental relationships of the four well-beings.

This policy forms an important part of Council's commitment to sustainability. It has been designed to capture both the moral and legal responsibilities of Council in terms of incorporating sustainability into its activities and decision making.

At the heart of a democratic society is the responsibility for community leaders to make decisions on behalf of, and in the best interests of, present and future generations. Democratic governance therefore encompasses key elements of sustainability, such as, stewardship for the community and for the environment on which it depends.

The Local Government Act 2002 also places a legal imperative on Council to adopt a 'sustainability approach'. This is expressed when the Act defines the purpose of local government (Part 2, Section 10), the principles that relate to local authorities (Part 2, Section 14), and in the requirements for decision making (Part 6, Section 77). The Act identifies four components that the Council must take into account and these are the environmental, social, cultural and economic well-being of present and future generations.

AIMS

Demonstrate leadership in sustainability across the district

The Council will:

- achieve best practice standard.
- meet and strive to surpass requirements of environmental legislation targets
- build partnerships and projects that create learning networks
- take account of the impact on future generations when making decisions
- provide decision makers with the information they need to deliver sustainable outcomes.

Accountability in Council performance

The Council will:

- optimise the efficient use of resources and minimise waste
- increase the use of renewable resources and reduce greenhouse gas emissions

- operate in ways that minimise any adverse impacts on the environment or the local community
- require employees to incorporate informed sustainability perspectives within their work
- encourage contractors, Council-controlled organisations and other partners to adopt sustainable best practice
- deliver an improved quality of life for the current and future residents of Wairoa.

Accountability in service delivery

Each department will:

- implement sustainable procurement procedures taking account of whole of life costs
- repair, reuse and recycle ahead of the responsible disposal of surplus materials, and minimise waste generation while taking into account the economics of the work
- take positive actions promoting continual improvement in sustainability performance
- set and achieve clearly defined sustainable development objectives and targets
- recognise, celebrate and reward achievement in order to promote the Council as a sustainable organisation
- develop the capacity of staff to promote the principles and practice of sustainability.

Measuring progress and impact

The Council will:

- set targets
- set indicators to measure progress
- carry out a review of this policy.

RISK MANAGEMENT & SUSTAINABILITY

Council has adopted a Risk Management Policy which provides the framework for assessing and managing risk. The framework takes an integrated approach that contributes towards sustainability and assists in demonstrating a sustainable development approach. Because risks in each area of Council's operations are assessed within the context of the four well-beings (social, cultural, economic and environmental), we can be assured that we are addressing the most important impacts on

the community, whether they are the social, environmental, economic or cultural impacts. By managing risks in an integrated way Council is moving towards a more sustainable position.

Activity Group One Water Services

- **Water Supply**
- **Stormwater**
- **Wastewater**

**WAIROA DISTRICT COUNCIL
PROSPECTIVE FUNDING IMPACT STATEMENT - WATER SERVICES
LTP 2015-2025**

ANNUAL PLAN 2014/15		BUDGET 2015/16	BUDGET 2016/17	BUDGET 2017/18	BUDGET 2018/19	BUDGET 2019/20	BUDGET 2020/21	BUDGET 2021/22	BUDGET 2022/23	BUDGET 2023/24	BUDGET 2024/25
Sources of Operating Funding											
	General rates, uniform annual charges, rates penalties	-	-	-	-	-	-	-	-	-	-
2,599,277	Targeted rates (other than a targeted rate for water supply)	2,640,964	2,838,009	3,023,942	3,032,490	3,454,402	3,576,330	3,717,658	3,914,371	4,037,887	4,161,657
	- Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-
3,365,908	Fees charges and targeted rates for water supply	1,060,915	1,141,028	1,129,503	1,177,340	1,219,246	1,267,816	1,295,276	1,373,797	1,408,187	1,472,559
435,853	Local authorities fuel tax, fines, infringement fees, and other receipts	365,692	332,604	297,178	284,096	228,149	198,394	179,627	154,060	129,545	110,378
6,401,038	Total Operating Funding	4,067,571	4,311,641	4,450,623	4,493,926	4,901,797	5,042,540	5,192,561	5,442,228	5,575,619	5,744,594
Applications of Operating Funding											
1,849,660	Payments to staff and suppliers	2,237,483	2,363,642	2,384,109	2,510,608	2,626,928	2,774,570	2,874,007	3,018,282	3,119,403	3,262,655
255,129	Finance costs	264,130	281,568	304,662	344,382	462,348	526,049	562,748	570,367	578,290	586,546
568,400	Internal charges and overheads applied	596,044	639,602	679,923	689,167	701,615	723,823	739,936	756,825	783,558	803,500
	- Other operating funding applications	-	-	-	-	-	-	-	-	-	-
2,673,189	Total applications of operating funding	3,097,657	3,284,812	3,368,694	3,544,157	3,790,891	4,024,442	4,176,691	4,345,474	4,481,251	4,652,701
3,727,849	Surplus (Deficit) of operating funding	969,914	1,026,829	1,081,929	949,769	1,110,906	1,018,098	1,015,870	1,096,754	1,094,368	1,091,893
Sources of capital funding											
2,000,000	Subsidies and grants for capital expenditure	100,000	1,000,000	484,000	-	-	-	-	-	-	-
	- Development and financial contributions	-	-	-	-	-	-	-	-	-	-
114,290	Increase (decrease) in debt	150,000	290,640	384,890	662,011	1,966,091	1,061,689	611,651	126,979	132,058	137,604
	- Gross proceeds from sale of assets	-	10,000	10,000	-	-	-	10,000	10,000	-	-
	- Lump sum contributions	-	-	-	-	-	-	-	-	-	-
2,114,290	Total sources of capital funding	250,000	1,300,640	878,890	662,011	1,966,091	1,061,689	621,651	136,979	132,058	137,604
Application of capital funding											
	Capital expenditure										
	- to meet additional demand	-	-	-	-	-	-	-	-	-	-
2,714,040	- to improve the level of service	150,000	311,400	427,656	772,346	2,421,996	1,297,620	733,981	126,979	132,058	137,604
953,000	- to replace existing assets	1,867,000	3,157,706	3,033,890	1,822,650	1,892,988	1,276,386	1,352,851	1,238,043	1,307,375	1,953,981
2,175,099	Increase (Decrease) in reserves	(797,086)	(1,141,637)	(1,500,727)	(983,216)	(1,237,987)	(494,219)	(449,311)	(131,289)	(213,007)	(862,088)
	- Increase (Decrease) of investments	-	-	-	-	-	-	-	-	-	-
5,842,139	Total application of capital funding	1,219,914	2,327,469	1,960,819	1,611,780	3,076,997	2,079,787	1,637,521	1,233,733	1,226,426	1,229,497
(3,727,849)	Surplus (Deficit) of capital funding	(969,914)	(1,026,829)	(1,081,929)	(949,769)	(1,110,906)	(1,018,098)	(1,015,870)	(1,096,754)	(1,094,368)	(1,091,893)
	Funding Balance										
1,606,083	Group depreciation and amortisation	1,294,681	1,319,184	1,319,340	1,319,511	1,384,803	1,385,003	1,385,221	1,468,646	1,468,900	1,469,177

PROJECTED 10 YEAR FINANCIAL SUMMARY - WATER SERVICES

ANNUAL PLAN 2014/15		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Expenditure											
2,278,977	Operational Costs	2,237,483	2,363,642	2,384,109	2,510,608	2,626,928	2,774,570	2,874,007	3,018,282	3,119,403	3,262,655
66,832	Interest	264,130	281,568	304,662	344,382	462,348	526,049	562,748	570,367	578,290	586,546
327,380	Overhead Allocation	596,044	639,602	679,923	689,167	701,615	723,823	739,936	756,825	783,558	803,500
1,606,083	Depreciation	1,294,681	1,319,184	1,319,340	1,319,511	1,384,803	1,385,003	1,385,221	1,468,646	1,468,900	1,469,177
4,279,272	Total Operating Costs	4,392,338	4,603,996	4,688,034	4,863,668	5,175,694	5,409,444	5,561,912	5,814,120	5,950,151	6,121,878
5,801,761	Activity Income - Service Charges	1,526,607	2,473,633	1,910,681	1,461,436	1,447,395	1,466,209	1,474,902	1,527,857	1,537,731	1,582,937
508,903	Less depreciation not funded	514,712	518,864	523,140	527,553	530,403	532,762	535,209	537,749	540,390	543,142
6,310,664		2,041,319	2,992,497	2,433,821	1,988,989	1,977,798	1,998,971	2,010,111	2,065,606	2,078,121	2,126,079
(2,031,392)	Net Cost of Service	2,351,019	1,611,499	2,254,213	2,874,679	3,197,896	3,410,473	3,551,801	3,748,514	3,872,030	3,995,799
Capital Expenditure											
953,000	Renewals	1,867,000	3,157,707	3,033,890	1,822,650	1,892,988	1,276,386	1,352,850	1,238,043	1,307,374	1,953,981
2,714,040	New Capital	150,000	311,400	427,656	772,346	2,421,996	1,297,620	733,981	126,979	132,058	137,604
3,667,040		2,017,000	3,469,107	3,461,546	2,594,996	4,314,984	2,574,006	2,086,831	1,365,022	1,439,432	2,091,585
1,635,648	Funding Required	4,368,019	5,080,606	5,715,759	5,469,675	7,512,880	5,984,479	5,638,632	5,113,536	5,311,462	6,087,384
Funded By:											
2,599,277	Rate Income	2,640,964	2,838,009	3,023,942	3,032,490	3,454,402	3,576,330	3,717,658	3,914,371	4,037,887	4,161,657
(2,630,669)	Reserves - Operational Funding	(189,945)	(226,510)	(285,728)	(157,811)	(256,506)	(165,857)	(165,857)	(165,857)	(165,857)	(165,858)
1,552,750	Reserves - Capital Funding	1,767,000	2,168,467	2,582,655	1,932,985	2,348,893	1,512,317	1,465,180	1,228,043	1,307,374	1,953,981
114,290	Loans	150,000	290,640	384,890	662,011	1,966,091	1,061,689	611,651	126,979	132,058	137,604
-	- Sale of Assets	-	10,000	10,000	-	-	-	10,000	10,000	-	-
1,635,648	Total Funding	4,368,019	5,080,606	5,715,759	5,469,675	7,512,880	5,984,479	5,638,632	5,113,536	5,311,462	6,087,384

Water Supply



For more details:

Refer to the relevant [section](#) of the Water Supply Asset Management Plan. Alternatively contact Wairoa District Council's Asset Management Department on (06) 838 7309 or visit our offices to discuss any queries you may have.

What the Council does

Wairoa District Council owns and operates water supply systems in Wairoa, Frasertown, Tuai and Mahanga. [Section 4.1](#)

The Wairoa and Frasertown reticulation comprises treated water from the Water Treatment Plant in Frasertown. The raw water is sourced from the Waiiau River. The network includes storage tanks (24-hours' supply required), a pump station and approximately 80km of reticulation.

The Mahanga supply is a non-potable supply sourced from a shallow groundwater bore and is considered a 'supplementary' supply. Residents are required to have a tank for collection of rainwater.

The Tuai supply is sourced from the Waimako Spring, and then reticulated. The supply has recently been upgraded and now complies with the Drinking Water Standards.

Council develops and implements a Water Supply Asset Management Plan to ensure that agreed levels of service can be delivered to existing and future residents in the most cost-effective way. This has involved the creation of policy to ensure a level of asset management is delivered. [Section 1.1](#).

The water supply webpage can be accessed through the Wairoa District Council website www.wairoadc.govt.nz

Why the Council does this

For all infrastructure assets, Council has a role to:

- identify levels of service and monitor performance
- manage the impact of growth through demand management and asset development
- identify, assess and manage risks that may impact on the activity
- develop and implement the most cost-effective strategies for operating, maintaining, replacing and/or improving the assets
- have a long-term financial plan which identifies required expenditure and how it will be funded.

The benefits of understanding the asset/service environment are:

- improved cost efficiency and reduced costs
- improved customer satisfaction
- transparency in decision making
- sustainability.

There is also a statutory basis for Council's involvement in the water supply activity. [Section 2.1](#)

Current legislation and regulations which set the minimum service levels that must be provided, and which affect asset operation, maintenance and development of the water supply activity include:

- Local Government Act 2002
- Health Act 1956
- Health (Drinking Water) Amendment Act 2007
- Resource Management Act 1991
- Local Government (Rating) Act 2002.

Council is required to maintain water supply services under section 130 of the Local Government Act 2002. [Section 1.1](#)

Community outcomes and how the water supply activity contributes

Council has an obligation 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. To enable this, Council has made a commitment to continue to deliver the services currently provided and to continue to focus on the previously adopted community outcomes.

How the water supply activity contributes to those community outcomes is shown in the following table.

Community Outcomes	1. A strong, prosperous and thriving economy	2. A safe and secure community	3. A lifetime of good health and well-being	4. An environment that is appreciated, protected and sustained for future generations	5. Supportive, caring and valued communities	6. A safe and integrated transport system	7. Strong district leadership and a sense of belonging	8. Safe and accessible recreational facilities	9. A community that values and promotes its culture and heritage
Water Supply Contribution	Water is considered to be an integral part of being prosperous.	A well-managed water supply results in a quality service for our community.	Constant monitoring of water quality ensures a healthy standard is maintained.	Constant monitoring ensures the provision of the water supply takes environmental considerations into account.	The provision made for communities to have a say in how their water is supplied via the level of service and performance measure framework.				

Asset condition and performance

Each system typically comprises the following key components:

- water sources
- water treatment (Mahanga is untreated and is a supplementary supply only)
- water storage
- water reticulation network
- pump stations.

The Wairoa, Frasertown and Tuai supplies have adequate capacity for the foreseeable future. The Mahanga supply is adequate as a non-potable

supplementary supply but will likely require more capacity if developed as a potable supply.

The water treatment plant, intake and associated assets are considered to be in good condition and adequate for the foreseeable future, although this is partly determined by changes in legislation. The pump station at the Wairoa township boundary is also fit for purpose as are the boundary tanks. Planned renewals of the Tawhara tanks by 2018 will ensure 24-hours' storage of treated water. [Section 4.2](#)

Reticulated networks are generally in fair to good condition. However, the 6.7km trunk main from

Frasertown to Wairoa is over 50 years old (2.5km replaced in 2011) and is considered a critical asset. [Section 4.2](#)

A reactive maintenance regime in the past has generally meant that any performance issues are dealt with effectively and efficiently. However, a move to a proactive approach for longer term renewals is deemed best practice. This will involve a more formal condition assessment and replacement programme to best meet the levels of service adopted. [Section 6.4](#)

How people can judge the Council

Council's goal for the water supply activity is: **'To comply with the New Zealand Drinking Water Standards'**. [Section 1.2](#)

Council wants to know what customers need to better deliver the water supply service as an effective solution. Council intends to monitor this through the level of service and performance measure framework. This framework utilises the

customer service request system (CSR), annual surveys and submission service. [Sections 2.2 and 2.3](#)

Level of service table with associated performance measures

The table below details what the Council will deliver as a level of service statement. The community outcomes that the specific statement contributes to are also detailed. How Council will monitor progress is then detailed as performance measures, with associated yearly targets. [Section 2.5](#)

LEVEL OF SERVICE STATEMENT	COMMUNITY OUTCOME	PERFORMANCE MEASURE	TARGET 2015	TARGET 2016	TARGET 2017
Council will own, operate and maintain reliable drinking water systems serving Wairoa, Frasertown, Tuai and Mahanga, protecting public health	1, 2, 3, 4, 5 & 6	All domestic householders and non-domestic premises connected to the water supply systems will be provided with a service that delivers a reliable supply of drinking water	Council will have in place, at all times, suitable water supply operation and maintenance contracts and arrangements to provide the services outlined		
		Community's willingness to pay for the service will be considered	Minimum 24-hours' daily consumption storage capacity to be maintained		
		The provision of facilities shall be adequate for current and foreseeable demand	Mahanga supply assessment to continue in consultation with local community	Monitor for complaints of cost of service through Annual Plan process	
		Customers' water pressure will be maintained	Implementation of Mahanga supply development		
			No valid CSRs regarding inadequate water pressure		
Council will comply with current standards, legislation and Council bylaws	2, 3 & 4	Council shall meet all legislative requirements	Annual review of current legislation for compliance		
		Council shall comply with Fire Fighting Standards	Council shall comply with Fire Fighting Standards		
		Council's Water Supply Bylaw shall be enforced	Council shall provide for monitoring of the bylaw		
			All known breaches of the bylaw shall be addressed as provided for in the bylaw		
		Council shall meet the requirements of the Drinking Water Standards	Bacterial compliance shall be monitored in accordance with part 4 of the Drinking Water Standards		
			Protozoal compliance shall be monitored in accordance with part 5 of the Drinking Water Standards		
		Customers will have water service available to them except during planned maintenance or an emergency	No CSRs regarding unplanned or emergency shutdowns		
Planned shutdowns are advertised					

LEVEL OF SERVICE STATEMENT	COMMUNITY OUTCOME	PERFORMANCE MEASURE	TARGET 2015	TARGET 2016	TARGET 2017
		The taste, smell and look of the water are monitored	Compliance with the Drinking Water Standards in accordance with requirements of the Health Act in relation to taste, smell and look (aesthetic determinants)		
		Council shall comply with conditions of consent for all systems	There shall be no abatement notices, infringement notices, enforcement orders or convictions in relation to resource consents		
Council will maintain water supplies to ensure long-term sustainability	2, 3 & 4	Asset database to be maintained	Asset database to be maintained up to date including all additions and disposals		
			Critical assets identified		
			Develop programme for condition assessments of the reticulation	Implement condition assessment programme	
		% of water loss from the reticulation systems through leakage, shall reduce with time	% water loss* shall not exceed 20% <i>*calculated as difference between quantity of water produced and that consumed based on per capita standard consumption</i>	% water loss* shall not exceed 20% <i>*calculated as difference between quantity of water produced and that consumed based on per capita standard consumption</i>	
			Assess most appropriate method of water loss calculation for each system		
		The average consumption of drinking water per day per resident shall reduce with time <i>(due to system leakage, estimated 2014 consumption is 1,400m³/person/day)</i>	The average consumption of drinking water per day per resident shall be less than 1,400m ³	The average consumption of drinking water per day per resident shall be less than 1,200m ³	The average consumption of drinking water per day per resident shall be less than 1,000m ³
		All maintenance, renewals and other programmed and reactive works are completed on time and within budget	Forward works programme to be set as part of Annual Plan process		
	Works to be within budget +/- 5%				
	Operational and maintenance activities are undertaken in a safe and healthy manner	No health and safety non compliances are received or issued			
		Annual review of hazard register			
Customers will receive a prompt and efficient service	2	Level of customer satisfaction through annual survey indicates a 'fairly good', 'very good' or better minimum 80% approval rating	80% satisfaction rating		

LEVEL OF SERVICE STATEMENT	COMMUNITY OUTCOME	PERFORMANCE MEASURE	TARGET 2015	TARGET 2016	TARGET 2017
		Council shall respond to faults / interruptions in the network reticulation	The median response time to attend a fault/interruption to the network reticulation from receiving notification to the time that service personnel reach the site shall not exceed 4 hours for URGENT call-outs		
			The median response time to confirm resolution of the blockage or other fault from receiving notification shall not exceed 4 hours for URGENT call-outs		
			The median response time to attend a fault/interruption to the network reticulation from receiving notification to the time that service personnel reach the site shall not exceed 4 hours for NON-URGENT call-outs		
			The median response time to confirm resolution of the blockage or other fault from receiving notification shall not exceed 4 hours for NON-URGENT call-outs		
		Complaints received annually shall not exceed: <ul style="list-style-type: none"> • 20 for drinking water clarity • 20 for drinking water taste • 20 for drinking water odour • 40 for drinking water pressure or flow • 40 for continuity of supply • 20 for response to issues expressed per 1000 connections. 	Complaints received annually shall not exceed: <ul style="list-style-type: none"> • 20 for drinking water clarity • 20 for drinking water taste • 20 for drinking water odour • 40 for drinking water pressure or flow • 40 for continuity of supply • 20 for response to issues expressed per 1000 connections. 		
Council will implement systems/processes to ensure continued service delivery in emergency events	2	Contingency plans shall be implemented for emergency events such as earthquake, tsunami, fire which result in the inability to provide the service	Annual meeting with civil defence team		
			Contingency plans shall be reviewed		
		There shall be a minimum of 24-hours' storage of potable water at all times			There shall be a minimum of 24-hours' storage of potable water at all times

Major issues and projects in the next 30 years

Maintaining an affordable local service is the key focus for the future. Specific issues over the next 30 years include:

- changes in legislation and government direction
- provision of adequate storage
- changes in technology
- delivering a sensible renewals profile with a

declining population base (i.e. shrinking asset)

- preparedness for natural disasters
- potential amalgamation which may affect the way services are managed and delivered.

Compliance with the New Zealand Drinking Water Standards

To comply with this standard, Council is developing a Water Safety Plan which identifies risks to the delivery of the water supply service. These risks have treatment options, costs and timeframes

associated.

Storage

To ensure a minimum of 24-hours' supply for the Wairoa network, the Tawhara tanks are to be replaced.

Reticulation renewals

An annual allocation of \$200,000 to \$300,000 has been made for pipe renewals in Wairoa for the next 30 years, primarily based around the implementation of a condition assessment and renewals

programme, as well as an allocation of \$1,000,000 for sectional trunk main renewals.

Capital works

It is anticipated that to enable growth, a drinking water supply will be required in the Mahia Beach tourist community in the future. A sum of \$100,000 has been budgeted from 2030-2035 to investigate this proposal.

\$200,000 has been allocated for a treatment upgrade to the Mahanga supply before 2020. The community's views on whether to decommission this supply or upgrade it will be determined through a referendum after the reorganisation poll, after which a final decision on whether to proceed with this will be made.

Provision has been made for \$100,000 for an alternative supply and treatment to address Wairoa's resilience between 2035 and 2040. Modifications to the existing intake are proposed from 2025-2030 at an estimated cost of \$100,000.

Achievement of core level asset management practice

A core level of assessment management will ensure that the water supply's assets are managed in the most effective and efficient way to give optimum solutions, so delivering what the ratepayer wants at a cost-effective price.

Core asset management entails a proactive approach for which Council needs to have a good understanding of the asset. This is done through collecting condition information and integrating risk options into core business. Council is developing

processes to ensure this is implemented.

Section 8.2

WAIROA DISTRICT COUNCIL
PROSPECTIVE FUNDING IMPACT STATEMENT - WATER SUPPLY
LTP 2015-2025

ANNUAL PLAN 2014/15		BUDGET 2015/16	BUDGET 2016/17	BUDGET 2017/18	BUDGET 2018/19	BUDGET 2019/20	BUDGET 2020/21	BUDGET 2021/22	BUDGET 2022/23	BUDGET 2023/24	BUDGET 2024/25
Sources of Operating Funding											
	General rates, uniform annual charges, rates										
	- penalties	-	-	-	-	-	-	-	-	-	-
775,555	Targeted rates (other than a targeted rate for water supply)	935,285	1,054,413	1,144,485	1,203,580	1,378,963	1,430,970	1,467,687	1,566,716	1,612,490	1,668,271
	- Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-
926,279	Fees charges and targeted rates for water supply	1,053,415	1,133,341	1,121,616	1,169,240	1,210,911	1,259,231	1,286,424	1,364,654	1,398,732	1,462,764
207,926	Local authorities fuel tax, fines, infringement fees, and other receipts	138,224	133,739	127,165	124,551	110,578	115,040	119,514	117,214	108,133	103,914
1,909,760	Total Operating Funding	2,126,924	2,321,493	2,393,266	2,497,371	2,700,452	2,805,241	2,873,625	3,048,584	3,119,355	3,234,949
Applications of Operating Funding											
1,156,403	Payments to staff and suppliers	1,468,158	1,584,737	1,574,051	1,669,272	1,721,224	1,815,457	1,876,119	1,985,076	2,043,129	2,149,157
106,799	Finance costs	106,799	113,027	119,442	126,062	127,772	127,772	127,772	127,772	127,772	127,772
240,020	Internal charges and overheads applied	277,889	298,050	316,858	321,157	326,951	337,307	344,811	352,676	365,141	374,429
-	- Other operating funding applications	-	-	-	-	-	-	-	-	-	-
1,503,222	Total applications of operating funding	1,852,846	1,995,814	2,010,351	2,116,491	2,175,947	2,280,536	2,348,702	2,465,524	2,536,042	2,651,358
406,538	Surplus (Deficit) of operating funding	274,078	325,679	382,915	380,880	524,505	524,705	524,923	583,060	583,313	583,591
Sources of capital funding											
	- Subsidies and grants for capital expenditure	100,000	1,000,000	484,000	-	-	-	-	-	-	-
	- Development and financial contributions	-	-	-	-	-	-	-	-	-	-
	- Increase (decrease) in debt	-	103,800	106,914	110,335	28,494	-	-	-	-	-
	- Gross proceeds from sale of assets	-	10,000	10,000	-	-	-	10,000	10,000	-	-
	- Lump sum contributions	-	-	-	-	-	-	-	-	-	-
	- Total sources of capital funding	100,000	1,113,800	600,914	110,335	28,494	-	10,000	10,000	-	-
Application of capital funding											
	Capital expenditure										
	- to meet additional demand	-	-	-	-	-	-	-	-	-	-
349,750	- to improve the level of service	-	103,800	106,914	110,335	28,494	-	-	-	-	-
328,000	- to replace existing assets	762,000	1,801,233	1,713,502	724,814	827,310	438,831	521,323	526,963	534,835	1,114,595
(271,212)	Increase (Decrease) in reserves	(387,922)	(465,554)	(836,587)	(343,934)	(302,805)	85,874	13,600	66,097	48,478	(531,004)
	- Increase (Decrease) of investments	-	-	-	-	-	-	-	-	-	-
406,538	Total application of capital funding	374,078	1,439,479	983,829	491,215	552,999	524,705	534,923	593,060	583,313	583,591
(406,538)	Surplus (Deficit) of capital funding	(274,078)	(325,679)	(382,915)	(380,880)	(524,505)	(524,705)	(524,923)	(583,060)	(583,313)	(583,591)
	- Funding Balance	-	-	-	-	-	-	-	-	-	-
583,788	Group depreciation and amortisation	451,328	468,440	468,596	468,767	514,267	514,467	514,685	572,821	573,075	573,352

PROJECTED 10 YEAR FINANCIAL SUMMARY - WATER SUPPLY

ANNUAL PLAN 2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Expenditure										
1,263,202 Operational Costs	1,468,158	1,584,737	1,574,051	1,669,272	1,721,224	1,815,457	1,876,119	1,985,076	2,043,129	2,149,157
- Interest	106,799	113,027	119,442	126,062	127,772	127,772	127,772	127,772	127,772	127,772
240,020 Overhead Allocation	277,889	298,050	316,858	321,157	326,951	337,307	344,811	352,676	365,141	374,429
583,788 Depreciation	451,328	468,440	468,596	468,767	514,267	514,467	514,685	572,821	573,075	573,352
2,087,010 Total Operating Costs	2,304,174	2,464,254	2,478,947	2,585,258	2,690,214	2,795,002	2,863,387	3,038,345	3,109,117	3,224,710
1,134,772 Activity Income - Service Charges	1,291,639	2,267,080	1,732,781	1,293,791	1,321,489	1,374,270	1,405,938	1,481,867	1,506,865	1,566,678
22,250 Less depreciation not funded	22,250	24,326	26,464	28,670	29,240	29,240	29,240	29,240	29,240	29,240
1,157,022	1,313,889	2,291,406	1,759,245	1,322,461	1,350,729	1,403,510	1,435,178	1,511,107	1,536,105	1,595,918
-	-	-	-	-	-	-	-	-	-	-
929,988 Net Cost of Service	990,285	172,848	719,702	1,262,797	1,339,485	1,391,492	1,428,209	1,527,238	1,573,012	1,628,792
-	-	-	-	-	-	-	-	-	-	-
- Capital Expenditure	-	-	-	-	-	-	-	-	-	-
328,000 Renewals	762,000	1,801,233	1,713,502	724,814	827,310	438,831	521,323	526,962	534,835	1,114,595
349,750 New Capital	-	103,800	106,914	110,335	28,494	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
677,750	762,000	1,905,033	1,820,416	835,149	855,804	438,831	521,323	526,962	534,835	1,114,595
-	-	-	-	-	-	-	-	-	-	-
1,607,738 Funding Required	1,752,285	2,077,881	2,540,118	2,097,946	2,195,289	1,830,323	1,949,532	2,054,200	2,107,847	2,743,387
- Funded By:	-	-	-	-	-	-	-	-	-	-
774,988 Rate Income	935,285	1,054,413	1,144,485	1,203,580	1,378,963	1,430,970	1,467,687	1,566,716	1,612,490	1,668,271
155,000 Reserves - Operational Funding	155,000	118,435	59,217	59,217	(39,478)	(39,478)	(39,478)	(39,478)	(39,478)	(39,479)
677,750 Reserves - Capital Funding	662,000	791,233	1,219,502	724,814	827,310	438,831	511,323	516,962	534,835	1,114,595
- Loans	-	103,800	106,914	110,335	28,494	-	-	-	-	-
- Sale of Assets	-	10,000	10,000	-	-	-	10,000	10,000	-	-
1,607,738 Total Funding	1,752,285	2,077,881	2,540,118	2,097,946	2,195,289	1,830,323	1,949,532	2,054,200	2,107,847	2,743,387

PROJECTED 10 YEAR FINANCIAL SUMMARY - WATER RETICULATION

ANNUAL PLAN 2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Expenditure										
814,094	832,830	889,154	903,192	961,218	997,773	1,051,880	1,093,327	1,156,080	1,190,162	1,242,297
-	106,799	106,799	106,799	106,799	106,799	106,799	106,799	106,799	106,799	106,799
184,723	221,813	237,881	252,823	256,287	260,933	269,175	275,179	281,475	291,397	298,828
343,866	265,717	275,814	275,814	275,814	302,854	302,854	302,854	337,404	337,404	337,404
1,342,683	1,427,159	1,509,648	1,538,628	1,600,118	1,668,359	1,730,708	1,778,159	1,881,758	1,925,762	1,985,328
390,567	414,624	1,314,549	796,676	315,071	306,623	316,966	327,700	332,270	330,501	334,287
22,250	22,250	22,250	22,250	22,250	22,250	22,250	22,250	22,250	22,250	22,250
412,817	436,874	1,336,799	818,926	337,321	328,873	339,216	349,950	354,520	352,751	356,537
929,866	990,285	172,849	719,702	1,262,797	1,339,486	1,391,492	1,428,209	1,527,238	1,573,011	1,628,791
Capital Expenditure										
210,000	370,000	1,528,360	1,338,668	353,073	364,724	289,015	299,709	311,098	323,542	337,131
20,000	-	-	-	-	-	-	-	-	-	-
230,000	370,000	1,528,360	1,338,668	353,073	364,724	289,015	299,709	311,098	323,542	337,131
1,159,866	1,360,285	1,701,209	2,058,370	1,615,870	1,704,210	1,680,507	1,727,918	1,838,336	1,896,553	1,965,922
Funded By:										
774,866	935,285	1,054,414	1,144,485	1,203,580	1,378,964	1,430,970	1,467,687	1,566,716	1,612,489	1,668,270
155,000	155,000	118,435	59,217	59,217	(39,478)	(39,478)	(39,478)	(39,478)	(39,478)	(39,479)
230,000	270,000	528,360	854,668	353,073	364,724	289,015	299,709	311,098	323,542	337,131
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
1,159,866	1,360,285	1,701,209	2,058,370	1,615,870	1,704,210	1,680,507	1,727,918	1,838,336	1,896,553	1,965,922

PROJECTED 10 YEAR FINANCIAL SUMMARY - WATER PRODUCTION

ANNUAL PLAN 2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Expenditure										
449,108	635,328	695,583	670,859	708,054	723,451	763,577	782,792	828,996	852,967	906,860
-	-	6,228	12,643	19,263	20,973	20,973	20,973	20,973	20,973	20,973
55,297	56,076	60,169	64,035	64,870	66,018	68,132	69,632	71,201	73,744	75,601
239,922	185,611	192,626	192,782	192,953	211,413	211,612	211,831	235,417	235,671	235,948
744,327	877,015	954,606	940,319	985,140	1,021,855	1,064,294	1,085,228	1,156,587	1,183,355	1,239,382
744,205	877,015	952,531	936,105	978,720	1,014,866	1,057,304	1,078,238	1,149,597	1,176,364	1,232,391
-	-	2,076	4,214	6,420	6,990	6,990	6,990	6,990	6,990	6,990
744,205	877,015	954,607	940,319	985,140	1,021,856	1,064,294	1,085,228	1,156,587	1,183,354	1,239,381
122	-	(1)	-	-	(1)	-	-	-	1	1
Capital Expenditure										
118,000	392,000	272,873	374,834	371,741	462,586	149,816	221,614	215,864	211,293	777,464
329,750	-	103,800	106,914	110,335	28,494	-	-	-	-	-
447,750	392,000	376,673	481,748	482,076	491,080	149,816	221,614	215,864	211,293	777,464
447,872	392,000	376,672	481,748	482,076	491,079	149,816	221,614	215,864	211,294	777,465
Funded By:										
122	-	(1)	-	-	(1)	-	-	-	1	1
-	-	-	-	-	-	-	-	-	-	-
447,750	392,000	262,873	364,834	371,741	462,586	149,816	211,614	205,864	211,293	777,464
-	-	103,800	106,914	110,335	28,494	-	-	-	-	-
-	-	10,000	10,000	-	-	-	10,000	10,000	-	-
447,872	392,000	376,672	481,748	482,076	491,079	149,816	221,614	215,864	211,294	777,465

Stormwater



For more details:

Refer to the relevant [section](#) of the Stormwater Asset Management Plan. Alternatively contact Wairoa District Council's Asset Management Department on (06) 838 7309 or visit our offices to discuss any queries you may have.

What the Council does

The stormwater activity consists of a network of pipes, open drains and outlets. The stormwater activity specifically relates to Wairoa urban area, Tuai village and Mahia Beach. Other rural networks of primarily open drains with some culverting are treated as part of the roading asset.

Stormwater assets include:

- approximately 39km of pipework
- manholes, catchpits and sumps
- inlets and outlets
- junctions.

Section 4.1

Council develops and implements a Stormwater Asset Management Plan to ensure that these assets can deliver agreed levels of service to existing and future residents in the most cost-effective way. This has involved the creation of policy to ensure an appropriate level of asset management is delivered. [Section 1.1](#)

The stormwater webpage can be accessed through the Wairoa District Council website www.wairoadc.govt.nz

Why the Council does this

For all infrastructure assets, Council has a role to:

- identify levels of service and monitor performance
- manage the impact of growth through demand management and asset development

- identify, assess and manage risks that may impact on the activity
- develop and implement the most cost-effective strategies for operating, maintaining, replacing and/or improving the assets
- have a long-term financial plan which identifies required expenditure and how it will be funded.

The benefits of understanding the asset/service environment are:

- improved cost efficiency and reduced costs
- improved customer satisfaction
- transparency in decision making
- sustainability.

There is also a statutory basis for Council's involvement in this activity. [Section 2.1](#)

Current legislation and regulations which set the minimum service levels that must be provided and which affect asset operation, maintenance and development of the stormwater activity include the Resource Management Act 1991. Council is in the process of lodging a 'global' stormwater discharge consent with Hawke's Bay Regional Council.

Council has an obligation 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. To enable this, Council has made a commitment to continue to deliver the services currently provided and to continue to focus on the previously adopted community outcomes.

Community outcomes & how the stormwater activity contributes

How the stormwater activity contributes to those community outcomes is shown in the following table.

Community Outcomes	1. A strong, prosperous and thriving economy	2. A safe and secure community	3. A lifetime of good health and well-being	4. An environment that is appreciated, protected and sustained for future generations	5. Supportive, caring and valued communities	6. A safe and integrated transport system	7. Strong district leadership and a sense of belonging	8. Safe and accessible recreational facilities	9. A community that values and promotes its culture and heritage
Stormwater Contribution	The stormwater infrastructure can support the economy by ensuring flooding has a minimal effect on business operations.	Flooding is considered a health hazard, which an adequate stormwater system can alleviate.	Sustainable management of the activity ensures a sustainable future.	Compliance with legislative requirements and involvement of key stakeholders ensure the environment is at the forefront of decisions involving stormwater.	Inclusion in the strategic direction of the activity through the LTP submission process.	Stormwater infrastructure outside of Wairoa, Tuai and Mahia is considered a roading asset.		Ensures recreation facilities are free from minor flooding and safety hazards.	

Asset condition and performance

Council has insufficient information to fully determine the material or condition of the older pipes although they are generally considered to be in acceptable condition. Much of the network is older than 50 years and there is some evidence of infiltration of stormwater into the sewerage system but much of this is from groundwater.

The system is considered to have adequate capacity for the foreseeable future.

A reactive maintenance regime in the past has generally meant that any performance issues are dealt with effectively and efficiently. However, a

move to a proactive approach for longer term renewals is deemed best practice. This will involve a more formal condition assessment and replacement programme to best meet the levels of service adopted. [Section 6.4](#)

How people can judge the Council

Council’s goal for this activity is: ***‘Effective and efficient management of the collection and disposal of stormwater to ensure that the capacity of available facilities is optimised and that the environment is not compromised’***. Section 1.2

Council wants to know what customers need to

better deliver the stormwater service as an effective solution. Council intends to monitor this through the level of service and performance measure framework. This framework utilises the customer service request system (CSR), annual surveys and submission service. [Sections 2.2 and 2.3](#)

The table below details what the Council will deliver as a level of service statement. The community outcomes that the specific statement contributes to are also detailed. How Council will monitor progress is then detailed as performance measures, with associated yearly targets. [Section 2.5](#)

Level of service table with associated performance measures

LEVEL OF SERVICE STATEMENT	COMMUNITY OUTCOME	PERFORMANCE MEASURE	TARGET 2015	TARGET 2016	TARGET 2017
Council will own, operate and maintain a stormwater system within the town limits of Wairoa, Tuai and Mahia that will protect properties from flooding events	1, 2, 3, 4, 5, 6 & 8	All domestic households and non-domestic premises connected to the stormwater system will be provided with a service that removes stormwater from their properties	Council will have in place, at all times, suitable stormwater system operation and maintenance contracts and arrangements to provide the services outlined		
		Community's willingness to pay for the service will be considered	Monitor for complaints of cost of service through Annual Plan process		
		The stormwater system shall be managed to limit the number of flooding events where 'flooding event' means an overflow of stormwater from the stormwater system and the impact of those flooding events on properties	There shall be no more than 10 flooding events		
			For each flooding event, the number of habitable floors affected shall not exceed 50 per 1000 properties connected to the system		
Council will comply with current legislation and Council bylaws	1, 2, 4, 6 & 8	Council shall meet all legislation requirements	Annual review of current legislation for compliance		
		Council shall comply with conditions of consent for any systems	There shall be no abatement notices, infringement notices, enforcement orders or convictions in relation to any resource consent		
		Council's Stormwater Bylaw shall be enforced (once adopted)	Council shall provide for monitoring of the bylaw		
			All known breaches of the bylaw shall be addressed as provided for in the bylaw		
Council will maintain stormwater systems to ensure long-term sustainability	1, 2, 3, 4, 5, 6 & 8	Asset database to be maintained	Asset database to be maintained up to date including all additions and disposals		
			Develop programme to update asset database over next two years	Condition assessment of assets 50% of assets	
			Critical assets identified		
		Address impacts of infiltration and inflow into Wairoa system	Address impacts of infiltration and inflow into Wairoa system as they arise		
		All maintenance, renewals and other programmed and reactive works are completed on time and within budget	Forward works programme to be set as part of Annual Plan process		
			Works to be within budget +/- 5%		
		Operational and maintenance activities are undertaken in a safe and healthy manner	No health and safety non compliances are received or issued		
Annual review of hazard register					

LEVEL OF SERVICE STATEMENT	COMMUNITY OUTCOME	PERFORMANCE MEASURE	TARGET 2015	TARGET 2016	TARGET 2017
Customers will receive a prompt and efficient service	5	Level of customer satisfaction through annual survey indicates 'fairly good', 'very good' or better minimum 80% approval rating	80% satisfaction rating		
		Council shall respond to flooding events	The median response time to attend a flooding event from receiving notification to the time that service personnel reach the site shall not exceed 4 hours		
		The total number of complaints received shall not exceed 50 per 1000 connections	The total number of complaints received shall not exceed 50 per 1000 connections		
Council will implement systems/processes to ensure continued service delivery in emergency events	1, 2, 6 & 8	Contingency plans shall be implemented for emergency events such as flooding, earthquake, tsunami, fire which result in the inability to provide the service	Annual meeting with civil defence team		
			Contingency plans shall be developed	Contingency plans shall be reviewed	

Major issues and projects in the next 30 years

Affordability and sustainability in a declining population base are key factors to consider. Specific issues over the next 30 years include:

- declining and ageing population with associated funding problems
- changes in legislation and government direction
- ageing infrastructure
- preparedness for natural disasters.

Piping of open drains

Council will continue to pipe open drains to the value of around \$100,000 per year. This equates to

approximately 300m of open drain each year. There are over 22kms of open drains in the Wairoa township. [Section 6.5](#)

Options to accelerate the piping of open drains has been investigated in the past but is not considered a cost-effective use of funds at this time.

Stormwater renewals

An allocation in the order of \$10 million has been made for reactive and programmed pipe renewals in Wairoa for the next 30 years together with a provision of \$50,000 every five years for Mahia pipe renewals.

There may be renewal or upgrade requirements as a result of the resource consent and as a result of the inflow and infiltration investigations being

undertaken for the sewerage system.

Achievement of core level asset management practice

A core level of assessment management will ensure that stormwater assets are managed in the most effective and efficient way to give optimum solutions, so delivering what the ratepayer wants at a cost-effective price.

Core asset management entails a proactive approach for which Council needs to have a good understanding of the asset. This is done through collecting condition information and integrating risk options into core business. Council is developing processes to ensure this is implemented. [Section 8.2](#)

WAIROA DISTRICT COUNCIL
PROSPECTIVE FUNDING IMPACT STATEMENT - STORMWATER
LTP 2015-2025

ANNUAL PLAN 2014/15		BUDGET 2015/16	BUDGET 2016/17	BUDGET 2017/18	BUDGET 2018/19	BUDGET 2019/20	BUDGET 2020/21	BUDGET 2021/22	BUDGET 2022/23	BUDGET 2023/24	BUDGET 2024/25
Sources of Operating Funding											
	General rates, uniform annual charges, rates										
	- penalties	-	-	-	-	-	-	-	-	-	-
324,667	Targeted rates (other than a targeted rate for water supply)	360,843	393,085	417,600	426,888	479,129	504,555	523,222	567,968	591,750	615,846
	- Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-
	- Fees charges and targeted rates for water supply	-	-	-	-	-	-	-	-	-	-
115,670	Local authorities fuel tax, fines, infringement fees, and other receipts	81,717	73,860	65,333	66,578	45,635	34,052	28,556	22,875	15,342	6,815
440,337	Total Operating Funding	442,560	466,945	482,933	493,466	524,764	538,607	551,778	590,843	607,092	622,661
Applications of Operating Funding											
104,560	Payments to staff and suppliers	105,659	110,259	114,475	118,964	123,674	128,695	134,053	139,696	145,727	152,180
66,832	Finance costs	72,833	79,061	85,476	92,096	98,935	106,013	113,353	120,972	128,895	137,151
69,006	Internal charges and overheads applied	108,702	116,944	124,439	126,070	128,307	132,410	135,330	138,384	143,320	146,932
	- Other operating funding applications	-	-	-	-	-	-	-	-	-	-
240,398	Total applications of operating funding	287,194	306,264	324,390	337,130	350,916	367,118	382,736	399,052	417,942	436,263
199,939	Surplus (Deficit) of operating funding	155,366	160,681	158,543	156,336	173,848	171,489	169,042	191,791	189,150	186,398
Sources of capital funding											
	- Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-
	- Development and financial contributions	-	-	-	-	-	-	-	-	-	-
114,290	Increase (decrease) in debt	100,000	103,800	106,914	110,335	113,976	117,965	122,330	126,979	132,058	137,604
	- Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
	- Lump sum contributions	-	-	-	-	-	-	-	-	-	-
114,290	Total sources of capital funding	100,000	103,800	106,914	110,335	113,976	117,965	122,330	126,979	132,058	137,604
Application of capital funding											
	Capital expenditure										
	- to meet additional demand	-	-	-	-	-	-	-	-	-	-
114,290	- to improve the level of service	100,000	103,800	106,914	110,335	113,976	117,965	122,330	126,979	132,058	137,604
	- to replace existing assets	350,000	472,290	406,273	612,361	575,580	359,795	311,942	323,796	402,777	419,693
199,939	Increase (Decrease) in reserves	(194,634)	(311,609)	(247,730)	(456,025)	(401,732)	(188,306)	(142,900)	(132,005)	(213,627)	(233,295)
	- Increase (Decrease) of investments	-	-	-	-	-	-	-	-	-	-
314,229	Total application of capital funding	255,366	264,481	265,457	266,671	287,824	289,454	291,372	318,770	321,208	324,002
(199,939)	Surplus (Deficit) of capital funding	(155,366)	(160,681)	(158,543)	(156,336)	(173,848)	(171,489)	(169,042)	(191,791)	(189,150)	(186,398)
	Funding Balance										
	-	-	-	-	-	-	-	-	-	-	-
233,259	Group depreciation and amortisation	194,495	201,886	201,886	201,886	221,678	221,678	221,678	246,967	246,967	246,967

PROJECTED 10 YEAR FINANCIAL SUMMARY - STORMWATER

ANNUAL PLAN 2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	
Expenditure											
104,560	Operational Costs	105,659	110,259	114,475	118,964	123,674	128,695	134,053	139,696	145,727	152,180
66,832	Interest	72,833	79,061	85,476	92,096	98,935	106,013	113,353	120,972	128,895	137,151
69,006	Overhead Allocation	108,702	116,944	124,439	126,070	128,307	132,410	135,330	138,384	143,320	146,932
233,259	Depreciation	194,495	201,886	201,886	201,886	221,678	221,678	221,678	246,967	246,967	246,967
473,657	Total Operating Costs	481,689	508,150	526,276	539,016	572,594	588,796	604,414	646,019	664,909	683,230
115,670	Activity Income - Service Charges	81,717	73,860	65,333	66,578	45,635	34,052	28,556	22,875	15,342	6,815
33,320	Less depreciation not funded	39,129	41,205	43,343	45,550	47,830	50,189	52,636	55,176	57,817	60,569
148,990		120,846	115,065	108,676	112,128	93,465	84,241	81,192	78,051	73,159	67,384
324,667	Net Cost of Service	360,843	393,085	417,600	426,888	479,129	504,555	523,222	567,968	591,750	615,846
Capital Expenditure											
-	Renewals	350,000	472,290	406,273	612,361	575,580	359,795	311,942	323,796	402,777	419,693
114,290	New Capital	100,000	103,800	106,914	110,335	113,976	117,965	122,330	126,979	132,058	137,604
114,290		450,000	576,090	513,187	722,696	689,556	477,760	434,272	450,775	534,835	557,297
438,957	Funding Required	810,843	969,175	930,787	1,149,584	1,168,685	982,315	957,494	1,018,743	1,126,585	1,173,143
Funded By:											
324,667	Rate Income	360,843	393,085	417,600	426,888	479,129	504,555	523,222	567,968	591,750	615,846
-	Reserves - Operational Funding	-	-	-	-	-	-	-	-	-	-
-	Reserves - Capital Funding	350,000	472,290	406,273	612,361	575,580	359,795	311,942	323,796	402,777	419,693
114,290	Loans	100,000	103,800	106,914	110,335	113,976	117,965	122,330	126,979	132,058	137,604
-	Sale of Assets	-	-	-	-	-	-	-	-	-	-
438,957	Total Funding	810,843	969,175	930,787	1,149,584	1,168,685	982,315	957,494	1,018,743	1,126,585	1,173,143

Wastewater



For more details:

Refer to the relevant [section](#) of the Wastewater Asset Management Plan. Alternatively contact Wairoa District Council's Asset Management Department on (06) 838 7309 or visit our offices to discuss any queries you may have.

What the Council does

Wairoa District Council owns and operates wastewater systems in Wairoa, Tuai, Mahia and Opoutama. [Section 4.2](#)

The Wairoa network services a mix of residential, commercial and light industrial properties, through a network of gravity pipes, pump stations and rising mains discharging via oxidation ponds to the estuary of the Wairoa River.

The Tuai network serves the local village and was designed on the basis that grey water and sewage (black water) are reticulated as separate systems.

The Mahia Beach township system has been recently completed and comprises private septic tanks discharging to a public system of reticulation to a pump station and rising main that transfers wastewater to treatment ponds over the hills. The treated wastewater is used to irrigate a plantation forest owned by Hawke's Bay Regional Council.

The Opoutama system has also been recently completed and comprises a network of pipes and pump stations discharging to a treatment plant at the former Blue Bay subdivision site and the discharge of treated wastewater into the ground.

Council develops and implements a Wastewater Asset Management Plan to ensure that these assets can deliver agreed levels of service to existing and future residents in the most cost-effective way. This has involved the creation of policy to ensure a level of asset management is delivered. [Section 1.1](#)

The wastewater webpage can be accessed through the Wairoa District Council website www.wairoadc.govt.nz

Why the Council does this

For all infrastructure assets, Council has a role to:

- identify levels of service and monitor performance
- manage the impact of growth through demand management and asset development
- identify, assess and manage risks that may impact on the activity
- develop and implement the most cost-effective strategies for operating, maintaining, replacing and/or improving the assets
- have a long-term financial plan which identifies required expenditure and how it will be funded.

The benefits of understanding the asset/service environment are:

- improved cost efficiency and reduced costs
- improved customer satisfaction
- transparency in decision making
- sustainability.

There is also a statutory basis for Council's involvement in the wastewater activity. [Section 2.1](#)

Current legislation and regulations which set the minimum service levels that must be provided and which affect asset operation, maintenance and development of the wastewater activity include:

- Waste Minimisation Act 2008

- Health Act 1956
- Hazardous Substances and New Organisms Act 1996
- Resource Management Act 1991.



Community outcomes and how the wastewater activity contributes

Council has an obligation 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. To enable this, Council has made a commitment to continue to deliver the services currently provided and to continue to focus on the previously adopted community outcomes.

How the wastewater activity contributes to those community outcomes is shown in the following table.

Community Outcomes	1. A strong, prosperous and thriving economy	2. A safe and secure community	3. A lifetime of good health and well-being	4. An environment that is appreciated, protected and sustained for future generations	5. Supportive, caring and valued communities	6. A safe and integrated transport system	7. Strong district leadership and a sense of belonging	8. Safe and accessible recreational facilities	9. A community that values and promotes its culture and heritage
Wastewater Contribution	Provision is made for the ability to create business growth around the disposal of waste.	A well-managed wastewater disposal system ensures the safe hygiene of the community.	The planning of the wastewater activity is sustainable into the future.	Recognition that wastewater can cause harm to the environment if not managed properly.	Development of wastewater plans take into account cultural values.				Development of wastewater plans take into account cultural values.

Asset condition and performance

Each system typically comprises the following key components:

- network of pipes
- pump stations
- treatment plants
- disposal facilities.

Council has insufficient information to fully determine the material or condition of the older pipes. Much of the Wairoa network is older than 50 years and there is evidence of inflow and infiltration of stormwater into the sewerage system which can result in discharges of wastewater during high rainfall. [Section 4.2](#)

The systems are considered to have adequate capacity for the foreseeable future. The Opoutama and Mahia schemes have the ability to increase capacity if necessary in the future and the Wairoa system will be assessed as part of the project to

upgrade the treatment plant for the new resource consent application. [Section 4.2](#)

A reactive maintenance regime in the past has generally meant replacement of assets based on asset failure or legislative requirements. However, a move to a proactive approach for longer term renewals is deemed best practice. This will involve a more formal condition assessment and replacement programme to best meet the levels of service adopted. In particular, Council is currently implementing condition assessments and investigations to determine priority renewals to address inflow and infiltration.

[Section 6.4](#)

How people can judge the Council

Council's goal for this activity is: '**Reliable and safe collection and disposal of sewage**'. [Section 1.2](#)

Council wants to know what customers need to

better deliver the wastewater service as an effective solution. Council intends to monitor this through the level of service and performance measure framework. This framework utilises the customer service request system (CSR), annual surveys and submission service. [Sections 2.2 and 2.3](#)

The table below details what the Council will deliver as a level of service statement. The community outcomes that the specific statement contributes to are also detailed. How Council will monitor progress is then detailed as performance measures, with associated yearly targets.

[Section 2.5](#)

Level of service table with associated performance measures

LEVEL OF SERVICE STATEMENT	COMMUNITY OUTCOMES	PERFORMANCE MEASURE	TARGET 2015	TARGET 2016	TARGET 2017
Council will own, operate and maintain a sewer system to Wairoa, Tuai, Mahia and Opoutama that removes wastewater from properties and protects public health and the environment	1, 2, 3 & 4	All domestic householders and non-domestic premises connected to the sewer system will be provided with a service that removes wastewater from their properties	Council will have in place, at all times, suitable sewerage system operation and maintenance contracts and arrangements to provide the services outlined		
		Council will provide, operate and maintain treatment facilities to enable appropriate disposal/discharge of wastewater			
		Community's willingness to pay for the service will be considered	Monitor for complaints of cost of service through Annual Plan process		
		The provision of facilities shall be adequate for current and foreseeable demand	Develop programme towards renewal of the Wairoa consent	Implementation of programme towards renewal of the Wairoa consent	
Council will comply with current legislation and Council bylaws	2 & 4	Council shall meet all legislative requirements	Annual review of current legislation for compliance		
		Council shall comply with conditions of consent for all systems	There shall be no abatement notices, infringement notices, enforcement orders or convictions in relation to the resource consents for the Wairoa, Mahia, Opoutama or Tuai systems		
			Council shall report 6-monthly to HBRC on progress in relation to the inflow and infiltration study and associated renewals/rehabilitation		
		There shall be no dry weather sewerage overflows	There shall be no dry weather sewerage overflows for the Wairoa, Mahia, Opoutama or Tuai systems		
		Council's Trade Waste and Wastewater Bylaw shall be enforced	Council shall provide for monitoring of the bylaw		
			All known breaches of the bylaw shall be addressed as provided for in the bylaw		
Council will maintain wastewater facilities to ensure long-term sustainability	1, 2, 3 & 4	Asset database to be maintained	Asset database to be maintained up to date including all additions and disposals		
			Critical assets identified		
		Address infiltration and inflow into the Wairoa system	Infiltration and inflow physical investigations and remedial works – set programme and budget for Annual Plan		
		All maintenance, renewals and other programmed and reactive	Forward works programme to be set as part of Annual Plan process		

LEVEL OF SERVICE STATEMENT	COMMUNITY OUTCOMES	PERFORMANCE MEASURE	TARGET 2015	TARGET 2016	TARGET 2017
		works are completed on time and within budget	Works to be within budget +/- 5%		
		Operational and maintenance activities are undertaken in a safe and healthy manner	No health and safety non compliances are received or issued		
			Annual review of hazard register		
Customers will receive a prompt and efficient service	2, 3 & 4	Level of customer satisfaction through annual survey indicates a 'fairly good', 'very good' or better minimum 80% approval rating	80% satisfaction rating		
		Council shall respond to sewerage overflows resulting from a blockage or other fault in the sewerage system	The median response time to attend an overflow from receiving notification to the time that service personnel reach the site shall not exceed 4 hours		
			The median response time to confirm resolution of the blockage or other fault from receiving notification shall not exceed 4 hours		
		The total number of complaints received shall reduce each year	Complaints received shall not exceed: <ul style="list-style-type: none"> • 20 for sewage odour • 20 for sewerage system faults • 20 for sewerage system blockages • 20 for responses to issues with sewerage system per annum and expressed per 1000 connections. 		
Council will implement systems/processes to ensure continued service delivery in emergency events	2 & 4	Contingency plans shall be implemented for emergency events such as flooding, earthquake, tsunami, fire which result in the inability to provide the service	Annual meeting with civil defence team		
			Contingency plans shall be developed	Contingency plans shall be reviewed	

Major issues and projects in the next 30 years

Section 6

Affordability and sustainability in a declining population base are key factors to consider as well as changes in legislation. Specific issues over the next 30 years include:

- declining and ageing population with associated funding problems
- changes in legislation and government direction

- ageing infrastructure and inflow and infiltration issues
- Wairoa treatment plant discharge consent expires in 2019
- potential amalgamation which may affect the way services are managed and delivered.

Wastewater renewals

A provision of \$4.75 million over the next 30 years has been made for reactive and programmed pipe renewals in Wairoa together with a provision of \$900,000 for Mahia and Opoutama to 2045.

The Wairoa renewals programme will primarily be determined from the inflow and infiltration investigations being undertaken for the sewerage system.

Pump stations require regular renewal works and in the order of \$25,000 every two years is provided for.

Wairoa Treatment Plant

The current discharge consent for the Wairoa wastewater system expires in 2019. Discharge or secondary treated effluent into the lower reaches of

the Wairoa River will probably not be acceptable beyond the life of the current consent.

Council is at the stage of engaging a consultant to undertake a feasibility study into options for the treatment and discharge of wastewater in Wairoa.

Provision has been made for expenditure to develop and implement a new system. This includes \$4.75 million construction and \$500,000 for associated professional fees.

Achievement of core level asset management practice

A core level of assessment management will ensure that the wastewater assets are managed in the most effective and efficient way to give optimum solutions, so delivering what the ratepayer wants at a cost-effective price.

Core asset management entails a proactive approach for which Council needs to have a good understanding of the asset. This is done through collecting condition information and integrating risk options into core business. Council is developing processes to ensure this is implemented.

Section 8.2

WAIROA DISTRICT COUNCIL
PROSPECTIVE FUNDING IMPACT STATEMENT - WASTEWATER
LTP 2015-2025

ANNUAL PLAN 2014/15		BUDGET 2015/16	BUDGET 2016/17	BUDGET 2017/18	BUDGET 2018/19	BUDGET 2019/20	BUDGET 2020/21	BUDGET 2021/22	BUDGET 2022/23	BUDGET 2023/24	BUDGET 2024/25
Sources of Operating Funding											
	General rates, uniform annual charges, rates										
	- penalties	-	-	-	-	-	-	-	-	-	-
1,499,622	Targeted rates (other than a targeted rate for water supply)	1,344,836	1,390,511	1,461,857	1,402,022	1,596,310	1,640,805	1,726,749	1,779,687	1,833,647	1,877,540
	- Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-
2,439,062	Fees charges and targeted rates for water supply	7,500	7,688	7,887	8,100	8,335	8,585	8,851	9,144	9,454	9,795
112,257	Local authorities fuel tax, fines, infringement fees, and other receipts	145,751	125,005	104,680	92,967	71,936	49,302	31,557	13,971	6,070	(351)
4,050,941	Total Operating Funding	1,498,087	1,523,204	1,574,424	1,503,089	1,676,581	1,698,692	1,767,157	1,802,802	1,849,171	1,886,984
Applications of Operating Funding											
588,697	Payments to staff and suppliers	663,666	668,646	695,583	722,372	782,030	830,418	863,835	893,510	930,547	961,318
81,498	Finance costs	84,498	89,480	99,744	126,224	235,641	292,264	321,623	321,623	321,623	321,623
259,374	Internal charges and overheads applied	209,453	224,608	238,626	241,940	246,357	254,106	259,795	265,765	275,097	282,139
	- Other operating funding applications	-	-	-	-	-	-	-	-	-	-
929,569	Total applications of operating funding	957,617	982,734	1,033,953	1,090,536	1,264,028	1,376,788	1,445,253	1,480,898	1,527,267	1,565,080
3,121,372	Surplus (Deficit) of operating funding	540,470	540,470	540,471	412,553	412,553	321,904	321,904	321,904	321,904	321,904
Sources of capital funding											
2,000,000	Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-
	- Development and financial contributions	-	-	-	-	-	-	-	-	-	-
	- Increase (decrease) in debt	50,000	83,040	171,062	441,341	1,823,621	943,724	489,321	-	-	-
	- Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
	- Lump sum contributions	-	-	-	-	-	-	-	-	-	-
2,000,000	Total sources of capital funding	50,000	83,040	171,062	441,341	1,823,621	943,724	489,321	-	-	-
Application of capital funding											
	Capital expenditure										
	- to meet additional demand	-	-	-	-	-	-	-	-	-	-
2,250,000	- to improve the level of service	50,000	103,800	213,828	551,676	2,279,526	1,179,655	611,651	-	-	-
625,000	- to replace existing assets	755,000	884,184	914,115	485,475	490,098	477,760	519,585	387,285	369,762	419,693
2,246,372	Increase (Decrease) in reserves	(214,530)	(364,474)	(416,410)	(183,257)	(533,450)	(391,787)	(320,011)	(65,381)	(47,858)	(97,789)
	- Increase (Decrease) of investments	-	-	-	-	-	-	-	-	-	-
5,121,372	Total application of capital funding	590,470	623,510	711,533	853,894	2,236,174	1,265,628	811,225	321,904	321,904	321,904
(3,121,372)	Surplus (Deficit) of capital funding	(540,470)	(540,470)	(540,471)	(412,553)	(412,553)	(321,904)	(321,904)	(321,904)	(321,904)	(321,904)
	Funding Balance	-	-	-	-	-	-	-	-	-	-
789,036	Group depreciation and amortisation	648,858	648,858	648,858	648,858	648,858	648,858	648,858	648,858	648,858	648,858

PROJECTED 10 YEAR FINANCIAL SUMMARY - WASTEWATER

ANNUAL PLAN 2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Expenditure										
911,215	663,666	668,646	695,583	722,372	782,030	830,418	863,835	893,510	930,547	961,318
-	84,498	89,480	99,744	126,224	235,641	292,264	321,623	321,623	321,623	321,623
18,354	209,453	224,608	238,626	241,940	246,357	254,106	259,795	265,765	275,097	282,139
789,036	648,858	648,858	648,858	648,858	648,858	648,858	648,858	648,858	648,858	648,858
1,718,605	1,606,475	1,631,592	1,682,811	1,739,394	1,912,886	2,025,646	2,094,111	2,129,756	2,176,125	2,213,938
Total Operating Costs										
4,551,319	153,251	132,693	112,567	101,067	80,271	57,887	40,408	23,115	15,524	9,444
453,333	453,333	453,333	453,333	453,333	453,333	453,333	453,333	453,333	453,333	453,333
5,004,652	606,584	586,026	565,900	554,400	533,604	511,220	493,741	476,448	468,857	462,777
Activity Income - Service Charges										
Less depreciation not funded										
(3,286,047)	999,891	1,045,566	1,116,911	1,184,994	1,379,282	1,514,426	1,600,370	1,653,308	1,707,268	1,751,161
Net Cost of Service										
Capital Expenditure										
625,000	755,000	884,184	914,115	485,475	490,098	477,760	519,585	387,285	369,762	419,693
2,250,000	50,000	103,800	213,828	551,676	2,279,526	1,179,655	611,651	-	-	-
2,875,000	805,000	987,984	1,127,943	1,037,151	2,769,624	1,657,415	1,131,236	387,285	369,762	419,693
(411,047) Funding Required										
Funded By:										
1,499,622	1,344,836	1,390,511	1,461,857	1,402,022	1,596,310	1,640,805	1,726,749	1,779,687	1,833,647	1,877,540
(2,785,669)	(344,945)	(344,945)	(344,945)	(217,028)	(217,028)	(126,379)	(126,379)	(126,379)	(126,379)	(126,379)
875,000	755,000	904,944	956,880	595,810	946,003	713,691	641,915	387,285	369,762	419,693
-	50,000	83,040	171,062	441,341	1,823,621	943,724	489,321	-	-	-
-	-	-	-	-	-	-	-	-	-	-
(411,047)	1,804,891	2,033,550	2,244,854	2,222,145	4,148,906	3,171,841	2,731,606	2,040,593	2,077,030	2,170,854
Total Funding										

Water and Sanitary Services Assessment Variations

Legislation

In 2005, Wairoa District Council prepared a Water and Sanitary Services Assessment as required under section 125 of the Local Government Act 2002 (LGA).

The LGA Amendment Bill (No.3) has made some significant changes to the requirements for that assessment. Whilst Council still needs to undertake water and sanitary services assessments, the process for undertaking those assessments and the extent of information required are no longer dictated.

Section 6 of Schedule 10 of the LGA requires Council to identify any significant variations between the Water and Sanitary Services Assessment and the proposals in this Long-term Plan (LTP).

Council's Water and Sanitary Services Assessment

Through the Amendment Bill, Council is now required, under section 126 of the LGA, to assess, from a public health perspective, the adequacy of water and other sanitary services available to communities within a territorial authority's district.

Council's 2005 assessment is being reviewed as part of the current LTP development. As part of that review, it is important to assess any significant variations to the 2005 proposals.

In line with those proposals, Council reports the following.

- **Water Supply** – To address possible public health issues due to a lack of potable water, the Tuai water supply has been upgraded. Options for Mahanga continue to be investigated in consultation with the local community and key stakeholders and resilience issues in

Wairoa are being addressed though increased storage of treated water and planned investigations for an alternative source.

- **Wastewater Treatment** – Public wastewater treatment systems are now operational in Mahia Beach and Opoutama and a feasibility study for options into the new/upgraded Wairoa system is underway. The Tuai and Wairoa wastewater treatment plants have both seen upgrade work to improve performance.
- **Wastewater and Stormwater Reticulation** – Inflow and infiltration studies have been completed and investigations/remedial works are underway to enable an effective renewals programme for wastewater and stormwater reticulation to be developed and implemented for Wairoa.
- **Cemeteries** – Capital works, including development of the existing Wairoa Cemetery and investigations into the provision of a public cemetery in Mahia continue as deemed necessary.
- **Public Toilets** – Provision has been made in the 2015 LTP for capital works projects to upgrade public toilet facilities.
- **Waste Management** – This is addressed through the Waste Management and Minimisation Plan (2012).

Proposals under the 2015 Water and Sanitary Services Assessment are in line with the relevant 2015 Asset Management Plans and the 2015 LTP.

Key areas are:

- **Water Supply** – Addressing resilience issues in Wairoa through improved storage of treated water and an alternative source, investigations into a Mahia Beach public supply and consideration/implementation of the most appropriate option for Mahanga, being either an upgrade or decommissioning of the supply.
- **Wastewater and Stormwater Reticulation** – Continuation of renewals and upgrades to address inflow and infiltration.
- **Wastewater Treatment** – New/upgraded wastewater treatment plant in line with expiry of the current resource consent in 2019.

In summary:

There are no significant variations between the proposed 2015 Long-term Plan and Council's 2005 Water and Sanitary Services Assessment or the current assessment.

Activity Group Two Waste Management

- **Waste Management**

WAIROA DISTRICT COUNCIL
PROSPECTIVE FUNDING IMPACT STATEMENT - WASTE MANAGEMENT
LTP 2015-2025

ANNUAL PLAN 2014/15		BUDGET 2015/16	BUDGET 2016/17	BUDGET 2017/18	BUDGET 2018/19	BUDGET 2019/20	BUDGET 2020/21	BUDGET 2021/22	BUDGET 2022/23	BUDGET 2023/24	BUDGET 2024/25
Sources of Operating Funding											
730,601	General rates, uniform annual charges, rates penalties	-	-	-	-	-	-	-	-	-	-
-	Targeted rates (other than a targeted rate for water supply)	779,697	823,370	847,121	863,858	883,220	909,171	931,236	955,252	983,024	1,015,382
-	Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-
428,400	Fees charges and targeted rates for water supply	350,000	358,750	368,078	378,016	388,978	400,647	413,067	426,699	441,206	457,090
-	Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-	-	-	-	-	-
1,159,001	Total Operating Funding	1,129,697	1,182,120	1,215,199	1,241,874	1,272,198	1,309,818	1,344,303	1,381,951	1,424,230	1,472,472
Applications of Operating Funding											
888,056	Payments to staff and suppliers	845,122	886,497	909,282	933,559	960,449	990,100	1,020,439	1,053,738	1,089,177	1,129,414
43,305	Finance costs	46,605	46,605	46,605	46,605	46,938	50,372	50,372	50,372	50,372	54,682
142,929	Internal charges and overheads applied	153,092	164,140	174,434	176,832	180,044	185,724	189,870	194,219	201,059	206,191
-	Other operating funding applications	-	-	-	-	-	-	-	-	-	-
1,074,290	Total applications of operating funding	1,044,819	1,097,242	1,130,321	1,156,996	1,187,431	1,226,196	1,260,681	1,298,329	1,340,608	1,390,287
84,711	Surplus (Deficit) of operating funding	84,878	84,878	84,878	84,878	84,767	83,622	83,622	83,622	83,622	82,185
Sources of capital funding											
-	Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-
-	Development and financial contributions	-	-	-	-	-	-	-	-	-	-
-	Increase (decrease) in debt	55,000	-	-	-	5,557	57,235	-	-	-	71,828
-	Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
-	Lump sum contributions	-	-	-	-	-	-	-	-	-	-
-	Total sources of capital funding	55,000	-	-	-	5,557	57,235	-	-	-	71,828
Application of capital funding											
-	Capital expenditure	-	-	-	-	-	-	-	-	-	-
-	- to meet additional demand	-	-	-	-	-	-	-	-	-	-
160,000	- to improve the level of service	55,000	-	-	-	5,557	57,235	-	-	-	71,828
-	- to replace existing assets	40,000	10,250	63,099	32,401	11,114	11,447	35,406	12,191	12,606	39,179
(75,289)	Increase (Decrease) in reserves	44,878	74,628	21,779	52,477	73,653	72,175	48,216	71,431	71,016	43,006
-	Increase (Decrease) of investments	-	-	-	-	-	-	-	-	-	-
84,711	Total application of capital funding	139,878	84,878	84,878	84,878	90,324	140,857	83,622	83,622	83,622	154,013
(84,711)	Surplus (Deficit) of capital funding	(84,878)	(84,878)	(84,878)	(84,878)	(84,767)	(83,622)	(83,622)	(83,622)	(83,622)	(82,185)
-	Funding Balance	-	-	-	-	-	-	-	-	-	-
94,006	Group depreciation and amortisation	95,000	95,000	95,000	95,000	95,000	95,000	95,000	95,000	95,000	95,000

Waste Management



For more details:

Refer to the relevant [section](#) of the Waste Management Asset Management Plan.

Alternatively contact Wairoa District Council's Asset Management Department on (06) 838 7309 or visit our offices to discuss any queries you may have.

What the Council does

The waste management activity comprises asset-based facilities of the:

- landfill and
- recycling centre.

The activity also includes the service-based functions of:

- litter collection
- domestic refuse collection
- kerbside recycling.

The waste management facilities provide a service by which refuse can be disposed of in a controlled manner. Council's initiative to reduce waste to landfill is changing the way people dispose of their waste. Continued education and more emphasis on diversion and recycling will require new infrastructure and a different way of operating. [Section 4.1](#)

Council develops and implements a Waste Management Asset Management Plan to ensure that these assets can deliver agreed levels of service to existing and future residents in the most cost-effective way. This has involved the creation of policy to ensure a high level of asset management is delivered. [Section 1.1](#)

More information on the waste management activity can be found on the Wairoa District Council website www.wairoadc.govt.nz

Why the Council does this

For all infrastructure assets, Council has a role to:

- identify levels of service and monitor performance
- manage the impact of growth through demand management and asset development
- identify, assess and manage risks that may impact on the activity
- develop and implement the most cost-effective strategies for operating, maintaining, replacing and/or improving the assets
- have a long-term financial plan which identifies required expenditure and how it will be funded.

The benefits of understanding the asset/service environment are:

- improved cost efficiency and reduced costs
- improved customer satisfaction
- transparency in decision making
- sustainability.

There is also a statutory basis for Council's involvement in the waste management activity. [Section 2.1](#).

Current legislation and regulations which set the minimum service levels that must be provided and which affect asset operation, maintenance and development of the waste management activity include:

- Health Act 1956
- Local Government Act 2002
- Litter Act 1979
- Resource Management Act 1991

- Hazardous Substances and New Organisms Act 1996
- Waste Minimisation Act 2008.

Community outcomes & how the waste management activity contributes

Council has an obligation 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. To enable this, Council has made a commitment to continue to deliver the services currently provided and to continue to focus on the previously adopted community outcomes.

How the waste management activity contributes to those community outcomes is shown in the following table.

Community Outcomes	1. A strong, prosperous and thriving economy	2. A safe and secure community	3. A lifetime of good health and well-being	4. An environment that is appreciated, protected and sustained for future generations	5. Supportive, caring and valued communities	6. A safe and integrated transport system	7. Strong district leadership and a sense of belonging	8. Safe and accessible recreational facilities	9. A community that values and promotes its culture and heritage
Waste Management Contribution	Provision is made for the ability to create business growth around the disposal of waste.	Well-managed waste disposal reduces the risk of harm to communities.	That the planning of waste activity is sustainable into the future, reducing risk to health and well-being.	Waste can cause harm to the environment if not managed properly.	Education component within the waste activity looks to educate and gain support from local communities about responsible rubbish management.	The road corridor has become a deposit for fly dumping making it dangerous for users and the general public.		Waste can cause harm to the environment if not managed properly.	Council is developing a waste management model with local Hapū and iwi.

Asset condition and performance

Assets at the landfill include:

- landfill cell
- buildings
- weighbridge office, computer hardware and software
- weighbridge pit and plant
- drainage systems
- leachate system
- access road/handling areas and fencing.

Section 4.1

Based on current usage, the landfill site has capacity for more than 100 years with a new cell required in approximately 30 years.

Condition of sealed areas is good, and is considered to be adequate for the next 10 to 15 years. **Section 4.3**

The buildings are deemed to be adequate for current and likely future usage and in good condition with a new recycling area canopy having been constructed in 2011. **Section 4.3**

New diversion facilities have recently been constructed and can be expanded as necessary.

A reactive maintenance regime in the past has generally meant that any performance issues are dealt with effectively and efficiently. However, a move to a proactive approach for longer term renewals is deemed best practice. This will involve a more formal condition assessment and replacement programme to best meet the levels of service adopted. **Section 6.4**

How people can judge the Council

Council's goal for this activity is: '**Reliable and safe collection and disposal of waste**'. **Section 1.2**

Council wants to know what customers need to better deliver the waste management service as an effective solution. Council intends to monitor this through the level of service and performance measure framework. This framework utilises the customer service request system (CSR), annual surveys and submission service. **Sections 2.2 and 2.3**

The table below details what Council will deliver as a level of service statement. The community outcomes that the specific statement contributes to are also detailed. How Council will monitor progress is then detailed as performance measures, with associated yearly targets. **Section 2.5**

Level of service table with associated performance measures

The table below details what the Council will deliver as a level of service statement. The community outcomes that the specific statement contributes to are also detailed. How Council will monitor progress is then detailed as performance measures, with associated yearly targets. [Section 2.5](#)

LEVEL OF SERVICE STATEMENT	COMMUNITY OUTCOME	PERFORMANCE MEASURE	TARGET 2015	TARGET 2016	TARGET 2017
Council will continue to own and deliver the waste management activity to ensure protection of public health and the environment	1, 2, 3, 4, 6, 8 & 9	All domestic households and non-domestic premises have access to a disposal method for their waste, whether this is a kerbside collection, drop-off point or landfill disposal	Council will have in place, at all times, suitable waste management contracts and arrangements to provide the services outlined		
		A reliable recyclables service will be provided: <ul style="list-style-type: none"> • weekly from the kerbside in Wairoa & Frasertown • fortnightly at specified drop-off points from Mahia, Nuhaka and Mohaka 			
		Council will operate and maintain the Wairoa landfill for the disposal of domestic and commercial refuse, being open for the public at least: <ul style="list-style-type: none"> • 5 hours per day • 359 days per year 			
		Council shall continue to provide for the community-run waste disposal and recycling service in Waikaremoana and Raupunga			
		Council will provide for the disposal of hazardous waste			
		Community's willingness to pay for the service will be considered			
		Most appropriate form of service delivery to be provided	Current and alternative methods of procurement to be assessed to meet future needs and desires of community	New contract implemented	New contract implemented
Council will comply with current legislation and Council bylaws	2, 4 & 8	Council shall meet all legislative requirements, in particular the Litter Act 1979	Review current legislation for compliance		
		Council will comply with all resource consent conditions	There shall be no breaches of consent conditions		

LEVEL OF SERVICE STATEMENT	COMMUNITY OUTCOME	PERFORMANCE MEASURE	TARGET 2015	TARGET 2016	TARGET 2017
		Review and update current bylaws to support effective and efficient waste minimisation; addressing issues such as illegal dumping, litter, private waste collections and community-based services	Council shall provide for monitoring of the bylaw		
			All known breaches of the bylaw shall be addressed as provided for in the bylaw		
Council will maintain the landfill to ensure long-term sustainability	3, 4, 5 & 8	Asset database to be maintained including additions and disposal as well as condition information	Asset database to be set up in AssetFinda	Detailed condition assessment of all assets	Maintain asset database up-to-date
			Develop programme to update asset database annually		
		Council will undertake a continual improvement approach with the aim of continually reducing the amount of waste going into the landfill	Waste going into the landfill is reducing		
			Education programme to be developed to provide regular and detailed information about waste services, waste prevention and waste reduction	Implement waste education programme	Implement waste education programme
Council will undertake operational, maintenance and renewals activities in a cost-effective manner	2, 4, 6 & 8	All maintenance, renewals and other programmed and reactive works are completed on time and within budget	Forward works programme to be set as part of Annual Plan process		
			Works to be within budget +/- 5%		
Council will undertake operational, maintenance and renewals activities in a cost-effective manner	2, 4, 6 & 8	Landfill and recycling area will be well maintained, clean and tidy at all times	No complaints regarding the tidiness of the landfill area.		
		Council shall implement measures to control the spread of litter in Wairoa, Mahia and on reserves	Litter bins shall be serviced and maintained in accordance with the Litter Act 1979		
			CSR reports of litter and fly dumping will be cleared		
		Operational and maintenance activities are undertaken in a safe and healthy manner	No health and safety non compliances are received or issued		
			Annual review of hazard register		

LEVEL OF SERVICE STATEMENT	COMMUNITY OUTCOME	PERFORMANCE MEASURE	TARGET 2015	TARGET 2016	TARGET 2017
Customers will receive a prompt and efficient service	2, 4, 6 & 8	Council will monitor opening and closing times to ensure people are satisfied	Review CSRs/Annual Plan submissions regarding landfill opening and closing times	Review CSRs/Annual Plan submissions regarding landfill opening and closing times	
			Set programme for public consultation on opening and closing times		
		Level of customer satisfaction through annual survey indicates 'fairly good', 'very good' or better minimum 80% approval rating	80% satisfaction rating		
		Analysis of CSR complaints to enable issues to be addressed	Number of complaints shall reduce		
Council will implement systems/processes to ensure continued service delivery in emergency events	2 & 4	Contingency plans shall be implemented for emergency events e.g. pandemics where additional collection services are required or where access is prevented due to flooding	Annual meeting with civil defence team		
			Contingency plans shall be developed	Contingency plans shall be reviewed	

Major issues and projects in the next 30 years

Affordability and sustainability in a declining population base are key factors to consider. Specific issues over the next 30 years include:

- declining and ageing population with associated funding problems
- changes in legislation and government direction
- the way the service is delivered to ensure sustainability.

Our approach to waste management and minimisation will continue to shift more towards providing comprehensive recycling, recovery, and diversion services at the landfill, while still providing a high quality and environmentally responsible disposal option for the district. A comprehensive

education programme will focus on encouraging better use of the services Council provides.

Community services

Council is proactive in involving communities to manage their own areas with smaller community-based waste management operations in Tuai and Raupunga with a proposed trial in Mahia.

Landfill sustainability

With a declining population base and increasing waste diversion and recycling practices, waste to landfill is reducing which is likely to put pressure on the affordability and sustainability of the landfill operation due to the fixed operating costs.

This has led to discussions around the future of the service in Wairoa and making the operation more economically viable. Options around this, such as accepting waste from outside the district, are being

considered and will be specifically consulted upon at the appropriate time. Economic benefits of extending the 'catchment' of the landfill would likely include reduced charges to the public and increased revenue due to increased volumes of waste over the weighbridge.

Major projects

The extent of renewals and capital works over the next 10 years is partly dependent on future decisions around accepting waste from outside the district or other options in relation to the sustainability of the facility.

The following works will be required regardless:

- renewals of diversion facilities (\$40,000)
- upgrade and renewals of landfill/recycling centre buildings (\$140,000)

- renewals of leachate system (\$100,000)
- renewal of handstand areas (\$30,000)
- cover to existing landfill cell and construction of a new cell (\$100,000).

All costs are based on current day rates.

Achievement of core level asset management practice

A core level of assessment management will ensure that waste management assets are managed in the most effective and efficient way to give optimum solutions, so delivering what the ratepayer wants at a cost-effective price.

Core asset management entails a proactive approach for which Council needs to have a good understanding of the asset through collecting condition information and integrating risk options into core business. Council is developing processes to ensure this is implemented. **Section 8.2**

PROJECTED 10 YEAR FINANCIAL SUMMARY - WASTE MANAGEMENT

ANNUAL PLAN 2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	
Expenditure											
888,056	Operational Costs	845,122	886,497	909,282	933,559	960,449	990,100	1,020,439	1,053,738	1,089,177	1,129,414
43,305	Interest	46,605	46,605	46,605	46,605	46,938	50,372	50,372	50,372	50,372	54,682
142,929	Overhead Allocation	153,092	164,140	174,434	176,832	180,044	185,724	189,870	194,219	201,059	206,191
94,006	Depreciation	95,000	95,000	95,000	95,000	95,000	95,000	95,000	95,000	95,000	95,000
1,168,296	Total Operating Costs	1,139,819	1,192,242	1,225,321	1,251,996	1,282,431	1,321,196	1,355,681	1,393,329	1,435,608	1,485,287
428,400	Activity Income - Service Charges	350,000	358,750	368,078	378,016	388,978	400,647	413,067	426,699	441,206	457,090
9,295	Less depreciation not funded	10,122	10,122	10,122	10,122	10,233	11,378	11,378	11,378	11,378	12,815
437,695		360,122	368,872	378,200	388,138	399,211	412,025	424,445	438,077	452,584	469,905
730,601	Net Cost of Service	779,697	823,370	847,121	863,858	883,220	909,170	931,236	955,252	983,024	1,015,382
Capital Expenditure											
-	Renewals	40,000	10,250	63,099	32,401	11,114	11,447	35,406	12,191	12,606	39,179
160,000	New Capital	55,000	-	-	-	5,557	57,235	-	-	-	71,828
160,000		95,000	10,250	63,099	32,401	16,670	68,682	35,406	12,191	12,606	111,008
890,601	Funding Required	874,697	833,620	910,220	896,259	899,890	977,853	966,642	967,443	995,630	1,126,390
Funded By:											
730,601	Rate Income	779,697	823,370	847,121	863,858	883,220	909,171	931,236	955,252	983,024	1,015,382
-	Reserves - Operational Funding	-	-	-	-	-	-	-	-	-	-
160,000	Reserves - Capital Funding	40,000	10,250	63,099	32,401	11,114	11,447	35,406	12,191	12,606	39,179
-	Loans	55,000	-	-	-	5,557	57,235	-	-	-	71,828
-	Sale of Assets	-	-	-	-	-	-	-	-	-	-
890,601	Total Funding	874,697	833,620	910,220	896,259	899,890	977,853	966,642	967,443	995,630	1,126,390

Waste Management and Minimisation Variations

Legislation

In 2012, Wairoa District Council prepared a Waste Management and Minimisation Plan as required under section 43 of the Waste Minimisation Act 2008.

Schedule 10 of the Local Government Act 2002 requires Council to identify any significant variations between the Waste Management and Minimisation Plan and the proposals of this Long-term Plan (LTP).

Council's Waste Management and Minimisation Plan

Council is required under the Waste Management Act 2008 to produce a Waste Management and Minimisation Plan (WMMP) that shows how it plans to manage waste in the district.

Since the 2012 LTP, Council's continued initiative to reduce waste to landfill has changed the way people dispose of their waste. Continued education and more emphasis on diversion and recycling has meant new infrastructure and a different way of operating.

In line with the focus, targets and actions included in the WMMP:

- Council continues to develop increasingly comprehensive recycling, recovery, and diversion services at the landfill, while still providing a high quality and environmentally responsible disposal option for the district.
- With reduced waste generation and likely increasing costs to operate the landfill, options to ensure the sustainability of the service have been investigated with a regional landfill initiative now being proposed

through this LTP.

- Council continues to deliver a comprehensive education programme through various means.
- Council is considering extending the rural community-run waste disposal and recycling services in Waikaremoana and Raupunga to the Mahia area.
- Waste streams continue to be monitored, primarily through the Waste Management Contract.

In summary:

There are no significant variations between the proposed 2015 Long-term Plan and Council's Waste Management and Minimisation Plan prepared in 2012.

Activity Group Three Transport

- Land Transport
- Airport

**WAIROA DISTRICT COUNCIL
PROSPECTIVE FUNDING IMPACT STATEMENT - TRANSPORT
LTP 2015-2025**

ANNUAL PLAN 2014/15		BUDGET 2015/16	BUDGET 2016/17	BUDGET 2017/18	BUDGET 2018/19	BUDGET 2019/20	BUDGET 2020/21	BUDGET 2021/22	BUDGET 2022/23	BUDGET 2023/24	BUDGET 2024/25
Sources of Operating Funding											
58,045	General rates, uniform annual charges, rates penalties	57,340	58,417	60,336	61,486	63,445	64,452	65,538	68,121	69,353	70,264
3,356,595	Targeted rates (other than a targeted rate for water supply)	3,466,038	3,544,985	3,623,566	4,030,034	4,141,952	4,152,115	4,196,526	4,266,590	4,380,088	4,518,377
3,642,500	Subsidies and grants for operating purposes	5,109,450	4,936,619	5,008,197	4,523,371	4,750,215	4,966,878	5,307,235	5,582,884	5,760,160	6,023,561
837,836	Fees charges and targeted rates for water supply	826,883	850,468	875,520	892,387	911,307	934,014	956,093	979,740	1,007,398	1,034,652
-	Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-	-	-	-	-	-
7,894,976	Total Operating Funding	9,459,711	9,390,489	9,567,619	9,507,278	9,866,919	10,117,459	10,525,392	10,897,335	11,216,999	11,646,854
Applications of Operating Funding											
5,683,724	Payments to staff and suppliers	7,337,108	7,340,765	7,437,260	7,383,671	7,638,280	7,874,893	8,279,129	8,585,789	8,856,558	9,248,860
-	Finance costs	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
1,061,166	Internal charges and overheads applied	1,108,561	1,187,768	1,260,726	1,278,806	1,302,547	1,343,110	1,373,448	1,405,339	1,454,234	1,491,786
-	Other operating funding applications	-	-	-	-	-	-	-	-	-	-
6,744,890	Total applications of operating funding	8,448,669	8,531,533	8,700,986	8,665,477	8,943,827	9,221,003	9,655,577	9,994,128	10,313,792	10,743,646
1,150,086	Surplus (Deficit) of operating funding	1,011,042	858,956	866,633	841,801	923,092	896,456	869,815	903,207	903,207	903,208
Sources of capital funding											
4,706,542	Subsidies and grants for capital expenditure	4,628,000	4,726,913	4,846,294	3,922,384	4,135,034	4,402,847	4,613,058	4,810,767	4,959,901	5,170,817
-	Development and financial contributions	-	-	-	-	-	-	-	-	-	-
-	Increase (decrease) in debt	50,000	-	-	-	-	-	-	-	-	-
-	Gross proceeds from sale of assets	10,000	10,000	10,000	-	-	10,000	10,000	10,000	-	-
-	Lump sum contributions	-	-	-	-	-	-	-	-	-	-
4,706,542	Total sources of capital funding	4,688,000	4,736,913	4,856,294	3,922,384	4,135,034	4,412,847	4,623,058	4,820,767	4,959,901	5,170,817
Application of capital funding											
-	Capital expenditure	-	-	-	-	-	-	-	-	-	-
-	- to meet additional demand	-	-	-	-	-	-	-	-	-	-
2,715,722	- to improve the level of service	550,000	534,982	385,898	168,098	185,422	204,031	208,862	210,301	217,452	225,280
3,747,349	- to replace existing assets	6,053,715	6,294,153	6,069,903	5,776,073	5,464,203	5,787,407	5,987,369	6,161,579	6,343,822	6,607,045
(606,443)	Increase (Decrease) in reserves	(904,673)	(1,233,266)	(732,874)	(1,179,986)	(591,499)	(682,135)	(703,358)	(647,906)	(698,166)	(758,300)
-	Increase (Decrease) of investments	-	-	-	-	-	-	-	-	-	-
5,856,628	Total application of capital funding	5,699,042	5,595,869	5,722,927	4,764,185	5,058,126	5,309,303	5,492,873	5,723,974	5,863,108	6,074,025
(1,150,086)	Surplus (Deficit) of capital funding	(1,011,042)	(858,956)	(866,633)	(841,801)	(923,092)	(896,456)	(869,815)	(903,207)	(903,207)	(903,208)
Funding Balance											
-		-	-	-	-	-	-	-	-	-	-
3,017,066	Group depreciation and amortisation	2,604,566	2,639,108	2,639,108	2,639,108	2,821,022	2,821,022	2,821,022	3,055,721	3,055,721	3,055,721

PROJECTED 10 YEAR FINANCIAL SUMMARY - TRANSPORT

ANNUAL PLAN 2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Expenditure										
5,688,695	7,337,108	7,340,765	7,437,260	7,383,671	7,638,280	7,874,893	8,279,129	8,585,789	8,856,558	9,248,860
-	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
1,056,195	1,108,561	1,187,766	1,260,726	1,278,806	1,302,547	1,343,111	1,373,450	1,405,341	1,454,235	1,491,787
3,017,066	2,604,566	2,639,108	2,639,108	2,639,108	2,821,022	2,821,022	2,821,022	3,055,721	3,055,721	3,055,721
9,761,956	11,053,235	11,170,639	11,340,094	11,304,585	11,764,848	12,042,025	12,476,600	13,049,850	13,369,513	13,799,367
9,186,878	10,564,333	10,513,999	10,730,011	9,338,142	9,796,555	10,303,739	10,876,387	11,373,392	11,727,459	12,229,030
1,866,980	1,593,524	1,715,134	1,739,967	1,764,800	1,919,602	1,946,240	1,972,878	2,174,186	2,174,186	2,174,186
11,053,858	12,157,857	12,229,133	12,469,978	11,102,942	11,716,157	12,249,979	12,849,265	13,547,578	13,901,645	14,403,216
(1,291,902)	(1,104,622)	(1,058,494)	(1,129,884)	201,643	48,691	(207,954)	(372,665)	(497,728)	(532,132)	(603,849)
Capital Expenditure										
6,182,349	6,053,715	6,294,153	6,069,903	5,776,073	5,464,203	5,787,407	5,987,369	6,161,579	6,343,822	6,607,045
280,722	550,000	534,982	385,898	168,098	185,422	204,031	208,862	210,301	217,452	225,280
6,463,071	6,603,715	6,829,135	6,455,801	5,944,171	5,649,625	5,991,438	6,196,231	6,371,880	6,561,274	6,832,325
5,171,169	5,499,093	5,770,641	5,325,917	6,145,814	5,698,316	5,783,484	5,823,566	5,874,152	6,029,142	6,228,476
Funded By:										
3,414,640	3,523,378	3,603,402	3,683,902	4,091,520	4,205,397	4,216,567	4,262,064	4,334,711	4,449,441	4,588,641
-	-	65,017	32,508	32,508	(21,672)	(21,672)	(21,672)	(21,672)	(21,672)	(21,673)
1,756,529	1,915,715	2,092,222	1,599,507	2,021,786	1,514,591	1,578,589	1,573,174	1,551,113	1,601,373	1,661,508
-	50,000	-	-	-	-	-	-	-	-	-
-	10,000	10,000	10,000	-	-	10,000	10,000	10,000	-	-
5,171,169	5,499,093	5,770,641	5,325,917	6,145,814	5,698,316	5,783,484	5,823,566	5,874,152	6,029,142	6,228,476

Land Transport Activity Plan



What the Council does

Council manages and maintains a network of 875km of roads, 175 bridges, 346 retaining structures, 41km of footpaths, 844 streetlights, over 3,000 signs and 23,130 square meters of car parking and other road-related amenities.

Council manages this land transport infrastructure for the safe and efficient flow of all traffic – motor vehicles, cycles and pedestrians, for a population of just under 8,000 people.

Council delivers agreed levels of service to the existing and future residents in the most cost-effective way possible, including policy to ensure an appropriate level of asset management is delivered. **Section 1**

Accordingly, Council develops and implements a Land Transport Asset Management Plan to:

- assist the community to achieve its strategic goals
- bring asset management functions closer to physical works operations to achieve these objectives
- meet customer expectations and regulatory requirements
- present outline plans and options for the sustainable future management of assets
- understand the cost of providing the service over the long term and the best funding strategy
- provide transparency in decision making.

Land transport information can be accessed through the Wairoa District Council website www.wairoadc.govt.nz

Why the Council does this

There is a statutory basis for Council's involvement in this activity. Current legislation and regulations which set the minimum service levels that must be provided and which affect asset operation, maintenance and development of the land transport activity include:

- Local Government Act 2002
- Transit New Zealand Act 1989
- Resource Management Act 1991
- Building Act 1991
- Land Transport Management Act 2003
- Health and Safety in Employment Act 2002
- Civil Defence Emergency Management Act 2002
- Traffic Regulations Act 1976
- Public Works Act 1981
- Utilities Access Act 2010. **Section 2**

For more details:

Refer to the relevant **section** of the Land Transport Asset Management Plan. Alternatively contact Wairoa District Council's Road Asset Manager, Aram Goes, on (06) 838 7309 or visit our offices to discuss any queries you may have.

Community outcomes and how the land transport activity contributes

Council has an obligation 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. To enable this, Council has made a commitment to continue to deliver the services currently provided and to continue to focus on the previously adopted community outcomes.

How the land transport activity contributes to those community outcomes is shown in the following table.

Community Outcomes	1. A strong, prosperous and thriving economy	2. A safe and secure community	3. A lifetime of good health and well-being	4. An environment that is appreciated, protected and sustained for future generations	5. Supportive, caring and valued communities	6. A safe and integrated transport system	7. Strong district leadership and a sense of belonging	8. Safe and accessible recreational facilities	9. A community that values and promotes its culture and heritage
Land Transport Contribution	By providing 24/7 access for businesses and consumers for the efficient movement of people and goods, and provision for local contract procurement options.	The natural environment will be protected, and all potential negative environmental, social and cultural effects will be identified and properly managed.	By progressively and proactively improving safety features on the land transport network.	The planning of the land transport activity is sustainable into the future.	The whole land transport system and its management will be properly integrated and consulted on.	By providing and maintaining the local roads that form a significant part of the regional transport system, and provision for local procurement options.	Council will lead initiatives to ensure communities are connected and desirable.	By progressively and proactively improving safety features on the land transport network.	The land transport network will be protected, and all potential negative cultural and social effects will be identified and properly managed.

How land transport is funded

Ratepayer contributions provide 32% of the funding towards the land transport system with 68% Government subsidy, increasing 1% per annum to a maximum of 75% financial assistance rate.

Asset condition and performance

The district's road assets are 49% through their anticipated service life. Despite this, the overall network is in fair to good condition due to fit-for-purpose maintenance strategies and low traffic volumes. [Section 5](#)

The performance of sealed roads is gradually deteriorating, evidenced via annual measurement. This deterioration is likely to continue, particularly as traffic loads increase. Unsealed road performance is far more variable with drainage, potholes and corrugations being the top three public complaints. Unsealed road performance is heavily influenced by environmental factors due to the lack of weatherproofing. Experienced engineers and contractors go some way to managing this variability, and renewals are effectively implemented to replace and repair assets at the right time.

The overall condition of critical bridge structures is good, however, a handful of bridges have been

identified for upgrade. Bridge refurbishment will likely increase in the next three years, with several bridges requiring strengthening. Further improvement to the bridge stock data is required, particularly for assumed construction dates (averaging 47% through service lives), associated remaining useful life projections and an understanding of the impact of future high productivity motor vehicle routes and affected bridges.

How people can judge the Council

Council's strategic direction for this activity is: **'Provision of a safe and affordable land transport network that contributes to the outcomes of the**

Land Transport Management Act and the objectives of the Regional Land Transport Strategy. Section 2

Council wants to know from its customers what land transport improvements can better be delivered in a cost-effective manner. Council intends to monitor this through the level of service and performance measure framework. This framework utilises the customer service request system (CSR), annual surveys and submission service.

The following table details what Council promises to deliver as a level of service statement. The community outcomes that the specific statement contributes to and how Council will monitor progress as a performance measure are also detailed, together with associated yearly targets.

Level of service table and associated customer performance measures

LEVEL OF SERVICE STATEMENT	COMMUNITY OUTCOME	PERFORMANCE MEASURE	TARGET 2015	TARGET 2016	TARGET 2017
Council delivers a land transport system to the community	1, 2, 4, 5, 6, 8 & 9	The land transport network is trafficable at all times, other than when affected by natural events (e.g. slips) and notified planned road closures	The land transport network is trafficable at all times (excluding natural events or notified road closures)		
		Road closures for planned events (e.g. rallies, bridge repairs etc.) are notified through public notices and residents of affected roads informed	Road closures for planned events are publically notified		
Council will manage the land transport system in a sustainable manner, sufficient to meet the current and projected demand	1, 2, 4, 5, 6, 8 & 9	The percentage of the sealed local road network that is resurfaced, expressed as a number (<i>new mandatory performance measure</i>)	The percentage of the sealed local road network that is resurfaced, expressed as a number		
Customers will receive a prompt and efficient service	1, 2, 4, 5, 6, 7 & 8	The public and other road users satisfied with the overall level of service provided. Target is to have no less than 75% of respondents consider the land transport service to be 'fairly good, very good, or better', as measured by the annual public satisfaction survey	75% satisfaction rating		
		All requests for service and complaints are dealt with properly and promptly. Appropriate Council staff contact and discuss complaints received with complainants (subject to contact details being provided) in an effort to improve relationships and responsiveness to customers. 90% of all CSRs and complaints are dealt with within the prescribed timeframes (<i>new mandatory performance measure</i>)	90% of all CSRs are dealt with within the prescribed timeframes		
The district-funded footpaths will be maintained in good order	1, 2, 3, 4, 5, 8 & 9	Not more than the number of footpath complaints and CSRs received than the previous year	Not more than the number of footpath CSRs received than the previous year		
		The percentage of footpaths that fall within the level of service or standard of condition of footpaths set out in Council's relevant document, expressed as a number (<i>new mandatory performance measure</i>)	The percentage of footpaths that fall within the level of service or standard of condition of footpaths set out in Council's relevant document		
The district-funded land transport activity will contribute to overall road safety by adequately catering for pedestrians, cyclists and other non-motorised road users	2, 5, 7, 8 & 9	Walking & Cycling Strategy programme to be implemented. (<i>Note that general road safety and vehicular safety in particular is dealt with in the NZTA-funded activities</i>)	Walking & Cycling Strategy programme implemented		

The district-funded streetlights will be maintained in good order	2, 3, 4, 6 & 8	Not more than the number of streetlight complaints and CSRs received than the previous year <i>(Note that most streetlights are covered by the NZTA-subsidised activities. Non-subsidised streetlights are those in place for amenity or not specifically related to road safety)</i>	Not more than the number of streetlight CSRs received than the previous year
Council provides car parking that is sufficient to meet the current and projected demand	1, 2, 4 & 7 to 9	The Wairoa Township and Mahia Beach car parking facilities will be accessible at all times, other than when affected by natural events (e.g. flooding) and notified planned road closures	Public car parking facilities will be accessible at all times (excluding natural events and notified road closures)
		Not more than the number of parking complaints and CSRs received than the previous year	Not more than the number of parking CSRs received than the previous year
The service is provided at a reasonable cost (value for money)	1 & 3	The costs of these services are consulted on annually	Annual Plan delivered to community
		Local supplier opportunities to be considered prior to engagement of an external supplier to reduce overhead costs and increase in-house efficiency	Local suppliers are engaged in roading related contracts
Council endeavours to programme, provide, develop and manage the land transport network in a manner that assists the economic development of the district	1, 4, 5, 6 & 7	Physical works and professional engineering services' procurement options directed to best reflect the local resources where possible, to sustain the district's economy, and to promote local knowledge and technical expertise within the community	Procurement options directed to best reflect the local resources where possible
When using the network, all road users will experience a "fair" ride quality on a well-maintained and managed asset <i>(qualified to the extent that it has to be appreciated that over 66% of the network is unsealed)</i>	3, 4, 6, 8 & 9	Council's target is to provide a "fair" ride quality i.e. average sealed road NAASRA <110 for 'fair' ride quality (<i>new mandatory performance measure</i>)	Average NAASRA of the sealed road network <110
Council works with NZ Police and NZTA to promote the safe use of the land transport network by motorists and others	3, 4, 6, 8 & 9	The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number (<i>new mandatory performance measure</i>)	The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number
		No accidents attributed to engineering aspects of the road network (e.g. loose chip from reseals)	No accidents attributed to engineering aspects of the road network

Major issues and projects in the next 30 years

Section 2.4

Increasing heavy commercial vehicle (HCV) loads

HCV use is proportionally high due to the rural commercial sector of our community on otherwise low volume roads (e.g. Willowflat Road HCV count of 60% recorded and reflects the forestry industry's use). Hawke's Bay Regional Council's *Wider Regional Transport Study 2011* projects regional forestry plantations to peak for logging harvest between 2021 and 2030, increasing the demand on specific roads by as much as 100% of current HCV movements. The current introduction of high productivity motor vehicle routes is also placing a unique demand on roads and bridges, requiring increasing expenditure for specific strengthening works. Determining the appropriate allocation of cost to apply to the forestry industry is a significant issue Council is working on in collaboration with other local authorities with similar concerns.

Ageing bridge stock

There are six bridges indicated to have theoretical remaining lives of less than five years, and further projections indicate several bridges will require replacement in the next 30 years. Regular structural inspections suggest that full replacement is not necessarily essential with significant renewal maintenance possibly a more cost-effective alternative. The Mohaka Township Bridge is a current priority, with renewal works estimated to be in the order of \$1.6m over the next two years. Increasing bridge renewal budgets to cater for this is a significant issue for increased investment through this 2015-25 LTP; an increase from \$400,000 to \$600,000 per annum represents an additional 0.7% on rates.

Te Urewera Rainforest Route – potential revocation of State Highway 38 and funding changes to Special Purpose Road (SPR) 38

Council is in negotiation with NZTA in regards to revoking the highway status of the 27km unsealed portion of this road. This possible arrangement would allow for 100% subsidy for the first three years before returning to our base subsidy in 2018/19. In addition, NZTA is considering investing \$3m per annum for three years towards upgrading this route to Aniwaniwa for Council to administer and arrange the required upgrade programme. Thereafter Council would retain this additional 27km of network for maintenance and associated depreciation (including \$3m of bridge stock) under our base subsidy. Currently the 30km of SPR 38 is 100% subsidised and will be reduced to the base subsidy rate in 2018/19 also.

Addressing the district's economic potential and opportunities

The roading network and associated infrastructure such as footpaths, walkways, cycleways, rest areas, carparking and other roadside amenities can have a positive effect on attracting businesses and visitors to our district. This infrastructure, in particular sealing of unsealed roads and provision of suitable non-motorised access to places of interest, can provide direct and immediate benefits, including ease of access and efficient, economical movement of goods and services. Sealing of roads will result in less dust hazards, reduces rental vehicle liability associated with unsealed roads that hampers tourism, and improves traction for HCV productivity.

Development of footpaths, walkways and cycleways

Increased investment in good quality walkway/cycleway facilities has significant advantages including health benefits and an improved people-friendly environment, encouraging tourism. Economic benefits stem from affordable travel choices, healthier communities, and reduced motor vehicle trips, resulting in lower road maintenance and fewer emissions.

Changes in emergency works funding by NZTA

New funding criteria require councils to fund small event recovery under normal 68% subsidy (previously 85-93%). Due to the unforeseen nature and variable scale of emergency events, planning in terms of funding is challenging. Estimates of \$400,000 of a typical \$2.5m annual emergency programme have implications of around a 1% increase on Council's rate demand. Another option is less costly, reactive clean-ups with resulting lower levels of service.

Unsealed road traction difficulties and dust

Steep inclines on narrow, twisting roads continue to result in stock trucks and fertiliser units getting stuck and unable to efficiently move their commercial goods. Road dust presents a hazard to driver visibility and affects the health of adjacent residents. Tourist and other rental vehicles are also deterred from accessing our remote environments, and vehicles are increasingly heavier. These factors stifle the district's economic potential. While modest progress has been made with over 50km of roads sealed in the past decade, there remain sites to treat. Funding this work is increasingly difficult with Government's investment criteria being urban-focused.

PROJECTED 10 YEAR FINANCIAL SUMMARY - ROADING (TRANSFUND ASSISTED)

ANNUAL PLAN 2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Expenditure										
4,880,500 Operational Costs	6,590,500	6,578,761	6,658,206	6,583,483	6,818,227	7,031,363	7,411,404	7,692,887	7,937,464	8,300,177
- Interest	-	-	-	-	-	-	-	-	-	-
748,827 Overhead Allocation	784,507	841,024	893,090	905,700	922,377	951,242	972,637	995,106	1,029,885	1,056,366
2,771,500 Depreciation	2,449,010	2,483,286	2,483,286	2,483,286	2,663,799	2,663,799	2,663,799	2,896,691	2,896,691	2,896,691
8,400,827 Total Operating Costs	9,824,017	9,903,071	10,034,582	9,972,469	10,404,403	10,646,404	11,047,840	11,584,684	11,864,040	12,253,234
8,354,202 Activity Income - Service Charges	9,742,450	9,668,774	9,859,870	8,451,279	8,890,933	9,375,580	9,926,330	10,399,887	10,726,509	11,201,058
1,801,475 Less depreciation not funded	1,591,857	1,713,467	1,738,300	1,763,133	1,917,935	1,944,573	1,971,211	2,172,519	2,172,519	2,172,519
10,155,677	11,334,307	11,382,241	11,598,170	10,214,412	10,808,868	11,320,153	11,897,541	12,572,406	12,899,028	13,373,577
(1,754,850) Net Cost of Service	(1,510,290)	(1,479,170)	(1,563,588)	(241,943)	(404,465)	(673,749)	(849,701)	(987,722)	(1,034,988)	(1,120,343)
Capital Expenditure										
5,936,849 Renewals	5,760,000	5,769,660	5,855,140	5,067,132	5,280,827	5,563,044	5,759,001	5,931,771	6,115,656	6,380,459
- New Capital	315,000	319,410	98,449	-	-	-	-	-	-	-
5,936,849	6,075,000	6,089,070	5,953,589	5,067,132	5,280,827	5,563,044	5,759,001	5,931,771	6,115,656	6,380,459
4,181,999 Funding Required	4,564,710	4,609,900	4,390,001	4,825,189	4,876,362	4,889,295	4,909,300	4,944,049	5,080,668	5,260,116
Funded By:										
2,951,692 Rate Income	3,117,710	3,182,726	3,250,198	3,647,934	3,752,241	3,750,771	3,785,028	3,844,717	3,946,585	4,072,147
Reserves - Operational Funding	-	65,017	32,508	32,508	(21,672)	(21,672)	(21,672)	(21,672)	(21,672)	(21,673)
1,230,307 Reserves - Capital Funding	1,447,000	1,362,157	1,107,295	1,144,747	1,145,793	1,160,196	1,145,944	1,121,004	1,155,755	1,209,642
- Loans	-	-	-	-	-	-	-	-	-	-
Sale of Assets	-	-	-	-	-	-	-	-	-	-
4,181,999 Total Funding	4,564,710	4,609,900	4,390,001	4,825,189	4,876,362	4,889,295	4,909,300	4,944,049	5,080,668	5,260,116

PROJECTED 10 YEAR FINANCIAL SUMMARY - ROADING (DISTRICT FUNDED)

ANNUAL PLAN 2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Expenditure										
194,000	166,000	171,688	176,151	183,068	188,377	196,317	203,583	210,911	218,082	227,239
-	-	-	-	-	-	-	-	-	-	-
114,569	108,328	115,671	122,424	124,352	126,779	130,605	133,636	136,839	141,463	145,215
165,504	79,000	79,000	79,000	79,000	79,000	79,000	79,000	79,000	79,000	79,000
474,073	353,328	366,359	377,575	386,420	394,156	405,922	416,219	426,750	438,545	451,454
5,000	5,000	4,100	4,207	4,320	4,445	4,579	4,721	4,877	5,042	5,224
65,505	-	-	-	-	-	-	-	-	-	-
70,505	5,000	4,100	4,207	4,320	4,445	4,579	4,721	4,877	5,042	5,224
403,568	348,328	362,259	373,368	382,100	389,711	401,343	411,498	421,873	433,503	446,230
Capital Expenditure										
180,500	163,000	167,588	171,945	172,807	172,262	177,430	187,061	193,234	199,803	206,996
280,000	185,000	215,572	287,449	168,098	185,422	204,031	208,862	210,301	217,452	225,280
460,500	348,000	383,160	459,394	340,905	357,684	381,461	395,923	403,535	417,255	432,276
864,068	696,328	745,419	832,762	723,005	747,395	782,804	807,421	825,408	850,758	878,506
Funded By:										
403,568	348,328	362,259	373,368	382,100	389,711	401,344	411,498	421,873	433,503	446,230
-	-	-	-	-	-	-	-	-	-	-
460,500	348,000	383,160	459,394	340,905	357,684	381,460	395,923	403,535	417,255	432,276
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
864,068	696,328	745,419	832,762	723,005	747,395	782,804	807,421	825,408	850,758	878,506

PROJECTED 10 YEAR FINANCIAL SUMMARY - PARKING

ANNUAL PLAN 2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Expenditure										
7,300 Operational Costs	11,467	11,712	11,973	13,007	13,336	13,685	14,411	14,832	15,279	15,768
- Interest	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
12,844 Overhead Allocation	15,619	16,658	17,656	17,921	18,263	18,823	19,254	19,708	20,384	20,917
24,000 Depreciation	19,000	19,266	19,266	19,266	20,666	20,666	20,666	22,473	22,473	22,473
44,144 Total Operating Costs	49,086	50,636	51,895	53,194	55,265	56,174	57,331	60,013	61,136	62,158
- Activity Income - Service Charges	-	-	-	-	-	-	-	-	-	-
- Less depreciation not funded	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667
-	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667
44,144 Net Cost of Service	47,419	48,969	50,228	51,527	53,598	54,507	55,664	58,346	59,469	60,491
Capital Expenditure										
55,000 Renewals	10,715	121,155	11,268	255,323	-	12,592	-	-	15,757	-
- New Capital	50,000	-	-	-	-	-	-	-	-	-
55,000	60,715	121,155	11,268	255,323	-	12,592	-	-	15,757	-
99,144 Funding Required	108,134	170,124	61,496	306,850	53,598	67,099	55,664	58,346	75,226	60,491
Funded By:										
44,144 Rate Income	47,419	48,969	50,228	51,527	53,598	54,507	55,664	58,346	59,469	60,491
Reserves - Operational Funding	-	-	-	-	-	-	-	-	-	-
55,000 Reserves - Capital Funding	10,715	121,155	11,268	255,323	-	12,592	-	-	15,757	-
- Loans	50,000	-	-	-	-	-	-	-	-	-
Sale of Assets	-	-	-	-	-	-	-	-	-	-
99,144 Total Funding	108,134	170,124	61,496	306,850	53,598	67,099	55,664	58,346	75,226	60,491

PROJECTED 10 YEAR FINANCIAL SUMMARY - IBU

ANNUAL PLAN 2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Expenditure										
563,117 Operational Costs	540,372	550,311	561,865	574,222	587,539	601,755	616,919	633,207	650,563	669,178
- Interest	-	-	-	-	-	-	-	-	-	-
174,707 Overhead Allocation	183,627	196,829	208,910	211,911	215,848	222,567	227,596	232,884	240,982	247,208
47,341 Depreciation	48,835	48,835	48,835	48,835	48,835	48,835	48,835	48,835	48,835	48,835
785,165 Total Operating Costs	772,834	795,975	819,610	834,968	852,222	873,157	893,350	914,926	940,380	965,221
783,627 Activity Income - Service Charges	772,834	795,975	819,610	834,968	852,222	873,157	893,350	914,926	940,380	965,221
- Less depreciation not funded	-	-	-	-	-	-	-	-	-	-
783,627	772,834	795,975	819,610	834,968	852,222	873,157	893,350	914,926	940,380	965,221
1,538 Net Cost of Service	-	-	-	-	-	-	-	-	-	-
Capital Expenditure										
- Renewals	55,000	30,750	31,550	10,800	-	34,341	41,307	36,574	12,606	6,530
722 New Capital	-	-	-	-	-	-	-	-	-	-
722	55,000	30,750	31,550	10,800	-	34,341	41,307	36,574	12,606	6,530
2,260 Funding Required	55,000	30,750	31,550	10,800	-	34,341	41,307	36,574	12,606	6,530
Funded By:										
1,538 Rate Income	-	-	-	-	-	-	-	-	-	-
Reserves - Operational Funding	-	-	-	-	-	-	-	-	-	-
722 Reserves - Capital Funding	45,000	20,750	21,550	10,800	-	24,341	31,307	26,574	12,606	6,530
- Loans	-	-	-	-	-	-	-	-	-	-
Sale of Assets	10,000	10,000	10,000	-	-	10,000	10,000	10,000	-	-
2,260 Total Funding	55,000	30,750	31,550	10,800	-	34,341	41,307	36,574	12,606	6,530

SUBSIDISED ROADING PROJECTS

(SUBJECT TO NZTA SUBSIDY APPROVAL)

New Road Formation at Ratau Street	(2015/16)	\$95,000
Cycleway/Walkway Pilot Hill – Whakamahi (Limestone)	(2015/16)	\$110,000
Cycleway/Walkway Marine Parade Playground – Ski Club (concrete)	(2015/16)	\$110,000
Cycleway/Walkway Wairoa Township Loop (concrete Kitchener St.)	(2016/17)	\$315,000
New Road Formation at Pohutukawa Reserve	(2017/18)	\$95,000

Total \$725,000



NON-SUBSIDISED ROADING PROJECTS

Mahia Beach Drainage – Pipi Cres. and Tamure Cres. run-off control	(2015/16)	\$35,000
Mahanga Beach – Village drainage outlet through Happy Jacks Road	(2016/17)	\$40,000
Nuhaka-Opoutama Rd. Drainage – Blacks No1 and 2 open drain treatment	(2017/18)	\$58,000
Mahia Beach Drainage – Fortesque, Terakihi, Newcastle to beach outlet	(2017/18)	\$35,000

Total \$168,000



CAR PARKING PROJECTS

Remark car parks	(2015/16)	\$10,715
Reseal car parks	(2016/17)	\$59,100
Reseal Wairoa Power	(2016/17)	\$118,200
Hotmix Clyde Court	(2017/18)	\$236,400

Total \$424,415



Airport



What the Council does

The airport activity comprises of asset-based services such as:

- runway (includes lighting)
- taxiway
- buildings
- helicopter pad at Memorial Park.

The airport provides a service for light aircraft and charter operations.

Council is the controlling authority of the airport and helicopter pad and manages and funds the activity to ensure that an operational facility remains within the district to serve the needs of the community.

Council owns:

- the area of land that the Wairoa Airport is situated on
- the waiting lounge and toilets
- the rural land blocks immediately surrounding the airport.

Section 4.1

There are other assets on the land that are owned by others such as other buildings, the fertiliser bin and a fuel bowser.

Council develops and implements an Airport Asset Management Plan to ensure that these assets can deliver agreed levels of service to existing and future residents in the most cost-effective way. This has involved the creation of policy to ensure a high level of asset management is delivered. **Section 1**

More information on the airport activity can be found on the Wairoa District Council website

www.wairoadc.govt.nz

Why the Council does this

The airport is a key strategic asset for the district and while not self-sustaining economically, successive Councils have recognised the need to maintain the facility for the benefit of the whole district.

For all infrastructure assets, Council has a role to:

- identify levels of service and monitor performance
- manage the impact of growth through demand management and asset development
- identify, assess and manage risks that may impact on the activity
- develop and implement the most cost-effective strategies for operating, maintaining, replacing and/or improving the assets
- have a long-term financial plan which identifies required expenditure and how it will be funded.

The benefits of understanding the asset/service environment are:

- improved cost efficiency and reduced costs
- improved customer satisfaction
- transparency in decision making
- sustainability.

There is also a statutory basis for Council's involvement in the airport activity. **Section 2.1**

Current legislation and regulations which set the minimum service levels that must be provided and which affect asset operation, maintenance and development of the airport activity include:

- Airport Authorities Act 1966
- Civil Aviation Act 1990.

For more details:

Refer to the relevant **section** of the Airport Asset Management Plan. Alternatively contact Wairoa District Council's Asset Management Department on (06) 838 7309 or visit our offices to discuss any queries you may have.

Community outcomes & how the airport activity contributes

Council has an obligation 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. To enable this, Council has made a commitment to continue to deliver the services currently provided and to continue to focus on the previously adopted community outcomes.

How the airport activity contributes to those community outcomes is shown in the following table.

Community Outcomes	1. A strong, prosperous and thriving economy	2. A safe and secure community	3. A lifetime of good health and well-being	4. An environment that is appreciated, protected and sustained for future generations	5. Supportive, caring and valued communities	6. A safe and integrated transport system	7. Strong district leadership and a sense of belonging	8. Safe and accessible recreational facilities	9. A community that values and promotes its culture and heritage
Airport Contribution	The airport contributes to the economy by providing a means for agricultural spraying.	The airport is used in emergency events. Without the airport the district would suffer from isolation.	Future planning of the activity ensures a sustainable service over time.	Compliance with RMA and legislative requirements ensures a protected environment.		The airport is a means of transport. Correct management will ensure a safe and effective service.		The airport is used for recreational activities. Correct management ensures safe facilities.	The recreational use of the airport encourages the culture of the district.

Asset condition and performance

Council owns the following assets:

- land
- operational airstrip
- sealed runway
- edge lighting
- helicopter pad
- terminal building
- other (includes wind socks and fencing).

A recent assessment of the runway identified that the runway is cracking and wearing with age. The taxiway and aprons are also showing signs of chip loss and will require remedial works in the next three years. [Section 4.5](#)

Other than minor maintenance, the buildings are expected to have a remaining life in excess of 10 years.

[Section 4.5](#)

A reactive maintenance regime in the past has generally meant that any performance issues are dealt with effectively and efficiently. However, a move to a proactive approach for longer term renewals is deemed best practice. This will involve a more formal condition assessment and replacement programme to best meet the levels of service adopted.

[Section 6.4](#)

How people can judge the Council

Council's strategic result for this activity is: 'To

provide a safe and cost-effective facility to meet current needs'. [Section 1.2](#)

Council wants to know what customers need to better deliver the airport service as an effective solution. Council intends to monitor this through the level of service and performance measure framework. This framework utilises the customer service request system (CSR), annual surveys and submission service. [Sections 2.2 and 2.3](#)

The table below details what Council will deliver as a level of service statement. The community outcomes that the specific statement contributes to are also detailed. How Council will monitor progress is then detailed as performance measures, with associated yearly targets.

[Section 2.5](#)

Level of service table with associated performance measures

LEVEL OF SERVICE STATEMENT	COMMUNITY OUTCOME	PERFORMANCE MEASURE	TARGET 2015	TARGET 2016	TARGET 2017
Council will continue to provide the Wairoa Airport service to meet the current and foreseeable demand of the community	1, 2, 3 & 8	Council shall continue to provide the service at Wairoa Airport to standards appropriate for its use	Council will have in place, at all times, a suitable maintenance contract		
		The community's willingness to pay for the service will be considered	Monitor for complaints of cost of service through Annual Plan process		
		The provision of the service shall be adequate for current and foreseeable demand	Review and document current services being provided at airport Survey key stakeholders/users to determine likely future demand for the service	Monitor usage of airport against results of survey and current services	Monitor usage of airport against results of survey and current services
Council will comply with current legislation and Council bylaws	2, 4, 7 & 9	Council shall meet all legislative requirements	Review current legislation for compliance		
		Facilities shall meet all relevant safety standards	Facilities shall be maintained in a safe condition, in accordance with relevant standards		
Council will maintain the airport and associated facilities to ensure long term sustainability	1, 2, 3 & 8	Asset database to be maintained	Asset database to be set up in AssetFinda	Detailed condition assessment of all airport assets	Maintain an up-to-date asset database
			Develop programme to update asset database annually		
Council will undertake operational, maintenance and renewal activities in a cost-effective manner	1, 2, 3 & 8	All maintenance, renewals and other programmed and reactive works are completed on time and within budget	Forward works programme to be set as part of Annual Plan process		
			Works to be within budget +/- 5%		
		Operational and maintenance activities are undertaken in a safe and healthy manner	No health and safety non compliances are received or issued		
Customers will receive a prompt and efficient service	4, 7, 8 & 9	Level of customer satisfaction through annual survey indicates a 'fairly good', 'very good' or better minimum 80% approval rating	80% satisfaction rating		
		Analysis of CSR complaints to enable issues to be addressed	Number of complaints shall reduce		
Council will implement systems/processes to ensure continued service delivery in emergency events	2, 4, 7 & 9	Contingency plans shall be implemented for emergency events such as earthquake and flooding where services may be affected or facilities damaged	Annual meeting with civil defence team		
			Contingency plans shall be developed		

Major issues and projects in the next 10 years

Section 6.4

Affordability and sustainability in a declining population base are key factors to consider.

\$30,000 has been allocated to the continued certification of the airport.

\$20,000 will be required for building renewals over the next 10 years.

Airport surfaces/runway

The condition of the airport surfaces/runway was recently assessed.

The runway is cracking and showing signs of wear due to age. The margins are showing signs of chip loss. A provision of \$200,000 in 2016/17 and \$250,000 in 2018/19 has been allocated to resurfacing works.

\$35,000 has been allocated for the renewal of runway lighting in 2015/16.

Costs are based on current day rates.



Achievement of core level asset management practice

A core level of assessment management will ensure that the airport's assets are managed in the most effective and efficient way to give optimum solutions, so delivering what the ratepayer wants at a cost-effective price.

Core asset management entails a proactive approach for which Council needs to have a good understanding of the asset. This is done through collecting condition information and integrating risk options into core business. Council is developing processes to ensure this is implemented.

Section 8.2

PROJECTED 10 YEAR FINANCIAL SUMMARY - WAIROA AIRPORT

ANNUAL PLAN 2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Expenditure										
43,778	28,769	28,293	29,065	29,891	30,801	31,773	32,812	33,952	35,170	36,498
-	-	-	-	-	-	-	-	-	-	-
5,248	16,480	17,584	18,646	18,922	19,280	19,874	20,327	20,804	21,521	22,081
8,721	8,721	8,721	8,721	8,721	8,721	8,721	8,721	8,721	8,721	8,721
57,747	53,970	54,598	56,432	57,534	58,802	60,368	61,860	63,477	65,412	67,300
Activity Income - Service Charges										
44,049	44,049	45,150	46,324	47,575	48,955	50,423	51,986	53,702	55,528	57,527
-	-	-	-	-	-	-	-	-	-	-
44,049	44,049	45,150	46,324	47,575	48,955	50,423	51,986	53,702	55,528	57,527
Net Cost of Service										
13,698	9,921	9,448	10,108	9,959	9,847	9,945	9,874	9,775	9,884	9,773
Capital Expenditure										
10,000	65,000	205,000	-	270,011	11,114	-	-	-	-	13,060
-	-	-	-	-	-	-	-	-	-	-
10,000	65,000	205,000	-	270,011	11,114	-	-	-	-	13,060
23,698	74,921	214,448	10,108	279,970	20,961	9,945	9,874	9,775	9,884	22,833
Funded By:										
13,698	9,921	9,448	10,108	9,959	9,847	9,945	9,874	9,775	9,884	9,773
-	-	-	-	-	-	-	-	-	-	-
10,000	65,000	205,000	-	270,011	11,114	-	-	-	-	13,060
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
23,698	74,921	214,448	10,108	279,970	20,961	9,945	9,874	9,775	9,884	22,833

Activity Group Four Community Facilities

- **Cemeteries**
- **Park & Reserves**
- **Library**
- **Community Support**

**WAIROA DISTRICT COUNCIL
PROSPECTIVE FUNDING IMPACT STATEMENT - COMMUNITY FACILITIES
LTP 2015-2025**

ANNUAL PLAN 2014/15		BUDGET 2015/16	BUDGET 2016/17	BUDGET 2017/18	BUDGET 2018/19	BUDGET 2019/20	BUDGET 2020/21	BUDGET 2021/22	BUDGET 2022/23	BUDGET 2023/24	BUDGET 2024/25
Sources of Operating Funding											
964,319	General rates, uniform annual charges, rates penalties	1,010,209	1,075,621	1,106,420	1,128,868	1,157,631	1,188,642	1,220,461	1,254,981	1,294,281	1,349,306
781,077	Targeted rates (other than a targeted rate for water supply)	670,709	704,953	743,369	758,794	806,571	827,083	847,325	869,368	894,688	920,421
68,409	Subsidies and grants for operating purposes	46,709	47,877	49,122	50,448	51,911	53,468	55,126	56,945	58,881	61,001
55,017	Fees charges and targeted rates for water supply	56,117	57,520	59,015	60,609	62,367	64,238	66,229	68,414	70,741	73,287
-	Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-	-	-	-	-	-
1,868,822	Total Operating Funding	1,783,744	1,885,971	1,957,926	1,998,719	2,078,480	2,133,431	2,189,141	2,249,708	2,318,591	2,404,015
Applications of Operating Funding											
1,452,182	Payments to staff and suppliers	1,453,297	1,527,742	1,564,820	1,602,567	1,652,716	1,699,858	1,750,059	1,804,867	1,863,603	1,934,377
38,727	Finance costs	53,727	53,727	58,837	58,837	61,504	61,504	61,504	61,504	62,639	74,393
254,833	Internal charges and overheads applied	206,082	221,552	235,846	238,891	243,096	250,905	256,415	262,174	271,564	278,381
-	Other operating funding applications	-	-	-	-	-	-	-	-	-	-
1,745,742	Total applications of operating funding	1,713,106	1,803,021	1,859,503	1,900,295	1,957,316	2,012,267	2,067,978	2,128,545	2,197,806	2,287,151
123,080	Surplus (Deficit) of operating funding	70,638	82,950	98,423	98,424	121,164	121,164	121,163	121,163	120,785	116,864
Sources of capital funding											
-	Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-
-	Development and financial contributions	-	-	-	-	-	-	-	-	-	-
630,000	Increase (decrease) in debt	250,000	-	85,184	-	44,454	-	-	-	18,909	195,896
-	Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
-	Lump sum contributions	-	-	-	-	-	-	-	-	-	-
630,000	Total sources of capital funding	250,000	-	85,184	-	44,454	-	-	-	18,909	195,896
Application of capital funding											
(100,000)	Capital expenditure - to meet additional demand	-	-	-	-	-	-	-	-	-	-
907,000	- to improve the level of service	299,000	45,100	131,456	47,522	88,909	45,788	47,208	48,766	69,333	248,135
175,320	- to replace existing assets	110,000	10,250	-	-	-	28,618	-	-	-	39,179
(229,240)	Increase (Decrease) in reserves	(88,362)	27,600	52,151	50,902	76,709	46,758	73,955	72,397	70,361	25,446
-	Increase (Decrease) of investments	-	-	-	-	-	-	-	-	-	-
753,080	Total application of capital funding	320,638	82,950	183,607	98,424	165,618	121,164	121,163	121,163	139,694	312,760
(123,080)	Surplus (Deficit) of capital funding	(70,638)	(82,950)	(98,423)	(98,424)	(121,164)	(121,164)	(121,163)	(121,163)	(120,785)	(116,864)
-	Funding Balance	-	-	-	-	-	-	-	-	-	-
144,080	Group depreciation and amortisation	151,318	151,318	151,318	151,318	151,318	151,318	151,318	151,318	151,318	151,318

PROJECTED 10 YEAR FINANCIAL SUMMARY - COMMUNITY FACILITIES

ANNUAL PLAN 2014/15		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Expenditure											
1,465,942	Operational Costs	1,453,297	1,527,742	1,564,820	1,602,567	1,652,716	1,699,858	1,750,059	1,804,867	1,863,603	1,934,377
38,727	Interest	53,727	53,727	58,837	58,837	61,504	61,504	61,504	61,504	62,639	74,393
254,833	Overhead Allocation	206,082	221,552	235,846	238,891	243,096	250,905	256,415	262,174	271,564	278,381
144,080	Depreciation	151,318	151,318	151,318	151,318	151,318	151,318	151,318	151,318	151,318	151,318
1,903,582	Total Operating Costs	1,864,424	1,954,339	2,010,821	2,051,613	2,108,634	2,163,585	2,219,296	2,279,863	2,349,124	2,438,469
137,186	Activity Income - Service Charges	102,826	105,396	108,137	111,057	114,277	117,705	121,355	125,359	129,622	134,288
-	Less depreciation not funded	34,014	34,014	35,717	35,717	41,607	41,607	41,607	41,607	41,985	45,903
137,186		136,840	139,410	143,854	146,774	155,884	159,312	162,962	166,966	171,607	180,191
1,766,396	Net Cost of Service	1,727,584	1,814,929	1,866,967	1,904,839	1,952,750	2,004,273	2,056,334	2,112,897	2,177,517	2,258,278
-	Capital Expenditure										
175,320	Renewals	110,000	10,250	-	-	-	28,618	-	-	-	39,179
765,000	New Capital	299,000	45,100	131,456	47,522	88,909	45,788	47,208	48,766	69,333	248,135
-		-	-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-	-
940,320		409,000	55,350	131,456	47,522	88,909	74,406	47,208	48,766	69,333	287,314
2,706,716	Funding Required	2,136,584	1,870,279	1,998,423	1,952,361	2,041,659	2,078,679	2,103,542	2,161,663	2,246,850	2,545,592
-	Funded By:										
1,745,396	Rate Income	1,680,918	1,780,574	1,849,789	1,887,662	1,964,202	2,015,725	2,067,786	2,124,349	2,188,969	2,269,727
21,000	Reserves - Operational Funding	46,666	34,355	17,177	17,177	(11,452)	(11,452)	(11,452)	(11,452)	(11,452)	(11,449)
310,320	Reserves - Capital Funding	159,000	55,350	46,273	47,522	44,455	74,406	47,208	48,766	50,424	91,418
630,000	Loans	250,000	-	85,184	-	44,454	-	-	-	18,909	195,896
-	Sale of Assets	-	-	-	-	-	-	-	-	-	-
2,706,716	Total Funding	2,136,584	1,870,279	1,998,423	1,952,361	2,041,659	2,078,679	2,103,542	2,161,663	2,246,850	2,545,592

Cemeteries



For more details:

Refer to the relevant [section](#) of the Cemeteries Asset Management Plan. Alternatively contact Wairoa District Council's Asset Management Department on (06) 838 7309 or visit our offices to discuss any queries you may have.

What the Council does

The cemeteries are an asset and service-based activity that rely primarily on available land to function, along with a network of roading and utilities.

Council owns the following public cemeteries:

- Wairoa
- Nuhaka (managed by others)
- Frasertown
- Ruakituri
- Morere.

[Section 4.1](#)

There are also private cemeteries and urupa across the district which do not form part of this activity.

Council develops and implements a Cemeteries Asset Management Plan to ensure that these assets can deliver agreed levels of service to existing and future residents in the most cost-effective way. This has involved the creation of policy to ensure a high level of asset management is delivered. [Section 1](#)

The cemeteries webpage can be accessed through the Wairoa District Council website www.wairoadc.govt.nz

Why the Council does this

For all infrastructure assets, Council has a role to:

- identify levels of service and monitor performance
- manage the impact of growth through demand management and asset development
- identify, assess and manage risks that may impact

- on the activity
- develop and implement the most cost-effective strategies for operating, maintaining, replacing and/or improving the assets
- have a long-term financial plan which identifies required expenditure and how it will be funded.

The benefits of understanding the asset/service environment are:

- improved cost efficiency and reduced costs
- improved customer satisfaction
- transparency in decision making
- sustainability.

There is also a statutory basis for Council's involvement in this activity. [Section 2.1](#)

Current legislation and regulations which set the minimum service levels that must be provided and which affect asset operation, maintenance and development of the cemeteries activity include:

- Burial and Cremation Act 1964. [Section 2.1](#)

Community outcomes & how the cemeteries activity contributes

Council has an obligation 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. To enable this, Council has made a commitment to continue to deliver the services currently provided and to continue to focus on the previously adopted community outcomes.

How the cemeteries activity contributes to those community outcomes is shown in the following table.

Community Outcomes	1. A strong, prosperous and thriving economy	2. A safe and secure community	3. A lifetime of good health and well-being	4. An environment that is appreciated, protected and sustained for future generations	5. Supportive, caring and valued communities	6. A safe and integrated transport system	7. Strong district leadership and a sense of belonging	8. Safe and accessible recreational facilities	9. A community that values and promotes its culture and heritage
Cemeteries Contribution				Sustainable management of this activity ensures a sustained environment going into the future.	Unique relationships with communities and church organisations create inclusive communities.			The cemetery is considered accessible and safe.	The cemeteries service encourages communities to value the district through provision of family/community resting places.

Asset condition and performance

Assets within the public cemeteries include:

- access roads, water supply and drainage
- gates, seats, shelters and litter bins
- memorials (owned by others, maintained by Council)
- concrete beams on burial plots.

[Section 4.2](#)

Cemetery assets are generally considered to be in good condition. [Section 4.4](#). The replacement of these assets is driven when they are no longer economical to maintain or are incapable of

delivering the required level of service.

A reactive maintenance regime in the past has generally meant that any performance issues are dealt with effectively and efficiently. However, a move to a proactive approach for longer term renewals is deemed best practice. This will involve a more formal condition assessment and replacement programme to best meet the levels of service adopted. [Section 6.4](#)

How people can judge the Council

Council’s strategic result for this activity is: **‘Reliable and safe management and operation of public cemeteries’**. [Section 1.2](#)

Council wants to know what customers need to better deliver the cemeteries service as an effective solution. Council intends to monitor this through the level of service and performance measure framework. This framework utilises the customer service request system (CSR), annual surveys and submission service. [Sections 2.2 and 2.3](#)

The table below details what Council will deliver as a level of service statement. The community outcomes that the specific statement contributes to are also detailed. How Council will monitor progress is then detailed as performance measures, with associated yearly targets. [Section 2.5](#)

Level of service table with associated performance measures

LEVEL OF SERVICE STATEMENT	COMMUNITY OUTCOME	PERFORMANCE MEASURE	TARGET 2015	TARGET 2016	TARGET 2017
Council will continue to own and deliver a cemetery service suitable for the current and foreseeable needs of the community	4, 8 & 9	The provision of cemetery land shall be adequate for current and foreseeable demand	Use census data to assess remaining capacity of Wairoa Cemetery	Undertake survey to determine need/desire for a public cemetery in Mahia	Monitor adequacy of land available in relation to earlier assessment of capacity for Wairoa
			Develop and implement (as necessary) contingency plan for situations such as pandemics where there may be a significantly increased demand over a short period of time	Implementation of contingency plan as required	Implementation of contingency plan as required
		Community's willingness to pay for the service will be considered	Monitor for complaints of cost of service through Annual Plan process		
Council will comply with current legislation and Council bylaws	4, 8 & 9	Council shall meet all legislative requirements	Review current legislation for compliance		
		Council's Public Safety Bylaw shall be enforced	Council shall provide for monitoring of the bylaw		
			All known breaches of the bylaw shall be addressed as provided for in the bylaw		
Council shall provide an up-to-date records and enquiry service	5	Cemetery interment records are updated and maintained	Cemetery interment records are updated monthly in accordance with the maintenance contract		
Council will maintain any public cemeteries to ensure long term sustainability	4, 8 & 9	Asset database to be maintained	Asset database to be set up in AssetFinda	Detailed condition assessment of all cemetery assets	Maintain an up-to-date asset database
			Develop programme to update asset database annually		
Council will undertake operational, maintenance and renewals activities in a cost-effective manner	4, 8 & 9	All preventative maintenance, renewals and other programmed and reactive works are completed on time and within budget	Forward works programme to be set as part of Annual Plan process		
			Works to be within budget +/- 5%		
		Operational and maintenance activities are undertaken in a safe and healthy manner	No health and safety non compliances are received or issued		
Customers will receive a prompt and efficient service	5	Level of customer satisfaction through annual survey indicates a 'fairly good', 'very good' or better minimum 80% approval rating	80% satisfaction rating		
		How the service is delivered to the community will be monitored through the CSR system	Number of complaints for inadequate service shall reduce		

Major issues and projects in the next 10 years

Affordability and sustainability in a declining population base are key factors to consider as well as the availability of land to suit demand.

Major projects

Major projects to be undertaken in the next 10 years include:

- building renewal works (\$45,000)
- additional burial plot beams (\$45,000)
- stormwater drainage upgrade (\$50,000).

Option for a public cemetery in Mahia

The option of a new public cemetery in Mahia has been discussed in the past.

A budget of \$150,000 has been allocated for the investigation and development of this in 2024/25.

Costs are based on current day rates.



Achievement of core level asset management practice

A core level of assessment management will ensure that the cemeteries' assets are managed in the most effective and efficient way to give optimum solutions, so delivering what the ratepayer wants at a cost-effective price.

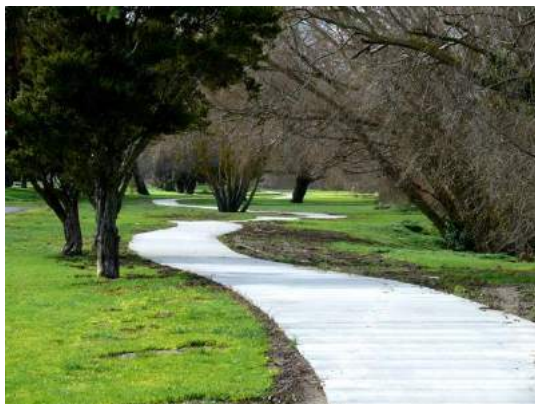
Core asset management entails a proactive approach for which Council needs to have a good understanding of the asset. This is done through collecting condition information and integrating risk options into core business. Council is developing processes to ensure this is implemented.

Section 8.2

PROJECTED 10 YEAR FINANCIAL SUMMARY - CEMETERIES

ANNUAL PLAN 2014/15		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Expenditure											
97,500	Operational Costs	98,800	101,213	98,526	101,124	104,323	107,374	110,621	114,184	118,355	126,425
1,800	Interest	5,700	5,700	5,700	5,700	6,700	6,700	6,700	6,700	7,835	19,589
27,365	Overhead Allocation	25,690	27,462	29,212	29,599	30,127	31,088	31,776	32,495	33,651	34,501
1,844	Depreciation	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900
128,509	Total Operating Costs	132,090	136,275	135,338	138,323	143,050	147,062	150,997	155,279	161,741	182,415
25,176	Activity Income - Service Charges	25,176	25,805	26,476	27,191	27,980	28,819	29,713	30,693	31,737	32,879
-	Less depreciation not funded	2,300	2,300	2,300	2,300	2,633	2,633	2,633	2,633	3,011	6,929
25,176		27,476	28,105	28,776	29,491	30,613	31,452	32,346	33,326	34,748	39,808
103,333	Net Cost of Service	104,614	108,170	106,562	108,832	112,437	115,610	118,651	121,953	126,993	142,607
Capital Expenditure											
-	Renewals	20,000	-	-	-	-	17,171	-	-	-	13,060
35,000	New Capital	65,000	-	-	-	16,670	-	-	-	18,909	195,896
35,000		85,000	-	-	-	16,670	17,171	-	-	18,909	208,956
138,333	Funding Required	189,614	108,170	106,562	108,832	129,107	132,781	118,651	121,953	145,902	351,563
Funded By:											
103,333	Rate Income	104,614	108,170	106,562	108,832	112,437	115,610	118,651	121,953	126,993	142,607
	Reserves - Operational Funding	-	-	-	-	-	-	-	-	-	-
5,000	Reserves - Capital Funding	20,000	-	-	-	-	17,171	-	-	-	13,060
30,000	Loans	65,000	-	-	-	16,670	-	-	-	18,909	195,896
	Sale of Assets	-	-	-	-	-	-	-	-	-	-
138,333	Total Funding	189,614	108,170	106,562	108,832	129,107	132,781	118,651	121,953	145,902	351,563

Parks and Reserves



For more details:

Refer to the relevant [section](#) of the Parks and Reserves Asset Management Plan. Alternatively contact Wairoa District Council's Asset Management Department on (06) 838 7309 or visit our offices to discuss any queries you may have.

What the Council does

Wairoa District Council owns and operates parks and reserves in urban and rural locations across the district. This is an asset and service-based activity that relies primarily on available land to function.

The parks and reserves activity provides services in the form of:

- sports grounds
- public gardens and memorials
- neighbourhood parks and playgrounds
- access along riverbank reserves
- access along foreshore reserves
- public toilets.

[Section 4.2](#)

Assets within the parks and reserves include but are not limited to:

- land/vegetation
- buildings
- walkways
- playground equipment
- fences, sealed areas and lighting
- boat ramps
- sports facilities such as lighting, seating, clubrooms
- seating, tables, litter bins and memorials.

[Section 4.2](#)

Council develops and implements a Parks and Reserves Asset Management Plan to ensure that these assets can deliver agreed levels of service to existing and future residents in the most cost-effective way. This has involved the creation of policy to ensure a level of asset management is delivered. [Section 1](#)

Why the Council does this

For all infrastructure assets, Council has a role to:

- identify levels of service and monitor performance
- manage the impact of growth through demand management and asset development
- identify, assess and manage risks that may impact on the activity
- develop and implement the most cost-effective strategies for operating, maintaining, replacing and/or improving the assets
- have a long-term financial plan which identifies required expenditure and how it will be funded.

The benefits of understanding the asset/service environment are:

- improved cost efficiency and reduced costs
- improved customer satisfaction
- transparency in decision making
- sustainability.

There is also a statutory basis for Council's involvement in this activity. [Section 2.1](#)

Current legislation and regulations which set the minimum service levels that must be provided and which affect asset operation, maintenance and development of the parks and reserves activity include:

- Forest and Rural Fires Act 1977
- Reserves Act 1977
- Litter Act 1979
- Building Act 1992. [Section 2.1](#)

Community outcomes & how the parks and reserves activity contributes

Council has an obligation 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. To enable this, Council has made a commitment to continue to deliver the services currently provided and to continue to focus on the previously adopted community outcomes.

How the parks and reserves activity contributes to those community outcomes is shown in the following table

Community Outcomes	1. A strong, prosperous and thriving economy	2. A safe and secure community	3. A lifetime of good health and well-being	4. An environment that is appreciated, protected and sustained for future generations	5. Supportive, caring and valued communities	6. A safe and integrated transport system	7. Strong district leadership and a sense of belonging	8. Safe and accessible recreational facilities	9. A community that values and promotes its culture and heritage
Parks and Reserves Contribution		Correct management of property ensures safe and secure communities.	Future planning of the activity ensures a sustainable service over time.	Compliance with RMA and legislative requirements ensures a protected environment.				Correct management of the reserves ensures a safe facility for the public.	Parks and reserves encourage team sports and the unique culture at a community level.

Asset condition and performance

The majority of Council’s parks and reserves’ assets are considered to be fit for purpose, in acceptable to good condition and adequate for the foreseeable future.

Section 4.5 and 4.6

A reactive maintenance regime in the past has generally meant that any performance issues are dealt with effectively and efficiently. However, a move to a proactive approach for longer term renewals is deemed best practice. This will involve a more formal condition assessment and replacement programme to best meet the levels of service adopted.

Section 6.4

How people can judge the Council

Council’s goal for this activity is: **‘Continued access to and sustainable management of parks and reserves’**.

Section 1.2

Council wants to know what customers need to better deliver the parks and reserves service as an effective solution. Council intends to monitor this through the level of service and performance measure framework. This framework utilises the customer service request system (CSR), annual surveys and submission service.

Sections 2.2 and 2.3

The table below details what Council will deliver as a level of service statement. The community outcomes that the specific statement contributes to are also detailed. How Council will monitor

progress is then detailed as performance measures, with associated yearly targets.

Section 2.5



Level of service table with associated performance measures

The table below details what the Council will deliver as a level of service statement. The community outcomes that the specific statement contributes to are also detailed. How Council will monitor progress is then detailed as performance measures, with associated yearly targets.

<i>LEVEL OF SERVICE STATEMENT</i>	<i>COMMUNITY OUTCOME</i>	<i>PERFORMANCE MEASURE</i>	<i>TARGET 2015</i>	<i>TARGET 2016</i>	<i>TARGET 2017</i>
Council will continue to provide parks and reserves with associated facilities to meet the current and foreseeable desires of the community	2, 3, 4, 8 & 9	The provision of land and facilities shall be adequate for current and foreseeable demand	Develop plan for monitoring use of parks, reserves and sports grounds	Undertake survey to determine desires of community in terms of parks and reserves	Monitor use of parks, reserves, sports grounds and associated facilities available
		Council shall implement development projects from Reserve Management Plans	Set programme of works based on priorities from Reserve Management Plans	Implementation of Reserve Management Plans Programme	
		Community's willingness to pay for the service will be considered	Monitor for complaints of cost of service through Annual Plan process		
Council will comply with current legislation and Council bylaws	2, 3, 4 & 8	Council shall meet all legislative requirements	Review current legislation for compliance		
		Council's Public Safety Bylaw shall be enforced	Council shall provide for monitoring of the bylaw		All known breaches of the bylaw shall be addressed as provided for in the bylaw
			Facilities shall be maintained in a safe condition, in accordance with relevant standards		
		Facilities shall meet all relevant safety standards	Develop and implement plan for monitoring safety of park facilities (minimum annually)	Safety assessment of facilities with action plan of remedial works as appropriate	
Council will maintain parks and reserves and associated facilities to ensure long term sustainability	2, 3, 4 & 8	Asset database to be maintained	Asset database to be set up in AssetFinda	Detailed condition assessment of all parks and reserves assets	Maintain an up-to-date asset database
			Develop programme to update asset database annually		
		All maintenance, renewals and other programmed and reactive works are completed on time and within budget	Forward works programme to be set as part of Annual Plan process		
			Works to be within budget +/- 5%		
		Operational and maintenance activities are undertaken in a safe and healthy manner	No health and safety non compliances are received or issued		
Annual review of hazard register					

<i>LEVEL OF SERVICE STATEMENT</i>	<i>COMMUNITY OUTCOME</i>	<i>PERFORMANCE MEASURE</i>	<i>TARGET 2015</i>	<i>TARGET 2016</i>	<i>TARGET 2017</i>
Customers will receive a prompt and efficient service	2, 3, 4 & 8	Level of customer satisfaction through annual survey indicates a 'fairly good', 'very good' or better minimum 80% approval rating	80% satisfaction rating		
		How the service is delivered to the community will be monitored through the CSR and Annual Plan systems	Number of complaints for inadequate service shall reduce		
Council will implement systems/processes to ensure continued service delivery in emergency events	2, 3, 4 & 8	Contingency plans implemented for emergencies such as earthquake & flooding where services may be affected or damaged	Annual meeting with civil defence team		
			Contingency plans shall be developed	Contingency plans shall be reviewed	

Major issues and projects in the next 10 years

Section 6.4 and 6.5

Affordability and sustainability in a declining population base are key factors to consider.

Major projects

Major projects proposed for the next 10 years include:

- renewals and new playground equipment (\$120,000)
- installation of security cameras (\$50,000)
- building/toilet renewals (\$55,000)
- picnic table renewals (\$15,000).

Reserve Management Plans

Council has developed a set of Reserve Management Plans. These plans identify the communities' ideas with regards to what people want and are willing to pay for. \$50,000 for the implementation of the Rangihoua Reserve Management Plan has been included.

Costs are based on 2015 rates.



Achievement of core level asset management practice

A core level of assessment management will ensure that the parks and reserves' assets are managed in the most effective and efficient way to give optimum solutions, so delivering what the ratepayer wants at a cost-effective price.

Core asset management entails a proactive approach for which Council needs to have a good understanding of the asset. This is done through collecting condition information and integrating risk options into core business. Council is developing processes to ensure this is implemented.

Section 8.2

PROJECTED 10 YEAR FINANCIAL SUMMARY - PARKS AND RESERVES

ANNUAL PLAN 2014/15		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Expenditure											
556,145	Operational Costs	521,528	534,544	547,622	561,560	582,484	598,847	616,268	635,384	655,733	678,005
36,927	Interest	47,427	47,427	47,427	47,427	49,094	49,094	49,094	49,094	49,094	49,094
173,223	Overhead Allocation	129,134	138,531	147,203	149,235	151,950	156,739	160,242	163,916	169,683	174,019
66,316	Depreciation	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000
832,611	Total Operating Costs	768,089	790,502	812,252	828,222	853,528	874,680	895,604	918,394	944,510	971,118
30,360	Activity Income - Service Charges	19,200	19,680	20,192	20,737	21,338	21,978	22,660	23,407	24,203	25,075
-	Less depreciation not funded	31,514	31,514	31,514	31,514	37,071	37,071	37,071	37,071	37,071	37,071
30,360		50,714	51,194	51,706	52,251	58,409	59,049	59,731	60,478	61,274	62,146
802,251	Net Cost of Service	717,375	739,308	760,546	775,971	795,119	815,631	835,873	857,916	883,236	908,972
Capital Expenditure											
175,320	Renewals	90,000	10,250	-	-	-	11,447	-	-	-	26,119
730,000	New Capital	175,000	-	-	-	27,784	-	-	-	-	-
905,320		265,000	10,250	-	-	27,784	11,447	-	-	-	26,119
1,707,571	Funding Required	982,375	749,558	760,546	775,971	822,903	827,078	835,873	857,916	883,236	935,091
Funded By:											
781,251	Rate Income	670,709	704,953	743,369	758,794	806,571	827,083	847,325	869,368	894,688	920,421
21,000	Reserves - Operational Funding	46,666	34,355	17,177	17,177	(11,452)	(11,452)	(11,452)	(11,452)	(11,452)	(11,449)
305,320	Reserves - Capital Funding	90,000	10,250	-	-	-	11,447	-	-	-	26,119
600,000	Loans	175,000	-	-	-	27,784	-	-	-	-	-
	Sale of Assets	-	-	-	-	-	-	-	-	-	-
1,707,571	Total Funding	982,375	749,558	760,546	775,971	822,903	827,078	835,873	857,916	883,236	935,091

Library



What the Council does

Library lending and information services are principally provided through the Wairoa Centennial Library building on Marine Parade, Wairoa. However, electronic resources and ebooks can be accessed directly through the library website and enquiries can be placed by phone, fax, email or Facebook.

The main services provided are:

- access to a range of information resources both paper and electronic
- library and information professionals to assist customers with enquiries
- loan of materials from a collection of more than 30,000 items to over 3000 members
- inter-library loan of materials from other libraries
- programmes and events for all ages
- collecting and preserving, or providing access to material about the district, its culture and heritage
- community facility for reading, studying and relaxing
- Aotearoa People's Network Kaharoa (APNK) computers and Wi-Fi giving free broadband internet access, and cost recovery printing.

The most successful annual programme the library runs is the Summer Reading Programme. This is a family orientated incentive-based reading programme for young children and teenagers. It is made available free of charge due to a substantial grant from the Eastern and Central Community Trust. The aim of the programme is to encourage and stimulate children's interest in reading through regular, fun and interactive use of the library.

Full membership of the library is required to borrow any item from the lending collection. eAccess cards to borrow ebooks and to access the electronic resources can be requested online via the library website. Full in-house use is open to anyone. The majority of the lending collection is available free of charge. However, newer items in the bestseller collection are charged for, and fines are imposed for overdue, damaged and lost books.

The Aotearoa People's Network is a collaboration between the National Library of New Zealand, public libraries and business, with initial funding from the government's Community Partnership Fund. This covers equipment, networking, training and access to web-based tools and services. Each computer also has a wide suite of software both licensed and open source. It is part of the wider government Digital Content Strategy to unlock the nation's stock of content and build opportunities for New Zealanders to access it.

Library opening hours

Monday to Thursday: 10:00 am – 5:00 pm

Friday: 9:30 am – 6:00 pm

Saturday: 10:00 am – 12:00 pm (noon)

Closed: Sundays & Statutory Public Holidays

Why the Council does this and its contribution to community outcomes

The Council's long-term purpose in operating a library service is to enhance the social and cultural well-being of the community. This is achieved through the provision of access to literature and other learning resources via books and electronic media. Longer term, the concept of libraries as just a receptacle for the written word will likely be invalid, as libraries become portals to vast public information and knowledge bases.

The library is one showcase for demonstrating how communication, knowledge and information sharing is evolving, and it is a readily accessible means for all in the community to experience such opportunities.

Improving literacy levels through the encouragement of reading may have positive effects on the long-term socio-economic status of residents. The community benefits from a better informed and more literate population. As libraries make information available to everyone in the community, many residents value this activity even though they may not use the service themselves. Having a library contributes to public pride.

Council will continue to manage and operate the library, having in the past explored and rejected a number of alternative options. There is a strong statutory basis for Council's involvement in this activity and Council believes that there are positive advantages to the community.

The library website can be accessed through www.wairoalibrary.co.nz

Council manages a process for the community to identify its desired outcomes and that process is described in more detail elsewhere in this LTP. Having identified the desired outcomes the Council, in consultation with the community, decides how it will

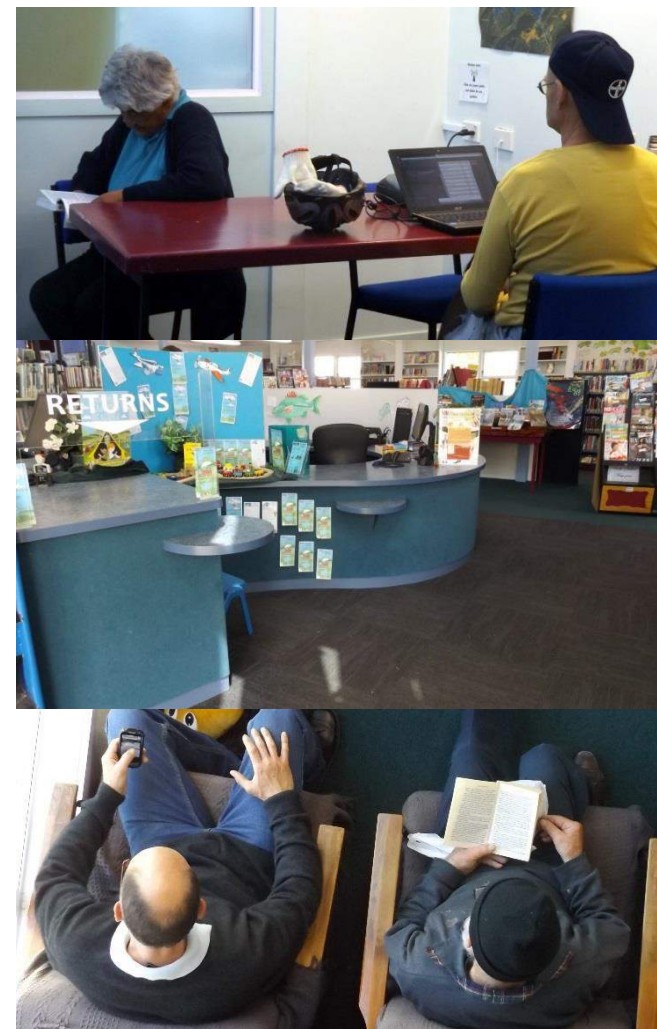
contribute. It is not all about Council, with some outcomes delivered by other organisations. However, for each outcome there will be an activity of Council that contributes in some way.

Having decided what activities it needs to be involved with, or what services it needs to provide, Council establishes the objectives it has for those activities or services.

The goals and principal objectives identified form the basis of our statements of level of service, which are detailed below.

There is a cost associated with delivering the levels of service described and those costs are what are presented in the ten-year budget below.

Council also determines who should carry the cost. For the library, activity funding is sourced from rentals (user pays) and the uniform annual general charge.



Community outcomes to which the activity contributes & how it contributes

Council has an obligation 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. To enable this, Council has made a commitment to continue to deliver the services currently provided and to continue to focus on the previously adopted community outcomes.

How the library activity contributes to those community outcomes is shown in the following table.

Community Outcomes	1 A strong prosperous and thriving economy.	2 A safe and integrated transport system.	3 A community that values and promotes its culture and heritage.	4 Safe and accessible recreational facilities.	5 Supportive, caring and valued communities.	6 Strong district leadership and a sense of belonging.	7 A safe and secure community.	8 A lifetime of good health and well-being.	9 An environment that is appreciated, protected and sustained for future generations.
Library Contribution			By the continual development of local history and Māori collections. By maintaining access to a modern collection of literature reflecting the interests and needs of the Wairoa community.	By providing a facility where people may read, study, relax and become informed. By providing a professional standard of library service that meets the needs of, and is accessible to, all residents of the Wairoa district.	By forming partnerships and sharing resources with other providers. By supporting the social, cultural, recreational and educational needs of people, free from prejudice.			By providing access to books and electronic resources which assist residents in promoting good health and well-being. By the participation of people in lifelong learning experiences. By improving literacy levels with easy access to information.	

How people can judge the Council

The purpose of this activity is to ensure basic library services are available to all people within the Wairoa district, complimented with the professional assistance of skilled staff to provide easy

access to material and to meet civic, cultural, educational, intellectual, and recreational needs.

The goals and principal objectives of the library are to:

- promote the library to the wider community as a centre for information, ideas and works of the imagination
- explore and implement technologies that enhance communication, knowledge, and information

- sharing, locally, nationally, and internationally maintain collections, written and digital, so as to cater to the needs of the Wairoa community, both current and future
- promote reading, and encourage and support lifelong learning and literacy.
- provide a ‘living room away from home’ – a space that people can use and relax in, and utilise for debates, educational programmes, and activities.

Level of service table with associated performance measures

LEVEL OF SERVICE STATEMENT	COMMUNITY OUTCOME	PERFORMANCE MEASURE	TARGET 2015	TARGET 2016	TARGET 2017
Demand and Capacity Council will continue to provide library services for the district through the Wairoa Centennial Library.	3, 4, 5 and 8	A regular pattern of new member enrolments is demonstrated. An increase in the number of eBook issues. Library visits exceed benchmark of 60,000.	Achieve measure	Reports of library visits (both physical and virtual) reflect significant use by the Wairoa community.	
Accessibility Excluding statutory and public holidays, the Wairoa Centennial Library will be open during the times displayed.	3, 4, 5 and 8	The library building is accessible during the displayed opening hours and there is 24/7 online access to eBooks and EPIC reference information sources.	Achieve measure	Encourage and promote use of/visits to library facilities (physical and virtual).	
Quality and Reliability The services provided will include: <ul style="list-style-type: none"> • events and programmes for all ages: preschool, school age, teen and adult • loan and in-house collections of print materials that reflect the community • access to electronic resources and eBooks both in the library and via the internet at home • support services to schools and organisations promoting lifelong learning • APNK public computers with software and internet access • a regional and national inter-library loan system • printing, photocopying, fax and scanning facilities • skilled staff to assist customers to find resources to meet their needs. 	3, 4, 5 and 8	Increased awareness of EPIC collections through advertising, targeted sessions and one-on-one support. Opportunities to participate in the annual Eastern & Central Regional Summer Reading Programme are provided via in-library displays, newspaper, library website, Facebook and flyers to schools. Staff have opportunities for professional development.	Achieve measure	Develop accurate reporting of holdings and/or deletions of stock. Develop and maintain access to past, current, and future published materials unique to the Wairoa district. Report on and recommend future staff development in stock maintenance and repair. Report on and recommend adequate staffing levels. The cataloguing and reference database is operational to the satisfaction of library staff.	
Costs and Funding Council will manage library activities in a financially viable manner.	3, 4, 5 and 8	All preventative maintenance, renewals and other programmed works are completed on time and within budget.	Achieve measure	Annual maintenance and renewal programmes are identified.	
Customer Service and Satisfaction Council will respond to all enquiries, requests, complaints, and identified issues in a timely manner.	3, 4, 5 and 8	Level of customer satisfaction through survey indicates a 'fairly good, very good or better' minimum 80% approval rating.	Achieve measure	With the exception of public holidays, the Wairoa Centennial Library will be open: Monday to Thursday: 10:00 am – 5:00 pm Friday: 9:30 am – 6:00 pm Saturday: 10:00 am – 12:00 pm (noon) Closed: Sundays & Statutory Public Holidays	



Major issues and projects in the next 10 years

Continual services review

The fundamental principles and core role of public libraries in society have remained relatively constant over time. What is changing however, is how libraries deliver their services in order to meet the needs of their communities and where they focus their resources.

Customer behaviours and expectations in relation to the digital world are changing at a rapid pace. It is important for the library to be able to move quickly and in innovative ways to reach out to customers wherever they are, to maintain our relevance as having a trusted and convenient knowledge resource for all.

Some government agencies that have shifted their services online now direct those without personal access to the Internet to use the public library facilities. We often need to support these people, who may not be familiar with computers.

The growth of use in mobile devices both at home and in particular in the education environment is leading to expectations that the shift in paper to electronic reading may have an exponential rather than steady growth rate. Responding to these changes while still providing for the breath of use in traditional lending will require continual reviews of the service.

Review of use of physical spaces

Library spaces will still house and provide physical and unique materials, but the main reasons for library visits are changing to seeking experience, creativity, face-to-face social connectedness, guidance and expertise.

The shift in use of the building has already required reviews of placement of chairs and provision of power and the steady growth in this area is apparent. Combined with the shift from physical to electronic books and the frequent requests for a space for a small informal gathering, a review of the use of space within the building results essential. Although the next 5 to 10 years will be a transition phase a plan to allow for the shift in purpose is important.

These predictions were arrived at through examination of local, national and international trends, in particular the documents Public Libraries of New Zealand: A strategic Framework 2012-2017 produced collaboratively by the Association of Public Managers Inc and Local Government NZ.

Investigation of Library Management System (LMS)

Library management systems now provide content management plus a discovery layer where integrated searches view the full website, document repository, and any other online services the library may wish to bring together.

The three major systems of relevance to us at the moment are Kōtuhī, OCLC WorldShare and Koha.

In 2014 we became the first New Zealand Library to implement WorldCat Discovery. The dedicated interface for Wairoa was set up free as part of our Te Puna subscription. Website searches find books held by Wairoa ranked first, followed by those of closest geographical distance to us in NZ and on to the rest of the world. OCLC also have WorldShare Management Services (a LMS), EZprozy to access EPIC via the LMS catalogue and Contentdm which allows for a digital collection of up to 3,000 items fully searchable on the web free as part of the TePuna contract.

Kōtuhī is a shared library management and resource discovery service available to New Zealand public libraries on subscription. The word 'kōtuhī' in te reo Māori means to interlace or interweave. It enables public libraries from across New Zealand to collaborate regardless of geographical location.

Koha is a cloud-based LMS with NZ company Catalyst. It was first developed in NZ, it is an open source system. Koha libraries can collaborate with each other, on the Catalyst infrastructure or on their own.

Capital expenditure and renewals

Please refer to the proposed capital and project expenditure table contained in the Financial Forecast Statements section of this document for any implications on this activity.

PROJECTED 10 YEAR FINANCIAL SUMMARY - LIBRARY

ANNUAL PLAN 2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Expenditure										
269,627	276,889	281,923	293,263	298,112	306,151	314,724	323,861	333,678	344,140	358,642
-	600	600	5,710	5,710	5,710	5,710	5,710	5,710	5,710	5,710
54,245	51,258	55,559	59,431	60,057	61,019	63,078	64,397	65,763	68,230	69,861
62,524	63,000	63,000	63,000	63,000	63,000	63,000	63,000	63,000	63,000	63,000
386,396	391,747	401,082	421,404	426,879	435,880	446,512	456,968	468,151	481,080	497,213
14,450	14,450	14,811	15,196	15,607	16,059	16,541	17,054	17,617	18,216	18,871
-	200	200	1,903	1,903	1,903	1,903	1,903	1,903	1,903	1,903
14,450	14,650	15,011	17,099	17,510	17,962	18,444	18,957	19,520	20,119	20,774
371,946	377,097	386,071	404,305	409,369	417,918	428,068	438,011	448,631	460,961	476,439
Capital Expenditure										
-	-	-	-	-	-	-	-	-	-	-
-	59,000	45,100	131,456	47,522	44,455	45,788	47,208	48,766	50,424	52,239
-	59,000	45,100	131,456	47,522	44,455	45,788	47,208	48,766	50,424	52,239
371,946	436,097	431,171	535,761	456,891	462,373	473,856	485,219	497,397	511,385	528,678
Funded By:										
371,946	377,097	386,071	404,304	409,369	417,918	428,068	438,011	448,631	460,961	476,439
-	-	-	-	-	-	-	-	-	-	-
-	49,000	45,100	46,273	47,522	44,455	45,788	47,208	48,766	50,424	52,239
-	10,000	-	85,184	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
371,946	436,097	431,171	535,761	456,891	462,373	473,856	485,219	497,397	511,385	528,678

Community Support



What the Council does

The Council believes it has a role to play in supporting community events and facilities by providing funding for community initiatives. Community support covers the activities associated with community funding.

The provision of grants is an integral component of Council's strategy to empower local communities and assist them in achieving their vision and strategic outcomes. Council's preferred mechanism for involvement is through funded service contracts, or advocacy on behalf of community groups and organisations.

Historically, Council's role in community development/support has mainly been through involvement in the provision of essential services. In recent years Council has adopted a facilitator role, providing grants and services that empower local groups and communities to make their own decisions about the issues that affect them.

Council is engaged in the provision of funding towards community facilities and organisations because of the public expectation that Council will contribute to the recreational and social aspirations of the district. The Council provides funding to the Wairoa Community Centre, Wairoa District Heritage & Museum Trust, Sport Hawke's Bay, Wairoa Mobility Bus, RoadSafe Hawke's Bay, Yroa Ynot!, etc. Applications from other organisations engaged in the management of community facilities/events are currently considered on a case-by-case basis as they come to hand.

Council is continuously working with regional partners to develop regional strategies.

Council supports the on-going relationship building between Council and the Wairoa District Heritage & Museum Trust. Council also supports their new vision "A Museum Without Walls – a living entity linking people, history, taonga and place".

Why the Council does this and its contribution to community outcomes

Council manages a process for the community to identify its desired outcomes and that process is described in more detail elsewhere in this LTP. Having identified the desired outcomes Council, in consultation with the community, decides how it will contribute to those outcomes. It is not all about Council, with some outcomes delivered by other organisations, however, for each outcome there will be an activity of Council that contributes in some way.

Having decided what activities it needs to be involved with, or what services it needs to provide, Council establishes the objectives it has for those activities or services.

The goals and principal objectives identified form the basis of our statements of level of service, which are detailed below.

There is a cost associated with delivering the levels of service described and those costs are what are presented below.

Community outcomes to which the activity contributes & how it contributes

Council has an obligation 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. To enable this, Council has made a commitment to continue to deliver the services currently provided and to continue to focus on the previously adopted community outcomes.

How the cemeteries activity contributes to those community outcomes is shown in the following table.

Community Outcomes	1 A strong prosperous and thriving economy.	2 A safe and integrated transport system.	3 A community that values and promotes its culture and heritage.	4 Safe and accessible recreational facilities.	5 Supportive, caring and valued communities.	6 Strong district leadership and a sense of belonging.	7 A safe and secure community.	8 A lifetime of good health and well-being.	9 An environment that is appreciated, protected and sustained for future generations.
Community Support Contribution			By ensuring the community has access to, and a means to express cultural experiences and values.	By ensuring a high standard of sporting and recreational facilities are available to the community for all to enjoy.	By ensuring that community events, facilities, and funding are available to the community for all to enjoy.				

Council also determines who should carry the cost. For the community facilities/community support activity funding is sourced from general rates.

The provision of community support to organisations, and community groups, influences and contributes to Council's strategic goal of the provision of 'Community Development and Participation.' In particular, community support activities are an integral part of achieving the following outcomes noted in the table above.

How people can judge the Council

Council's goal is to provide a co-ordinated response to the provision of

recreational, health, safety, education, and other community services. In order to achieve this goal, and defined community outcomes, Council will:

- ensure community events, facilities, and funding are available to foster community identity and participation, and to encourage the use of community facilities
- allocate Council funding to organisations where appropriate

- work co-operatively with other organisations to share information, and to develop and monitor indicators and strategies to measure progress towards the district vision and community outcomes
- enter into partnerships for the provision of community facilities and services to enhance the social, economic, environmental and cultural well-being of the Wairoa district as well as meet community outcomes.

LEVEL OF SERVICE STATEMENT	COMMUNITY OUTCOME	PERFORMANCE MEASURE	TARGET 2015	TARGET 2016	TARGET 2017
<p>Demand</p> <p>Council will assist in the provision of healthy, accessible and enjoyable community facilities and encourage community participation.</p>	3, 4, and 5	The number of customers visiting the Wairoa Community Centre and Wairoa Museum and level of customer satisfaction are the same or better than that of the previous year.	<p>Achieve measure</p> <p>Community facilities are user focussed, reviewed, and improved/changed in direct response to feedback from the local community through:</p> <ul style="list-style-type: none"> • consultation. • needs analysis. • surveys. 		
<p>Quality</p> <p>Community facilities will provide a valuable resource for the creation of local communities of interest as meeting places and for passive and physical leisure.</p>	3, 4, and 5	Overall 'user' satisfaction of community facilities through survey indicates a 'fairly good, very good or better' approval rating of not less than 80%.	<p>Achieve measure</p> <p>Councillors, managers, and staff will have a broad level of awareness of local needs and ensure these are well represented in policy, plans, and provision of community facilities provided or funded by the Council.</p> <p>Reports are received from the Wairoa Community Sports Centre, Wairoa Museum and Sport's Hawke's Bay in accordance with funding contracts/agreements.</p> <p>Monthly reports are received from the Visitor Information Centre.</p>		
<p>Costs and Funding</p> <p>Funds are provided for community facilities and initiatives in accordance with Council's community outcomes.</p>	3, 4, and 5	<p>Council grants to funded organisations are paid in accordance with funding contracts/agreements.</p> <p>Funding contracts/agreements are reviewed annually/triennially in accordance with existing funding contract specifications.</p> <p>Residents are satisfied with value for money through rates on supporting community facilities and organisations with an approval rating of not less than 80%.</p>	<p>Achieve measure</p> <p>Funding is made available for distribution to community facilities and organisations within allocated timeframes.</p> <p>Funded organisations achieve/exceed agreed service provision targets as specified in funding contracts/agreements.</p> <p>Community organisations are assisted to build capabilities, resources, and structures.</p> <p>Council to review and approve the annual/triennial renewal of existing funding contracts/agreements.</p>		

Major issues and projects in the next 10 years

Continual services review

Changes to the district's demographics may affect the future provision of funding to community facilities, organisations and/or services. Council intends to monitor demand and customer/ratepayer expectations in conjunction with operators of community facilities by surveying existing customers with regard to satisfaction with the standard, quality and number of existing Council-supported facilities.

The split between Council-owned and Council-funded facilities and those owned and/or operated by private sector parties, government agencies, or community-based organisations will be monitored and reviewed on an ongoing basis to ensure that the Council's involvement is enhancing the delivery of desired social outcomes and not competing with other existing or potential providers.



PROJECTED 10 YEAR FINANCIAL SUMMARY - COMMUNITY SUPPORT

ANNUAL PLAN 2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Expenditure										
542,670	556,080	610,062	625,409	641,771	659,758	678,913	699,309	721,621	745,375	771,305
	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
13,396	16,418	16,418	16,418	16,418	16,418	16,418	16,418	16,418	16,418	16,418
556,066	572,498	626,480	641,827	658,189	676,176	695,331	715,727	738,039	761,793	787,723
Total Operating Costs										
67,200	44,000	45,100	46,273	47,522	48,900	50,367	51,928	53,642	55,466	57,463
-	-	-	-	-	-	-	-	-	-	-
67,200	44,000	45,100	46,273	47,522	48,900	50,367	51,928	53,642	55,466	57,463
Activity Income - Service Charges										
488,866	528,498	581,380	595,554	610,667	627,276	644,964	663,799	684,397	706,327	730,260
Net Cost of Service										
Capital Expenditure										
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
488,866	528,498	581,380	595,554	610,667	627,276	644,964	663,799	684,397	706,327	730,260
Funding Required										
Funded By:										
488,866	528,498	581,380	595,554	610,667	627,276	644,964	663,799	684,397	706,327	730,260
	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
488,866	528,498	581,380	595,554	610,667	627,276	644,964	663,799	684,397	706,327	730,260
Total Funding										

Activity Group Five Planning & Regulatory

- **Resource Planning**
- **Environmental Health**
- **Building Control**
- **Liquor Control**
- **Bylaw Compliance**
 - **Dog Control**
 - **Livestock Control**
 - **General Bylaw Enforcement**
- **Emergency Management**

WAIROA DISTRICT COUNCIL
PROSPECTIVE FUNDING IMPACT STATEMENT - PLANNING AND REGULATORY
LTP 2015-2025

ANNUAL PLAN 2014/15		BUDGET 2015/16	BUDGET 2016/17	BUDGET 2017/18	BUDGET 2018/19	BUDGET 2019/20	BUDGET 2020/21	BUDGET 2021/22	BUDGET 2022/23	BUDGET 2023/24	BUDGET 2024/25
Sources of Operating Funding											
480,178	General rates, uniform annual charges, rates penalties	564,612	325,530	447,981	717,944	734,820	1,149,728	1,172,147	1,197,852	1,224,561	1,252,007
346,180	Targeted rates (other than a targeted rate for water supply)	394,168	382,688	396,494	403,427	410,350	420,440	429,820	439,775	452,014	463,484
-	Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-
570,000	Fees charges and targeted rates for water supply	514,680	527,547	541,263	555,877	571,998	589,158	607,422	627,467	648,800	672,157
-	Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-	-	-	-	-	-
1,396,358	Total Operating Funding	1,473,460	1,235,765	1,385,738	1,677,248	1,717,168	2,159,326	2,209,389	2,265,094	2,325,375	2,387,648
Applications of Operating Funding											
1,166,370	Payments to staff and suppliers	1,389,488	1,378,749	1,786,055	1,191,758	1,231,422	1,245,600	1,293,265	1,314,631	1,366,371	1,390,032
8,903	Finance costs	9,803	9,803	8,003	8,003	8,003	8,003	8,003	8,003	8,003	8,003
293,342	Internal charges and overheads applied	378,245	400,577	421,687	427,803	435,723	448,976	459,034	469,598	485,553	497,952
-	Other operating funding applications	-	-	-	-	-	-	-	-	-	-
1,468,615	Total applications of operating funding	1,777,536	1,789,129	2,215,745	1,627,564	1,675,148	1,702,579	1,760,302	1,792,232	1,859,927	1,895,987
(72,257)	Surplus (Deficit) of operating funding	(304,076)	(553,364)	(830,007)	49,684	42,020	456,747	449,087	472,862	465,448	491,661
Sources of capital funding											
-	Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-
-	Development and financial contributions	-	-	-	-	-	-	-	-	-	-
30,000	Increase (decrease) in debt	15,000	-	-	-	-	-	-	-	-	-
-	Gross proceeds from sale of assets	40,000	-	20,000	60,000	-	20,000	60,000	-	20,000	60,000
-	Lump sum contributions	-	-	-	-	-	-	-	-	-	-
30,000	Total sources of capital funding	55,000	-	20,000	60,000	-	20,000	60,000	-	20,000	60,000
Application of capital funding											
-	Capital expenditure	-	-	-	-	-	-	-	-	-	-
-	- to meet additional demand	-	-	-	-	-	-	-	-	-	-
49,000	- to improve the level of service	15,000	-	-	-	-	-	-	-	-	-
67,500	- to replace existing assets	216,000	10,250	94,649	179,288	-	103,023	195,913	-	189,088	216,791
(158,757)	Increase (Decrease) in reserves	(480,076)	(563,614)	(904,656)	(69,604)	42,020	373,724	313,174	472,862	296,360	334,870
-	Increase (Decrease) of investments	-	-	-	-	-	-	-	-	-	-
(42,257)	Total application of capital funding	(249,076)	(553,364)	(810,007)	109,684	42,020	476,747	509,087	472,862	485,448	551,661
72,257	Surplus (Deficit) of capital funding	304,076	553,364	830,007	(49,684)	(42,020)	(456,747)	(449,087)	(472,862)	(465,448)	(491,661)
-	Funding Balance	-	-	-	-	-	-	-	-	-	-
53,672	Group depreciation and amortisation	54,644	54,644	54,644	54,644	54,644	54,644	54,644	54,644	54,644	54,644

PROJECTED 10 YEAR FINANCIAL SUMMARY - PLANNING AND REGULATORY

ANNUAL PLAN 2014/15		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Expenditure											
1,265,135	Operational Costs	1,389,488	1,378,749	1,786,055	1,191,758	1,231,422	1,245,600	1,293,265	1,314,631	1,366,371	1,390,032
8,903	Interest	9,803	9,803	8,003	8,003	8,003	8,003	8,003	8,003	8,003	8,003
228,567	Overhead Allocation	378,245	400,577	421,687	427,803	435,723	448,976	459,034	469,598	485,553	497,952
53,672	Depreciation	54,644	54,644	54,644	54,644	54,644	54,644	54,644	54,644	54,644	54,644
1,556,277	Total Operating Costs	1,832,180	1,843,773	2,270,389	1,682,208	1,729,792	1,757,223	1,814,946	1,846,876	1,914,571	1,950,631
603,990	Activity Income - Service Charges	514,680	527,548	541,263	555,878	571,997	589,158	607,422	627,466	648,800	672,158
19,429	Less depreciation not funded	30,420	30,420	20,420	20,420	20,420	20,420	20,420	20,420	20,420	20,420
623,419		545,100	557,968	561,683	576,298	592,417	609,578	627,842	647,886	669,220	692,578
932,858	Net Cost of Service	1,287,080	1,285,805	1,708,706	1,105,910	1,137,375	1,147,645	1,187,104	1,198,990	1,245,351	1,258,053
Capital Expenditure											
97,500	Renewals	216,000	10,250	94,649	179,288	-	103,023	195,913	-	189,088	216,791
7,000	New Capital	15,000	-	-	-	-	-	-	-	-	-
104,500		231,000	10,250	94,649	179,288	-	103,023	195,913	-	189,088	216,791
1,037,358	Funding Required	1,518,080	1,296,055	1,803,355	1,285,198	1,137,375	1,250,668	1,383,017	1,198,990	1,434,439	1,474,844
Funded By:											
826,358	Rate Income	958,780	708,218	844,475	1,121,371	1,145,170	1,570,168	1,601,967	1,637,627	1,676,575	1,715,491
106,500	Reserves - Operational Funding	328,300	577,588	864,231	(15,462)	(7,795)	(422,523)	(414,863)	(438,638)	(431,224)	(457,438)
74,500	Reserves - Capital Funding	176,000	10,250	74,649	119,288	-	83,023	135,913	-	169,088	156,791
30,000	Loans	15,000	-	-	-	-	-	-	-	-	-
-	Sale of Assets	40,000	-	20,000	60,000	-	20,000	60,000	-	20,000	60,000
1,037,358	Total Funding	1,518,080	1,296,055	1,803,355	1,285,198	1,137,375	1,250,668	1,383,017	1,198,990	1,434,439	1,474,844

Resource Planning



What the Council does

In June 2005, Council adopted the Operative Wairoa District Plan. The plan sets out the framework for the sustainable management of natural and physical resources in the Wairoa district. Council is required to review the District Plan every 10 years – the review of the current District Plan is due in 2015.

The District Planner is primarily responsible for administration and implementation of the District Plan which includes the formulation of environmental and development policy as well as the control of development by processing resource consents (land use and subdivision) and other regulatory approvals.

The resource consents webpage can be accessed through the Wairoa District Council website www.wairoadc.govt.nz along with the District Plan.

Why the Council does this

There is a strong statutory basis for Council's involvement in this activity. This activity is responsible for addressing resource management and planning responsibilities. These include Council's statutory requirements under the Resource Management Act 1991 and the Local Government Act 2002 as well as addressing the expectations of the community outcomes process.

One aspect of the resource planning function undertaken by Council is to specifically manage potential and material negative effects. While this activity is focussed in its most direct form, on environmental effects, failure by Council to carry out its role in resource planning could result in significant negative effects not only in terms of the environmental well-being but also the economic, and

social and cultural well-being of the district and its residents. Such effects are taken into consideration in policy formation and implementation.



Community outcomes and how the water supply activity contributes

Council has an obligation 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. To enable this, Council has made a commitment to continue to deliver the services currently provided and to continue to focus on the previously adopted community outcomes.

How the resource planning activity contributes to those community outcomes is shown in the following table.

Community Outcomes	1. A strong, prosperous and thriving economy	2. A safe and secure community	3. A lifetime of good health and well-being	4. An environment that is appreciated, protected and sustained for future generations	5. Supportive, caring and valued communities	6. A safe and integrated transport system	7. Strong district leadership and a sense of belonging	8. Safe and accessible recreational facilities	9. A community that values and promotes its culture and heritage
Resource Planning Contribution								Resource management and planning via the Operative Wairoa District Plan 2005 and statutory planning via the Resource Management Act 1991 (& amendments). The Council requiring the obtaining of resource and subdivision consents for specified proposed land use activities, and the development of policies and strategies relating to the district's future development.	

How people can judge the Council

Council has the following objectives for this activity:

- To ensure that relevant legislation, regulations and bylaws are monitored and enforced such that Council meets its requirements.
- To have in place a District Plan that meets the needs of the community, provides some certainty to developers and meets the

requirements of the Resource Management Act 1991.

- To have the capacity to assess and process Resource Consent applications in accordance with statutory timeframes.
- To provide high quality information, advice and analysis to Council in order to facilitate the sustainable management of natural resources.
- To manage natural resources sustainably using available statutes, plans and processes.
- To monitor and revise the District Plan to ensure community outcomes are achieved and natural resources are managed in a sustainable manner.
- To ensure all resource consent applications are processed in accordance with statutory requirements

so as to limit Council's potential exposure to litigation.

- To ensure that consenting and monitoring activities are carried out within budget.

These objectives will be met by having a robust District Plan, which provides guidelines, process and certainty in terms of community expectations. The table below provides a level of service statement on how Council will monitor progress which is then detailed as a performance measure, with associated yearly targets and achievement of targets.

Level of service table with associated performance measures

LEVEL OF SERVICE STATEMENT	COMMUNITY OUTCOME	PERFORMANCE MEASURE	TARGET 2015	TARGET 2016	TARGET 2017															
<p>Legislative Obligations:</p> <p>a) As required by the Resource Management Act 1991, the Council will maintain an Operative District Plan to guide the future development of the District.</p> <p>The present District Plan became operative in June 2005. It does not have to be reviewed again until 2015.</p> <p>The Council will also formulate development policies and strategies.</p> <p>b) The Council will ensure that all subdivision and development in the district takes place in conformity with all of the requirements of the District Plan.</p>	8 and 9	Council is committed to processing all applications within the statutory timeframes as set under the Resource Management Act.	Achieve measure																	
		No situations where inadequate conditions were imposed relating to roading, water supply, wastewater or stormwater infrastructure to be constructed and transferred to the Council, or to the standard and condition to which it was actually built before being transferred.	No Council resource consent or land use consent decisions subsequently overturned by the Environment Court.																	
		No instances where legal proceedings have succeeded against the Council, alleging that it has acted unlawfully or has been negligent in the exercise of its responsibilities.	Achieve measure																	
		The number of actual or potential claims that have had to be notified to the Council's insurers.	Target – none.																	
<p>Costs and Funding:</p> <p>a) The services will be provided at a cost that will be publicly consulted on annually – via either the LTP or Annual Plan preparation process.</p> <p>b) The Council will fund this activity by a combination of user charges and the general rate. The following table shows the approximate share of the cost from each source.</p> <table border="1" style="margin-left: 40px;"> <thead> <tr> <th></th> <th>General Rate</th> <th>User Fees and Charges</th> </tr> </thead> <tbody> <tr> <td>Policy Development</td> <td>100%</td> <td></td> </tr> <tr> <td>Consent Applications</td> <td></td> <td>100%</td> </tr> <tr> <td>Consent Monitoring</td> <td></td> <td>100%</td> </tr> <tr> <td>Environmental Monitoring</td> <td>100%</td> <td></td> </tr> </tbody> </table>		General Rate	User Fees and Charges	Policy Development	100%		Consent Applications		100%	Consent Monitoring		100%	Environmental Monitoring	100%		8 and 9	The cost related to this activity does not exceed the approved budget.	Expenditure within +/- 5% of budget		
		General Rate	User Fees and Charges																	
	Policy Development	100%																		
	Consent Applications		100%																	
	Consent Monitoring		100%																	
Environmental Monitoring	100%																			

<p>Customer Service:</p> <p>a) All complaints and requests for service will be responded to within the following timeframes:</p> <ul style="list-style-type: none"> • verbal complaints – 3 working days • written complaints and requests for information – 10 working days. <p>b) All applications for consent will be responded to within the following timeframes:</p> <p>i) If not required to be notified – within 20 working days.</p> <p>ii) If required to be notified – notified, and notice served within 10 working days.</p> <p>The Council will aim to ensure that the users of the services and the general public will be satisfied with the overall level of service that is being provided.</p>	<p>8 and 9</p>	<p>a) 100% of applications for consent dealt with within specified timeframes.</p>	<p>Achieve measure</p>
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Major issues and projects in the next 10 years

District Plan Review

Section 73(1) of the Resource Management Act 1991 (RMA) requires Council to have a district plan to assist in the carrying out of its functions in order to achieve the purpose of the act. Council has a district plan that became operative in 2005. Section 79 of the RMA requires that a district plan must be reviewed every 10 years. As such the Wairoa District Plan must now be reviewed.

Reviewing the district plan is a significant project and must be undertaken by people skilled in policy formation and analysis. A complete review of the plan including the extensive consultation required by the RMA will take a great deal of time. When the plan was first formed consultants were used extensively. The use of consultants is not considered to be the best option as it limits Council's

ability to engage directly with the community and reduces the direct input from the community and other Council staff in the formation of policy objectives and rules. Additionally, it is often more costly to have consultants engaged over such long timeframes (the full district plan review is estimated to take three years). As such, Council proposes to employ two planning policy people to undertake the work required under fixed-term contracts. These staff will be supported by subject matter experts where required.



PROJECTED 10 YEAR FINANCIAL SUMMARY - RESOURCE PLANNING

ANNUAL PLAN 2014/15		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Expenditure											
219,901	Operational Costs	432,980	441,790	819,772	217,590	221,797	227,155	232,871	239,015	245,566	252,593
-	Interest	-	-	-	-	-	-	-	-	-	-
30,849	Overhead Allocation	95,167	100,885	106,193	107,735	109,730	113,066	115,600	118,261	122,277	125,401
-	Depreciation	-	-	-	-	-	-	-	-	-	-
250,750	Total Operating Costs	528,147	542,675	925,965	325,325	331,527	340,221	348,471	357,276	367,843	377,994
55,000	Activity Income - Service Charges	35,000	35,875	36,808	37,802	38,898	40,065	41,307	42,670	44,121	45,709
-	Less depreciation not funded	-	-	-	-	-	-	-	-	-	-
55,000		35,000	35,875	36,808	37,802	38,898	40,065	41,307	42,670	44,121	45,709
195,750	Net Cost of Service	493,147	506,800	889,157	287,523	292,629	300,156	307,164	314,606	323,722	332,285
Capital Expenditure											
-	Renewals	-	-	-	-	-	-	-	-	-	-
-	New Capital	-	-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-	-
195,750	Funding Required	493,147	506,800	889,157	287,523	292,629	300,156	307,164	314,606	323,722	332,285
Funded By:											
95,750	Rate Income	183,147	(77,450)	31,762	295,964	307,648	715,238	729,698	745,319	763,140	781,234
100,000	Reserves - Operational Funding	310,000	584,250	857,395	(8,441)	(15,019)	(415,082)	(422,534)	(430,713)	(439,418)	(448,949)
-	Reserves - Capital Funding	-	-	-	-	-	-	-	-	-	-
-	Loans	-	-	-	-	-	-	-	-	-	-
-	Sale of Assets	-	-	-	-	-	-	-	-	-	-
195,750	Total Funding	493,147	506,800	889,157	287,523	292,629	300,156	307,164	314,606	323,722	332,285

Environmental Health



What the Council does

Environmental health encompasses a range of activities aimed at protecting and improving public health of communities, and is closely linked with the prevention of ill health by promoting positive environmental factors. The Health Act requires that councils retain the services of environmental health personnel for those purposes.

Wairoa District Council is approved as an organisation to undertake audits and approval of food control plans.

The Environmental Health Officer is responsible for a number of environmental health duties for the Council including:

- inspecting and licensing food premises in accordance with the Food Hygiene regulations 1974
- sampling of water quality under the Health Act 1956 and other statutes
- investigation of public health nuisances such as noise, pollution (air/water/land), odour, rodents and pests, sub-standard housing, sewage disposal, litter/fly dumping
- general administration and implementation of public health regulatory frameworks i.e. bylaws, codes of practice, standards, Council policy, regulations and acts of parliament.

Wairoa District Council provides an after-hours noise control service to deal with noise complaints and during office hours the Environmental Health Officer deals with any noise complaints.

The Environmental Health webpage can be accessed through the Wairoa District Council website www.wairoadc.govt.nz

Why the Council does this

Council's long-term focus for environmental health activities is to promote a safe living environment through education, the monitoring and enforcement of legislation, regulations and bylaws.

There is a strong statutory basis for Council's involvement in this activity and Council believes that there are positive advantages to the community well-being through this involvement.

Under Section 31 of the Resource Management Act, territorial authorities have a responsibility to control the emission of noise and to mitigate the effects of noise within their districts. Noise complaints generally fall into the category of unreasonable or excessive noise.

Under Section 23 of the Health Act, every local authority has a duty to promote and conserve the public health within its district. This is achieved through investigations and abatement of nuisances, the making and implementation of other public health controls through bylaws, codes of practice, standards, council policy, regulations and acts. These relate to a wide range of activities e.g. camping grounds, hairdressers and funeral directors, noise and litter control etc.

Community outcomes and how the water supply activity contributes

Council has an obligation 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. To enable this, Council has made a commitment to continue to deliver the services currently provided and to continue to focus on the previously adopted community outcomes.

How the environmental health activity contributes to those community outcomes is shown in the following table.

Community Outcomes	1. A strong, prosperous and thriving economy	2. A safe and secure community	3. A lifetime of good health and well-being	4. An environment that is appreciated, protected and sustained for future generations	5. Supportive, caring and valued communities	6. A safe and integrated transport system	7. Strong district leadership and a sense of belonging	8. Safe and accessible recreational facilities	9. A community that values and promotes its culture and heritage
Environmental Health Contribution							Local communities working together to reduce the risk of hazards and providing for their own safety and well-being. Partnerships and co-ordination provide for effective responses.	Licensing, education enforcement, complaint resolution and monitoring activity to avoid and mitigate adverse effect on public health. Provides a uniform system of control to promote the sale of food which is safe and wholesome.	

How people can judge the Council

Wairoa District Council has a responsibility to safeguard community health and safety. To do this it is necessary for Council to ensure that environmental health services are provided and to ensure that certain objectives are met for this activity in order to maintain a safe and healthy living environment for the district's communities.

Council objectives for this activity are:

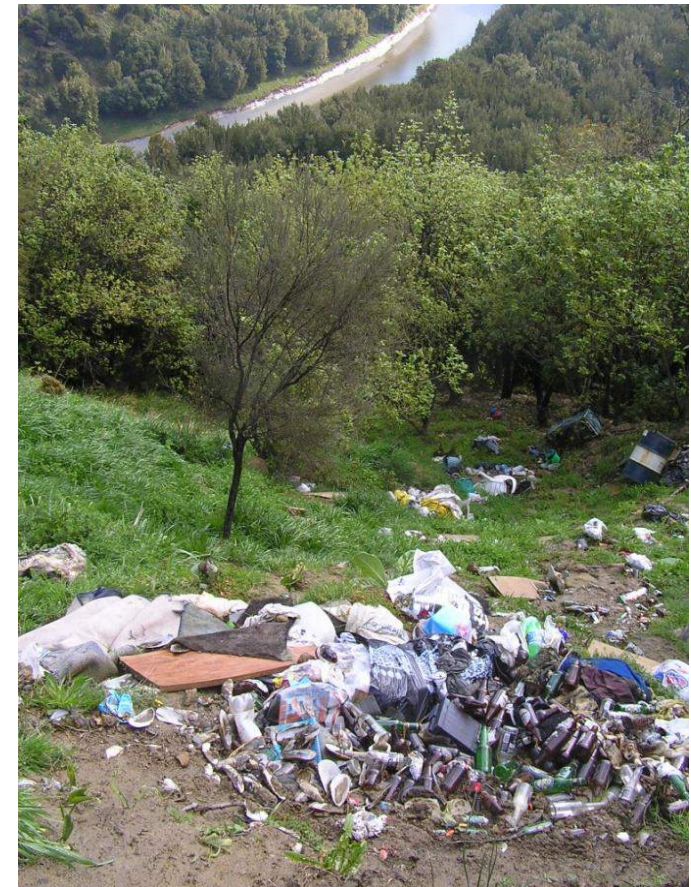
- To ensure that relevant legislation, regulations and bylaws are implemented such that Council meets its requirements and statutory obligations.
- To ensure that all premises registered in terms of the Health Act are inspected on a regular basis, and hygienic practices promoted and that food for human consumption is safe, wholesome and free from adulteration.
- To provide an efficient customer service, particularly with regard to the matter of investigating and resolving complaints.
- To utilise and monitor external contractors to deliver key environmental services which the Council is not able to carry out.
- To fulfil an environmental health role within Council's structure in the event that emergencies or other unusual circumstances arise.

- To minimise adverse effects on public health in the community.
- To ensure all environmental health functions are carried out within timeframe and budget.

The table below details what the Council promises to deliver as a level of service statement. The community outcomes that the specific statement contributes to are also detailed. How Council will monitor progress is then detailed as a performance measure, with associated yearly targets and achievement of targets.

LEVEL OF SERVICE STATEMENT	COMMUNITY OUTCOME	PERFORMANCE MEASURE	TARGET 2015	TARGET 2016	TARGET 2017
<p>Legislative Obligations:</p> <p>(a) The Council will inspect all premises that are required to be registered under the Health Act 1956, the Food Act 2014, and the Food Hygiene Regulations 1974, for compliance every year, e.g.:</p> <ul style="list-style-type: none"> • food premises • hairdressers • funeral directors • camping grounds. <p>And it will take steps to ensure that all food workers are aware of their obligations.</p> <p>(b) It will also:</p> <ul style="list-style-type: none"> i) monitor the community's water, wastewater, stormwater and sanitary services to ensure that they are being satisfactorily managed, and are performing satisfactorily, from the health point of view ii) maintain a general overview of the public health of the district and respond to public health complaints. 	7 and 8	100% of all registered premises inspected during the year.	Achieve measure		
		Any illness will be investigated with the cause of illness to be identified and measures instituted to minimise or eliminate the risk of it reoccurring.	Achieve measure		
		100% of all complaints about unreasonable noise are responded to in accordance with legislation, regulations and Council policy.	Achieve measure		
<p>Health and Safety:</p> <p>All of the above responsibilities will be carried out safely.</p>	7 and 8	No health or safety incidents	Achieve measure		
<p>Costs and Funding:</p> <p>The services will be provided at a cost that will be publicly consulted on annually via the LTP or Annual Plan process. The Council will fund the activity by way of a combination of user fees and charges and the general rate.</p>	7 and 8	The cost related to this activity did not exceed the approved budget.	Expenditure within +/- 5% of budget		

<p>Customer Service: All complaints will be responded to within the following timeframes:</p> <ul style="list-style-type: none"> • verbal complaints – emergencies – 1 hour • other – 1 working day • written complaints – 10 working days. <p>b) The Council will aim to ensure that the users of the service and the general public will be satisfied with the overall level of service that is being provided.</p> <p>c) Maintain 'approval' status as organisation and Environmental Health Officer.</p>	<p>7 and 8</p>	<p>Target: Not less than 95% of all complaints dealt with within the specified timeframes.</p>	<p>Achieve measure</p>
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Major issues and projects in the next 10 years

Changes to food safety

Legislative changes have an impact on the future demand for environmental health services. For example:

- **Health Act (1956)**

This is currently under review but it is understood that the proposed Act will contain many of the core elements, which underpin current environmental health principles and activities, including a requirement that local authorities retain the services of environmental health professionals. Global pandemics such as bird flu and Aids are likely to intensify the need for public health personnel.

- **Food Hygiene Regulations (1974)**

These regulations, which currently provide the regulatory trail for the inspection and licensing of food premises, will be phased out as the provisions of the Food Act 2014 are introduced over a period of at least three years. The final outcome will be that the Ministry for Primary Industries (MPI) will have control of all food premises within the country by means of risk-based 'Food Control Plans'. Territorial local authorities are key components in the regulatory/administrative processes for the approval, monitoring or control of businesses operating under these provisions. There will be an ongoing requirement for environmental health officers to be involved in food regulation for an indefinite period into the future. With an increasing emphasis on risk assessment and quality management, the extent of the

administrative component of this activity is like to increase.

- **Changes to Hazardous Substances and New Organisms Act (1990)**

The Dangerous Goods Act has been replaced by the Hazardous Substances and New Organisms Act 1990 (HSNO) and places an obligation upon local authorities to:

- enforce the provisions of the Act in public places. This means that where hazardous substances are used or escape in public places e.g. fairs, flea markets, recreational areas, streets, reserves etc. it is the duty of the local authority in whose area of jurisdiction this occurs to ensure that the requirements of the HSNO Act are implemented. This can be a complicated process.
- respond to emergencies involving hazardous substances e.g. road, rail or air accidents, industrial accidents, methamphetamine laboratories that ignite or explode etc. In Wairoa the Dangerous Goods Officer, who is a volunteer firefighter, has been absorbed into the Building Control Service, the Administration Manager and the Environmental Health Officer (EHO) are members of the Hawke's Bay Hazardous Substances Technical Liaison Committee, which brings together all key players in emergency response in the Hawke's Bay, and Council's Emergency Management Officer is also a volunteer firefighter. These trained personnel ensure that Council is able to mount a response to hazardous substance incidents. The EHO is required to respond to emergency events and is on 24-

hour call should an emergency occur which has implications for public health. This is vital in the event of a major emergency.

These roles are likely to remain the responsibility of the local authority and the EHO under the HSNO Act. It is considered that ongoing training in this field is vital to enable the EHO to respond in the most effective way and with the least personal risk. It is important that a range of appropriate protective clothing and equipment be kept on hand for use in emergencies.

- **New Zealand Drinking Water Standards**

The Environmental Health Service is involved in water quality monitoring of Council drinking water supplies. This requires the identification and initiation of responses to transgressions, particularly in rural supplies so that appropriate corrective action is taken to comply with the New Zealand Drinking Water Standards. The EHO is involved with the maintenance of the quality system based on ISO 9000 and other standards for water testing laboratories. The EHO's role in these aspects of the Council's responsibilities is likely to increase as the required standards are raised by central government and as a result of population growth and pressure on resources (pollution/scarcity).

PROJECTED 10 YEAR FINANCIAL SUMMARY - ENVIRONMENTAL HEALTH

ANNUAL PLAN 2014/15		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Expenditure											
80,926	Operational Costs	83,982	85,258	87,106	89,083	90,420	92,712	95,158	97,808	100,633	103,684
-	Interest	-	-	-	-	-	-	-	-	-	-
13,558	Overhead Allocation	23,972	25,207	26,512	26,902	27,404	28,232	28,867	29,535	30,532	31,315
4,739	Depreciation	4,739	4,739	4,739	4,739	4,739	4,739	4,739	4,739	4,739	4,739
99,223	Total Operating Costs	112,693	115,204	118,357	120,724	122,563	125,683	128,764	132,082	135,904	139,738
13,200	Activity Income - Service Charges	13,230	13,561	13,913	14,289	14,703	15,144	15,614	16,129	16,678	17,278
-	Less depreciation not funded	-	-	-	-	-	-	-	-	-	-
13,200		13,230	13,561	13,913	14,289	14,703	15,144	15,614	16,129	16,678	17,278
86,023	Net Cost of Service	99,463	101,643	104,444	106,435	107,860	110,539	113,150	115,953	119,226	122,460
Capital Expenditure											
-	Renewals	25,000	10,250	-	27,001	-	-	29,505	-	12,606	32,649
-	New Capital	-	-	-	-	-	-	-	-	-	-
-		25,000	10,250	-	27,001	-	-	29,505	-	12,606	32,649
86,023	Funding Required	124,463	111,893	104,444	133,436	107,860	110,539	142,655	115,953	131,832	155,109
Funded By:											
86,023	Rate Income	99,463	101,643	104,444	106,435	107,860	110,539	113,150	115,953	119,226	122,460
-	Reserves - Operational Funding	-	-	-	-	-	-	-	-	-	-
-	Reserves - Capital Funding	15,000	10,250	-	17,001	-	-	19,505	-	12,606	22,649
-	Loans	-	-	-	-	-	-	-	-	-	-
-	Sale of Assets	10,000	-	-	10,000	-	-	10,000	-	-	10,000
86,023	Total Funding	124,463	111,893	104,444	133,436	107,860	110,539	142,655	115,953	131,832	155,109

Building Control



What the Council does

Council undertakes a wide range of building related functions including:

- administering the Building Act 2004 and the regulations
- enforcing the Building Code and regulations
- receiving and considering applications for building consents
- approving or refusing building consent applications within prescribed time limits
- issuing project information memorandum
- issuing code compliance certificates
- receiving and considering applications for certificate of acceptance
- receiving and considering applications for certificate of public use
- issuing notices to fix
- issuing compliance schedules
- recording building warrant of fitness details
- determining whether applications for waiver or modification of the building code, or documents for use on establishing compliance with the provision of the code should be granted or refused
- maintaining a building records system available for public access for the life of the building to which it relates
- investigating complaints relating to unauthorised building work and to safe and insanitary buildings
- providing information to the public on building-related matters
- protecting other property from physical damage from the construction, use and demolition of buildings
- any other function specified under the Building Act 2004.

The building control webpage can be accessed through the Wairoa District Council website www.wairoadc.govt.nz

Why the Council does this

The Council is required by law to carry out building control activities under the Building Act 2004. The purpose of this Act is to provide for the regulation of building work, the establishment of a licensing regime for building practitioners, and the setting of performance standards for buildings to ensure that-

- (a) People who use the buildings can do so safely and without endangering their health; and
- (b) Buildings have attributes that contribute appropriately to the health, physical independence, and well-being of the people who use them; and
- (c) People who use a building can escape from the building if it is on fire; and
- (d) Buildings are designed, constructed, and able to be used in ways that promote sustainable development.

Responsibilities under the Building Act 2004 can be clearly delineated into responsibilities as a Building Consent Authority (BCA) and responsibilities as a Territorial Authority (TA).

Wairoa District Council has chosen to register as a BCA and to complete the requirements for being accredited as such. The BCA must meet the standards outlined in the Building (Accreditation of Consent Authorities) Regulations 2007 and be reassessed every two years to maintain accreditation status.

Community outcomes and how the water supply activity contributes

Council has an obligation 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. To enable this, Council has made a commitment to continue to deliver the services currently provided and to continue to focus on the previously adopted community outcomes.

How the building control activity contributes to those community outcomes is shown in the following table.

Community Outcomes	1. A strong, prosperous and thriving economy	2. A safe and secure community	3. A lifetime of good health and well-being	4. An environment that is appreciated, protected and sustained for future generations	5. Supportive, caring and valued communities	6. A safe and integrated transport system	7. Strong district leadership and a sense of belonging	8. Safe and accessible recreational facilities	9. A community that values and promotes its culture and heritage
Building Control Contribution	Ensuring appropriate building standards so that the community can have confidence that all building, plumbing and drainage work that occurs in the district is undertaken in a safe, secure, and proper manner.		By focussing on protecting our heritage and cultural structures if practicable.	By ensuring that all known swimming pools are fenced to prevent potential drowning.			The overriding reason for the Building Act 2004 is the promotion of public health by ensuring buildings are constructed and maintained in a safe and sanitary manner.		Protecting current and future owners from negative effects of poor building and plumbing practice.

As a BCA, Council has responsibilities under the Building Act 2004 including the issue of building consents, inspecting building work, issuing notices to fix, code compliance certificates and compliance schedules.

Council territorial authority responsibilities include issuing project information memoranda, grant exemptions, waivers and modifications, certificates of acceptance, amending compliance schedules, administering

and enforcing provisions for building warrants of fitness, performing functions relating to dangerous, earthquake-prone or insanitary buildings, regulation of Fencing of Swimming Pools Act 1987 and any other functions and duties required under the Building Act 2004 and any other national legislation which impacts on building work in the district.

How people can judge the Council

Council's goal for this activity is to provide: 'An acceptable standard of building development within the district through the positive application of the Building

Act 2004 and Act processes.'

In order to achieve this goal Council has committed to the following objectives:

- Ensure that relevant legislation, regulations and bylaws are monitored and enforced such that Council meets its requirements.
- Ensure new and existing buildings within the district comply with the appropriate standards and codes.
- Meet statutory deadlines for building consents processed under the Building Act 2004.
- Employ effective, user-friendly consent handling and associated administrative processes.

- Promote the construction of safe and healthy buildings and ensure they are maintained in a safe and sanitary state.
- Maintain a register of swimming pools within the district.
- Have policies and procedures in place for the completion of an audit on building warrants of fitness to ensure that building owners are complying with the requirements of compliance schedules.
- Ensure adequate qualified staff are employed to complete all of the above.
- Ensure staff receive adequate training to enable them to complete work to an acceptable standard.
- Ensure that building control activities are carried out within budget.
- Ensure that Council's role as a Building Consent Authority continues to maintain its accreditation status by meeting the standards outlined in the Building (Accreditation of Consent Authorities) Regulations 2007 every two years.

Level of service table with associated performance measures

The table below details what the Council will deliver as a level of service statement. The community outcomes that the specific statement contributes to are also detailed. How Council will monitor progress is then detailed as performance measures, with associated yearly targets.

LEVEL OF SERVICE STATEMENT	COMMUNITY OUTCOME	PERFORMANCE MEASURE	TARGET 2015	TARGET 2016	TARGET 2017
Legislative Obligations: (a) Council will monitor and exercise control over all building work that is undertaken in the district in accordance with its role as a Building Consent Authority. (b) Council processing, inspection and certification of buildings meet the requirements of the Building Act 2004. (c) Ensure that all building work will be monitored and addressed to the extent that offers assurance that people, places and property will not be significantly harmed. (d) Council will monitor and enforce the requirements of the Fencing of Swimming Pools Act 1977.	1, 7, 8 and 9	Accreditation as a Building Consent Authority (as required by the Building Act) obtained and continued to be maintained with each IANZ assessment.	Achieve measure		
		Number of historic building consents, still needing code compliance certificates, is to be reduced annually.	Achieve measure		
		Any unfenced or non-complying swimming pool fences identified during the year are addressed.	Achieve measure		
		Council responds to 100% of all known illegal or unauthorised buildings (or instances of illegal or unauthorised building work identified during the year).	Achieve measure		
		No instances where legal proceedings have been taken against, or have been threatened to be taken against Council, alleging that it has acted unlawfully or has been negligent in the exercise of its responsibilities.	Achieve measure		

<p>Costs and Funding:</p> <p>The service will be provided at a cost that will be publicly consulted on annually – via either the LTP or Annual Plan processes.</p> <p>The Council will fund this activity entirely from user fees and charges (except the cost of statutory administrative duties, which will be met from the general rate).</p>	<p>1, 7, 8 and 9</p>	<p>Operations and associated capital investments (vehicles) are undertaken cost effectively.</p>	<p>Expenditure within +/- 5% of budget</p>
<p>Customer Service of BCA and TA:</p> <p>All applications for consent or other information will be processed within the following timeframes:-</p> <ul style="list-style-type: none"> i) Building consents – 20 working days ii) Project information memoranda – 20 days iii) Code of compliance certificates – 20 days iv) Certificates of acceptance – 20 days v) Certificates of public use – 20 days 		<p>a) The number of consents, inspections, etc. are processed within the prescribed times.</p> <p>Target: 100%.</p>	<p>Achieve measure</p>



Major issues and projects in the next 10 years

Building Amendment Act 2012

The Building Amendment Act 2012 is the result of a comprehensive review of the Building Act 2004 carried out in 2009/2010 and is aimed at lifting the overall performance of the building and construction sector. The Building Act 2004 is the primary legislation that governs the building and construction sector in New Zealand.

The provisions of the Building Amendment Act 2012 that came into force immediately are:

- An Owner-Builder Exemption from Restricted Building Work (new sections 90A - 90D). If a homeowner meets the prescribed requirements they are able to carry-out critical structural and weathertightness building work to their home.
- New provisions clearly stating the responsibilities of the parties involved in building work (new sections 14A - 14F) with corresponding changes to the purposes and principles of the Act in sections 3 and 4.
- Changes to the names of certain documents. Memoranda are changed to "Record of Work" and "Certificate of Work". A "Certificate of Work" is a document stating that work complies with the Building Code, and a "Record of Work" is a document stating the building work a practitioner has done.
- Specification of the Minister of Conservation as the territorial authority for certain offshore islands.
- Expansion of the definition of 'party' for the

- purposes of determinations (section 176).
- Clarification of some aspects of the licensed building practitioners scheme, including some new grounds for discipline (section 317) . A licensed building practitioner:
 - must not misrepresent their competence
 - must carry out or supervise building work only within their competence
 - must not behave in a way that brings, or is likely to bring, the licensed building practitioner regime into disrepute
 - must not breach the Code of Ethics prescribed under section 314A (note that a Code of Ethics has not yet been prescribed).
- Repeal of Section 363B,, which required building work on public buildings carried out before March 2005 to have a Code Compliance Certificate by March 2010 - the effect being that this building work does not have to have a Code Compliance Certificate by any specific date
- Changes to requirements for compliance schedules and Building Warrants of Fitness.

The majority of the Amendment Act, creating the risk-based consenting system, will be brought into force by Order in Council after regulations containing the details of the system are made.

Building Amendment Act 2013

The Building Amendment Act 2013 was passed by Parliament on 27 November 2013. It is the result of a comprehensive review into the Building Act 2004.

This Amendment Act is part of a package of changes which introduce new measures to improve

the building and construction sector, ensuring that it delivers good quality, affordable homes and buildings and contributes to a prosperous economy.

Cabinet have agreed new consumer protection measures as a result of the Building Amendment Act 2013, which came into force on 1 January 2015.

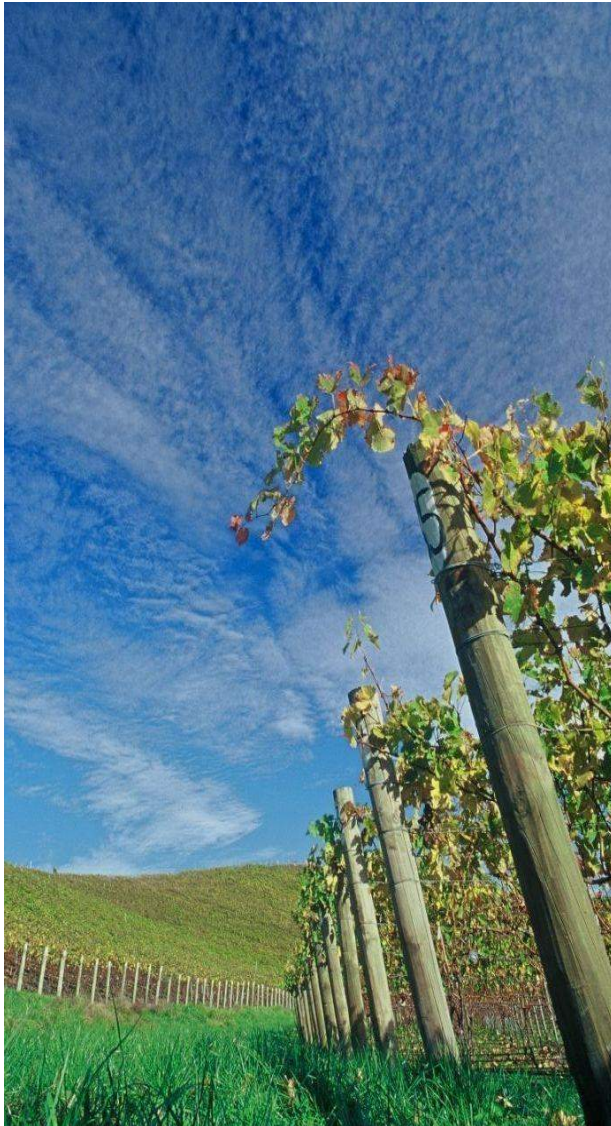
In summary, these measures include:

- Mandatory written contracts for residential building work costing \$30,000 or more (including GST)
- A requirement for building contractors to provide checklists and disclose certain information for residential building work \$30,000 or more (including GST) or when they are asked for this
- Minimum content that must be included in all residential building contracts
- Clauses that are taken to be included in a residential building contract that does not contain all of the minimum content, or in a contract for work \$30,000 or more (including GST) that is not in writing
- Information that a building contractor must provide to their client after the building work is completed
- Infringement fees of \$500 for breaching the contract, disclosure or checklist requirements.

PROJECTED 10 YEAR FINANCIAL SUMMARY - BUILDING CONTROL

ANNUAL PLAN 2014/15		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	Expenditure										
363,888	Operational Costs	275,893	268,953	279,793	271,889	291,265	283,454	305,880	298,150	322,650	314,964
1,800	Interest	1,800	1,800	-	-	-	-	-	-	-	-
73,226	Overhead Allocation	76,732	81,229	85,503	86,745	88,352	91,038	93,078	95,221	98,454	100,969
10,886	Depreciation	11,147	11,147	11,147	11,147	11,147	11,147	11,147	11,147	11,147	11,147
449,800	Total Operating Costs	365,572	363,129	376,443	369,781	390,764	385,639	410,105	404,518	432,251	427,080
246,800	Activity Income - Service Charges	234,750	240,619	246,875	253,540	260,893	268,720	277,050	286,193	295,923	306,577
-	Less depreciation not funded	10,000	10,000	-	-	-	-	-	-	-	-
246,800		244,750	250,619	246,875	253,540	260,893	268,720	277,050	286,193	295,923	306,577
203,000	Net Cost of Service	120,822	112,510	129,568	116,241	129,871	116,919	133,055	118,325	136,328	120,503
	Capital Expenditure										
30,000	Renewals	60,000	-	31,550	64,803	-	34,341	70,812	-	37,818	78,358
-	New Capital	-	-	-	-	-	-	-	-	-	-
30,000		60,000	-	31,550	64,803	-	34,341	70,812	-	37,818	78,358
233,000	Funding Required	180,822	112,510	161,118	181,044	129,871	151,260	203,867	118,325	174,146	198,861
	Funded By:										
196,500	Rate Income	102,522	119,173	122,732	123,261	122,647	124,360	125,384	126,249	128,134	128,992
6,500	Reserves - Operational Funding	18,300	(6,663)	6,836	(7,020)	7,224	(7,441)	7,671	(7,924)	8,194	(8,489)
-	Reserves - Capital Funding	50,000	-	31,550	34,803	-	34,341	40,812	-	37,818	48,358
30,000	Loans	-	-	-	-	-	-	-	-	-	-
	Sale of Assets	10,000	-	-	30,000	-	-	30,000	-	-	30,000
233,000	Total Funding	180,822	112,510	161,118	181,044	129,871	151,260	203,867	118,325	174,146	198,861

Liquor Control



What the Council does

This activity is responsible for the licensing control and administration of liquor.

Wairoa District Council uses the Wairoa District Licensing Committee as its agency to regulate the sale of liquor under the Sale and Supply of Alcohol Act 2012. The object of this Act is that (a) the sale, supply, and consumption of alcohol should be undertaken safely and responsibly; and (b) the harm caused by the excessive or inappropriate consumption of alcohol should be minimised.

Council has put in place a framework to meet its obligations as regards the District Licensing Committee. All licensing requirements for the district are processed by the Liquor Control Section within the Regulatory Department of Council. In addition to the licensing requirements, Council undertakes monitoring of licensed premises under the Sale and Supply of Alcohol Act 2012.

Why the Council does this

A liquor licence is required when selling alcohol, in any shape, way or form. All liquor licences and managers' certificates are processed by Council's District Licensing Committee.

The liquor licensing webpage can be accessed through the Wairoa District Council website www.wairoadc.govt.nz.

Council's long-term focus for liquor control activities is to ensure a safe living environment is

maintained through the promotion, monitoring and enforcement of legislation, regulations and bylaws.



Community outcomes and how the water supply activity contributes

Council has an obligation 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. To enable this, Council has made a commitment to continue to deliver the services currently provided and to continue to focus on the previously adopted community outcomes.

How the liquor control activity contributes to those community outcomes is shown in the following table.

Community Outcomes	1. A strong, prosperous and thriving economy	2. A safe and secure community	3. A lifetime of good health and well-being	4. An environment that is appreciated, protected and sustained for future generations	5. Supportive, caring and valued communities	6. A safe and integrated transport system	7. Strong district leadership and a sense of belonging	8. Safe and accessible recreational facilities	9. A community that values and promotes its culture and heritage
Liquor Control Contribution							Carrying out licensing, monitoring and enforcement activities, to ensure that the sale and supply of liquor is properly managed and controlled, in order to protect public health and prevent anti-social community impacts.		

How people can judge the Council

Council commitment to maintaining a safe living environment is maintained for the district's communities.

Council objectives for this activity are:

- To ensure that relevant legislation, regulations and bylaws are monitored and enforced such that Council meets its requirements.
- To ensure alcohol control produces positive health outcomes for the community as a whole.
- To ensure appropriate resources are available to meet the legislative requirements of the activity.
- To monitor activity to ensure interventions are resulting in the maintenance/improvement of a safe living environment and community outcomes are being met.

The Sale and Supply of Alcohol Act 2012 dictates a number of statutory requirements that place limitations upon Council as it prepares applications for submission to the District Licensing Committee which acts as an independent impartial agency. Decisions on applications are made by the District Licensing Committee with its commissioner/chairman.

For example, liquor licences benefit the applicant and therefore these activities are funded through licence fees which are set by statute. These statutory fees may not cover the full costs of the licensing process includes monitoring and enforcement and Council does not have the legislative mandate to alter them. As a consequence such costs can only be covered from rates.

The table below details what the Council

promises to deliver as a level of service statement. The community outcomes that the specific statement contributes to are also detailed. How Council will monitor progress is then detailed as a performance measure, with associated yearly targets and achievement of targets.



Level of service table with associated performance measures

The table below details what the Council will deliver as a level of service statement. The community outcomes that the specific statement contributes to are also detailed. How Council will monitor progress is then detailed as performance measures, with associated yearly targets.

LEVEL OF SERVICE STATEMENT	COMMUNITY OUTCOME	PERFORMANCE MEASURE	TARGET 2015	TARGET 2016	TARGET 2017
<p>Legislative Obligations:</p> <p>The District Licensing Committee will issue 'on, off and club' licenses that allow the sale and supply of liquor. Inspections will be carried out as required.</p> <p>It will also process applications for renewal licences and for special licences (which are licences that allow the sale and supply of liquor at events such as sporting occasions, street parties and other functions).</p>	7, 8 and 9	100% of all 'on, off and club' licensed premises monitored during the year.	Achieve measure		
		Council responds in accordance with legislation to 100% of all known unlicensed liquor premises or other activities in contravention of the requirements of the Sale and Supply of Alcohol Act 2012.	Achieve measure		
		Council responds in accordance with legislation to 100% of all situations where licences have to be suspended or revoked during the year.	Achieve measure		
<p>Costs and Funding:</p> <p>The services will be provided at a cost that will be publicly consulted on annually – via either the LTP or Annual Plan preparation process.</p> <p>The Council will fund the activity by a combination of user fees and charges and the general rate.</p>	7, 8 and 9	The cost related to this activity did not exceed the approved budget.	Expenditure within +/- 5% of budget.		
<p>All complaints will be responded to within the following timeframes:</p> <ul style="list-style-type: none"> • verbal complaints, emergencies – 1 hour • other – 1 day • written complaints – 10 working days. <p>The Council will aim to ensure that the users of the service and the general public will be satisfied with the overall level of service that is being provided.</p>	7, 8 and 9	Not less than 95% of all complaints dealt with within the specified timeframes.	Achieve measure		

Major issues and projects in the next 10 years

Alcohol reform

The Sale and Supply of Alcohol Act 2012 came into force at the end of 2013 and the effects of the Act and Regulations under the Act will be increased over the next 10 years as the impacts of this legislation have a progressive effect upon communities. The introduction of a proposed Local Alcohol Plan (LAP) under the Act will also introduce a “local component” designed to best serve the local community. The prospect of amalgamation with the rest of the Hawke’s Bay region may also unite the entire region under a single LAP.

Food retail reform

In June 2014 the Food Act 2014 was passed into law. New rules for the sale of food will be progressively introduced from March 2016. The Food Hygiene Regulations 1974 will be phased out and food businesses will be required to adopt risk based – Food Control Plans. The Council’s Environmental Health Officer is instrumental in facilitating this transition by mentoring food operators, accepting and registering their plans (FCP), auditing plans and responding to complaints received from customers. This will be a major aspect of work into the future.



PROJECTED 10 YEAR FINANCIAL SUMMARY - LIQUOR CONTROL

ANNUAL PLAN 2014/15		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Expenditure											
71,180	Operational Costs	62,708	64,272	66,186	67,553	68,576	70,154	71,837	73,654	75,588	77,670
-	Interest	-	-	-	-	-	-	-	-	-	-
11,521	Overhead Allocation	13,952	14,785	15,567	15,792	16,085	16,574	16,946	17,335	17,925	18,382
-	Depreciation	-	-	-	-	-	-	-	-	-	-
82,701	Total Operating Costs	76,660	79,057	81,753	83,345	84,661	86,728	88,783	90,989	93,513	96,052
13,000	Activity Income - Service Charges	13,500	13,838	14,197	14,581	15,003	15,454	15,933	16,458	17,018	17,631
-	Less depreciation not funded	-	-	-	-	-	-	-	-	-	-
13,000		13,500	13,838	14,197	14,581	15,003	15,454	15,933	16,458	17,018	17,631
69,701	Net Cost of Service	63,160	65,219	67,556	68,764	69,658	71,274	72,850	74,531	76,495	78,421
Capital Expenditure											
-	Renewals	-	-	-	-	-	-	-	-	-	-
-	New Capital	-	-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-	-
69,701	Funding Required	63,160	65,219	67,556	68,764	69,658	71,274	72,850	74,531	76,495	78,421
Funded By:											
69,701	Rate Income	63,160	65,219	67,556	68,764	69,658	71,274	72,850	74,531	76,495	78,421
-	Reserves - Operational Funding	-	-	-	-	-	-	-	-	-	-
-	Reserves - Capital Funding	-	-	-	-	-	-	-	-	-	-
-	Loans	-	-	-	-	-	-	-	-	-	-
-	Sale of Assets	-	-	-	-	-	-	-	-	-	-
69,701	Total Funding	63,160	65,219	67,556	68,764	69,658	71,274	72,850	74,531	76,495	78,421

Bylaw Compliance –

Dog Control
Livestock Control
General Bylaw Enforcement

What the Council does

The activity group covers the enforcement of many of the Council's bylaws. A bylaw is a regulatory instrument put into place under an act of parliament and enacted through Council. Bylaws are put into place for various reasons, some of which are:

- public health and safety
- animal control
- environmental controls not covered by other regulatory instruments or legislation.

Dog control

This activity is responsible for the administration and enforcement of the Dog Control Act 1996 and its amendments as well as the associated Wairoa District Council Dog Control Bylaw and Dog Control Policy. The Dog Control Act requires dogs within the Wairoa district to be registered, cared for and kept under proper control. Under the Dog Control Act, Council is also empowered to impound neglected, maltreated and uncontrolled dogs as these have the potential to cause damage to people and property.

Council currently leases one dog pound, located at the Quality Roding & Services depot in Kaimoana Road, Wairoa. The pound is retained for impounding purposes.

The dog control webpage can be accessed through the Wairoa District Council website www.wairoadc.govt.nz

Livestock control

This activity is responsible for the retrieval and impounding of roaming animals on roads other than state highways. Impounding of stock is an activity required by the provisions of the Impounding Act 1955 and Wairoa District Council Bylaws.

Council also has a responsibility to resolve any complaints relating to animal nuisances. Council's long-term focus for livestock control activities is to ensure a safe living environment is maintained through the monitoring and enforcement of legislation, regulations and bylaws. There is a strong statutory basis for Council's involvement in this activity and Council believes that there are positive advantages to the community well-being through this involvement.

General bylaws enforcement

This activity involves the investigation of complaints as well as the implementation of appropriate actions to ensure bylaw compliance is achieved. Council enforces the following parts of the current Wairoa District Council Consolidated Bylaw:

Part 1 - Introductory Bylaw
Part 2 - Land Transport Bylaw

Part 3 - Public Safety Bylaw
Part 4 - Urban Fire Prevention
Part 5 - Water Supply
Part 6 - Cemeteries Bylaw
Part 7 - Dog Control and Related Dog Control Policy
Part 8 - Trade Waste and Waste Water Bylaw

A copy of the bylaws can be accessed through the Wairoa District Council website www.wairoadc.govt.nz

Why the Council does this and its contribution to community outcomes

There is a strong statutory basis for Council's involvement in this activity and Council believes that there are positive advantages to the community well-being through Council's involvement in ensuring the community's safety and health are safeguarded.



Community outcomes and how the water supply activity contributes

Council has an obligation 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. To enable this, Council has made a commitment to continue to deliver the services currently provided and to continue to focus on the previously adopted community outcomes.

How the bylaw compliance activity contributes to those community outcomes is shown in the following table.

Community Outcomes	1. A strong, prosperous and thriving economy	2. A safe and secure community	3. A lifetime of good health and well-being	4. An environment that is appreciated, protected and sustained for future generations	5. Supportive, caring and valued communities	6. A safe and integrated transport system	7. Strong district leadership and a sense of belonging	8. Safe and accessible recreational facilities	9. A community that values and promotes its culture and heritage
Dog Control Contribution							Ensuring immediate action is taken whenever problems relating to dangerous and menacing dogs come to Council's notice. Imposing on the owners of dogs, obligations designed to ensure that dogs do not cause a nuisance to any person, and do not injure, endanger or cause distress to any person – or cause distress to any stock, poultry, domestic animal or protected wildlife. Requiring dogs to be registered.		
Livestock Control Contribution							Council providing sufficient ranging services to ensure the prompt capture and either return to their owner, or impoundment of wandering stock, to ensure that the animals do not become a danger to the safety of motorists and others.		
General Bylaws Contribution							The Council formulating and maintaining up-to-date bylaws, to enable the Council to enforce appropriate action by residents and others whenever the requirements of any particular bylaw are not being adhered to.		

How people can judge the Council

Council's long-term focus for bylaw compliance is to ensure a safe living environment is maintained through the monitoring and enforcement of legislation, regulations and bylaws. In order for Council to achieve a safe living environment it has set a number of objectives for each of the activities within the bylaw compliance activity group.

Dog control

Council objectives for this activity are:

- To apply the enforcement provisions of the Dog Control Act 1996 and its amendments, which may include infringement notices (instant fines), prosecutions, and other powers to enforce dog owner obligations and Act requirements.
- To ensure that dogs are controlled such that there is no threat to people or property.
- To ensure that complaints relating to dogs are responded to and suitable solutions found to resolve the complaint.
- To ensure that dog owners are aware of the obligations of dog ownership.
- All statutory dog control functions are carried out within timeframe and budget.

Livestock control

Council objectives for this activity are:

- To ensure that relevant legislation, regulations and bylaws are monitored and enforced such that Council meets its requirements.
- To ensure that livestock are controlled such that there is no threat to people or property.

- To ensure that complaints relating to animal nuisances are responded to and suitable solutions found to resolve the complaint.
- To ensure that Council-owned stock paddocks are maintained to an appropriate standard.
- All statutory livestock control functions are carried out within timeframe and budget.

General bylaws enforcement

- Council enforces bylaws to ensure that appropriate action is taken by residents and others in order to maintain a safe living environment.

The table below details what the Council promises to deliver as a level of service statement. How Council will monitor progress is then detailed as a performance measure, with associated yearly targets and achievement of targets.



Level of service table with associated performance measures

LEVEL OF SERVICE STATEMENT	COMMUNITY OUTCOME	PERFORMANCE MEASURE	TARGET 2015	TARGET 2016	TARGET 2017
<p>Legislative Obligations – DOG CONTROL:</p> <p>The Council will exercise its responsibilities under the Dog Control Act 1996 and the Dog Control Amendment Act 2003, including:</p> <ul style="list-style-type: none"> a) the maintenance and regular review of a Dog Control Policy and of a Dog Control Bylaw b) the maintenance of a register of all known dogs in the district and National Dog Database c) the promotion of responsible dog ownership d) impounding (and, if not claimed, destroying) stray dogs e) responding to complaints about dangerous stray/barking/nuisance dogs etc. <p>Council will issue a public report annually about the administration of its policy and dog control practices, including information relating to:</p> <ul style="list-style-type: none"> i) the number of registered dogs in the district (currently about 3,580) ii) the number of probationary owners and disqualified owners within the district iii) the number of dogs classified as dangerous and menacing iv) the number of infringement notices issued v) the number of complaints received, and the number of prosecutions taken. 	7, 8 and 9	a) All known dogs registered by 30 June each year.	Achieve measure		
		b) Annual Report about the administration of the Council's policy and dog control practices adopted by 30 August each year.	Achieve measure		
		c) Council responds in accordance with legislation to 100% of complaints in relation to instances of: <ul style="list-style-type: none"> i) dogs attacking persons or animals ii) dogs rushing at persons, animals, or vehicles iii) dogs causing serious injury iv) dogs at large and an immediate disturbance or threat to wildlife. 	Achieve measure		
<p>Legislative Obligations – LIVESTOCK CONTROL:</p> <p>The Council will provide a stock ranging service for the retrieval and impounding of roaming animals on roads other than state highways.</p> <p>It will also respond to complaints relating to animal nuisances.</p>	7, 8 and 9	a) The extent to which wandering stock poses a danger to traffic in the district as measured by: <ul style="list-style-type: none"> i) The number of complaints received about wandering stock. ii) The number of times stock has had to be impounded during the year. b) No complaints about the manner in which the Council has carried out its livestock control responsibilities.	Achieve measure		

<p>Legislative Obligations – GENERAL BYLAWS ENFORCEMENT:</p> <p>(a) The Council will maintain bylaws for a variety of purposes relating to community well-being.</p> <p>(b) The Council will enforce compliance with its bylaws as and when necessary.</p>	7, 8 and 9	<p>a) The number of occasions when the Council has had to formally enforce compliance with any of its bylaws, or institute a legal action under them during the year.</p> <p>b) Target: No court decisions against the Council on the basis that any Council bylaw is, or the Council's enforcement of it has been, unreasonable or ultra vires.</p>	Achieve measure
<p>Costs and Funding – DOG CONTROL:</p> <p>The services will be provided at a cost that will be publicly consulted on annually via the LTP or Annual Plan process. 90% of the cost of this activity will be funded from dog control fees, with the balance of 10% being met from the general rate.</p>	7, 8 and 9	The cost related to this activity does not exceed the approved budget.	Expenditure within +/- 5% of budget
<p>Costs and Funding – LIVESTOCK CONTROL:</p> <p>The services will be provided at a cost that will be publicly consulted on annually – via either the LTP or Annual Plan process.</p> <p>The activity will be funded by fines and pound charges, supplemented by an input from the general rate.</p>	7, 8 and 9	The cost related to this activity did not exceed the approved budget.	Expenditure within +/- 5% of budget
<p>Costs and Funding – GENERAL BYLAWS:</p> <p>The services will be provided at a cost that will be publicly consulted on annually – via either the LTP or Annual Plan process.</p> <p>The activity will be funded by fines and supplemented by an input from the general rate.</p>	7, 8 and 9	The cost related to this activity did not exceed the approved budget.	Expenditure within +/- 5% of budget
<p>Health and Safety:</p> <p>All of the above responsibilities will be carried out safely.</p>	7, 8 and 9	The number of reported health or safety incidents is the same or less than the previous year.	Achieve measure
<p>Customer Service:</p> <p>The Council will aim to ensure that the users of the service and the general public will be satisfied with the overall level of service that is being provided.</p>			Achieve measure

<p>Customer Service - DOG & LIVESTOCK CONTROL:</p> <p>All complaints will be responded to within the following timeframes:</p> <ul style="list-style-type: none"> • urgent complaints – immediately. • non-urgent verbal complaints – 1 working day. • written complaints – 3 working days. 	<p>7, 8 and 9</p>	<p>a) Not more than the number of complaints received in the previous year – in total and by type.</p>	<p>Achieved</p>	<p>Achieve measure</p>
<p>Customer Service - ENFORCEMENT</p> <p>All complaints will be responded to within the following timeframes: -</p> <ul style="list-style-type: none"> • urgent complaints – 1 working day. • non-urgent verbal complaints – 1 working day. • written complaints – 10 working days. 	<p>7, 8 and 9</p>	<p>b) Not less than 95% of all complaints dealt with within the specified timeframes.</p>	<p>Achieved</p>	<p>Achieve measure</p>
		<p>c) Not less than 70% of the respondents rate the service as 'fairly good or better' in the annual public satisfaction survey.</p>	<p>Achieved</p>	<p>Achieve measure</p>
		<p>Not less than 95% of all complaints dealt with within the specified timeframes.</p>	<p>Achieved</p>	<p>Achieve measure</p>



Major issues and projects in the next 10 years

Dog control

No significant future variations in dog ownership and/or dog numbers are expected during the term of this plan.

Council has completed construction of a new pound to allow more dogs to be properly housed as required by legislation.

Livestock control

The problem of controlling wandering and/or nuisance stock will continue to be an ongoing responsibility of Council due to the rural character of the district.

General bylaws

Council will be required to review all its bylaws during the life of this LTP.

Freedom Camping Act

Council is currently developing a Freedom Camping Bylaw in line with the Freedom Camping Act 2011. This bylaw will be enforced when introduced.



PROJECTED 10 YEAR FINANCIAL SUMMARY - BYLAW COMPLIANCE

ANNUAL PLAN 2014/15		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Expenditure											
256,317	Operational Costs	242,680	254,199	259,565	265,300	270,525	277,144	284,209	291,818	299,932	308,656
7,103	Interest	8,003	8,003	8,003	8,003	8,003	8,003	8,003	8,003	8,003	8,003
53,678	Overhead Allocation	78,857	83,769	88,348	89,588	91,221	94,031	96,121	98,312	101,693	104,271
14,761	Depreciation	14,759	14,759	14,759	14,759	14,759	14,759	14,759	14,759	14,759	14,759
331,859	Total Operating Costs	344,299	360,730	370,675	377,650	384,508	393,937	403,092	412,892	424,387	435,689
223,000	Activity Income - Service Charges	202,200	207,255	212,644	218,385	224,718	231,460	238,635	246,510	254,891	264,067
2,368	Less depreciation not funded	2,668	2,668	2,668	2,668	2,668	2,668	2,668	2,668	2,668	2,668
225,368		204,868	209,923	215,312	221,053	227,386	234,128	241,303	249,178	257,559	266,735
106,491	Net Cost of Service	139,431	150,807	155,363	156,597	157,122	159,809	161,789	163,714	166,828	168,954
Capital Expenditure											
60,000	Renewals	46,000	-	63,099	49,682	-	68,682	54,289	-	75,635	60,075
-	- New Capital	15,000	-	-	-	-	-	-	-	-	-
60,000		61,000	-	63,099	49,682	-	68,682	54,289	-	75,635	60,075
166,491	Funding Required	200,431	150,807	218,462	206,279	157,122	228,491	216,078	163,714	242,463	229,029
Funded By:											
106,491	Rate Income	139,431	150,807	155,363	156,597	157,122	159,809	161,789	163,714	166,828	168,954
	Reserves - Operational Funding	-	-	-	-	-	-	-	-	-	-
60,000	Reserves - Capital Funding	36,000	-	43,099	39,682	-	48,682	44,289	-	55,635	50,075
-	- Loans	15,000	-	-	-	-	-	-	-	-	-
	Sale of Assets	10,000	-	20,000	10,000	-	20,000	10,000	-	20,000	10,000
166,491	Total Funding	200,431	150,807	218,462	206,279	157,122	228,491	216,078	163,714	242,463	229,029

Emergency Management

Civil Defence
Rural Fire
Hazardous Substances

What the Council does

Civil defence

The Wairoa District Council is a member of the Hawke's Bay Civil Defence Emergency Management Group, which is tasked with the co-ordination of civil defence emergency management in Hawke's Bay and the implementation, review and amendment of the Hawke's Bay Emergency Management Group Plan.

The Council has a fully operational Emergency Operations Centre and an Emergency Management Officer in its employ, to assist in meeting its responsibilities in this area. Council relies largely upon volunteers to assist in meeting emergency management legislative responsibilities.

The delivery of civil defence is provided by one full-time Emergency Management Officer funded jointly by Hawke's Bay Regional Council.

The Mayor is Council's representative on the Civil Defence Emergency Management Group with

Council's Chief Executive Officer being Council's representative on the Hawke's Bay Emergency Management Co-ordinating Executive Group for civil defence activities.

Community safety is the central focus of this activity and it includes the sub-activities of civil defence, rural fire and response to hazardous substance incidents.

The civil defence webpage can be accessed through the Wairoa District Council website www.wairoadc.govt.nz

Rural fire

To assist Council in meeting statutory requirements, volunteer rural fire forces have been established at Tuai, Ruakituri, and Mahia. One of the bylaw staff fulfils the role of Rural Fire Officer while the Principal Rural Fire Officer role is contracted out. The Principal Rural Fire Officer is responsible for the overall administrative and operational management of this activity.

The rural fire webpage can be accessed through the Wairoa District Council website www.wairoadc.govt.nz

Hazardous substances

While Council is no longer legislatively required to manage hazardous substances as a separate activity, the potential impact of hazardous substances on a community following accidents and spills requires Council involvement by way of response. Please refer to the environmental health activity plan.

Why the Council does this and its contribution to community outcomes

Civil defence

The Council has a statutory responsibility to plan and provide for civil defence emergency management in the district, as prescribed by the Civil Defence Emergency Management Act 2002.

Rural fire

The Council has a statutory responsibility to promote and carry out rural fire control measures. This includes having an approved Fire Plan for the Wairoa Rural Fire Authority pursuant to the Forest and Rural Fires Act 1977, and the Forest and Rural Fire Regulations 2005.

The Council is involved in the provision of rural fire services, pursuant to its statutory obligations under the Forest and Rural Fires Act 1977, and in response to the community's expectation that Council will provide rural fire protection and prevention services.



Community Outcomes & how the Emergency Management Activity Contributes

Council has an obligation 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. To enable this, Council has made a commitment to continue to deliver the services currently provided and to continue to focus on the previously adopted community outcomes.

How the emergency management activity contributes to those community outcomes is shown in the following table.

Community Outcomes	1 A strong prosperous and thriving economy.	2 A safe and integrated transport system.	3 A community that values and promotes its culture and heritage.	4 Safe and accessible recreational facilities.	5 Supportive, caring and valued communities.	6 Strong district leadership and a sense of belonging.	7 A safe and secure community.	8 A lifetime of good health and well-being.	9 An environment that is appreciated, protected and sustained for future generations.
Emergency Management Contribution							Partnerships and co-ordination provide for effective response and recovery.	Local communities work together to reduce the risk of hazards and people provide for their own safety and well-being.	The community will be well informed about the risks of civil defence and/or rural fire emergencies/adverse events and be prepared for any eventuality.

How people can judge the Council

Council's goal for this activity is 'To promote and protect the safety of the community'.

The principal objectives of the emergency management activity are to ensure:

- Relevant legislation, regulations and bylaws are monitored and enforced so that Council meets legislative requirements.
- Communities are well prepared for emergencies.
- Communities are responsible with respect to rural fire and civil defence activities and/or emergencies.

- There is an appropriately resourced and trained network of volunteers for emergency management purposes.
- There is appropriate leadership in an emergency/adverse event with quick response times, and effective decision making.

The table below details what the Council promises to deliver as a level of service statement. The community outcomes that the specific statement contributes to are also detailed. How Council will monitor progress is then detailed as a performance measure, with associated yearly targets and achievement of targets.



LEVEL OF SERVICE STATEMENT	COMMUNITY OUTCOME	PERFORMANCE MEASURE	TARGET 2015	TARGET 2016	TARGET 2017
Council will work with residents, tangata whenua, businesses, industry, and stakeholders to develop initiatives that promote emergency management preparedness.	7, 8 and 9	Warden groups are established in civil defence sectors.	Achieve measure		
		Public awareness of rural fire and civil defence through liaison with community groups, volunteers and the media is maintained.	Achieve measure		
Council will ensure emergency management resources are available to all ratepayers, residents, stakeholders, and visitors to the district when required.	7, 8 and 9	Rural Fire Plan maintained and meets statutory and local requirements.	Achieve measure		
<p>Readiness and Preparedness:</p> <p>Council will be prepared to respond to and manage emergency management incidents.</p>	7, 8 and 9	<p>Response plans and Standard Operating Procedures (SOPs) are current and reflect perceived threats.</p> <p>Appropriate response plans and SOPs are developed and maintained.</p> <p>Council staff and volunteers are trained and exercised to the degree necessary to maintain efficient and effective rural fire and civil defence operations.</p> <p>Appropriately trained personnel are identified for the position of controller.</p>	Achieve measure		

<p>Response/Recovery:</p> <p>Council will provide resources to effectively manage emergency management incidents</p>	7, 8 and 9	<p>Non-declared and declared events are responded to and recovered from efficiently and effectively in accordance with Hawke's Bay Civil Defence Emergency Management Plans.</p> <p>The procedures described in the Adverse Events Plan and the Civil Defence Emergency Management Group Plan pertaining to warning systems, co-ordination, and management, of response and recovery activities are complied with.</p> <p>Rural fire prevention and suppression activities are administered effectively and efficiently in accordance with Council's Rural Fire Plan 2014.</p>	Achieve measure
<p>Cost and Funding:</p> <p>Council will deliver an effective, efficient and economical emergency management service, which meets the needs and expectations of our communities.</p>	7, 8 and 9	<p>All preventative maintenance, renewals and other programmed works are completed on time and within budget</p> <p>90% rural firefighting costs recovered.</p> <p>100% of claims on the National Rural Firefighting Fund are successful.</p>	Achieve measure
<p>Customer Service:</p> <p>Council will provide timely response, information, advice and support to the local community.</p>	7, 8 and 9	<p>A Duty Officer is on-call 24/7 for 365 days of the year.</p> <p>Response times to customer enquiries will be as follows:</p> <ul style="list-style-type: none"> • telephone calls (1 working day). • reception (15 minutes). • letters, faxes, e-mail (8 working days). 	Achieve measure

Major issues and projects in the next 10 years

Refer to the “Big Issues” section of the Consultation Document for details relating to replacement of fire appliances.

Demand for this activity will remain constant, although population shift in pocket areas, coupled with a general population decline, may require some adjustment to the location and number of resources.

As the district’s forestry plantings continue to expand, additional fire suppression resources may be required. In addition, many rural communities are experiencing difficulties in responding to civil defence and rural fire incidents as a result of a declining volunteer base. This may require a contracting of services in the future to ensure Council is able to meet its statutory obligations.

Any future review of the Fire Services Act 1975 and Forest and Rural Fires Act 1977 may also have implications on the future provision of rural fire activities by the Council. For the term of this plan, the activity has been funded on a business-as-usual basis, but will be reviewed if required.

During the term of this plan, Council may choose to enter into discussions with neighbouring fire districts to ascertain the value, both financial and operational, in amalgamating with another fire district, or indeed becoming a member of an enlarged rural fire district, particularly where the activity of rural fire can be delivered at the same, or less, cost to Council.



PROJECTED 10 YEAR FINANCIAL SUMMARY - EMERGENCY MANAGEMENT

ANNUAL PLAN 2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Expenditure										
101,846 Operational Costs	68,903	67,285	69,578	70,939	73,562	73,445	75,100	78,685	78,732	80,720
- Interest	-	-	-	-	-	-	-	-	-	-
20,371 Overhead Allocation	41,170	43,413	45,662	46,334	47,198	48,625	49,718	50,868	52,587	53,933
6,225 Depreciation	6,247	6,247	6,247	6,247	6,247	6,247	6,247	6,247	6,247	6,247
128,442 Total Operating Costs	116,320	116,945	121,487	123,520	127,007	128,317	131,065	135,800	137,566	140,900
33,990 Activity Income - Service Charges	-	-	-	-	-	-	-	-	-	-
- Less depreciation not funded	-	-	-	-	-	-	-	-	-	-
33,990	-	-	-	-	-	-	-	-	-	-
94,452 Net Cost of Service	116,320	116,945	121,487	123,520	127,007	128,317	131,065	135,800	137,566	140,900
Capital Expenditure										
- Renewals	85,000	-	-	37,802	-	-	41,307	-	63,029	45,709
- New Capital	-	-	-	-	-	-	-	-	-	-
-	85,000	-	-	37,802	-	-	41,307	-	63,029	45,709
94,452 Funding Required	201,320	116,945	121,487	161,322	127,007	128,317	172,372	135,800	200,595	186,609
Funded By:										
94,452 Rate Income	116,320	116,945	121,487	123,520	127,007	128,317	131,065	135,800	137,566	140,900
Reserves - Operational Funding	-	-	-	-	-	-	-	-	-	-
- Reserves - Capital Funding	75,000	-	-	27,802	-	-	31,307	-	63,029	35,709
- Loans	-	-	-	-	-	-	-	-	-	-
Sale of Assets	10,000	-	-	10,000	-	-	10,000	-	-	10,000
94,452 Total Funding	201,320	116,945	121,487	161,322	127,007	128,317	172,372	135,800	200,595	186,609

PROJECTED 10 YEAR FINANCIAL SUMMARY - RURAL FIRE

ANNUAL PLAN 2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Expenditure										
171,077	222,342	196,992	204,055	209,404	215,277	221,536	228,210	235,501	243,270	251,745
-	-	-	-	-	-	-	-	-	-	-
25,364	48,395	51,289	53,902	54,707	55,733	57,410	58,704	60,066	62,085	63,681
17,061	17,752	17,752	17,752	17,752	17,752	17,752	17,752	17,752	17,752	17,752
213,502	288,489	266,033	275,709	281,863	288,762	296,698	304,666	313,319	323,107	333,178
19,000	16,000	16,400	16,826	17,281	17,782	18,315	18,883	19,506	20,169	20,896
17,061	17,752	17,752	17,752	17,752	17,752	17,752	17,752	17,752	17,752	17,752
36,061	33,752	34,152	34,578	35,033	35,534	36,067	36,635	37,258	37,921	38,648
177,441	254,737	231,881	241,131	246,830	253,228	260,631	268,031	276,061	285,186	294,530
Capital Expenditure										
7,500	-	-	-	-	-	-	-	-	-	-
7,000	-	-	-	-	-	-	-	-	-	-
14,500	-	-	-	-	-	-	-	-	-	-
191,941	254,737	231,881	241,131	246,830	253,228	260,631	268,031	276,061	285,186	294,530
Funded By:										
177,441	254,737	231,881	241,131	246,830	253,228	260,631	268,031	276,061	285,186	294,530
-	-	-	-	-	-	-	-	-	-	-
14,500	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
191,941	254,737	231,881	241,131	246,830	253,228	260,631	268,031	276,061	285,186	294,530

Activity Group Six Leadership & Governance

- **Community Representation**
- **Māori Relationships**
- **Economic Development**

WAIROA DISTRICT COUNCIL
PROSPECTIVE FUNDING IMPACT STATEMENT - LEADERSHIP AND GOVERNANCE
LTP 2015-2025

ANNUAL PLAN 2014/15		BUDGET 2015/16	BUDGET 2016/17	BUDGET 2017/18	BUDGET 2018/19	BUDGET 2019/20	BUDGET 2020/21	BUDGET 2021/22	BUDGET 2022/23	BUDGET 2023/24	BUDGET 2024/25
Sources of Operating Funding											
1,668,061	General rates, uniform annual charges, rates penalties	1,848,112	2,036,057	2,114,343	2,191,691	2,271,417	2,309,643	2,369,726	2,454,218	2,491,346	2,565,263
183,717	Targeted rates (other than a targeted rate for water supply)	140,361	144,752	149,220	152,056	155,263	159,272	163,065	167,106	171,987	176,656
	- Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-
124,600	Fees charges and targeted rates for water supply	123,450	126,536	129,826	133,331	137,198	141,314	145,695	150,503	155,620	161,222
	Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-	-	-	-	-	-
1,976,378	Total Operating Funding	2,111,923	2,307,345	2,393,389	2,477,078	2,563,878	2,610,229	2,678,486	2,771,827	2,818,953	2,903,141
Applications of Operating Funding											
922,464	Payments to staff and suppliers	1,103,888	1,132,920	1,109,917	1,179,996	1,204,293	1,205,923	1,245,543	1,309,245	1,302,806	1,356,372
5,220	Finance costs	5,220	10,950	10,950	10,950	10,950	10,950	10,950	10,950	10,950	6,150
1,080,499	Internal charges and overheads applied	1,115,835	1,206,241	1,290,305	1,303,915	1,324,780	1,369,501	1,398,138	1,427,777	1,481,342	1,516,762
	- Other operating funding applications	-	-	-	-	-	-	-	-	-	-
2,008,183	Total applications of operating funding	2,224,943	2,350,111	2,411,172	2,494,861	2,540,023	2,586,374	2,654,631	2,747,972	2,795,098	2,879,284
(31,805)	Surplus (Deficit) of operating funding	(113,020)	(42,766)	(17,783)	(17,783)	23,855	23,855	23,855	23,855	23,855	23,857
Sources of capital funding											
	- Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-
	- Development and financial contributions	-	-	-	-	-	-	-	-	-	-
87,000	Increase (decrease) in debt	-	102,500	-	-	-	-	-	-	-	-
	- Gross proceeds from sale of assets	-	-	10,000	-	-	10,000	-	-	10,000	-
	- Lump sum contributions	-	-	-	-	-	-	-	-	-	-
87,000	Total sources of capital funding	-	102,500	10,000	-	-	10,000	-	-	10,000	-
Application of capital funding											
	Capital expenditure										
	- to meet additional demand	-	-	-	-	-	-	-	-	-	-
99,000	- to improve the level of service	-	102,500	-	-	-	-	-	-	-	-
	- to replace existing assets	-	-	25,000	-	-	25,000	-	-	25,000	-
(43,805)	Increase (Decrease) in reserves	(113,020)	(42,766)	(32,783)	(17,783)	23,855	8,855	23,855	23,855	8,855	23,857
	- Increase (Decrease) of investments	-	-	-	-	-	-	-	-	-	-
55,195	Total application of capital funding	(113,020)	59,734	(7,783)	(17,783)	23,855	33,855	23,855	23,855	33,855	23,857
31,805	Surplus (Deficit) of capital funding	113,020	42,766	17,783	17,783	(23,855)	(23,855)	(23,855)	(23,855)	(23,855)	(23,857)
	Funding Balance	-	-	-	-	-	-	-	-	-	-
6,195	Group depreciation and amortisation	7,200	7,200	7,200	7,200	7,200	7,200	7,200	7,200	7,200	7,200

PROJECTED 10 YEAR FINANCIAL SUMMARY - LEADERSHIP AND GOVERNANCE

ANNUAL PLAN 2014/15		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Expenditure											
958,932	Operational Costs	1,103,888	1,132,920	1,109,917	1,179,996	1,204,293	1,205,923	1,245,543	1,309,245	1,302,806	1,356,372
5,220	Interest	5,220	10,950	10,950	10,950	10,950	10,950	10,950	10,950	10,950	6,150
1,044,031	Overhead Allocation	1,115,835	1,206,241	1,290,305	1,303,915	1,324,780	1,369,501	1,398,138	1,427,777	1,481,342	1,516,762
6,195	Depreciation	7,200	7,200	7,200	7,200	7,200	7,200	7,200	7,200	7,200	7,200
2,014,378	Total Operating Costs	2,232,143	2,357,311	2,418,372	2,502,061	2,547,223	2,593,574	2,661,831	2,755,172	2,802,298	2,886,484
124,600	Activity Income - Service Charges	123,450	126,536	129,826	133,331	137,198	141,314	145,695	150,503	155,620	161,222
-	Less depreciation not funded	3,500	-	-	-	-	-	-	-	-	-
124,600		126,950	126,536	129,826	133,331	137,198	141,314	145,695	150,503	155,620	161,222
1,889,778	Net Cost of Service	2,105,193	2,230,775	2,288,546	2,368,730	2,410,025	2,452,260	2,516,136	2,604,669	2,646,678	2,725,262
Capital Expenditure											
80,000	Renewals	-	-	25,000	-	-	25,000	-	-	25,000	-
19,000	New Capital	-	102,500	-	-	-	-	-	-	-	-
99,000		-	102,500	25,000	-	-	25,000	-	-	25,000	-
1,988,778	Funding Required	2,105,193	2,333,275	2,313,546	2,368,730	2,410,025	2,477,260	2,516,136	2,604,669	2,671,678	2,725,262
Funded By:											
1,851,778	Rate Income	1,988,473	2,180,809	2,263,563	2,343,747	2,426,680	2,468,915	2,532,791	2,621,324	2,663,333	2,741,919
50,000	Reserves - Operational Funding	116,720	49,966	24,983	24,983	(16,655)	(16,655)	(16,655)	(16,655)	(16,655)	(16,657)
-	Reserves - Capital Funding	-	-	15,000	-	-	15,000	-	-	15,000	-
87,000	Loans	-	102,500	-	-	-	-	-	-	-	-
-	Sale of Assets	-	-	10,000	-	-	10,000	-	-	10,000	-
1,988,778	Total Funding	2,105,193	2,333,275	2,313,546	2,368,730	2,410,025	2,477,260	2,516,136	2,604,669	2,671,678	2,725,262

Community Representation



What the Council does

The emphasis for local authorities under the Local Government Act 2002 has moved significantly towards participatory democracy, community outcomes, and consultation. As a result, community representation will play an even greater role in the governance and maintenance of Council processes, bringing all Council functions together.

As a unit of local government the Council is required to provide for the district's democratic representation, and overall governance and administration, for and on behalf of all the residents within the district.

Under community representation are the sub-activities of Council consultation and reporting, council remuneration, and Council support. For the purpose of this plan, Council support has been expanded to include:

- elections
- governance structure
- elected member's roles and the Code of Conduct
- policies
- Official Information requests
- Annual Report
- Annual Plan
- Long-term Plan.

For each of these sub-activities the Council is also required, under the Local Government Act 2002, to outline any significant negative effects under its Significance and Engagement Policy.

The Wairoa district is represented, following triennial elections, by a Council of the Mayor and six representatives elected at large.

In consultation with the community, the Council is required to review its representation arrangements and recommend the outcome of consultation to the Local Government Commission. The Council and the community will also review the need for Māori representation, and the form of electoral system to be adopted.

Council's long-term leadership focus is to work with the community to assist them to achieve their vision for the future. Council believes the quality of representation, and the sustainability of the district, as critical outcomes to be achieved.

For detailed information on Council's roles and responsibilities and a detailed overview, refer to the Wairoa District Council's:

- Local Governance Statement
- Code of Conduct, and
- Significance and Engagement Policy.

The above documents are available on Council's website www.wairoadc.govt.nz or on request from the Administration Offices, Queen Street, Wairoa.

Why the Council does this and its contribution to community outcomes

Community representation activity goals are:

- To ensure participation in the provision of effective representation and governance for and on behalf of the district.
- To ensure the provision of triennially elected Council of one Mayor and six representatives.
- To ensure people participate in the decision-making processes of the elected Council and regular opportunities are provided for community involvement and participation.
- To ensure Council and councillor representatives' roles are effectively and efficiently performed in the best interests of the whole community.
- To ensure the effective and efficient servicing of the Council.
- To ensure the timely provision of advice and understanding on issues relevant to Māori and Tangata Whenua.
- To ensure the provision of continuing support and resources to community-specific functions and ceremonies and the encouragement of community participation.

Council manages a process for the community to identify its desired outcomes and that process is

described in more detail elsewhere in this LTP. Having identified the desired outcomes the Council, in consultation with the community, decides how it will contribute to those outcomes. It is not all about Council, with some outcomes delivered by other organisations, however, for each outcome there will be an activity of Council that contributes in some way.

Having decided what activities it needs to be involved with, or what services it needs to provide, Council establishes the objectives it has for those activities or services.

The goals and principal objectives identified form the basis of our statements of levels of service, which are detailed below.

There is a cost associated with delivering the levels of service described and those costs are what are presented in the ten-year budgets below.

Council also determines who should carry the cost. The benefits for this activity accrue evenly to properties regardless of their value or size. Therefore, the activity is rated through the uniform annual general charge, which is a charge on every separately used, or inhabited, portion of a rating unit in the district.

Council achieves different aspects of the community representation activity primarily through the engagement of contracts with service providers.



Community outcomes to which the activity contributes & how it contributes

Council has an obligation 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. To enable this, Council has made a commitment to continue to deliver the services currently provided and to continue to focus on the previously adopted community outcomes.

How the community representation activity contributes to those community outcomes is shown in the following table.

Community Outcomes	1 A strong prosperous and thriving economy.	2 A safe and integrated transport system.	3 A community that values and promotes its culture and heritage.	4 Safe and accessible recreational facilities.	5 Supportive, caring and valued communities.	6 Strong district leadership and a sense of belonging.	7 A safe and secure community.	8 A lifetime of good health and well-being.	9 An environment that is appreciated, protected and sustained for future generations.
Community Representation Controbution	<p>By ensuring effective representation and democratic processes are in place so as to encourage community participation in the decision-making for, and on behalf of, the district community.</p> <p>By ensuring that the district is able to benefit from its available resources through sustainable economic growth and improving social and environmental standards, whilst also valuing our many cultural attributes.</p> <p>By ensuring the district has both personal and financial security through economic and social initiatives and recognition of our inherent cultural and environmental attributes and the implementation of appropriate policies to ensure their growth and sustainability.</p> <p>By ensuring there are effective communication and transport links throughout the district so as to enable all people to participate and contribute to the affairs of the district, and to support sustainable social and economic growth.</p> <p>By ensuring that policies and rules encourage positive attitudes and sustainable initiatives for economic, environmental, social growth, and multi-cultural strengths, within our district.</p>								

How people can judge the Council

Council’s principal objectives for this activity are:

- To ensure people are able to participate in and contribute to the representation and electoral process.
- To provide opportunities for the review of both the basis for representation and the electoral system that would best meet the requirements of the district.
- To provide adequate opportunities and capacity

for the community to participate in the decision-making processes of the Council.

- To provide appropriate opportunities, resources and capacity for Māori to effectively participate in the overall decision-making process and to ensure that issues relevant to Māori can be addressed.
- To have in place protocols and partnerships as appropriate to enable the public to continue to support and respect the recognised civic objectives and ceremonies.

Level of service table with associated performance measures

LEVEL OF SERVICE STATEMENT	COMMUNITY OUTCOME	PERFORMANCE MEASURE	TARGET 2015	TARGET 2016	TARGET 2017
<p>Access</p> <p>Opportunities are provided to the public to address Council on any matter through public forums and submissions.</p>	All	Business conducted in confidence is kept to a minimum, and where decisions are deemed to not be of a sensitive nature, confidential items are released as public information.	Achieve measure	Meetings of Council are scheduled, advertised, and conducted on the advertised day.	Elected representatives attend all meetings of Council, and where they are absent, a formal leave of absence has been applied for prior to the meeting.
<p>Quality</p> <p>Council will promote and maintain ethical standards.</p>	All	<p>Council's Code of Conduct, policies, and other such documentation are available to the public on request and/or from Council's website.</p> <p>Council activities meet legislative requirements.</p>	Achieve measure	<p>Council's Governance Statement is clear, understandable, and in line with current practice.</p> <p>Codes and policies cover all legal requirements and standards for councillors, staff, and contractors.</p> <p>Council's Policy Manual is up to date.</p> <p>Council formally adopts significant changes and/or amendments to policy following review.</p>	
<p>Leadership</p> <p>The services provided will include:</p> <p>Council will demonstrate leadership to the community as a whole, to its electors, stakeholders, and within the organisation.</p>	All	<p>Executive Officer and all other officers of the Council are clearly defined.</p> <p>Lines of accountability and delegation are defined.</p>	Achieve measure	<p>Corporate structures ensure that planning, standards, performance management, internal controls and communications are consistently applied across the Council.</p> <p>Council's vision acknowledges both community priorities and Council's strategy.</p> <p>Leadership is open to self-criticism, challenge, and review via mechanisms such as surveys.</p> <p>Potential problems between politics and management, councillors and officers, and clients and contractors, are minimised.</p> <p>Senior managers engage openly and honestly with staff and internal communication is regular.</p> <p>Staff meetings.</p>	
<p>Consultation</p> <p>Council will communicate clearly and informatively with, and on behalf of, the ratepayers, Tangata Whenua, and stakeholders of the Wairoa district.</p> <p>The interests of the district will be represented at all levels, including government, its agencies, and other local authorities.</p> <p>Council will make decisions openly, in a timely manner, and</p>	All	<p>No complaints are upheld against Council for not publicly consulting via the special consultative procedure when it was legally required to do so.</p> <p>Opportunities are provided for community groups, ratepayers, Tangata Whenua and stakeholders to fully participate in consultation and the development and fostering of</p>	Achieve measure	<p>Continue to develop and maintain a strong relationship with Tangata Whenua by providing for the ongoing support and involvement of the Māori Committee.</p> <p>Consultation provides understanding of the needs of the different and diverse communities of the district.</p>	

communicate decisions effectively.		community outcomes.	
Costs and Funding Council will manage community representation activities in a financially viable manner.	All	The cost related to this activity did not exceed the approved budget.	Achieve measure
Customer Service and Satisfaction Council will respond to all enquiries, requests, complaints, and customers are happy with the Mayor and councillors, and Council staff performance.	All	Mayor and councillors 'not very good or poor' rating in annual survey is less than 10%. Council staff 'not very good or poor' rating in annual survey is less than 10%.	Achieve measure With the exception of public holidays, Council offices will be open Monday through Friday 9:00am – 4:30pm Response times to customer enquiries will be as follows: <ul style="list-style-type: none"> • telephone calls (1 working day) • reception (15 minutes) • letters, faxes, e-mail, submissions (8 working days).

Major issues and projects in the next 10 years

Continual services review

It is envisaged that there will be future demands for wider representation and greater public participation opportunities in the overall governance and decision-making processes. This will include specific provision for Māori representation and also the resourcing and capacity building for Māori to enable them to effectively participate in the process.

There is an opportunity for specific Māori representation to be provided through the establishment of Māori wards and elected representatives.

The most significant funding demands for this activity are envisaged to be within the areas of:

- community consultation and participation
- Māori capacity building
- new policy development
- employment and youth initiatives
- election costs

- elected Members Remuneration (set by the Remuneration Authority).

The cost of community representation is supported by the Chief Executive in ensuring Council is in a position to respond to new initiatives imposed either through central government's current and future policies and/or the district's economic development.

The most significant assumptions and uncertainties that underlie the overall approach of this activity are essentially linked to the local political climate and likely effects of new legislation. It is assumed that:

- Current level of service will remain the same in the short term.
- The current political climate will remain unchanged.
- The benefit and/or detriment of amalgamation with a neighbouring authority will be reviewed.
- There may be a review of the Local Government Act 2002, or another enactment affecting the operation of a local authority, which would require the Council to dramatically change community

representation.

PROJECTED 10 YEAR FINANCIAL SUMMARY - COMMUNITY REPRESENTATION

ANNUAL PLAN 2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Expenditure										
396,724 Operational Costs	429,425	438,843	409,690	429,866	468,196	437,935	461,320	507,161	475,405	502,878
420 Interest	420	-	-	-	-	-	-	-	-	-
969,167 Overhead Allocation	1,036,965	1,121,360	1,199,508	1,212,160	1,231,558	1,273,131	1,299,754	1,327,307	1,377,102	1,410,030
- Depreciation	900	900	900	900	900	900	900	900	900	900
1,366,311 Total Operating Costs	1,467,710	1,561,103	1,610,098	1,642,926	1,700,654	1,711,966	1,761,974	1,835,368	1,853,407	1,913,808
- Activity Income - Service Charges	-	-	-	-	-	-	-	-	-	-
- Less depreciation not funded	3,500	-	-	-	-	-	-	-	-	-
-	3,500	-	-	-	-	-	-	-	-	-
1,366,311 Net Cost of Service	1,464,210	1,561,103	1,610,098	1,642,926	1,700,654	1,711,966	1,761,974	1,835,368	1,853,407	1,913,808
Capital Expenditure										
- Renewals	-	-	-	-	-	-	-	-	-	-
19,000 New Capital	-	-	-	-	-	-	-	-	-	-
19,000	-	-	-	-	-	-	-	-	-	-
1,385,311 Funding Required	1,464,210	1,561,103	1,610,098	1,642,926	1,700,654	1,711,966	1,761,974	1,835,368	1,853,407	1,913,808
Funded By:										
1,378,311 Rate Income	1,460,290	1,511,137	1,585,115	1,617,943	1,717,309	1,728,621	1,778,629	1,852,023	1,870,062	1,930,465
Reserves - Operational Funding	3,920	49,966	24,983	24,983	(16,655)	(16,655)	(16,655)	(16,655)	(16,655)	(16,657)
- Reserves - Capital Funding	-	-	-	-	-	-	-	-	-	-
7,000 Loans	-	-	-	-	-	-	-	-	-	-
Sale of Assets	-	-	-	-	-	-	-	-	-	-
1,385,311 Total Funding	1,464,210	1,561,103	1,610,098	1,642,926	1,700,654	1,711,966	1,761,974	1,835,368	1,853,407	1,913,808

Māori Relationships



What the Council does

Council employs a full-time Māori Relationships Manager, whose job exists to provide advice to and liaison between, the Council and its committees, and Council staff and the community in respect to Council activities and their relationship with, and impact on, Tangata Whenua. The Council achieves this through liaison with the Wairoa District Council Māori Standing Committee and the provision of administration support to the committee.

Māori Policy

The goal of Council's Māori policy is to maintain a high commitment to effective communication and consultation with Tangata Whenua of the Wairoa District.

The purpose of this policy is to:

- establish a relationship between Wairoa District Council and Tangata Whenua to achieve mutually beneficial outcomes for the community of Wairoa.
- set up processes and procedures that facilitate effective communication between Wairoa District Council and Tangata Whenua o te Wairoa.
- enable a Māori world view incorporated into local government decision making, policies and procedures.
- improve the degree to which Māori participate in Council/Community consultation.

The Wairoa District Council is committed to the Māori Policy for the following reasons:

- recognition of the principles of the Treaty of Waitangi 1840. The Treaty provided the Crown

with governance/kawanatanga rights, while actively protecting the tino rangatiratanga/full sovereignty and authority of Māori, in respect of their natural physical and metaphysical resources.

- legislative requirements of the Resource Management Act 1991. The Resource Management Act clearly expects consultation to be undertaken by those exercising responsibilities under the Act. Only with an effective process of consultation can local authorities and the Crown meet their obligations as detailed in the Act.

The Resource Management Act 1991 clearly intends that Tangata Whenua should have a significant role in resource management and enables Tangata Whenua to take steps to protect tribal interests. The Resource Management Act 1991 provides, under certain conditions, for the transfer of functions by a local authority to a recognised iwi authority as defined in Section 2 of the Resource Management Act 1991.

The Council recognises the many and varied issues surrounding the ownership of Māori land, in particular the question of local authority rates. In order to address these issues the Council has developed a policy. The policy, known as the Whenua Rahui Register, works on the principle of the recognition of occasions when it would be unfair and/or unreasonable to collect rates from owners of Māori land due to varying circumstances.

There are currently 62 known hapū and 37 marae with manawhenua responsibilities within the Wairoa local authority district. These marae cater to the needs of individual hapū, and hapū groupings when required, thereby providing a platform for iwi representation. The marae are administered by elected trustees and are registered under Section 439 of the Māori Affairs Act 1953. Consultation with marae is vital when considering issues relating to a particular marae area.

The Māori Standing Committee is an appropriate mechanism for Māori participation in decision making but it doesn't preclude Māori using other avenues as appropriate to enhance that involvement. The Model Standing Orders for Meetings of Local Authorities and Community Boards are the basis of committee meetings procedures. The Māori Standing Committee can only recommend to Council particular courses of action or outcomes, except when Council have delegated the authority to the Committee to act on Council's behalf. The Māori Standing Committees core involvement in Council decision-making will be through recommendation to Council on "policy and/or issues of significance".

Section 81 of the Local Government Act 2002 outlines contributions to decision-making process by Māori. A local authority must:

- a) establish and maintain processes to provide opportunities for Māori to contribute to the decision-making processes of the local authority; and
- b) consider ways in which it may foster the development of Māori capacity to contribute to the decision-making processes of the local authority; and

- c) provide relevant information to Māori for the purpose of paragraphs a) and b).

This very clearly places a requirement on Council to have Māori participate in the decision-making processes. Council has open to it a range of mechanisms by which participation in the decision-making processes can occur.

The Wairoa District Council Māori Standing Committee is representative of marae/hapū of the district. Whilst the Māori Standing Committee is a direct link into decision-making processes, the role of the Māori Relationships Manager is seen as being a vital link in terms of capacity building and focussing the delivery of Council services to the Māori community.

Why the Council does this and its contribution to community outcomes

Māori are a specific community group identified in recent legislation, in particular the Local Government Act 2002, and the Resource Management Act 1991, for particular attention and involvement in public sector governance and management.

The purpose of the Māori Relationships Office is to provide advice to, and liaison with, Council and its committees, Council staff and the community in respect to their relationship with, and impact on Tangata Whenua. The long-term aim of the Wairoa District Council in respect to this activity is to enhance the capacity of the Māori community to participate in decision making.

The Māori Standing Committee webpage can be accessed through the Wairoa District Council website www.wairoadc.govt.nz

Council manages a process for the community to identify its desired outcomes and that process is described in more detail elsewhere in this LTP. Having identified the desired outcomes the Council, in consultation with the community, decides how it will contribute to those outcomes. It is not all about Council, with some outcomes delivered by other organisations. However, for each outcome there will be an activity of Council that contributes in some way.

Having decided what activities it needs to be involved with, or what services it needs to provide, Council establishes the objectives it has for those activities or services.

The goals and principal objectives identified form the basis of our statements of level of service, which are detailed below.

There is a cost associated with delivering the levels of service described and those costs are what are presented in the ten-year budgets below.

Council also determines who should carry the cost. The Māori Relationships activity funding is sourced from general rates which is described more fully below.

The provision of Māori Relationships activities to residents, ratepayers, and stakeholders, influences and contributes to Council's strategic goal of the provision of 'Community Development and Participation'. In particular the Māori Relationships activities are an integral part of achieving the following specified outcome, 'A community that values and promotes its culture and heritage'.

Community outcomes to which the activity contributes & how it contributes

Council has an obligation 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. To enable this, Council has made a commitment to continue to deliver the services currently provided and to continue to focus on the previously adopted community outcomes.

How the Māori relationships activity contributes to those community outcomes is shown in the following table.

Community Outcomes	1. A strong, prosperous and thriving economy	2. A safe and secure community	3. A lifetime of good health and well-being	4. An environment that is appreciated, protected and sustained for future generations	5. Supportive, caring and valued communities	6. A safe and integrated transport system	7. Strong district leadership and a sense of belonging	8. Safe and accessible recreational facilities	9. A community that values and promotes its culture and heritage
Māori Relationships Contribution			Tangata Whenua and Māori feel connected and part of the district's communities. Māori have confidence in the decision-making process and are inspired to actively participate.						

How people can judge the Council

The principle goal of Māori Relationships is to provide qualified strategic and social policy advice on matters that impact on Tangata Whenua, and the wider Māori Community, to Council and management in the pursuit of sound well-founded decisions.

The principal objectives of Māori Relationships are to ensure:

- all Council decisions on matters that impact on Tangata Whenua and the Māori community are supported by robust analysis.
- covering the four well-beings.
- decisions are evidence based, transparent and future focussed.
- Tangata Whenua and the Māori Community are included in Council decision-making processes.
- decisions and policies of Council are clearly communicated publicly and internally regarding matters that impact on Tangata Whenua and the Māori community.



Level of service table with associated performance measures

LEVEL OF SERVICE STATEMENT	COMMUNITY OUTCOME	PERFORMANCE MEASURE	TARGET 2015	TARGET 2016	TARGET 2017
Demand Council will ensure effective representation is maintained.	3	The required number of nominated representatives are received within established timeframes and appointments made to Council's Māori Standing Committee	Achieve measure Vacancies on the Māori Standing Committee are filled. Council to nominate two councillors as representatives on the Māori Standing Committee.		
Access Opportunities are provided for Māori to address Council on policy, report, submissions, and any other Council related business.	3	No less than bi-monthly meetings of the Māori Standing Committee are scheduled, advertised, and conducted on the advertised day.	Achieve measure		
Consultation With respect to Council's Māori Policy the Council will ensure that whenever an option relating to any proposed decision involves a significant decision in relation to land or a body of water, it will take into account the relationship of Māori and their culture and traditions with their ancestral land, water, sites, waahi tapu, valued flora and fauna, and other taonga.	3	Māori Standing Committee meetings, public meetings and special consultative meetings provide opportunities for Māori to contribute to the decision-making process.	Achieve measure Tangata Whenua are actively involved in the design, implementation and evaluation of the consultation process. Advice and analysis is provided in a timely manner and can be supported by appropriate sources/references.		
Costs and Funding Council will manage Māori Relationships activities in a financially viable manner	3	Agreed levels of service are achieved within budget.	Achieve measure Budgets clearly defined and accounted for.		
Customer Service and Satisfaction Council will respond to all enquiries, requests, complaints, and identified issues in a timely manner	3	Council offices are open during the hours displayed. All complaints are responded to within established timeframes.	Achieve measure With the exception of public holidays, Council offices will be open Monday through Friday 9:00am – 4:30pm. Response times to customer enquiries will be as follows: <ul style="list-style-type: none"> • telephone calls (1 working day) • reception (15 minutes) • letters, faxes, e-mail (8 working days). 		

Major issues and projects in the next 10 years

Continual Services Review

In the immediate future, uncertainty exists around the legislative programme of central government and the volume of work it may impose on the Māori Relationships Manager. Assumptions include, but are not limited to:

- Greater community involvement in processes and decision making under the Local Government Act 2002 requiring an increase in demand on Māori Relationships time and resources.
- The treaty claims process in the district is advancing and may require more time and resources for this activity.
- More submissions and a greater number of appeals under the Resource Management Act in the short to medium term.
- Fewer submissions and number of appeals under the Resource Management Act in the medium to long term with increased advocacy.
- An increased understanding of Māori and/or Tangata Whenua perspectives within Council and therefore more efficiently delivered services to Māori and/or Tangata Whenua and lower cost related issues over the medium to long term with increased advocacy.



PROJECTED 10 YEAR FINANCIAL SUMMARY - MAORI RELATIONSHIP

ANNUAL PLAN 2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Expenditure										
139,045 Operational Costs	159,593	164,955	168,606	172,505	175,939	180,468	185,296	190,531	196,111	202,148
- Interest	-	-	-	-	-	-	-	-	-	-
19,040 Overhead Allocation	20,106	21,606	23,112	23,356	23,729	24,530	25,043	25,574	26,534	27,168
- Depreciation	-	-	-	-	-	-	-	-	-	-
158,085 Total Operating Costs	179,699	186,561	191,718	195,861	199,668	204,998	210,339	216,105	222,645	229,316
- Activity Income - Service Charges	-	-	-	-	-	-	-	-	-	-
- Less depreciation not funded	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
158,085 Net Cost of Service	179,699	186,561	191,718	195,861	199,668	204,998	210,339	216,105	222,645	229,316
Capital Expenditure										
- Renewals	-	-	25,000	-	-	25,000	-	-	25,000	-
- New Capital	-	-	-	-	-	-	-	-	-	-
-	-	-	25,000	-	-	25,000	-	-	25,000	-
158,085 Funding Required	179,699	186,561	216,718	195,861	199,668	229,998	210,339	216,105	247,645	229,316
Funded By:										
158,085 Rate Income	179,699	186,561	191,718	195,861	199,668	204,998	210,339	216,105	222,645	229,316
Reserves - Operational Funding	-	-	-	-	-	-	-	-	-	-
- Reserves - Capital Funding	-	-	15,000	-	-	15,000	-	-	15,000	-
- Loans	-	-	-	-	-	-	-	-	-	-
Sale of Assets	-	-	10,000	-	-	10,000	-	-	10,000	-
158,085 Total Funding	179,699	186,561	216,718	195,861	199,668	229,998	210,339	216,105	247,645	229,316

Economic Development

Strategic Planning & Policy
District Promotion
Visitor Information



What the Council does

This activity group covers the range of activities related to economic development. These are:

- strategic planning and policy
- district promotion
- visitor information.

Strategic planning & policy

Economic development is seen as a top priority for Council as the Wairoa district of tomorrow will be materially affected by its current decreasing population trend. This means that for Council to continue to maintain the level of service enjoyed by the district, let alone to improve these services, population decline must be halted or reversed. Vital to this is the need for increased business and employment opportunities, a stronger and more varied local economy while promoting a vibrant living environment.

In March 2012 Council adopted an Economic Development Plan which identified seven key themes – each theme providing its own set of challenges and Council's response to these challenges as a means of influencing economic development.

District Promotion

The aim of district promotion is self-explanatory – promoting the district to potential residents and businesses as well as domestic and international tourists as an attractive place to visit, live, work, or invest in. Throughout the year Council undertakes a small amount of general promotion, primarily with an emphasis on tourism.

Tourism is considered a sector that has potential to provide major economic value to the district as a whole. Our tourism activity is delivered at present by the Visitor Information Centre (Wairoa i-Site) and with regional alliances with Business Hawke's Bay and Tourism Eastland.

The district's communities also contribute to tourism at the regional level through a targeted rate to the Hawke's Bay Regional Council.

Visitor Information

Council manages the Wairoa Visitor Information Centre (Wairoa i-SITE) www.visitwairoa.co.nz which is responsible for:

- promoting the district to domestic and international tourists
- assisting in the co-ordination of events in the district that will attract additional visitors
- co-ordinating activities and promotions of the district
- operating and managing the Information Centre.

The economic development webpage can be accessed through the Wairoa District Council website www.wairoadc.govt.nz

Why the Council does this

Economic development and district promotion are the two activities that the district's communities believe the Council should do. Communitrak surveys repeatedly indicate that this is an area where people would like Council to do more.

Community outcomes to which the activity contributes & how it contributes

	ECONOMIC WELL-BEING		SOCIAL AND CULTURAL WELL-BEING				ENVIRONMENTAL WELL-BEING		
Community Outcomes	1 A strong prosperous and thriving economy.	2 A safe and integrated transport system.	3 A community that values and promotes its culture and heritage.	4 Safe and accessible recreational facilities.	5 Supportive, caring and valued communities.	6 Strong district leadership and a sense of belonging.	7 A safe and secure community.	8 A lifetime of good health and well-being.	9 An environment that is appreciated, protected and sustained for future generations.
Economic Development District Promotion Visitor Information	The principal way in which the activity contributes towards the achievement of this outcome is by the Council maintaining a general overview of trends in the economic well-being of the district and, either alone or in conjunction with others, initiating action for its enhancement whenever potential opportunities come to its notice, and it is appropriate and practicable to do so.								

How people can judge the Council

Council's goal is to provide an economic environment conducive to the growth of a strong and diverse economy that enhances the community's values, resources, environment, and lifestyle. The Wairoa Economic Development Plan details how Council contributes to this activity under seven key themes:

- **Infrastructure**

The right infrastructure such as transport and telecommunications is vital to enabling economic growth and prosperity. The Council will continue to maintain the district roading network to a high standard and work with third parties such as NZTA and telecommunication providers to continue to improve services to the Wairoa district.

- **Regulation**

Council will work with the community and local business to ensure any regulatory requirements are enhancing economic growth through efficiency and proactive communication of processes.

- **Life**

Work with local organisations and central government to enhance the social and physical environment to support a high quality of life.

- **Planning**

Undertake long-term strategic planning of our spatial environments to enable and encourage economic growth.

- **Land**

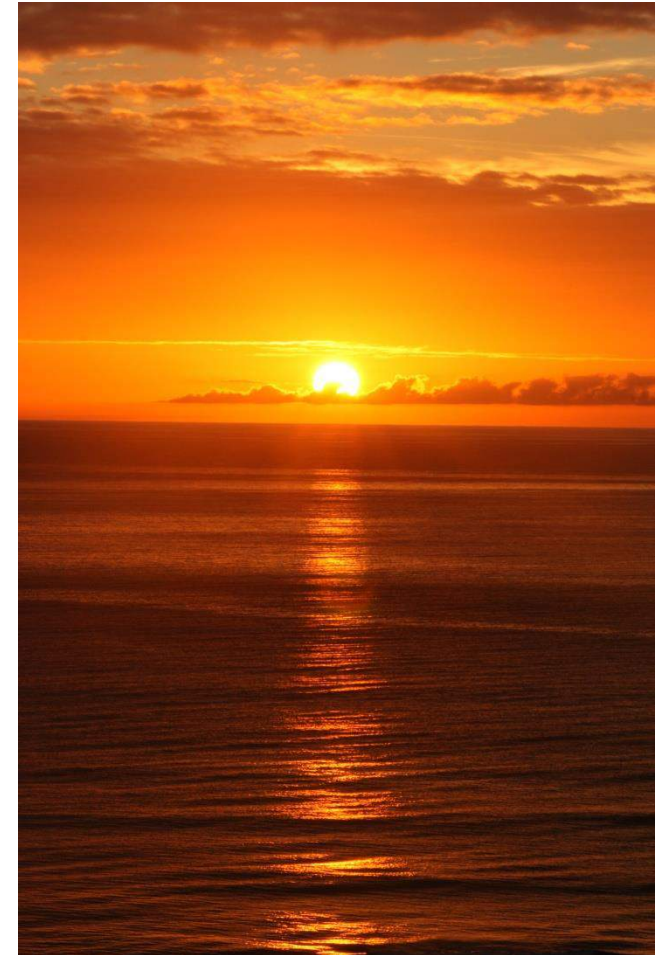
Explore opportunities to enhance productivity of land in the Wairoa district and maximise use of local processing facilities.

- **Visitors**

Explore the opportunities to utilise the abundant natural environment resources available in the Wairoa district to promote and develop a visitor industry.

- **Business**

Work with local and neighbouring businesses and organisations to attract, retain and support business in the Wairoa district.



<i>LEVEL OF SERVICE STATEMENT</i>	<i>COMMUNITY OUTCOME</i>	<i>PERFORMANCE MEASURE</i>	<i>TARGET 2015</i>	<i>TARGET 2016</i>	<i>TARGET 2017</i>
STRATEGY PLANNING & POLICY:	1	Development of Economic Development Plan.	Completed – Action Plan to be developed		
		Number of actions completed in the Economic Development Plan – Action Plan.	40% of actions completed.	60% of actions completed.	80% of actions completed.
DISTRICT PROMOTION Promoting economic development of the district.	1	Number of tourism focused events	Achieve measure		
	1	Number of business promotion events.	Achieve measure		
	1	The number of businesses that have been established in the district annually.	Achieve measure		
		The number of registered unemployed in the district.	Annual reduction in, or at least no increase, in the number of unemployed compared with the same period of the previous year.		
VISITOR CENTRE	1	The number of visitors to the Visitor Information Centre.	Increase of 5% more visitors per annum.		
		Number of visitors who stay overnight in the district.	Achieve measure		
Funding of the net cost of the activity (after any financial assistance that may be available from the government or other sources) by way of the general rate.	1	The cost related to this activity did not exceed the approved budget.	Achieve measure		
Customer complaints will be dealt with promptly and properly.	1	Verbal complaints within 1 working day.	Achieve measure		
		Written complaints within 3 working days.	Achieve measure		

Major issues and projects in the next 10 years

Please refer to the Project Updates section of this plan for details relating to economic development projects.

The next 10 years will be some of the most important for us in deciding the future of Wairoa. There are many challenges including economic development, infrastructure, social and cultural imperatives and this plan seeks to address those in an innovative and cost-effective way.

Throughout the plan's development, Council has sought to consider transformation and investment into the community. The need to arrest and reverse population decline and build our economic capabilities remain vital; economic development is a key priority. Our goal is to partner with others to develop further a Council environment which assists businesses to bring about real change for Wairoa.

Wairoa District Council has a number of initiatives already underway that are targeted directly at contributing to the opportunities our community has to engage with employment and education and to promote Wairoa as a genuine location for business to be based and to prosper. Council cannot succeed alone. Broad community support and being able to successfully partner with other organisations is critical.



PROJECTED 10 YEAR FINANCIAL SUMMARY - ECONOMIC DEVELOPMENT

ANNUAL PLAN 2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	
Expenditure											
200,000	Operational Costs	286,000	295,000	291,892	331,903	307,896	328,278	332,243	336,779	347,888	358,580
4,800	Interest	4,800	10,950	10,950	10,950	10,950	10,950	10,950	10,950	10,950	6,150
25,981	Overhead Allocation	30,123	32,409	34,668	35,034	35,594	36,796	37,565	38,361	39,801	40,752
-	Depreciation	-	-	-	-	-	-	-	-	-	-
230,781	Total Operating Costs	320,923	338,359	337,510	377,887	354,440	376,024	380,758	386,090	398,639	405,482
-	- Activity Income - Service Charges	-	-	-	-	-	-	-	-	-	-
-	- Less depreciation not funded	-	-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-	-
230,781	Net Cost of Service	320,923	338,359	337,510	377,887	354,440	376,024	380,758	386,090	398,639	405,482
Capital Expenditure											
80,000	Renewals	-	-	-	-	-	-	-	-	-	-
-	New Capital	-	102,500	-	-	-	-	-	-	-	-
80,000		-	102,500	-	-	-	-	-	-	-	-
310,781	Funding Required	320,923	440,859	337,510	377,887	354,440	376,024	380,758	386,090	398,639	405,482
Funded By:											
180,781	Rate Income	208,123	338,359	337,510	377,887	354,440	376,024	380,758	386,090	398,639	405,482
50,000	Reserves - Operational Funding	112,800	-	-	-	-	-	-	-	-	-
-	- Reserves - Capital Funding	-	-	-	-	-	-	-	-	-	-
80,000	Loans	-	102,500	-	-	-	-	-	-	-	-
-	Sale of Assets	-	-	-	-	-	-	-	-	-	-
310,781	Total Funding	320,923	440,859	337,510	377,887	354,440	376,024	380,758	386,090	398,639	405,482

Activity Group Seven Corporate Functions

- **Property**
- **Corporate & Funds Management**
- **Council-controlled Organisations**

WAIROA DISTRICT COUNCIL
PROSPECTIVE FUNDING IMPACT STATEMENT - PROPERTY
LTP 2015-2025

ANNUAL PLAN 2014/15		BUDGET 2015/16	BUDGET 2016/17	BUDGET 2017/18	BUDGET 2018/19	BUDGET 2019/20	BUDGET 2020/21	BUDGET 2021/22	BUDGET 2022/23	BUDGET 2023/24	BUDGET 2024/25
Sources of Operating Funding											
183,688	General rates, uniform annual charges, rates penalties	88,629	255,607	266,744	259,855	274,949	277,357	279,569	278,333	291,186	283,675
46,424	Targeted rates (other than a targeted rate for water supply)	23,525	18,844	19,497	20,003	20,574	21,243	21,913	22,641	23,479	24,321
-	- Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-
121,180	Fees charges and targeted rates for water supply	274,390	284,973	303,791	310,240	304,340	311,941	320,078	328,999	338,550	348,904
-	Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-	-	-	-	-	-
351,292	Total Operating Funding	386,544	559,424	590,032	590,098	599,863	610,541	621,560	629,973	653,215	656,900
Applications of Operating Funding											
338,921	Payments to staff and suppliers	347,273	344,965	373,597	373,165	375,263	384,750	394,901	402,407	424,208	426,820
84,693	Finance costs	84,693	130,773	130,773	130,773	127,773	127,773	127,773	127,773	127,773	127,773
(149,130)	Internal charges and overheads applied	23,551	25,620	27,404	27,695	28,137	29,085	29,696	30,322	31,461	32,213
-	- Other operating funding applications	-	-	-	-	-	-	-	-	-	-
274,484	Total applications of operating funding	455,517	501,358	531,774	531,633	531,173	541,608	552,370	560,502	583,442	586,806
76,808	Surplus (Deficit) of operating funding	(68,973)	58,066	58,258	58,465	68,690	68,933	69,190	69,471	69,773	70,094
Sources of capital funding											
1,000,000	Subsidies and grants for capital expenditure	1,000,000	-	-	-	-	-	-	-	-	-
-	- Development and financial contributions	-	-	-	-	-	-	-	-	-	-
1,155,000	Increase (decrease) in debt	-	768,000	-	-	-	-	-	-	-	-
-	- Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
-	- Lump sum contributions	-	-	-	-	-	-	-	-	-	-
2,155,000	Total sources of capital funding	1,000,000	768,000	-	-	-	-	-	-	-	-
Application of capital funding											
50,000	Capital expenditure - to meet additional demand	-	-	-	-	-	-	-	-	-	-
1,779,465	- to improve the level of service	1,000,000	768,000	-	-	-	-	-	-	-	-
504,728	- to replace existing assets	103,000	52,736	51,430	78,613	159,414	575,269	186,558	42,380	100,066	163,609
(102,385)	Increase (Decrease) in reserves	(171,973)	5,330	6,828	(20,148)	(90,724)	(506,336)	(117,368)	27,091	(30,293)	(93,515)
-	- Increase (Decrease) of investments	-	-	-	-	-	-	-	-	-	-
2,231,808	Total application of capital funding	931,027	826,066	58,258	58,465	68,690	68,933	69,190	69,471	69,773	70,094
(76,808)	Surplus (Deficit) of capital funding	68,973	(58,066)	(58,258)	(58,465)	(68,690)	(68,933)	(69,190)	(69,471)	(69,773)	(70,094)
-	Funding Balance	-	-	-	-	-	-	-	-	-	-
503,230	Group depreciation and amortisation	495,808	495,989	496,181	496,386	496,613	496,855	497,112	497,394	497,695	498,015

WAIROA DISTRICT COUNCIL
PROSPECTIVE FUNDING IMPACT STATEMENT - CORPORATE & FUNDS MANAGEMENT (INVESTMENTS)
LTP 2015-2025

ANNUAL PLAN 2014/15	BUDGET 2015/16	BUDGET 2016/17	BUDGET 2017/18	BUDGET 2018/19	BUDGET 2019/20	BUDGET 2020/21	BUDGET 2021/22	BUDGET 2022/23	BUDGET 2023/24	BUDGET 2024/25
Sources of Operating Funding										
(694,838) General rates, uniform annual charges, rates penalties	(176,874)	(130,434)	(24,932)	(81,889)	(77,678)	41,752	46,722	97,155	280,476	385,954
Targeted rates (other than a targeted rate for water supply)	-	-	-	-	-	-	-	-	-	-
- Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-
Fees charges and targeted rates for water supply	-	-	-	-	-	-	-	-	-	-
800 Local authorities fuel tax, fines, infringement fees, and other receipts	950,736	864,018	807,731	812,137	775,568	719,976	639,875	581,008	468,522	287,674
59,833 Total Operating Funding	773,862	733,584	782,799	730,248	697,890	761,728	686,597	678,163	748,998	673,628
Applications of Operating Funding										
54,833 Payments to staff and suppliers	773,862	733,584	782,799	730,248	697,890	761,728	686,597	678,163	748,998	673,628
- Finance costs	-	-	-	-	-	-	-	-	-	-
- Internal charges and overheads applied	-	-	-	-	-	-	-	-	-	-
- Other operating funding applications	-	-	-	-	-	-	-	-	-	-
54,833 Total applications of operating funding	773,862	733,584	782,799	730,248	697,890	761,728	686,597	678,163	748,998	673,628
5,000 Surplus (Deficit) of operating funding	-	-	(0)	(0)	(0)	(0)	(0)	0	(0)	(0)
Sources of capital funding										
- Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-
- Development and financial contributions	-	-	-	-	-	-	-	-	-	-
- Increase (decrease) in debt	-	-	-	-	-	-	-	-	-	-
- Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
- Lump sum contributions	-	-	-	-	-	-	-	-	-	-
- Total sources of capital funding	-	-	-	-	-	-	-	-	-	-
Application of capital funding										
Capital expenditure	-	-	-	-	-	-	-	-	-	-
- to meet additional demand	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	-	-	-	-	-	-	-	-	-	-
- to replace existing assets	-	-	-	-	-	-	-	-	-	-
5,000 Increase (Decrease) in reserves	-	-	-	-	-	-	-	-	-	-
- Increase (Decrease) of investments	-	-	-	-	-	-	-	-	-	-
5,000 Total application of capital funding	-	-	-	-	-	-	-	-	-	-
(5,000) Surplus (Deficit) of capital funding	-	-	-	-	-	-	-	-	-	-
- Funding Balance	-	-	-	-	-	-	-	-	-	-
- Group depreciation and amortisation	-	-	-	-	-	-	-	-	-	-

Property



For more details:

Refer to the relevant [section](#) of the Property Asset Management Plan. Alternatively contact Wairoa District Council's Asset Management Department on (06) 838 7309 or visit our offices to discuss any queries you may have.

What the Council does

Wairoa District Council provides a range of services within the property activity:

- campground
- Information Centre
- corporate property such as the Council offices
- community halls
- pensioner and staff housing
- commercial property
- land investments (not part of the property AMP)
- Wairoa Community Centre
- Wairoa Library. [Section 4.1](#)

An arrangement with Sport Hawke's Bay and Council has been developed to deliver the Community centre service.

Council has created a Property Asset Management Plan (AMP). The intention of the AMP is to become a facilities management document that deals with the sustainability of the physical structures of Council's property assets. [Section 1](#)

The intention is to provide our tenants/lessees with a single point of contact and communication. As such, the administration and finance managers are effectively the 'landlord' on behalf of Council, while the Engineering Manager is the property maintenance contractor.

Why the Council does this

For all infrastructure assets, Council has a role to:

- identify levels of service and monitor performance
- manage impact of growth through demand management and asset development
- identify, assessing and manage risks that may impact on the activity
- develop and implement the most cost-effective strategies for operating, maintaining, replacing and/or improving the assets
- have a long-term financial plan which identifies required expenditure and how it will be funded

The benefits of understanding the asset/service environment are:

- improved cost efficiency and reduced costs
- improved customer satisfaction
- transparency in decision making
- sustainability.

There is also a statutory basis for Council's involvement in this activity. [Section 2.1](#)

Current legislation and regulations which set the minimum service levels that must be provided, and which affect asset operation, maintenance and development of the property activity include:

- Building Act 2004
- Fencing Act 1978
- Fencing of Swimming Pools Act 1987
- Health Act 1956
- Plumber, Gas Fitters and Drain Layers Act 1976
- Property Law Act 2007
- Residential Tenancies Act 1986.

Community Outcomes & how the Property Activity Contributes

Council has an obligation 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. To enable this, Council has made a commitment to continue to deliver the services currently provided and to continue to focus on the previously adopted community outcomes.

How the property activity contributes to those community outcomes is shown in the following table

Community Outcomes	1. A strong prosperous and thriving economy.	2. A safe and secure community.	3. A lifetime of good health and well-being.	4. An environment that is appreciated, protected and sustained for future generations.	5. Supportive, caring and valued communities	6. A safe and integrated transport system.	7. Strong district leadership and a sense of belonging.	8. Safe and accessible recreational facilities.	9. A community that values and promotes its culture and heritage.
Property Contribution	Provision is made for property services at less than market rates.	Correct management of property ensures safe and secure communities.	Future planning of the activity ensures a sustainable service over time.	Compliance with RMA and legislative requirements ensures a protected environment.	Community halls managed and operated by local groups encourages an inclusive community.			Correct management of the community centre ensures a safe facility for the public.	Community halls managed and operated by local groups encourages unique culture at a community level.

Asset condition and performance

The Property Asset Management Plan provides details of the facilities and Council holds an inventory of all assets within those facilities.

The majority of the Council's property assets are considered to be fit for purpose, in acceptable to good condition and adequate for the foreseeable future

[Section 4.3 and 4.4](#)

A reactive maintenance regime in the past has generally meant that any performance issues are dealt with effectively and efficiently. However a

move to a proactive approach for longer term renewals is deemed best practice. This will involve a more formal condition assessment and replacement programme to best meet the levels of service adopted.

[Section 6.4](#)

How people can judge the Council

Council's goal for this activity is: '**Reliable, cost-effective, sustainable and safe provision of property assets**'.

[Section 1.2](#)

Council wants to know what customers need to

better deliver the property service as an effective activity. Council intends to monitor this through the level of service and performance measure framework. This framework utilises the customer service request system (CSR), annual surveys and submission service.

[Sections 2.2 and 2.3](#)

The table below details what the Council will deliver as a level of service statement. The community outcomes that the specific statement contributes to are also detailed. How Council will monitor progress is then detailed as performance measures, with associated yearly targets.

[Section 2.5](#)

Level of service table with associated performance measures

LEVEL OF SERVICE STATEMENT	COMMUNITY OUTCOME	PERFORMANCE MEASURE	TARGET 2015	TARGET 2016	TARGET 2017
Council will continue to provide property services to meet the current and foreseeable demand of the community including: <ul style="list-style-type: none"> Commercial Corporate Halls Staff & Pensioner housing Campgrounds and The Wairoa Community Centre 	1, 2, 3, 4 & 8	The listed facilities will be provided and maintained to enable continued service provision	Council will have in place, at all times, suitable maintenance contract/s and / or arrangements to enable provision of the services		
		Community's willingness to pay for the service will be considered	Monitor for complaints of cost of service through Annual Plan process		
		The provision of the services shall be adequate for current and foreseeable demand	Use census data to assess adequacy of facilities provided	Survey key stakeholders / users to determine likely future demand for the services	Future Development / Disposal Plans to be prepared for all property facilities
Council will comply with current legislation and Council bylaws	1, 2, 3, 4 & 8	Council shall meet all legislation requirements	Review current legislation for compliance		
		Council's 'Public Safety Bylaw' shall be enforced	Council shall provide for monitoring of the Bylaw		
			All known breaches of the bylaw shall be addressed as provided for in the bylaw		
		Facilities shall meet all relevant safety standards	Facilities shall meet all relevant safety standards		
Council will maintain the facilities to ensure long term sustainability	1, 2, 3, 4 & 8	Asset database to be maintained	Asset database to be set up in AssetFinda	Detailed condition assessment of all assets	Maintain asset database up-to-date
			Develop programme to update asset database annually		
Council will undertake operational, maintenance and renewals activities in a cost-effective manner	1, 2, 3, 4 & 8	All maintenance, renewals and other programmed and reactive works are completed on time and within budget	Forward works programme to be set as part of Annual Plan process		
			Works to be within budget +/- 5%		
		Operational and maintenance activities are undertaken in a safe and healthy manner	No health and safety non compliances are received or issued		
			Annual review of hazard register		
Customers will receive a prompt and efficient service		Level of customer satisfaction through annual survey indicates a 'fairly good', 'very good' or better	80% satisfaction rating.		
		Analysis of CSR complaints to enable issues to be addressed	Number of complaints shall reduce		
Council will implement systems / processes to ensure continued service delivery in emergency events		Contingency plans shall be implemented for emergency events such as earthquake and flooding where services may be affected or facilities damaged	Annual meeting with civil defence team		
			Contingency plans shall be developed	Contingency plans shall be reviewed	

Major issues and projects in the next 10 years

Affordability and sustainability in a declining population base are key factors to consider as well as the projected changes in demographics.

Council Offices

Provision has been made to undertake renewals to the existing building in 2019/20 and then extend in 2020/21. A total budget of \$550,000 has been allocated

Learners Pool

\$1.8 million has been allocated to construct a new learner's pool adjacent to the Community Centre 2015-2017.

Other works

Other specific works that have been identified over the next 10 years for property facilities includes:

- Exterior painting of pensioner housing (\$126,000)
- Various renewals and upgrade works at the Community Centre both on the building and the pool (\$1.4 million)
- Various Library Upgrade works estimated at \$41,000

Achievement of 'CORE' level asset management practice

A 'Core' level of assessment management will ensure that the property assets are managed in the most effective and efficient way to give optimum solutions, so delivering what the ratepayer wants at a cost-effective price.

Core asset management entails a proactive approach for which Council needs to have a good understanding of the asset. This is done through collecting condition information and integrating risk options into core business. Council is developing processes to ensure this is implemented.

Section 8.2



PROJECTED 10 YEAR FINANCIAL SUMMARY - PROPERTY

ANNUAL PLAN 2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Expenditure										
338,921	347,273	344,965	373,597	373,165	375,263	384,750	394,901	402,407	424,208	426,820
84,693	84,693	130,773	130,773	130,773	127,773	127,773	127,773	127,773	127,773	127,773
23,202	23,551	25,620	27,404	27,695	28,137	29,085	29,696	30,322	31,461	32,213
503,230	495,808	495,989	496,181	496,386	496,613	496,855	497,112	497,394	497,695	498,015
950,046	951,325	997,347	1,027,955	1,028,019	1,027,786	1,038,463	1,049,482	1,057,896	1,081,137	1,084,821
1,293,512	1,274,390	284,974	303,792	310,239	304,341	311,941	320,078	329,000	338,550	348,903
419,589	437,922	437,922	437,922	437,922	427,922	427,922	427,922	427,922	427,922	427,922
1,713,101	1,712,312	722,896	741,714	748,161	732,263	739,863	748,000	756,922	766,472	776,825
-	-	-	-	-	-	-	-	-	-	-
(763,055)	(760,987)	274,451	286,241	279,858	295,523	298,600	301,482	300,974	314,665	307,996
-	-	-	-	-	-	-	-	-	-	-
- Capital Expenditure										
546,728	103,000	52,736	51,430	78,613	159,414	575,269	186,558	42,380	100,066	163,609
1,829,465	1,000,000	768,000	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
2,376,193	1,103,000	820,736	51,430	78,613	159,414	575,269	186,558	42,380	100,066	163,609
-	-	-	-	-	-	-	-	-	-	-
1,613,138	342,013	1,095,187	337,671	358,471	454,937	873,869	488,040	343,354	414,731	471,605
Funding Required										
-	-	-	-	-	-	-	-	-	-	-
- Funded By:										
230,112	112,154	274,451	286,241	279,858	295,523	298,600	301,482	300,974	314,665	307,996
10,500	126,859	-	-	-	-	-	-	-	-	-
217,526	103,000	52,736	51,430	78,613	159,414	575,269	186,558	42,380	100,066	163,609
1,155,000	-	768,000	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
1,613,138	342,013	1,095,187	337,671	358,471	454,937	873,869	488,040	343,354	414,731	471,605
Total Funding										

Corporate & Funds Management

What the Council does

This activity covers the management of corporate funds derived from Council investment in the following financial assets:

- equity investments and loan advances
- property investments
- treasury investments.

These investments generate funds for Council that can be used to offset expenditure associated with day-to-day operations. When there are excess balances in Special Funds, Council may authorise an internal advance to particular Council capital projects in the form of bridging finance.

The management of Council's investment funds is conducted on behalf of Council by First NZ Capital Securities in line with Council Treasury Policy.

Why the Council does this

Council's investment portfolio provides a revenue stream that, when a surplus is generated, could be used for other Council projects and infrastructure improvements.

How people can judge the Council

In its treasury investment activity, Council's primary objective when investing is the protection of its investment. Accordingly, only investments with creditworthy parties are acceptable.

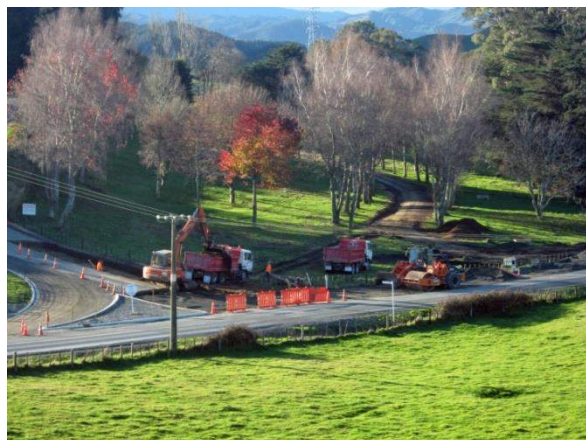
Community Outcomes

1 A strong prosperous and thriving economy.	The principal way in which the activity contributes towards the achievement of this outcome is by the Council maintaining a general overview of the trends in the economic well-being of the district and – either alone or in conjunction with others – initiating action for its enhancement whenever potential opportunities come to its notice, and it is appropriate and practicable to do so.
2 A safe and integrated transport system.	
3 A community that values and promotes its culture and heritage.	
4 Safe and accessible recreational facilities.	
5 Supportive, caring and valued communities.	
6 Strong district leadership and a sense of belonging.	
7 A safe and secure community.	
8 A lifetime of good health and well-being.	
9 An environment that is appreciated, protected and sustained for future generations.	

PROJECTED 10 YEAR FINANCIAL SUMMARY - CORPORATE & FUNDS MANAGEMENT (INVESTMENTS)

ANNUAL PLAN 2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Expenditure										
490,686 Operational Costs	773,862	733,584	782,799	730,248	697,890	761,728	686,597	678,163	748,998	673,628
- Interest	-	-	-	-	-	-	-	-	-	-
- Overhead Allocation	-	-	-	-	-	-	-	-	-	-
- Depreciation	-	-	-	-	-	-	-	-	-	-
490,686 Total Operating Costs	773,862	733,584	782,799	730,248	697,890	761,728	686,597	678,163	748,998	673,628
1,190,524 Activity Income - Service Charges	950,736	864,018	807,731	812,137	775,568	719,976	639,875	581,008	468,522	287,674
- Less depreciation not funded	-	-	-	-	-	-	-	-	-	-
1,190,524	950,736	864,018	807,731	812,137	775,568	719,976	639,875	581,008	468,522	287,674
(699,838) Net Cost of Service	(176,874)	(130,434)	(24,932)	(81,889)	(77,678)	41,752	46,722	97,155	280,476	385,954
Capital Expenditure										
- Renewals	-	-	-	-	-	-	-	-	-	-
- New Capital	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
(699,838) Funding Required	(176,874)	(130,434)	(24,932)	(81,889)	(77,678)	41,752	46,722	97,155	280,476	385,954
Funded By:										
(694,838) Rate Income	(176,874)	(130,434)	(24,932)	(81,889)	(77,678)	41,752	46,722	97,155	280,476	385,954
(5,000) Reserves - Operational Funding	-	-	-	-	-	-	-	-	-	-
- Reserves - Capital Funding	-	-	-	-	-	-	-	-	-	-
- Loans	-	-	-	-	-	-	-	-	-	-
- Sale of Assets	-	-	-	-	-	-	-	-	-	-
(699,838) Total Funding	(176,874)	(130,434)	(24,932)	(81,889)	(77,678)	41,752	46,722	97,155	280,476	385,954

Council-controlled Organisations



What the Council does

Council-controlled organisations (CCOs) can be an effective, efficient and financially viable way for Council to deliver services and activities.

The Local Government Act 2002 defines CCOs as entities in which the Council has more than 50% shareholding, or the ability to appoint more than 50% of the directors. There are trading and non-trading CCOs. Council-controlled trading organisations (CCTOs) operate like a company undertaking trading for the purpose of making a profit.

Wairoa District Council has one CCO (which is also classified as a CCTO), Quality Roading and Services (Wairoa) Ltd. (QRS).

Why the Council does this

Council believes that it is important to maintain expertise in construction, roading and maintenance work in the Wairoa district, and to reduce costs to the ratepayer by providing effective competition.

How people can judge the Council

CCOs are accountable to the Council, which determines the objectives for each CCO and monitors its performance. The Council is accountable to its ratepayers and residents for the performance of the CCOs. Each CCO is required to agree to a Statement of Intent with the Council each year and to make this available to the public. The Statement of Intent sets out the CCO's nature and scope of activities, key

performance targets and reporting requirements along with other matters. At the end of each financial year each CCO must report performance against the Statement of Intent.

Section 59 of the Local Government Act 2002 states that the principal objective of a CCO is to:

- Achieve the objectives of its shareholders, both commercial and non-commercial, as specified in the Statement of Intent.
- Be a good employer.
- Exhibit a sense of social and environmental responsibility by having regard to the interests of the community in which it operates and by endeavouring to accommodate or encourage these when able to do so.
- If the CCO is a CCTO, to conduct its affairs in accordance with sound business practice.

The Local Government Act 2002 requires the Council to include in the Long-term Plan information on CCOs. This section summarises information derived from QRS's Statement of Intent 2014-2015.

Quality Roading and Services (Wairoa) Ltd.
QRS is a CCO that is 100% owned by the Wairoa District Council.

Further information on QRS is available from their website www.qrs.co.nz

Nature and scope of activities

QRS is a specialist construction and maintenance provider of all types of civil construction, infrastructure and roading. The principal activities of the company are:

- roading maintenance and construction
- civil construction
- quarrying
- utility services
- reserves maintenance
- heavy transport
- other activities associated with any of the above.

Future revenues generated by QRS are provided to Council (100% shareholder) by way of dividends at 40% tax-paid profit.

Policy and objectives in relation to ownership

Council does not intent to change the ownership or control of QRS over the term of this plan.

Council's objectives for Quality Road and Services (Wairoa) Ltd are:

- To ensure the company is profitable, and all financial targets are met.
- To ensure the company has a positive cash flow.
- To ensure the governance of the company is effective.

Key performance targets

The following performance targets are the measures by which the company's performance will be judged.

	2015	2016	2017
Net profit before tax as a percentage of opening shareholder funds	9%	10%	10%
Total cost of public debt servicing not to exceed 20% of operating revenue	20%	20%	20%
Ratio of shareholder funds to total assets – not less than.	45%	45%	45%
Local permanent workforce	>60	>60	>60



Significant Forecasting Assumptions and Risks

Schedule 10 (section 17) of the Local Government Act 2002 requires Council to include in its Long-term Plan the disclosure of 'significant forecasting assumptions' and risks underlying the financial estimates. Where there is a high level of uncertainty, Council is required to state the reason for that level of uncertainty and provide an estimate of the potential effects on the financial assumptions.

Council has made a number of assumptions underlying the financial estimates and forecasts for the ten-year planning term covered by this Long-term Plan. The forecasting assumptions do not include statements of fact that fall within the decision-making discretion of the Council, nor do they include reasonably unlikely events or probabilities about which an assumption needs to be made. Such matters are included in the activity statements or description of activity groups in this Long-term Plan and/or its related Asset Management Plans.

Forecasting Assumptions	Risk	Likelihood of Occurrence	Financial Materiality	Reasons and Financial Effect of Uncertainty
ALL ACTIVITIES				
Inflation – The financial information is based on costs and income adjusted for inflation. Council has used the BERL forecasts of price level changes to calculate costs and income for years 2-10 of the plan. See below.	That actual inflation will be significantly different from the assumed inflation.	Low Years (1-3) Medium Years (4-10)	Low Years (1-3) Medium Years (4-10)	Inflation is affected by external economic factors. Council's costs and the income required to fund those costs will increase by the rate of inflation unless efficiency gains can be made.

Forecasting Assumptions	Risk	Likelihood of Occurrence	Financial Materiality	Reasons and Financial Effect of Uncertainty					
Local Government Cost Index, % annual change									
Table 3: Adjustors: % per annum change									
	Road	Property	Water	Energy	Staff	Other	Earth-moving	Pipelines	Private sector wages
Year ending	%pa change								
Jun 12	5.2	3.3	6.0	15.4	2.3	2.4	4.7	3.1	2.1
Jun 13	1.1	1.7	-2.8	-1.8	2.1	2.9	2.1	-2.7	1.9
Jun 14	0.7	1.9	-2.1	1.3	1.9	1.8	2.8	-2.5	1.7
Jun 15	0.4	1.9	4.7	4.2	1.6	1.5	1.7	1.8	1.7
Jun 16	1.2	2.2	5.2	3.5	1.8	2.3	1.8	2.1	1.7
Jun 17	1.4	2.4	3.8	3.8	1.9	2.5	2.6	2.5	1.8
Jun 18	2.2	2.5	3.0	3.9	2.0	2.6	2.4	2.6	1.9
Jun 19	2.4	2.6	3.2	4.1	2.1	2.7	2.0	2.8	2.0
Jun 20	2.5	2.8	3.3	4.3	2.2	2.9	2.1	2.9	2.1
Jun 21	2.7	2.9	3.5	4.5	2.3	3.0	2.3	3.1	2.1
Jun 22	2.8	3.0	3.7	4.7	2.4	3.1	2.4	3.2	2.2
Jun 23	3.0	3.2	3.8	4.9	2.5	3.3	2.5	3.4	2.3
Jun 24	3.1	3.3	4.0	5.1	2.6	3.4	2.9	3.5	2.4
Jun 25	3.3	3.4	4.2	5.3	2.7	3.6	3.1	3.6	2.5
20-year avge %pa	3.2	2.9	3.5	4.7	2.4	3.0	3.0	3.0	2.2
<i>Source: BERL</i>									
Natural disasters – There will be no natural disaster requiring emergency work that cannot be funded out of the budgetary provisions.	That there will be natural disaster event(s) requiring emergency work that cannot be funded out of normal budgetary provisions.	Medium	High	Although Council has faced natural disaster events in the past, and coped adequately, climate change predictions are that some events could become more frequent and more intense. The potential effect of a natural disaster on Council's financial position is dependent upon the scale, duration and location of the event. Central government					

Forecasting Assumptions	Risk	Likelihood of Occurrence	Financial Materiality	Reasons and Financial Effect of Uncertainty
				assistance and insurance contracts would reduce some of the Council financial risk.
Funding sources – Sources of funds are as per the revenue and financing policy.	That some user charges may not be achievable.	Low	Low	Levels of charges have been set at previously achieved levels. Some user charges under budget will be likely to be offset by some user charges over budget.
External funding – Council has assumed that it will continue to receive external funding at current levels from government agencies such as SPARC, MSD, Internal Affairs etc.	That the government agencies will reduce or eliminate funding for various programmes.	Low	Low	Council has received assurances that the programmes will proceed. Council believes that the probability is high that the programme will proceed.
Return on investment – Council has included a projection of dividends from Quality Roding and Services (Wairoa) Ltd. (QRS)	That QRS will not achieve the level of tax-paid profit as estimated in the Long-term Plan.	Low	Moderate	QRS is in a relatively volatile and high-risk business of contracting, and income will fluctuate from year to year. Council expects to receive a dividend of 40% tax-paid profit.
Bank funding – This plan is based on the continuity of funding from an approved banking institution.	That the bank does not continue to provide finance to fund Council activities.	Low	High	Council believes that the likelihood of the withdrawal of bank funding is low, due to the good credit rating and relatively low risk Council has as a public entity. In addition, Council has the ability to set rates at a level sufficient to cover its costs.
Rating differentials – The current rating differentials will remain constant throughout the life of the plan, which includes district rating revaluations in 2015, 2018, 2021 and 2024 affecting rates in the following year.	That differentials will change as a result of the revaluations of property values in the district.	Medium	Medium	Property values could change significantly, and only in certain areas of the district. Differentials are sometimes applied or removed to achieve equity.

Forecasting Assumptions	Risk	Likelihood of Occurrence	Financial Materiality	Reasons and Financial Effect of Uncertainty
Useful lives of significant assets – Council has estimated the useful lives of its significant assets as detailed in the Statement of Accounting policies.	Assets will not last as long as forecast and will need to be replaced before funds are available for replacement of these assets.	Low	Low	Council has an asset management planning and upgrade programme in place. Asset capacity and condition is monitored, with replacement works being planned in accordance with standard asset management and professional practices.
Currency movements and related asset values – It has been assumed that currency movements of exchange rates will not fluctuate significantly during the ten-year period.		High	Low	Council does not have exposure to currency movement risk in respect of significant assets or liabilities.
Consent renewals – Council bases its future projections on the expectation that consents will be renewed for its activities including sewerage, waste management and stormwater.	That approving bodies will fail to renew any of the consent renewals that council requires to carry out its activities.	Low	High	Council has no reason to believe that any of the consents that it operates under will not be renewed. Any failure to renew consents could significantly affect the ability of Council to provide an effective service, with a potentially high cost to Council.
Revaluation – These projections include a three-yearly estimate to reflect the change in asset valuations.	Infrastructure assets are to be revalued for 2016-17 and 2019-20, which may alter the depreciation expense.	High	Low	Revaluations affect the carrying value of infrastructure assets and the depreciation charge in the year. Financial effect of uncertainty unable to be quantified.
Depreciation on planned asset acquisitions – Council has used depreciation rates for planned asset acquisition.	That more detailed analysis of planned capital works once complete may alter the depreciation expense.	Low	Low	Council has an asset management planning and upgrade programme in place. Asset capacity and condition is monitored, with replacement works being planned in accordance with standard asset management and professional practices. Depreciation is calculated in accordance with normal accounting and asset management practices.

Forecasting Assumptions	Risk	Likelihood of Occurrence	Financial Materiality	Reasons and Financial Effect of Uncertainty
Asset sales – This plan has included sale of assets as a source of finance in replacement of assets.	That Council will not achieve the level of funding from the sale of assets anticipated in the plan.	Low	Low	Council believes that it has made reasonable assumptions on the likely financial return from the sale of assets, but recognises that there is a reasonable degree of uncertainty in achieving these estimates.
Replacement assets – The replacement of existing assets does not mean an increased level of service, unless otherwise stated in the text.	That the replacement of existing assets increases the level of service due to technological changes or through adoption of best practice.	Low	Low	In most cases increased levels of service are associated with construction of new assets. Council asset managers have already adopted known best practice techniques.
New assets – The construction of new assets increases level of service and/or capacity, unless otherwise stated in the text.	That the construction of new assets does not meet the agreed level of service and/or does not provide adequate capacity.	Low	Low	For most new assets there are relatively long project planning and design phases. Wherever possible asset managers design and construct new assets with future levels of service and capacity in mind.
Renewal and capital work – Programmes are completed on time and on budget.	Delays in completion of a major capital project may delay completion of other projects due to extra pressure on staff and on council funding.	Medium	Medium	Council regularly manages capital projects that are carried forward from previous accounting periods. Projects with lower priority and that are less time sensitive would be delayed.
Capital works costs – On average, costs of major capital works will not vary significantly from costs estimated at the concept stage and adjusted for inflation.	That some project costs turn out greater than estimates, resulting in increased debt levels.	Medium Years (1-3) High Years (4-10)	Medium Medium	Council has a higher level of confidence regarding the costs of capital projects in the short term but less certainty in the longer term due to possible fluctuations in the economy, growth patterns, consent conditions etc. The potential effects of the uncertainty on the financial statements would be difficult to estimate.
Borrowing and expected interest rates -	In the future, interest	Medium	Medium	The Council has a Liability Management Policy

Forecasting Assumptions	Risk	Likelihood of Occurrence	Financial Materiality	Reasons and Financial Effect of Uncertainty
We will continue to loan fund at varying rates of interest. Expected interest rates are outlined in table three.	rates may be higher than forecast.			which contains strategies to protect ratepayers against significant fluctuations.
ROADING				
New Zealand Transport Agency (NZTA) – Ratepayer contributions provide 32% of the funding towards the land transport system with 68% Government subsidy, increasing 1% per annum to a maximum of 75% financial assistance rate.	Changes in subsidy rate and variation in criteria for inclusion in subsidised works programme.	Medium Years (1-3) High Years (4-10)	Medium Medium	NZTA funding priorities may change as a result of the Land Transport Management Act 2003. Variations in subsidy are possible given the new government priority assigned to Auckland roads.
WASTEWATER				
Funding – Council has assumed that Council will fund and repay through targeted rates the non-subsidised costs of constructing the Mahia wastewater scheme.	That some ratepayers will elect to meet their share of the capital cost of the project 'up front'.	High	Medium	The cost and repayment of funds raised by Council to construct the scheme will be linked to the individual ratepayer properties. 'Up front' ratepayer payments will reduce the level of funding required by Council and a corresponding reduction in targeted rates.
Replacement – Council intends that the renewal of the Mahia wastewater scheme will be funded through external loans.	That a similar level of central government subsidy will not be available.	High	High	The scheme is not being depreciated and therefore its renewal is not being funded by current ratepayers. This is on the basis that the existing scheme is being loan funded. However, future scheme renewal may not receive a subsidy by central government and therefore could impact on future ratepayers.
WATER PRODUCTION				
Tawhara Reservoirs – Council has assumed that the existing Tawhara Reservoirs will not need replacing in the next ten years, however additions and repairs will be made.	That Council is required to replace the Tawhara Reservoirs within the ten years of this plan.	Moderate	Moderate	Council believes that it has made reasonable assumptions on the likely continuity of the Tawhara Reservoirs, but recognises that there is uncertainty that could result in earlier replacement than anticipated.

Other information

Forecasting assumptions	Risk	Likelihood of occurrence	Financial materiality	Reasons and financial effect of uncertainty
Population change – The population of the district will decline during the period of the plan. The level of decline is allowed for at a rate equivalent to the medium projection made by Statistics NZ.	That population change will be a higher than projected decline, putting increased pressure on Council to provide additional infrastructure and services.	Low	Low	Population projections are based on demographic assumptions that do not change quickly. Existing infrastructure and service levels are not likely to require increased investment if population is static or has a small increase.
Ageing population – The population of the district aged 55 and over is expected to increase during the period of the plan. (Source: Statistics NZ Projected Population).	There will be a decline in the ability to pay measures, with more people on fixed incomes.	Medium	Medium	Population projections are based on demographic assumptions that do not change quickly. Existing infrastructure and service levels are not likely to require increased investment if population is static or has a small increase.
Approach to potential societal changes – Council has prepared the ten-year plan on the basis of best estimates, with a relatively stable society, and little societal change.	That there is significant change in society that impacts negatively on Council.	Moderate	Moderate	While change is likely, the implications cannot be quantified. In addition some outcomes may be positive for Council, such as the devolution of responsibility with activities passing from Council to central government.
Consultation – There will be increasing levels of community consultation required as a result of the provisions of the Local Government Act 2002.	Increased resources required to meet legal requirements. Increased community expectations regarding consultation and engagement.	Medium	Low	Increased legislative requirements around the need for consultation are occurring and more such legislation is being considered.
Levels of service – Changes in customer expectations regarding levels of service will not significantly change so that they impact on asset requirements or operating costs unless otherwise stated in the text.	There are significant changes in customer expectations regarding levels of service.	Low	Medium	Most communities have already defined the levels of service they expect, and what they are prepared to pay for that level of service. While customer expectations may change, the practicality of meeting these changes through amendments to contracts and level of service agreements would be a long-term process.

Forecasting assumptions	Risk	Likelihood of occurrence	Financial materiality	Reasons and financial effect of uncertainty
Council policy – There will be no significant changes to Council policy as summarised in this plan.	New legislation is enacted that requires a significant policy response from Council. Election of a new Council with different objectives to the current Council.	Medium	Low	Changes to Council policy to deal with new legislative and Council requirements are part of normal business. Any significant change to Council policy would be assessed in terms of the impact upon Council's financial position. The Local Government Act 2002 would ensure that changes in policy have to follow due process.
Governance – At the time of this plan the structure of the elected representation on Council will not change from that adopted for the 2013 elections. Although a representation review could change this.	There will be applications made to Council for representation reviews.	High	Low	Council is required to review the number of elected members by November 2015.
Contracts – There will be no significant variations in terms of price from the re-tendering of operation and maintenance contracts and renewal of service level agreements, other than those variations recognised in this plan.	There is a significant variation in price from re-tendering contracts and renewal of service level agreements.	Medium (Years 1-3) High (Years 4-10)	Medium High	Council has been able to manage contracts within a narrow range of cost variations. If contract prices were to increase significantly then Council would review the amount of work programmed and undertaken. Adjustment for known and projected increases in contracts have been included.
External factors – There will be no unexpected changes to legislation or other external factors that alter the nature of services provided by Council.	There are unexpected changes that alter the services provided by Council.	Medium	Low	Most changes to legislation are programmed and known about in advance. Only in extraordinary circumstances (such as public outcry over a particular incident) would unexpected changes to legislation be promoted. Central government is likely to share part of any cost associated with major legislative changes.

Financial Forecast Statements

- **Prospective Statement of Comprehensive Revenue and Expense**
- **Prospective Statement of Changes in Equity**
- **Prospective Statement of Financial Position**
- **Prospective Cash Flow Statement**
- **Prospective Movement of Reserves Statement**
- **Statement of Accounting Policies**
- **Prospective Capital & Project Expenditure**
- **Financial Prudence Benchmarks**

WAIROA DISTRICT COUNCIL
PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE
LTP 2015-2025

ANNUAL PLAN		BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	
2014/15		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
REVENUES											
9,935,769	Rates	10,572,205	11,023,986	11,629,617	12,335,038	12,917,952	13,666,258	13,994,018	14,419,046	14,981,880	15,518,496
775,555	Targeted Rate for Water Supply	935,285	1,054,413	1,144,485	1,203,580	1,378,963	1,430,970	1,467,687	1,566,716	1,612,490	1,668,271
11,417,451	Subsidies	10,884,159	10,711,409	10,387,613	8,496,203	8,937,160	9,423,193	9,975,419	10,450,596	10,778,942	11,255,379
65,000	Petrol Tax	65,000	66,625	68,357	70,203	72,239	74,406	76,713	79,244	81,938	84,888
5,528,841	Fees and Charges	3,049,066	3,181,814	3,226,284	3,323,966	3,421,161	3,531,160	3,621,909	3,769,307	3,879,487	4,023,817
1,124,724	Investment Income	885,736	797,393	739,373	741,934	703,329	645,570	563,162	501,764	386,583	202,786
28,847,340		26,391,451	26,835,640	27,195,729	26,170,924	27,430,804	28,771,557	29,698,908	30,786,673	31,721,320	32,753,637
EXPENDITURE											
4,192,726	Water Services	4,302,793	4,508,638	4,584,979	4,747,373	5,020,077	5,232,594	5,372,829	5,622,497	5,755,887	5,924,862
1,159,274	Solid Waste	1,129,697	1,182,120	1,215,199	1,241,874	1,272,198	1,309,818	1,344,303	1,381,951	1,424,230	1,472,472
9,761,956	Transport	11,051,568	11,168,972	11,338,427	11,302,918	11,763,181	12,040,358	12,474,933	13,048,183	13,367,846	13,797,700
1,976,328	Community Facilities	1,830,410	1,920,325	1,975,104	2,015,896	2,067,027	2,121,978	2,177,689	2,238,256	2,307,139	2,392,566
1,509,919	Planning and Regulatory	1,819,512	1,831,105	2,267,721	1,679,540	1,727,124	1,754,555	1,812,278	1,844,208	1,911,903	1,947,963
2,002,878	Leadership and Governance	2,220,643	2,347,261	2,408,322	2,492,011	2,537,173	2,583,524	2,651,781	2,745,122	2,792,248	2,884,434
54,833	Investments	408,170	400,980	485,621	446,152	469,741	563,334	506,970	524,103	619,453	563,250
319,525	Corporate	410,900	15,378	105,583	(88,543)	(88,070)	118,467	(92,769)	(92,182)	134,508	(98,018)
614,308	Property	723,474	735,861	750,367	746,877	765,735	772,210	778,709	782,171	800,087	798,042
21,591,747		23,897,167	24,110,640	25,131,323	24,584,098	25,534,186	26,496,838	27,026,723	28,094,309	29,113,301	29,683,271
7,255,593	Net Surplus (Deficit) on Operations	2,494,284	2,725,000	2,064,406	1,586,826	1,896,618	2,274,719	2,672,185	2,692,364	2,608,019	3,070,366
7,255,593	Net Surplus (Deficit) after taxation	2,494,284	2,725,000	2,064,406	1,586,826	1,896,618	2,274,719	2,672,185	2,692,364	2,608,019	3,070,366
OTHER COMPREHENSIVE REVENUE											
22,779,578	Gains (Loss) on property revaluation	-	42,254,057	-	-	52,466,672	-	-	63,671,424	-	-
30,035,171	TOTAL COMPREHENSIVE REVENUE AND EXPENSE	2,494,284	44,979,057	2,064,406	1,586,826	54,363,290	2,274,719	2,672,185	66,363,788	2,608,019	3,070,366
Expenditure includes:											
	Depreciation and amortisation	4,844,184	4,903,410	4,903,758	4,904,134	5,151,567	5,152,009	5,152,484	5,470,890	5,471,445	5,472,042
	Interest	473,078	566,926	618,250	657,970	774,556	841,691	878,390	886,009	895,067	912,187

WAIROA DISTRICT COUNCIL
PROSPECTIVE STATEMENT OF CHANGES IN EQUITY
LTP 2015-2025

ANNUAL PLAN		BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
2014/15		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
225,094,719	Public Equity Opening Balance	255,129,890	257,624,174	302,603,231	304,667,637	306,254,463	360,617,753	362,892,472	365,564,657	431,928,445	434,536,464
30,035,171	Total Comprehensive Income for year	2,494,284	44,979,057	2,064,406	1,586,826	54,363,290	2,274,719	2,672,185	66,363,788	2,608,019	3,070,366
<u>255,129,890</u>	Closing Balance	<u>257,624,174</u>	<u>302,603,231</u>	<u>304,667,637</u>	<u>306,254,463</u>	<u>360,617,753</u>	<u>362,892,472</u>	<u>365,564,657</u>	<u>431,928,445</u>	<u>434,536,464</u>	<u>437,606,830</u>
Components of Equity											
124,614,360	Ratepayers Equity at the beginning of the year	129,091,237	132,335,876	137,275,951	141,870,012	144,860,438	147,747,729	150,692,526	153,330,536	155,226,503	157,668,226
7,255,593	Net surplus/(deficit) for period	2,494,284	2,725,000	2,064,406	1,586,826	1,896,618	2,274,719	2,672,185	2,692,364	2,608,019	3,070,366
1,294,184	Transfers from restricted reserves	5,478,607	5,263,444	5,498,919	4,357,237	3,944,365	3,651,261	2,930,984	2,289,977	2,915,021	3,503,180
(4,072,900)	Transfers to restricted reserves	(4,728,253)	(3,048,368)	(2,969,264)	(2,953,637)	(2,953,692)	(2,981,183)	(2,965,159)	(3,086,373)	(3,081,318)	(3,075,412)
	Transfer from revaluation reserve on disposal										
<u>129,091,237</u>	Ratepayers Equity at the end of the year	<u>132,335,876</u>	<u>137,275,951</u>	<u>141,870,012</u>	<u>144,860,438</u>	<u>147,747,729</u>	<u>150,692,526</u>	<u>153,330,536</u>	<u>155,226,503</u>	<u>157,668,226</u>	<u>161,166,360</u>
18,363,377	Special Funds at the beginning of the year	21,142,093	20,391,739	18,176,663	15,647,008	14,243,408	13,252,735	12,582,657	12,616,832	13,413,229	13,579,525
4,072,900	Transfer from ratepayers equity	4,728,253	3,048,368	2,969,264	2,953,637	2,953,692	2,981,183	2,965,159	3,086,373	3,081,318	3,075,412
(1,294,184)	Transfer to ratepayers equity	(5,478,607)	(5,263,444)	(5,498,919)	(4,357,237)	(3,944,365)	(3,651,261)	(2,930,984)	(2,289,977)	(2,915,021)	(3,503,180)
<u>21,142,093</u>	Special Funds at the end of the year	<u>20,391,739</u>	<u>18,176,663</u>	<u>15,647,008</u>	<u>14,243,408</u>	<u>13,252,735</u>	<u>12,582,657</u>	<u>12,616,832</u>	<u>13,413,229</u>	<u>13,579,525</u>	<u>13,151,757</u>
85,202,734	Revaluation reserve infrastructural at the beginning of the year	104,896,560	104,896,560	147,150,617	147,150,617	147,150,617	199,617,289	199,617,289	199,617,289	263,288,713	263,288,713
19,693,826	Net transfer from revaluation reserve on disposal	-	42,254,057	-	-	52,466,672	-	-	63,671,424	-	-
	Transfer to revaluation										
<u>104,896,560</u>	Revaluation reserve infrastructural at the end of the year	<u>104,896,560</u>	<u>147,150,617</u>	<u>147,150,617</u>	<u>147,150,617</u>	<u>199,617,289</u>	<u>199,617,289</u>	<u>199,617,289</u>	<u>263,288,713</u>	<u>263,288,713</u>	<u>263,288,713</u>
<u>255,129,890</u>	Total Equity at the end of the year	<u>257,624,174</u>	<u>302,603,231</u>	<u>304,667,637</u>	<u>306,254,463</u>	<u>360,617,753</u>	<u>362,892,472</u>	<u>365,564,657</u>	<u>431,928,445</u>	<u>434,536,464</u>	<u>437,606,830</u>

WAIROA DISTRICT COUNCIL
PROSPECTIVE STATEMENT OF FINANCIAL POSITION
LTP 2015-2025

ANNUAL PLAN		BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
2014/15		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
CURRENT ASSETS											
6,927,292	Cash and Cash Equivalents	140,775	129,283	106,212	151,816	197,734	176,483	181,976	134,535	129,748	159,254
38,291	Inventories	38,291	38,291	38,291	38,291	38,291	38,291	38,291	38,291	38,291	38,291
4,750,559	Trade and other receivables	5,984,868	6,010,632	5,956,621	5,347,141	5,600,091	5,877,447	6,141,715	6,409,688	6,615,542	6,887,785
14,720,660	Financial assets at fair value through profit and loss	13,320,660	10,770,660	8,120,660	6,770,660	5,370,660	4,230,660	3,680,660	4,030,660	3,760,660	2,690,660
26,436,802		19,484,593	16,948,866	14,221,784	12,307,907	11,206,776	10,322,881	10,042,642	10,613,174	10,544,241	9,775,990
LESS CURRENT LIABILITIES											
5,691,893	Trade and other payables from non-exchange transactions	3,822,346	3,845,647	4,029,562	3,893,709	4,024,575	4,196,644	4,287,241	4,426,067	4,634,435	4,758,206
5,691,893		3,822,346	3,845,647	4,029,562	3,893,709	4,024,575	4,196,644	4,287,241	4,426,067	4,634,435	4,758,206
20,744,909	Working Capital	15,662,247	13,103,219	10,192,222	8,414,199	7,182,201	6,126,237	5,755,400	6,187,107	5,909,806	5,017,784
NON CURRENT ASSETS											
240,963,826	Property Plant and Equipment	246,756,157	295,865,382	301,731,519	305,758,380	363,369,769	367,819,377	371,474,049	437,533,109	440,569,396	444,937,113
1,250,000	Investments in Subsidiary	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000
277,000	Investment in Property	277,000	277,000	277,000	277,000	277,000	277,000	277,000	277,000	277,000	277,000
69,946	Biological Asset - Forestry	69,946	69,946	69,946	69,946	69,946	69,946	69,946	69,946	69,946	69,946
143,277	Intangible Assets	143,277	143,277	143,277	143,277	143,277	143,277	143,277	143,277	143,277	143,277
22,992	Available for sale financial assets	22,992	22,992	22,992	22,992	22,992	22,992	22,992	22,992	22,992	22,992
263,471,950		264,181,619	310,731,816	313,686,956	315,935,793	372,315,185	375,708,828	378,992,664	445,483,431	448,242,417	451,718,112
NON CURRENT LIABILITIES											
7,334,615	Term Debt	5,550,000	7,121,140	8,011,874	8,673,885	10,689,987	11,808,911	12,420,562	12,547,541	12,698,508	13,103,837
147,883	Employee Entitlements	147,883	147,883	147,883	147,883	147,883	147,883	147,883	147,883	147,883	147,883
859,562	Landfill Aftercare	859,562	859,562	859,562	859,562	859,562	859,562	859,562	859,562	859,562	859,562
8,342,060		6,557,445	8,128,585	9,019,319	9,681,330	11,697,432	12,816,356	13,428,007	13,554,986	13,705,953	14,111,282
255,129,890	NET ASSETS	257,624,174	302,603,231	304,667,637	306,254,463	360,617,753	362,892,472	365,564,657	431,928,445	434,536,464	437,606,830
EQUITY											
21,142,093	Reserves	20,391,739	18,176,663	15,647,008	14,243,408	13,252,735	12,582,657	12,616,832	13,413,229	13,579,525	13,151,757
124,590,386	Revaluation Reserves	124,590,386	166,844,443	166,844,443	166,844,443	219,311,115	219,311,115	219,311,115	282,982,539	282,982,539	282,982,539
109,397,411	Retained Earnings	112,642,049	117,582,125	122,176,186	125,166,611	128,053,903	130,998,700	133,636,710	135,532,677	137,974,399	141,472,534
255,129,890		257,624,174	302,603,231	304,667,637	306,254,463	360,617,753	362,892,472	365,564,657	431,928,445	434,536,464	437,606,830

**WAIROA PROSPECTIVE CASH FLOW STATEMENT
LTP 2015-2025**

ANNUAL PLAN		BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	
2014/15		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
OPERATING ACTIVITIES											
Cash will be provided from:											
10,066,118	Rates	13,077,245	12,038,435	12,725,403	13,485,102	14,243,834	15,041,206	15,436,192	15,949,078	16,551,767	17,145,299
20,273,865	Other Revenue	12,079,897	14,771,440	14,524,337	13,295,302	12,934,019	13,452,995	13,998,449	14,569,622	14,963,699	15,336,095
30,339,983		25,157,142	26,809,876	27,249,740	26,780,404	27,177,854	28,494,201	29,434,640	30,518,700	31,515,466	32,481,394
Cash will be applied to:											
22,832,403	Operations Expenditure	25,873,079	24,204,925	25,055,107	24,809,261	25,506,282	26,420,786	27,024,197	28,034,068	28,990,010	29,657,898
5,552,905	Less Depreciation	4,844,184	4,903,410	4,903,758	4,904,134	5,151,567	5,152,009	5,152,484	5,470,890	5,471,445	5,472,042
440,077	Less Interest	473,078	566,926	618,250	657,970	774,556	841,691	878,390	886,009	895,067	912,187
16,839,421	Payments to Suppliers and Employees	20,555,817	18,734,589	19,533,098	19,247,158	19,580,159	20,427,087	20,993,322	21,677,169	22,623,498	23,273,669
440,078	Interest Paid	473,078	566,926	618,250	657,970	774,556	841,691	878,390	886,009	895,067	912,187
17,279,499		21,028,895	19,301,515	20,151,348	19,905,128	20,354,715	21,268,778	21,871,712	22,563,178	23,518,565	24,185,856
13,060,484	Net Cash Flow from Operations	4,128,247	7,508,361	7,098,392	6,875,276	6,823,139	7,225,423	7,562,928	7,955,522	7,996,901	8,295,538
INVESTING ACTIVITIES											
Cash will be provided from:											
	Sale of Assets	70,000	30,000	90,000	70,000	10,000	90,000	90,000	20,000	80,000	80,000
	Sale of Short term Investments	1,400,000	2,550,000	2,650,000	1,350,000	1,400,000	1,140,000	550,000	(350,000)	270,000	1,070,000
		1,470,000	2,580,000	2,740,000	1,420,000	1,410,000	1,230,000	640,000	(330,000)	350,000	1,150,000
Cash will be applied to:											
11,965,414	Asset purchases and formation	10,600,149	11,670,993	10,752,197	8,911,683	10,203,323	9,595,598	8,809,086	7,799,942	8,502,655	9,821,360
11,965,414		10,600,149	11,670,993	10,752,197	8,911,683	10,203,323	9,595,598	8,809,086	7,799,942	8,502,655	9,821,360
(11,965,414)	Net Cash Flows from Investing	(9,130,149)	(9,090,993)	(8,012,197)	(7,491,683)	(8,793,323)	(8,365,598)	(8,169,086)	(8,129,942)	(8,152,655)	(8,671,360)
FINANCING ACTIVITIES											
Cash will be provided from:											
2,334,615	Loans raised	550,000	1,571,140	890,734	662,011	2,016,102	1,118,924	611,651	126,979	150,967	405,328
Cash will be applied to:											
-	Loans repaid	2,334,615	-	-	-	-	-	-	-	-	-
2,334,615	Net Cash Flow from Financing	(1,784,615)	1,571,140	890,734	662,011	2,016,102	1,118,924	611,651	126,979	150,967	405,328
3,429,685	Net Increase/(Decrease)	(6,786,517)	(11,492)	(23,071)	45,604	45,918	(21,251)	5,493	(47,441)	(4,787)	29,506
3,497,607	Plus Opening Bank Balance	6,927,292	140,775	129,283	106,212	151,816	197,734	176,483	181,976	134,535	129,748
6,927,292	Bank Balance at end of year	140,775	129,283	106,212	151,816	197,734	176,483	181,976	134,535	129,748	159,254

WAIROA DISTRICT COUNCIL
PROSPECTIVE MOVEMENT OF RESERVES STATEMENT
LTP 2015-2025

ANNUAL PLAN 2014/15		BUDGET 2015/16	BUDGET 2016/17	BUDGET 2017/18	BUDGET 2018/19	BUDGET 2019/20	BUDGET 2020/21	BUDGET 2021/22	BUDGET 2022/23	BUDGET 2023/24	BUDGET 2024/25
Reserves held for Emergency Purposes											
625,472	Opening Balance	655,849	677,082	698,551	721,169	748,294	774,281	803,181	834,756	867,483	899,474
30,377	Transfers to reserves	21,233	21,469	22,618	27,125	25,987	28,900	31,575	32,727	31,991	32,765
-	Transfers from Reserves	-	-	-	-	-	-	-	-	-	-
655,849	Closing balance	677,082	698,551	721,169	748,294	774,281	803,181	834,756	867,483	899,474	932,239
Reserves held for future Asset Purchases											
16,163,186	Opening Balance	18,646,301	16,872,871	14,857,260	12,556,386	10,621,638	8,865,010	7,024,025	5,812,857	5,304,958	4,122,974
3,770,799	Transfers to reserves	2,812,677	2,672,755	2,591,710	2,554,073	2,549,041	2,480,995	2,397,986	2,468,427	2,428,091	2,380,625
(1,287,684)	Transfers from Reserves	(4,586,107)	(4,688,366)	(4,892,584)	(4,488,821)	(4,305,669)	(4,321,979)	(3,609,155)	(2,976,326)	(3,610,075)	(4,207,766)
18,646,301	Closing balance	16,872,871	14,857,260	12,556,386	10,621,638	8,865,010	7,024,025	5,812,857	5,304,958	4,122,974	2,295,832
Reserves held for future Operational Costs											
1,574,719	Opening Balance	1,633,232	2,402,507	1,903,606	1,358,907	1,541,603	1,967,531	2,711,687	3,496,459	4,319,889	5,174,252
65,013	Transfers to reserves	1,661,775	76,177	61,636	51,112	64,624	73,437	106,602	137,081	159,309	188,481
(6,500)	Transfers from Reserves	(892,500)	(575,078)	(606,335)	131,584	361,304	670,718	678,170	686,349	695,054	704,586
1,633,232	Closing balance	2,402,507	1,903,606	1,358,907	1,541,603	1,967,531	2,711,687	3,496,459	4,319,889	5,174,252	6,067,319
Reserves held for repayment of maturing debt											
-	Opening Balance	206,711	439,279	717,246	1,010,546	1,331,873	1,645,913	2,043,764	2,472,760	2,920,898	3,382,825
206,711	Transfers to reserves	232,568	277,967	293,300	321,327	314,040	397,851	428,996	448,138	461,927	473,541
-	Transfers from Reserves	-	-	-	-	-	-	-	-	-	-
206,711	Closing balance	439,279	717,246	1,010,546	1,331,873	1,645,913	2,043,764	2,472,760	2,920,898	3,382,825	3,856,366
21,142,093	Total Reserve Funds	20,391,739	18,176,663	15,647,008	14,243,408	13,252,735	12,582,657	12,616,832	13,413,229	13,579,525	13,151,757

Emergency funds include:

Disaster Recovery Reserve to fund Council's share of any natural disaster or costs of an unforeseen event.

Reserves held toward future asset purchases

These include proceeds from the sale of Council-owned infrastructure, land and buildings and are held in the District Development Reserve and may be used towards the cost of purchasing or constructing new assets. A number of Depreciation Reserves are held to fund the renewal of infrastructure and other assets.

Reserves held to meet future operational costs

These reserves include:

- Administration reserves – funds carried over from one financial year to the next to match related expenditure.
- Retirement and restructuring reserves – to fund future retirement, redundancy, long-service gratuities and costs associated with Council reorganisations.

Reserves held against repayment of maturing debt

Reserves are held for the purpose of repaying debt as it matures.

Statement of Accounting Policies

Reporting entity

Wairoa District Council is a territorial local authority in New Zealand governed by the Local Government Act 2002. The Council group consists of Wairoa District Council (WDC) and its 100% owned subsidiary, Quality Rooding and Services (Wairoa) Ltd. (QRS).

The primary objective of WDC is to provide goods or services for the community or social benefit rather than making a financial return. Accordingly, WDC has designated itself and the group as public benefit entities (PBE) as defined under the Public Benefit Entity Standards (PBE Standards).

The prospective financial statements of WDC are for the years ended 30 June 2016 to 30 June 2025. The financial statements were authorised for issue by Council on 5 August 2015. The financial statements are expected to be updated by 30 June 2018.

Basis of consolidation

WDC has not consolidated the prospective financial statements. WDC believes consolidation for the purpose of the LTP would place a significant reporting burden on a relatively small subsidiary, the financial impact would be immaterial and consequently, this practice would not be cost beneficial.

Statement of compliance and basis of preparation

The financial statements of WDC have been prepared in accordance with the requirements of the Local Government Act 2002 which include the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP).

These prospective financial statements have been prepared in accordance with Tier Two PBE accounting standards as expenditure is greater than \$2m but less than \$30m. They comply with NZ PBE FRS-42.

Prospective financial statements

The prospective financial statements are presented in New Zealand dollars and all values are rounded to the nearest dollar. The functional currency of Council is New Zealand dollars.

Measurement basis

The financial statements have been prepared on a historical cost basis, except for the revaluation of land and buildings, certain infrastructure assets, biological assets and financial instruments which have been valued separately as noted below.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

The Council and management of WDC 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 statements.

The purpose for which the prospective financial statements have been prepared is to enable the public to participate in the decision-making processes as to the services to be provided by WDC over the financial years from 2015/16 to 2024/25, to provide a broad accountability mechanism for Council to the community and to comply with the reporting requirements of the Local Government Act 2002 in presenting the LTP. The information contained within these prospective financial statements may not be suitable for use in another capacity. For further information see the significant forecasting assumptions contained in the LTP.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. The impact of this change is minimal.

Judgements and estimates

The preparation of these prospective financial statements requires management to make judgements, estimates and assumptions concerning the future that affect the application of policies and reported amounts of

assets, liabilities, revenue and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

The 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 discussed below:

Landfill aftercare

WDC has assumed that the aftercare provision for Wairoa landfill is operative until 2031, based upon the resource consent issued by the Hawke's Bay Regional Council. WDC has a responsibility under the resource consent to provide for ongoing maintenance and monitoring of the landfill site.

The cash outflows for landfill post-closure are expected to occur within the next 38 years. The long-term nature of the liability means that there are inherent uncertainties in estimating costs that will be incurred. The provision has been estimated taking into account existing technology and using a discount rate of 3%.

Infrastructure assets

There are a number of assumptions and estimates used when performing depreciated replacement cost valuations over infrastructure assets. These include:

- The physical deterioration and condition of an asset; for example, Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for those assets, which are not visible, for example stormwater, wastewater and water supply pipes that are underground. This risk is minimised by Council performing a combination of physical inspections and condition modelling assessments of underground assets.
- Estimating any obsolescence or surplus capacity of an asset.
- Estimates are made when determining the remaining useful life over which the asset will be depreciated. These estimates can be

impacted 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 WDC could be over or underestimating the annual depreciation charge recognised as an expense in the statement of financial performance.

- To minimise this risk, WDC's infrastructural asset useful lives have been determined with reference to the NZ 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 WDC's asset management planning activities, which give WDC further assurance over its useful life estimates.
- Experienced independent valuers perform the Council's infrastructural asset revaluations.

Property, plant and equipment useful lives and residual values

Intangible assets that have an indefinite useful life, or are not yet available for use, are not subject to amortisation and are tested annually for impairment. Assets that have a finite useful life are reviewed for indicators of impairment at each balance date. When there is an indicator of impairment, the asset's recoverable amount is estimated. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

WDC has not made significant changes to past assumptions concerning useful lives and residual values.

Other significant financial assumptions are contained within part three of this plan.

Changes in accounting policies

The accounting policies are now in accordance with Tier Two PBE accounting standards. Prior to 1 July 2014, Council financial statements were prepared in accordance with NZ IFRS accounting policies.

Revenue

Revenue comprises rates, revenue from operating activities, investment revenue, subsidies, petrol tax and fees and charges and is measured at the fair value of consideration received or receivable.

Revenue may be derived from either exchange or non-exchange transactions.

Exchange transactions

Exchange transactions are transactions where Council receives assets (primarily cash) or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services, or use of assets) to another entity in exchange.

Non-exchange transactions

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange revenue transaction, Council receives value from another entity without directly giving approximately equal value in exchange.

Revenue received from a non-exchange transaction cannot be deferred unless there is both a performance obligation and a return obligation attached to it. For example, where grant or subsidy funding is received without a performance obligation then revenue is recognised when receivable. Where a performance obligation exists revenue is recognised upon satisfactory completion of the performance.

Revenue from non-exchange transactions**Rates revenue**

Rates are set annually by a resolution from 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 receivable.

Government subsidies

WDC receives government grants from the New Zealand Transport Agency, which subsidises part of WDC's costs in maintaining the local road infrastructure. The subsidies are recognised as revenue upon entitlement, as conditions pertaining to eligible expenditure have been fulfilled.

Vested assets

Where a physical asset is acquired for nil or nominal consideration, the fair value of the asset received is recognised as revenue. Assets vested in WDC are recognised as revenue when control over the asset is obtained.

Provision of services

Non-exchange revenue from the rendering of services consists of services in activities where Council subsidises the activity. Such revenue is recognised by reference to the stage of completion of the transaction at balance date, based on the actual service provided as a percentage of the total service to be provided only when there are conditions attached that require the funds to be returned if performance does not occur. Where no conditions are attached, revenue is recognised when receivable.

Construction contracts

Revenue on construction contracts is recognised progressively over the period of each contract. The amount included in the statement of financial performance, and the value of the contract work in progress are established by assessment of the individual contracts taking into account the proportion of work completed, cost analysis and estimated final results.

When the contract income cannot be reliably measured, revenue is recognised only to the extent of the expenses recognised which are recoverable.

Revenue from exchange transactions**Revenue from water by meter**

Water billing revenue is recognised on an accrual basis. Unbilled usage as a result of unread meters at year end, are accrued on an average usage basis.

Provision of services

Revenue from the rendering of services is recognised by reference to the stage of completion of the transaction at balance date, based on the actual service provided as a percentage of the total services to be provided.

Sales of goods

Sales of goods are recognised when a product is sold to the customer.

LEASES**Operating lease**

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

Cash or cash equivalents

Cash or cash equivalents comprise cash balances and call deposits, and other short-term highly liquid investments with maturities of three months or less.

Trade and other receivables

Trade receivables are recognised initially at fair value and are subsequently measured at amortised cost using the effective interest method less an allowance for any uncollectible amounts.

An allowance for uncollectible receivables is established when there is objective evidence that WDC will not be able to collect all amounts due according to the original terms of the receivables.

Inventories

Inventories are stated at the lower cost (on a first-in, first-out basis) or net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Financial assets

WDC classifies its financial assets into the three categories as detailed under A, B and C below. The classification depends on the purpose for which the financial assets were acquired.

Management determines the classification of its financial assets at initial recognition and re-evaluates this classification at each reporting date.

Financial assets and liabilities are initially measured at fair value plus transaction costs unless they are carried at fair value through profit and loss in which case the transaction costs are recognised in the statement of financial performance.

Purchases and sales of financial assets are recognised on trade date, the date on which WDC commits 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 WDC has transferred substantially the risks and rewards of ownership.

The fair value of financial instruments traded in active markets is based on the quoted market prices at the balance sheet date. The quoted price used is the current bid price.

The fair value of financial instruments that are not traded in an active market are determined using valuation techniques. WDC uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

A. Financial assets at fair value through profit and loss

This category has two sub categories: financial assets held for trading, and those designated at fair value through profit and loss at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Included in this category are short-term investments, which are valued at fair value.

Assets in this category are classified as current assets if they are either

held for trading or are expected to be realised within 12 months of the balance sheet date.

After initial recognition they are measured at their fair values. Gains or losses on remeasurement are recognised in the statement of financial performance.

Council has classified its investments as financial assets at fair value through profit and loss. The portfolio includes investments in local authority and government stock, registered bank bills and bonds, and corporate stocks and bonds. The reason for the classification is that the investments were acquired for the purpose of selling and trading in the near term, and they are part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a pattern of short-term profit-taking. In addition, there is a quoted market price in an active market where fair value can be reliably measured.

B. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Included in this category are sinking funds that are valued at amortised cost. Community loans are included at amortised cost.

Gains and losses when the asset is impaired or derecognised are recognised in the statement of financial performance.

C. Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated as available for sale or not designated in any of the other categories. Available-for-sale financial assets are held at fair value with gains or losses recognised directly in equity with the exception of impairment losses that are recognised in the statement of financial performance. In the event of impairment, any cumulative losses previously recognised in equity, will be removed from equity and recognised in the statement of financial performance, even though the asset has not been derecognised.

Impairment of financial assets

At each balance date, WDC 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 income statement.

Loans and other receivables

Impairment of a loan or receivable is established when there is objective evidence that WDC will not be able to collect amounts due, according to the original terms. Significant financial difficulties of the debtor/issuer, probability that the debtor/issuer will enter into bankruptcy, and default in payments are considered indicators that the asset is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate. For trade and other receivables, the carrying amount of the asset is reduced through the use of a doubtful debt account, and the amount of the loss is recognised in the statement of financial performance. When the receivable is uncollectible, it is written off against the debtor account. Overdue receivables that have been renegotiated are reclassified as current (i.e. not past due). For term deposits, local authority stock, government stock and community loans, impairment losses are recognised directly against the instrument's carrying amount. Impairment is established when there is objective evidence that WDC will not be able to collect amounts due to the original terms of the instrument. Significant financial difficulties of the issuer, probability the issuer will enter into bankruptcy, and default in payments are considered indicators that the instrument is impaired.

Quoted and unquoted equity investments

A significant or prolonged decline in the fair value of the investment below its cost is considered an indicator of impairment. If such evidence exists, the cumulative loss is removed from equity and recognised in the statement of financial performance. Impairment losses recognised in the statement of financial performance are not reversed through the statement of financial performance.

Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference

between cost and redemption value being recognised in the income statement over the period of the borrowings on an effective interest basis.

Non-current assets held for sale

Non-current assets are classified as held for sale and stated at the lower of their carrying amount and fair value, less costs to sell if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

An impairment loss is recognised for any write down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell, but not in excess of any cumulative impairment loss previously recognised.

Non-current assets held for sale are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Property, plant & equipment

Property, plant and equipment consist of:

- Operational assets – These include land, buildings, library books, plant and equipment and motor vehicles.
- Restricted assets – Restricted assets are parks and reserves owned by WDC that provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions.
- Infrastructure assets – Infrastructure assets are the fixed utility systems owned by WDC. Each asset class includes all items that are required for the network to function; for example, sewer reticulation includes reticulation piping and sewer pump stations.

Property, plant and equipment are shown at cost or valuation, less accumulated depreciation and impairment losses.

Additions

Additions of an item of property, plant and equipment are recognised at cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

Disposals

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposal are included in the statement of financial performance. When re-valued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to retained earnings.

Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that the future economic benefits or service potential associated with the item will flow to WDC and the cost of the item can be measured reliably.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment for WDC other than land, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives.

Our subsidiary company, QRS Ltd., uses the diminishing value basis for depreciating plant, equipment and motor vehicles, office equipment and furniture, and computer hardware.

The useful lives and associated depreciation rates of major assets have been estimated as follows:

Property, Plant & Equipment		Life years	
Quarries		30-40	
Buildings		30-40	
Other improvements		10-50	
Plant, equipment & vehicles		4-10	
Library collection		2-10	
Office equipment, furniture & fittings		5-10	
Computer equipment		4-5	
SEWERAGE		Life years	STORMWATER
Structures	50		Reticulation piping
Oxidation ponds	40		Culverts
Pipes	80-100		Manholes/sumps
Manholes	100		Open drains
Pumps	10-15		Not depreciated
Plant	10-15		
Resource Consents	25		
WATER SUPPLY		Life years	ROADS
Structures	50		Top surface (seal)
Pumps	15-20		Basecourse (sealed roads)
Reticulation Piping	60-100		Formation
Meters	20		Unsealed roads
Hydrants	40		Bridges
Resource Consents	20-25		Footpaths
Reservoirs	80		Kerbs
			Streetlights (poles)

Application of the estimated useful economic lives of assets is subject to change depending on the individual circumstances of the asset, particularly when assets are re-valued and the valuers provide an annual depreciation figure.

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end.

Revaluation

Those asset classes that are re-valued are valued on a three-yearly valuation cycle on the basis described below. All other asset classes are carried at depreciated historical cost. The carrying values of re-valued items are reviewed at each balance date to ensure that those values are not materially different to fair value. If there is a material difference then a revaluation is performed.

Increases in asset carrying amounts, due to revaluation, increase revaluation reserves in equity. Decreases in asset carrying amount, decrease revaluation reserves in equity only to the extent that the class of asset has sufficient reserves to absorb the reduction. All other decreases are charged to the income statement. If a revaluation increase reverses a decrease previously recognised in the statement of financial performance, the increase is recognised first in the statement of financial performance to reverse any previous reduction.

Operational land and buildings

Operational land and buildings were valued at fair value effective from 30 June 2005. WDC has elected to use the fair value of operational land and buildings as at 30 June 2005 as deemed cost. Operational land and buildings are no longer re-valued.

Restricted land and buildings

Restricted land and buildings were valued at fair value effective from 30 June 2005. WDC has elected to use the fair value of restricted land and buildings as at 30 June 2005 as deemed cost. Restricted land and buildings are no longer re-valued.

Infrastructure asset classes: roads, water reticulation, sewerage reticulation and stormwater systems

Infrastructure assets are carried at fair value on a depreciated replacement cost basis as assessed by an independent valuer. At balance date, WDC assesses the carrying values of its infrastructure assets to ensure that they do not differ materially from the assets' fair value. If there is a material difference, then the off-cycle asset classes are re-valued. Any additions since valuation are carried at depreciated cost.

Land under roads

Land under roads was valued on the basis of fair value of adjacent land as at 30 June 2005. WDC has elected to use the fair value of land under roads as at 30 June 2005 as deemed cost.

Intangible assets

Software acquisition and development

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs associated with maintaining computer software are recognised as an expense when incurred. Costs that are directly associated with the development of software for internal use by WDC, are recognised as an intangible asset. Direct costs include software development employee costs and an appropriate portion of relevant overheads.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use, and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in the statement of financial performance.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Computer software	3 years	33%
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Impairment of property, plant and equipment and intangible assets

Intangible assets that have an indefinite useful life, or are not yet available for use, are not subject to amortisation and are tested annually for impairment. Assets that have a finite useful life are reviewed for indicators of impairment at each balance date. When there is an indicator of impairment the asset's recoverable amount is estimated. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value, less costs to sell and value in use.

Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the asset's ability to generate net cash flows and where the entity would, if deprived of the asset, replace its remaining future economic benefits or service potential.

The value in use for cash-generating assets and cash-generating units is the present value of expected future cash flows.

If an asset's carrying amount exceeds its recoverable amount, the asset is impaired and the carrying amount is written down to the recoverable amount. For re-valued assets, the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the statement of financial performance.

For assets not carried at a re-valued amount, the total impairment loss is recognised in the statement of financial performance.

The reversal of an impairment loss on a re-valued asset is credited to the revaluation reserve. However, to the extent that an impairment loss for that class of asset was previously recognised in the statement of financial performance, a reversal of the impairment loss is also recognised in the statement of financial performance.

For assets not carried at a re-valued amount, the reversal of an impairment loss is recognised in the statement of financial performance.

Forestry assets

Forestry assets are independently valued annually at fair value less estimated costs to sell for one growth cycle. Fair value is determined based on the present value of expected net cash flows discounted at a current market determined pre-tax rate. This calculation is based on existing sustainable felling plans and assessments regarding growth, timber prices, felling costs and silvicultural costs and taking into consideration environmental, operational and market restrictions.

Gains or losses arising on the initial recognition of biological assets at fair value less estimated point-of-sale costs and from a change in fair value less estimated point-of-sale costs are recognised in the statement of financial performance. The costs to maintain forestry assets are included in the statement of financial performance.

Investment property

Properties leased to third parties under operating leases are classified as investment property unless the property is held to meet service delivery objectives, rather than to earn rentals or for capital appreciation. Investment property is measured initially at its cost, including transaction costs.

After initial recognition, WDC measures all investment property at fair value as determined annually by an independent valuer. Gains or losses arising from changes in fair values of investment properties are included in the statement of financial performance.

Investment properties are derecognised when they have been disposed of or when the investment property is permanently withdrawn from use and no future benefit is expected from its disposal.

Any gains or losses on derecognition of an investment property are recognised in the statement of financial performance in the year of derecognition.

Impairment of non-financial assets

Non-financial assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that have a finite life are reviewed for impairment whenever events or changes in

circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For a re-valued asset, the impairment loss is recognised in the revaluation reserve for that class of asset. For an asset carried at cost, the impairment loss is recognised in the statement of financial performance.

Trade and other payables

Trade and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

Borrowings

Borrowings are initially recognised at their fair value net of transaction costs incurred. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless WDC has an unconditional right to defer settlement of the liability for at least 12-months after balance date.

Employee benefits**Short-term benefits**

Employee benefits which WDC expects to be settled within 12-months of balance date, are measured at nominal values based on accrued entitlements at current rates of pay.

These include: salaries and wages accrued up to balance date, annual leave earned but not yet taken at balance date, retiring and long-service leave entitlements expected to be settled within 12-months and sick leave.

WDC recognises a liability for sick leave based on entitlements accrued at balance date, which WDC expects employees to use in future periods. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent that WDC anticipates it will be used by staff to cover for future absences.

Long-term employee entitlements

Entitlements that are payable beyond 12-months, such as long-service leave and retiring leave, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based upon years of service, years to entitlement, the likelihood that staff will reach the point of entitlement and contractual entitlement information
- the present value of the estimated future cash flows
- the discount rate is based upon the weighted average of interest rates for government stock with terms to maturity similar to those of the relevant liabilities. The inflation factor is based upon the expected long-term increase in remuneration for employees.

Superannuation

Defined Contribution Pension Plan obligations are recognised as an expense in the statement of financial performance as incurred.

Provisions

WDC recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event. It is probable that expenditure will be required to settle the obligation, and a reliable estimate can be made of the obligation. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation, using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense.

Borrowing costs

Borrowing costs are recognised as an expense in the period in which they occur.

Equity

Equity is the community's interest in WDC and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of reserves.

The components of the reserves are:

- retained earnings
- restricted reserves
- property plant and equipment reserves
- fair value through equity reserves.

Restricted & Council-created reserves

Restricted reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by WDC.

Restricted reserves are those subject to specific conditions accepted as binding by WDC and which may not be revised by WDC without reference to the courts or a third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.

Also included in restricted reserves are reserves restricted by Council decision. Council may alter them without reference to any third party or the courts. Transfers to or from these reserves are at the discretion of Council.

Goods and Services Tax (GST)

All amounts in the financial statements are exclusive of GST, with the exception of receivables and payables that are stated at GST-inclusive amounts. When GST is not recoverable as an input tax, then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to the Inland Revenue Department (IRD), is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

Overhead cost allocation

WDC has derived the cost of service for each significant activity using cost allocation systems outlined below.

Direct costs are those costs directly attributable to a significant activity. Indirect costs are those costs, which cannot be identified in an economically feasible manner, with a specific activity.

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities using appropriate cost drivers such as actual usage, staff numbers and floor area.

Changes in accounting policies

All accounting policies have been applied on a consistent basis throughout the period of this plan.

Other disclosures

These financials are prepared on the basis of best estimates available at the time of preparing the accounts. Actual results are likely to vary from the information presented and the variations may be material.

WDC has authorised the issue of these prospective financial statements. The Council and management of WDC are responsible for the prospective financial statements, including the appropriateness of the assumptions and all other required disclosures.

The prospective financial statements have been prepared as part of the process of the 2015-25 LTP process, and these prospective financial statements may not be appropriate for purposes other than for inclusion in the LTP.

WAIROA DISTRICT COUNCIL
CAPITAL AND PROJECT EXPENDITURE
LTP 2015-2025

FUNDING	SCHEME	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
	Water Reticulation - Ren Ex										
Depreciation Reserves	Wairoa Pipeline Renewals	150,000	155,700	213,828	275,838	284,941	235,931	244,660	253,958	264,116	275,209
Depreciation Reserves	Valve Replacemnts	10,000	10,380	10,691	11,034	11,398	11,797	12,233	12,698	13,206	13,760
Depreciation Reserves	Renewals modelling	25,000	25,950	26,729	27,584	28,494	11,797	12,233	12,698	13,206	13,760
Depreciation Reserves	Condition reporting	20,000	20,760	21,383	22,067	22,795	11,797	12,233	12,698	13,206	13,760
Subsidy	Replacement Reservoir- professional services	100,000	100,000	-	-	-	-	-	-	-	-
Depreciation Reserves/Subsidy	Replacement reservoir -construction	50,000	1,200,000	1,050,000	-	-	-	-	-	-	-
Depreciation Reserves	Replacement reservoir -subsidy	-	-	-	-	-	-	-	-	-	-
Depreciation Reserves	Mahanga retic	5,000	5,190	5,346	5,517	5,699	5,898	6,117	6,349	6,603	6,880
Depreciation Reserves	Tuai retic	10,000	10,380	10,691	11,034	11,398	11,797	12,233	12,698	13,206	13,760
	Water Production - Ren Ex										
Depreciation Reserves	RENEWAL EXPENDITURE	35,000	36,330	37,420	38,617	56,988	41,288	42,816	44,443	46,220	68,802
Depreciation Reserves/Sale of Assets	Vehicle	-	25,950	21,383	-	-	-	30,583	25,396	-	-
Depreciation Reserves	Purchase Computer	-	-	-	-	5,699	-	-	-	-	6,880
Depreciation Reserves	Filter Cloth	-	-	21,383	-	-	-	-	-	26,412	-
Depreciation Reserves	Intake Pumps	25,000	-	-	-	-	-	-	31,745	-	34,401
Depreciation Reserves	Intake Valves	-	-	-	-	-	-	-	-	33,014	-
Depreciation Reserves	Intake VSD	25,000	-	-	-	-	-	-	31,745	-	34,401
Depreciation Reserves	Boundary VSD	-	20,760	-	-	-	-	-	-	-	-
Depreciation Reserves	Boundary Pumps WDC	-	-	-	55,168	-	-	-	-	66,029	-
Depreciation Reserves	Boundary Pumps AFFCO	-	-	53,457	-	-	-	-	63,489	-	137,604
Depreciation Reserves	Boundary Valves - Reservoir	20,000	-	-	-	-	-	-	-	-	-
Depreciation Reserves	Condition Sampling	15,000	10,380	10,691	11,034	11,398	11,797	6,117	6,349	6,603	6,880
Depreciation Reserves	Mower	2,000	2,076	2,138	2,207	2,280	2,359	2,447	-	-	-
Depreciation Reserves	WTP Pumps	-	25,950	-	-	28,494	-	30,583	-	33,014	-
Depreciation Reserves	UV Lamp	20,000	-	-	-	-	-	-	-	-	-
Depreciation Reserves	Scada System	-	-	-	9,577	-	-	11,944	-	-	-
Depreciation Reserves	Laptop	-	-	-	1,368	4,401	-	1,706	-	-	-
Depreciation Reserves	Computer	-	-	3,843	-	-	-	5,119	-	-	-
Depreciation Reserves	Boundary Valves - Pump Station	10,000	10,380	10,691	11,034	11,398	11,797	8,531	-	-	-
Depreciation Reserves	Paint Building	25,000	-	-	-	56,988	-	-	-	-	-
Depreciation Reserves	Paint Pipework	-	-	-	132,402	-	-	-	-	-	-
Depreciation Reserves	Sand	-	-	53,457	-	-	-	-	-	-	-
Depreciation Reserves	Chemical Dosing	-	-	-	-	-	82,576	-	-	-	-
Depreciation Reserves	Gravelectric Cones	-	7,209	-	-	-	-	-	12,698	-	-
Depreciation Reserves	Frasertown Reservoir Telemetry	-	-	-	-	-	-	12,233	-	-	13,760
Depreciation Reserves	Chlorine Gas Alarm	-	-	-	-	-	-	25,594	-	-	-
Depreciation Reserves	Chlorine Analyser	-	18,023	-	-	-	-	-	-	-	-
Depreciation Reserves	Safety Improvement	-	12,015	-	-	-	-	18,350	-	-	27,521
Depreciation Reserves	Cleaning Inspection Reservoir	-	-	-	-	-	-	25,594	-	-	-
Depreciation Reserves	Urgent Replacement of Intake Valves	-	-	-	-	-	-	-	-	-	34,401
Depreciation Reserves	REPLACE TRUNK MAIN SECTION	-	-	-	-	284,941	-	-	-	-	344,011
Depreciation Reserves	RENEW BACKWASH VALVES & CONTROL	-	-	-	-	-	-	-	-	-	68,802
Depreciation Reserves	Standby generator	35,000	-	-	-	-	-	-	-	-	-
Depreciation Reserves	Boundary station drain	30,000	-	-	-	-	-	-	-	-	-
Depreciation Reserves	Fire alarm - Treatment plant	50,000	-	-	-	-	-	-	-	-	-
Depreciation Reserves	Switchboard replacement	-	-	160,371	-	-	-	-	-	-	-
Depreciation Reserves	Sheetpile protection of intake	-	103,800	-	110,335	-	-	-	-	-	-
Depreciation Reserves	Flood control protection at intake	50,000	-	-	-	-	-	-	-	-	-
Depreciation Reserves	Mahanga tank and pump repairs	50,000	-	-	-	-	-	-	-	-	-
	Water Production - Cap Ex										
Loans	Investigate Alternative Water Supply	-	-	-	-	28,494	-	-	-	-	-
Loans	PACL Investigation and Installation	-	-	-	55,168	-	-	-	-	-	-
Loans	INTAKE MODIFICATIONS	-	-	-	-	-	-	-	-	-	-
Loans	Mahanga treatment upgrade	-	51,900	106,914	55,168	-	-	-	-	-	-
Loans	Mahanga telemetry installation	-	51,900	-	-	-	-	-	-	-	-

WAIROA DISTRICT COUNCIL
CAPITAL AND PROJECT EXPENDITURE
LTP 2015-2025

FUNDING	SCHEME	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
	Stormwater and Drainage - Ren Ex										
Depreciation Reserves	WAIROA PIPELINES RENEWALS	250,000	259,500	267,285	551,676	569,882	294,914	305,826	317,447	330,145	344,011
Depreciation Reserves	MAHIA BCH PIPELINES RENEWALS	-	51,900	-	-	-	58,983	-	-	-	-
Depreciation Reserves	Deterioration modelling	25,000	5,190	5,346	5,517	5,699	5,898	6,117	6,349	6,603	6,880
Depreciation Reserves	CCTV	50,000	51,900	53,457	-	-	-	-	-	66,029	68,802
Depreciation Reserves	Discharge consent	25,000	51,900	26,729	-	-	-	-	-	-	-
Depreciation Reserves	Condition reporting	-	51,900	53,457	55,168	-	-	-	-	-	-
	Stormwater and Drainage - Cap Ex										
Loans	PIPING OPEN DRAINS - WAIROA	100,000	103,800	106,914	110,335	113,976	117,965	122,330	126,979	132,058	137,604
	Sewerage - Ren Ex										
Depreciation Reserves	DESLUDGE OXIDATION PONDS	-	60,076	-	-	-	-	85,313	-	-	-
Depreciation Reserves	Step Filter	-	30,038	-	-	-	-	-	-	-	-
Depreciation Reserves	Flow Meters	20,000	10,380	-	11,034	-	-	-	-	-	-
Depreciation Reserves	Telemetry	5,000	-	-	-	-	-	91,748	-	-	-
Depreciation Reserves	Fitzroy Plant	50,000	-	-	-	-	-	-	-	-	-
Depreciation Reserves	Oputama ww scheme renewals	30,000	31,140	32,074	33,101	34,193	35,390	36,699	38,094	39,617	41,281
Depreciation Reserves	Wairoa Consent application-Consultation and legal costs	50,000	51,900	53,457	55,168	56,988	-	-	-	-	-
Depreciation Reserves	CCTV Infiltration Investigation	100,000	155,700	106,914	-	-	-	-	-	-	-
Depreciation Reserves	WAIROA RETICULATION - RENEWALS	250,000	259,500	534,570	275,838	284,941	294,914	305,826	317,447	330,145	344,011
Depreciation Reserves	WAIROA STATIONS FLOW METERS	50,000	-	-	-	-	-	-	-	-	-
Depreciation Reserves	Infiltration Study - Night Time Flow	50,000	51,900	53,457	-	-	-	-	-	-	-
Depreciation Reserves	Data verification/condition reporting	75,000	103,800	53,457	-	-	-	-	-	-	-
Depreciation Reserves	Consultancy for Wairoa ww consent	75,000	77,850	80,186	82,751	113,976	117,965	-	-	-	-
Depreciation Reserves	Pump station renewals	-	51,900	-	27,584	-	29,491	-	31,745	-	34,401
	Sewerage - Cap Ex										
Depreciation Reserve/Loans	Construction of Plant for new Wairoa consent	50,000	103,800	213,828	551,676	2,279,526	1,179,655	611,651	-	-	-
	Waste Management -Ren Ex										
Depreciation Reserves	Effluent system	10,000	10,250	10,517	10,800	11,114	11,447	11,802	12,191	12,606	13,060
Depreciation Reserves	Hardstand area	30,000	-	-	-	-	-	-	-	-	-
Depreciation Reserves	Diversions Infrastructure renewals	-	-	-	21,601	-	-	-	-	-	26,119
Depreciation Reserves	Recycling Centre renewals (loan to be repaid by waste levy)	-	-	52,583	-	-	-	23,604	-	-	-
	Waste Management -Cap Ex										
Loans	RTS LANDSCAPING/TREES	5,000	-	-	-	5,557	-	-	-	-	6,530
Loans	COVER WAIROA LANDFILL	-	-	-	-	-	-	-	-	-	65,299
Loans	New Landfill Cell (loan)	-	-	-	-	-	57,235	-	-	-	-
Loans	Recycling Centre Upgrade (loan to be repaid by waste levy)	50,000	-	-	-	-	-	-	-	-	-
Loans	CONS - NEW CELL CONSTRUCTION	-	-	-	-	-	-	-	-	-	-
	Airport - Ren Ex										
Depreciation Reserves	RenEx - Runway Lighting	35,000	-	-	-	-	-	-	-	-	-
Depreciation Reserves	RenEx - Runway Resurfacing	-	205,000	-	270,011	-	-	-	-	-	-
Depreciation Reserves	Building renewals	10,000	-	-	-	11,114	-	-	-	-	-
Depreciation Reserves	Certification	20,000	-	-	-	-	-	-	-	-	-
Depreciation Reserves	Recertification	-	-	-	-	-	-	-	-	-	13,060

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FUNDING	SCHEME	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
	Roading Subsidised -Ren Ex										
Depreciation Reserves/Subsidy	Emergency Reinst. - Renewal	1,000,000	1,014,000	1,036,308	1,061,179	1,087,709	1,117,077	1,148,355	1,182,806	1,219,473	1,259,715
Depreciation Reserves/Subsidy	Emergency Reinst. - New	500,000	507,000	518,154	530,590	543,854	558,539	574,178	591,403	609,736	629,858
Depreciation Reserves/Subsidy	Pavement Rehabilitation	700,000	709,800	725,416	745,225	760,891	777,831	795,024	812,982	831,815	850,900
Depreciation Reserves/Subsidy	Sealed Road Resurfacing	950,000	912,600	880,862	855,061	830,938	808,369	787,520	767,525	748,526	729,744
Depreciation Reserves/Subsidy	Drainage Renewals	250,000	212,940	227,988	265,295	435,084	446,831	459,342	472,263	485,763	499,872
Depreciation Reserves/Subsidy	Structures Components Replacements	550,000	456,300	466,339	530,590	489,469	558,539	631,595	591,403	609,736	692,843
Depreciation Reserves/Subsidy	Traffic Services Renewals	50,000	50,700	51,815	53,059	54,578	56,127	57,710	59,310	60,927	62,560
Depreciation Reserves/Subsidy	Associated Improvements	200,000	202,800	207,262	212,919	219,240	226,246	233,796	241,396	249,043	256,736
Depreciation Reserves/Subsidy	Coastal Protection Resource Consent	25,000	25,350	25,908	26,529	27,193	27,927	28,709	29,570	30,487	31,493
Depreciation Reserves/Subsidy	Minor Improvements	250,000	253,500	259,077	265,295	271,927	279,269	287,089	295,701	304,868	314,929
Depreciation Reserves/Subsidy	Road 38 - Unsealed Road Metalling	40,000	121,680	124,357	127,342	130,525	134,049	137,803	141,937	146,337	151,166
Depreciation Reserves/Subsidy	Road 38 - Drainage Renewals	100,000	106,470	113,994	121,835	130,631	140,312	150,881	162,443	175,103	188,867
Depreciation Reserves/Subsidy	Road 38 - Traffic Services Renewals	35,000	50,700	41,452	10,612	10,877	11,171	11,484	11,828	12,195	12,597
Depreciation Reserves/Subsidy	Road 38 - Structures Component Renewals	50,000	40,560	51,815	15,918	16,316	16,756	17,225	17,742	18,292	18,896
Depreciation Reserves/Subsidy	Road 38 - Sealed Road Resurfacing	70,000	76,050	67,360	63,671	65,263	66,934	68,667	70,463	72,323	74,238
Depreciation Reserves/Subsidy	Road 38 - Minor Improvements	740,000	775,710	797,957	818,335	840,631	864,883	891,193	918,564	948,003	979,519
Depreciation Reserves/Subsidy	Road 38 - Te Urewera Rainforest Route Upgrade	200,000	202,800	207,262	212,919	219,240	226,246	233,796	241,396	249,043	256,736
Depreciation Reserves/Subsidy	SP38 Emergency Reinst. - New	50,000	50,700	51,815	53,059	54,578	56,127	57,710	59,310	60,927	62,560
	Roading Subsidised -Cap Ex										
Depreciation Reserves/Subsidy	New Road Formation at Ratau St	95,000	-	-	-	-	-	-	-	-	-
Depreciation Reserves/Subsidy	Cycleway/Walkway Pilot Hill – Whakamahi (Limestone)	110,000	-	-	-	-	-	-	-	-	-
Depreciation Reserves/Subsidy	Cycleway/Walkway Marine Pde Playground – Ski Club (concrete)	110,000	-	-	-	-	-	-	-	-	-
Depreciation Reserves/Subsidy	Cycleway/Walkway Wairoa Township Loop (concrete Kitchener St)	-	319,410	-	-	-	-	-	-	-	-
Depreciation Reserves/Subsidy	New Road Formation at Pohutukawa Reserve	-	-	98,449	-	-	-	-	-	-	-
Depreciation Reserves/Subsidy	Cycleway/Walkway Opoutama – Mahia Beach (concrete Ormond Dr)	-	-	-	-	-	-	-	-	-	-
	Roading - Non-Subsidised - Ren EX										
Depreciation Reserves	FOOTPATH RENEWALS	80,000	82,000	84,132	108,004	111,137	114,471	118,019	121,914	126,059	130,597
Depreciation Reserves	NEW STREETLIGHTS	10,000	10,250	10,517	10,800	11,114	11,447	11,802	12,191	12,606	13,060
Depreciation Reserves	UPGRADE CROSSINGS	2,500	2,563	2,629	2,700	2,778	2,862	2,950	3,043	3,141	3,245
Depreciation Reserves	Upgrade Road Stormwater outlets	32,500	35,875	36,808	37,800	38,841	39,934	41,080	42,281	43,538	44,851
Depreciation Reserves	NEWCASTLE ST WALKWAY/CYCLE	8,000	8,200	8,413	10,800	11,114	11,447	11,802	12,191	12,606	13,060
Depreciation Reserves	TJAI FOOTPATH UPRGADE (DDF)	25,000	25,625	26,291	27,000	27,778	28,600	29,467	30,379	31,336	32,339
Depreciation Reserves	Walkway James Carroll Expenses	5,000	3,075	3,155	3,240	3,330	3,425	3,525	3,630	3,740	3,855
	Roading - Non-Subsidised - Cap EX										
Depreciation Reserves	NEW FOOTPATHS	110,000	133,572	147,580	163,797	181,416	178,275	182,308	182,871	189,088	195,896
Depreciation Reserves	Urewera Rainforest Route Upgrade Feasibility	20,000	20,500	21,033	21,600	22,200	2,862	2,950	3,043	3,151	3,265
Depreciation Reserves	Walkway/Cycleway Loop Design – Feasibility	20,000	20,500	21,033	21,600	22,227	22,894	23,604	24,363	25,172	26,031
Depreciation Reserves	Piping of Open Drains – Kitchener St (SH2 to Hospital rear access) (2015/18)	-	-	-	-	-	-	-	-	-	-
Depreciation Reserves	Mahia Beach Drainage – Pipi Cres and Tamure Cres run-off control (2015/16)	35,000	-	-	-	-	-	-	-	-	-
Depreciation Reserves	Mahanga Beach – Village drainage outlet through Happy Jacks Rd (2016/17)	-	41,000	-	-	-	-	-	-	-	-
Depreciation Reserves	Nuhaka-Opoutama Rd Drainage – Blacks No1 and 2 open drain treatment (2017/18)	-	-	60,996	-	-	-	-	-	-	-
Depreciation Reserves	Mahia Beach Drainage – Fortesque, Terakihi, Newcastle to beach outlet (2017/18)	-	-	36,808	-	-	-	-	-	-	-
Depreciation Reserves	Piping of Open Drains – Kitchener St (Hospital rear access to Clyde Rd) (2018/22)	-	-	-	-	-	-	-	-	-	-
	Car Parking -Ren Ex										
Depreciation Reserves	Renewals of Carparks (Resealing)	-	-	-	255,323	-	-	-	-	-	-
Depreciation Reserves	REMARK CARPARKS	10,715	-	11,268	-	-	12,592	-	-	15,757	-
Depreciation Reserves	RESEAL WAIROA POWER	-	121,155	-	-	-	-	-	-	-	-
	Car Parking -Cap Ex										
Loans	Whakamahi Development Project car parks	50,000	-	-	-	-	-	-	-	-	-

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		BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
	IBU - Ren Ex										
Depreciation Reserves	PURCHASE COMPUTER EQUIPMENT	10,000	-	-	5,400	-	-	5,901	-	-	6,530
Depreciation Reserves/Sale of Assets	PURCHASE OF VEHICLES	30,000	30,750	31,550	-	-	34,341	35,406	36,574	-	-
Depreciation Reserves	PURCHASE OFFICE FURNITURE	5,000	-	-	5,400	-	-	-	-	12,606	-
Depreciation Reserves	PURCHASE OF SOFTWARE LICENCES	10,000	-	-	-	-	-	-	-	-	-
	Parks and Reserves - Ren Ex										
Depreciation Reserves	Playground equipment	20,000	10,250	-	-	-	11,447	-	-	-	-
Depreciation Reserves	Clyde domain pavillon renewals	10,000	-	-	-	-	-	-	-	-	-
Depreciation Reserves	Lambton square buildings	5,000	-	-	-	-	-	-	-	-	26,119
Depreciation Reserves	Wairoa Boat Ramp improvements	15,000	-	-	-	-	-	-	-	-	-
Depreciation Reserves	Oraka toilets renewals	25,000	-	-	-	-	-	-	-	-	-
Depreciation Reserves	Picnic Tables	15,000	-	-	-	-	-	-	-	-	-
	Parks and Reserves - Cap Ex										
Loans	Whakamahi Beach Project-stage 2	-	-	-	-	-	-	-	-	-	-
Loans	New Playground Equipment	100,000	-	-	-	-	-	-	-	-	-
Loans	Camera Installation	25,000	-	-	-	27,784	-	-	-	-	-
Loans	Implement Rangihoua Reserve Management Plan	50,000	-	-	-	-	-	-	-	-	-
	Library - Cap Ex										
Depreciation Reserves	Book purchases	40,000	39,975	39,963	38,882	33,341	28,618	23,604	24,383	25,212	26,119
Depreciation Reserves	ebook purchases	4,000	5,125	6,310	8,640	11,114	17,171	23,604	24,383	25,212	26,119
Loans	Library Management System	-	-	49,428	-	-	-	-	-	-	-
Depreciation Reserves	Carpet Mezzanine floor	5,000	-	-	-	-	-	-	-	-	-
Loans	Downstairs storage option	-	-	10,517	-	-	-	-	-	-	-
Loans	Air conditioning in newspaper area	-	-	4,207	-	-	-	-	-	-	-
Loans	Library entrance upgade	-	-	15,775	-	-	-	-	-	-	-
Loans	Small meeting room partition	-	-	5,258	-	-	-	-	-	-	-
Loans	Review Library Building for future requirements	10,000	-	-	-	-	-	-	-	-	-
	Pensioner Housing - Ren Ex										
Depreciation Reserves	Painting exterior block of flats	25,000	-	-	-	-	-	-	-	31,271	-
Depreciation Reserves	Painting exterior block of flats	-	6,656	-	-	-	-	-	-	-	8,407
Depreciation Reserves	Painting exterior block of flats	-	-	-	10,769	-	-	-	-	-	-
Depreciation Reserves	Painting exterior block of flats	11,000	-	-	-	-	-	-	-	13,759	-
Depreciation Reserves	Painting exterior block of flats	-	-	-	19,384	-	-	-	-	-	-
Depreciation Reserves	Livingstone flat roofing	11,000	-	-	-	-	-	-	-	-	-
Depreciation Reserves	Livingstone flat stoves(4)	4,000	-	4,198	-	4,428	-	4,693	-	5,003	-
	Cemeteries - Ren Ex										
Depreciation Reserves	Building renewals	20,000	-	-	-	-	17,171	-	-	-	13,060
	Cemeteries - Cap Ex										
Loans	New Beams	15,000	-	-	-	16,670	-	-	-	18,909	-
Loans	Drainage system- New Cemetry	50,000	-	-	-	-	-	-	-	-	-
Loans	Develop new Cemetry area	-	-	-	-	-	-	-	-	-	195,896
	Community Centre - Ren Ex										
Depreciation Reserves	Renewals Building	25,000	40,960	41,984	43,076	44,282	569,573	175,998	36,326	43,779	129,335

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FUNDING	SCHEME	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
Depreciation Reserves	Renewals Pool	10,000	5,120	5,248	5,384	110,704	5,696	5,867	6,054	6,254	6,467
Subsidy/Loans	Community Centre - Cap Ex LTS Pool	1,000,000	768,000	-	-	-	-	-	-	-	-
Depreciation Reserves	Environmental Health - Ren Ex Replacement of sound level meter	-	10,250	-	-	-	-	-	-	12,606	-
Depreciation Reserves/Sales of Assets	Replacement of vehicle	25,000	-	-	27,001	-	-	29,505	-	-	32,649
Depreciation Reserves	Building Inspection - Ren Ex Mobile Data devices	-	-	31,550	-	-	34,341	-	-	37,818	-
Depreciation Reserves/Sales of Assets	Repalcement of vehicle- 4x4 ute	35,000	-	-	37,802	-	-	41,307	-	-	45,709
Depreciation Reserves/Sales of Assets	Repalcement of vehicle-	25,000	-	-	27,001	-	-	29,505	-	-	32,649
Depreciation Reserves/Sales of Assets	New Vehicle for new building control officer	-	-	-	-	-	-	-	-	-	-
Loans	Building Inspection - Cap Ex New Vehicle for new building control officer	-	-	-	-	-	-	-	-	-	-
Depreciation Reserves/Sales of Assets	Bylaw Control -Ren Ex Replacement of 2 vehicles - 2x4 utes	-	-	63,099	-	-	68,682	-	-	75,635	-
Depreciation Reserves/Sales of Assets	Replacement of vehicle-4x4	46,000	-	-	49,682	-	-	54,289	-	-	60,075
Loans	Bylaw Control -Cap Ex Extension to dog pound	15,000	-	-	-	-	-	-	-	-	-
Depreciation Reserves	Civil Defence - Ren Ex Replacement of generator	50,000	-	-	-	-	-	-	-	63,029	-
Depreciation Reserves/Sales of Assets	Repalcement of vehicle-CD officer 4x4	35,000	-	-	37,802	-	-	41,307	-	-	45,709
Loans	Rural Fire - Ren Ex 1985 Trailer Wairoa 86NLS	-	-	-	-	-	-	-	-	-	-
Loans	1987 Hino Fire Appliance Mahia NQ8410	-	-	-	-	-	-	-	-	-	-
Loans	1989 Mitsubishi Fuso Water Tanker Wairoa AFH628	-	-	-	-	-	-	-	-	-	-
Loans	1998 Nissan Water Tanker Mahia EFA479	-	-	-	-	-	-	-	-	-	-
Loans	Council - Cap Ex Mayoral vehicle	-	-	-	-	-	-	-	-	-	-
Depreciation Reserves/Sales of Assets	Council Ren Ex Mayoral vehicle	-	-	-	-	-	-	-	-	-	-
Depreciation Reserves/Sales of Assets	Maori Governance - Ren Ex Vehicle	-	-	25,000	-	-	25,000	-	-	25,000	-
Loans	Economic Development - Cap Ex Enhancement of River Use	-	102,500	-	-	-	-	-	-	-	-
Loans	Recreational Infrastructure	-	-	-	-	-	-	-	-	-	-
Loans	Implementation of Wairoa WiFi	-	-	-	-	-	-	-	-	-	-
Depreciation Reserves	Information Centre Building - VIC Painting exterior building	15,000	-	-	-	-	-	-	-	-	19,400
Depreciation Reserves	Lightings-YROA YNOT	2,000	-	-	-	-	-	-	-	-	-

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FUNDING	SCHEME	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
Depreciation Reserves/Sale of assets	Chief Executive Officer - Ren Ex CEO Vehicle	-	-	42,066	-	-	45,788	-	-	50,424	-
Depreciation Reserves/Sales of Assets	Administration - Ren Ex Renew Vehicle - Admin	25,000	-	-	-	27,784	-	-	-	31,515	-
Depreciation Reserves/Sales of Assets	Renew Vehicle-Pool Car	-	25,625	-	-	-	28,618	-	-	-	32,649
Loans	Administration - Cap Ex Archives Building	30,000	410,000	420,660	-	-	-	-	-	-	-
Depreciation Reserves	Information Services - Ren Ex Replacement physical servers DL380G9 x 2	22,000	-	-	-	-	25,184	-	-	-	-
Depreciation Reserves	Servers RAMS	4,400	-	-	-	-	5,037	-	-	-	-
Depreciation Reserves	12 x 900 Drives	12,000	-	-	-	-	13,736	-	-	-	-
Depreciation Reserves	Cables	2,400	-	-	-	-	2,747	-	-	-	-
Depreciation Reserves	Tape Drive	-	-	8,413	-	-	9,158	-	-	10,085	-
Depreciation Reserves	Replacement laptops	15,000	15,375	15,775	16,201	16,670	17,171	17,703	18,287	18,909	19,590
Depreciation Reserves	Replacement Thin clients	-	-	-	-	22,227	-	-	-	-	26,119
Depreciation Reserves	Replacement Tower PCs	-	10,250	-	-	-	11,447	-	-	-	13,060
Depreciation Reserves	Context A1 Scanner	15,000	-	-	-	-	17,171	-	-	-	-
Depreciation Reserves	Mobile TV Conferencing Unit	-	-	-	-	-	13,736	-	-	-	-
Depreciation Reserves	Information Services - Cap Ex KOFAX Scanner	-	-	-	-	-	-	-	-	-	-
Depreciation Reserves	KOFAX data storage	-	-	-	-	-	-	-	-	-	-
Depreciation Reserves	Mobile TV Conferencing Unit	12,000	-	-	-	-	-	-	-	-	-
Depreciation Reserves	Face Me Software	5,000	-	-	-	-	-	-	-	-	-
Depreciation Reserves/Sales of Assets	Engineering - Ren Ex Vehicle Replacement	35,000	-	-	37,802	-	-	41,307	-	-	45,709
		10,636,515	11,758,578	10,769,895	8,930,993	10,296,285	9,601,617	8,807,156	7,858,526	8,507,731	9,839,759
FUNDED BY:											
	Rates	-	-	-	-	-	-	-	-	-	-
	Asset Sales	70,000	30,000	90,000	70,000	10,000	90,000	90,000	20,000	80,000	80,000
	Depreciation Reserves	4,288,515	4,430,524	4,458,867	4,276,597	4,135,148	3,989,845	3,492,447	2,900,781	3,316,863	4,183,614
	Roading Subsidies	4,628,000	4,726,913	4,846,294	3,922,384	4,135,034	4,402,847	4,613,058	4,810,767	4,959,901	5,170,817
	Other Subsidies	1,100,000	1,000,000	484,000	-	-	-	-	-	-	-
	Loans	550,000	1,571,140	890,734	662,011	2,016,103	1,118,925	611,651	126,979	150,967	405,328
	Water Production Reserve	-	-	-	-	-	-	-	-	-	-
	District Development Reserve	-	-	-	-	-	-	-	-	-	-
	Tuai Reserve	-	-	-	-	-	-	-	-	-	-
		10,636,515	11,758,578	10,769,895	8,930,993	10,296,285	9,601,617	8,807,156	7,858,526	8,507,731	9,839,759
	Diff	-	-	-	-	-	-	-	-	-	-

WAIROA DISTRICT COUNCIL
CAPITAL AND PROJECT EXPENDITURE
LTP 2015-2025

	FUNDING	SCHEME	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
			BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET

Summary-Total for 10 Year Plan		\$
Spend		97,007,055
Funded by :-		
Asset sales		630,000
Depreciation reserves		39,473,201
Subsidies		46,216,015
Other Subsidy		2,584,000
Loans		8,103,838
		97,007,055

Financial Prudence Benchmarks

Long-term plan disclosure statement for period commencing 1 July 2015

The purpose of this statement is to disclose Council’s planned financial performance in relation to various benchmarks to enable the assessment of whether Council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

Council is required to include this statement in its LTP in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Please refer to the regulations for more information, including definitions of some of the terms used in this statement.

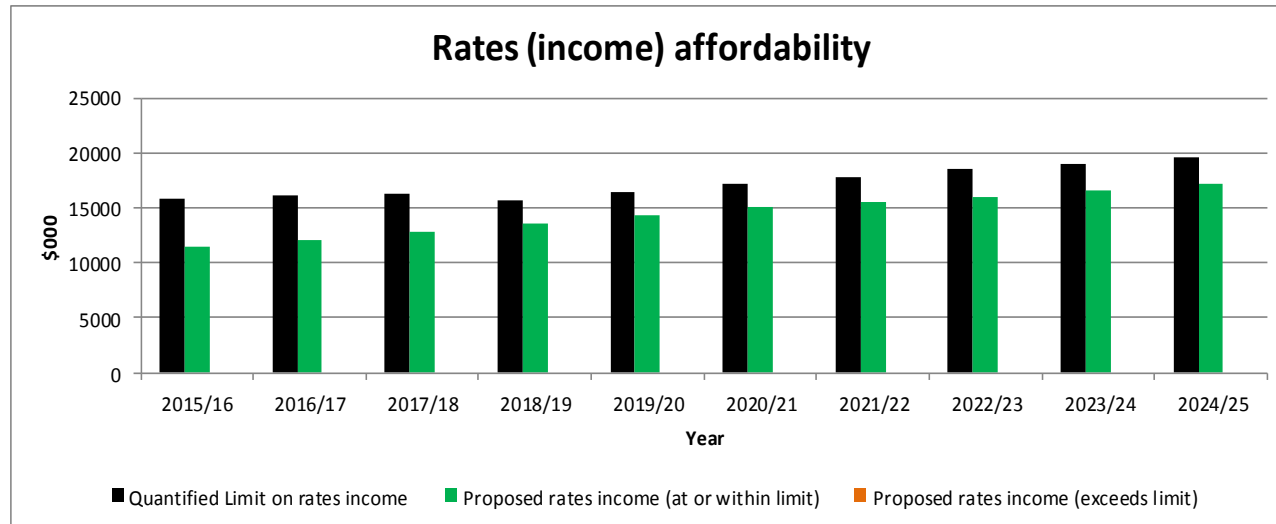
Rates affordability benchmark

Council meets the rates affordability benchmark if:

- its planned rates income equals, or is less than, each quantified limit on rates; and
- its planned rates increases equal, or are less than, each quantified limit on rates increases.

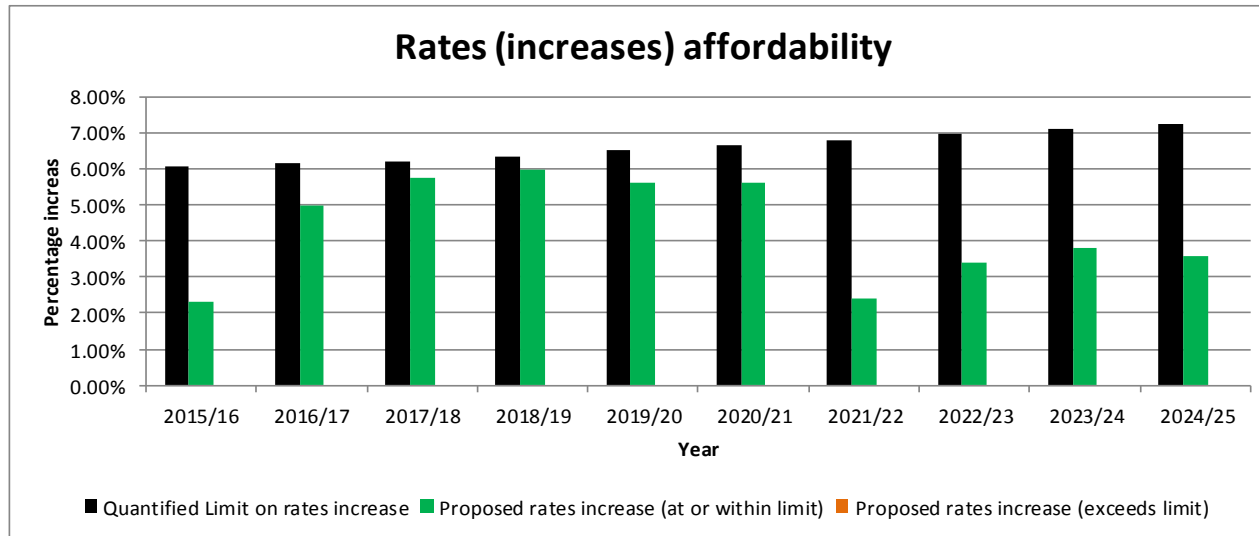
Rates (income) affordability

The following graph compares Council’s planned rates with a quantified limit on rates contained in the financial strategy included in this LTP. The quantified limit is that total rates revenue will comprise no more than 60% of Council’s total funding requirements.



Rates (increases) affordability

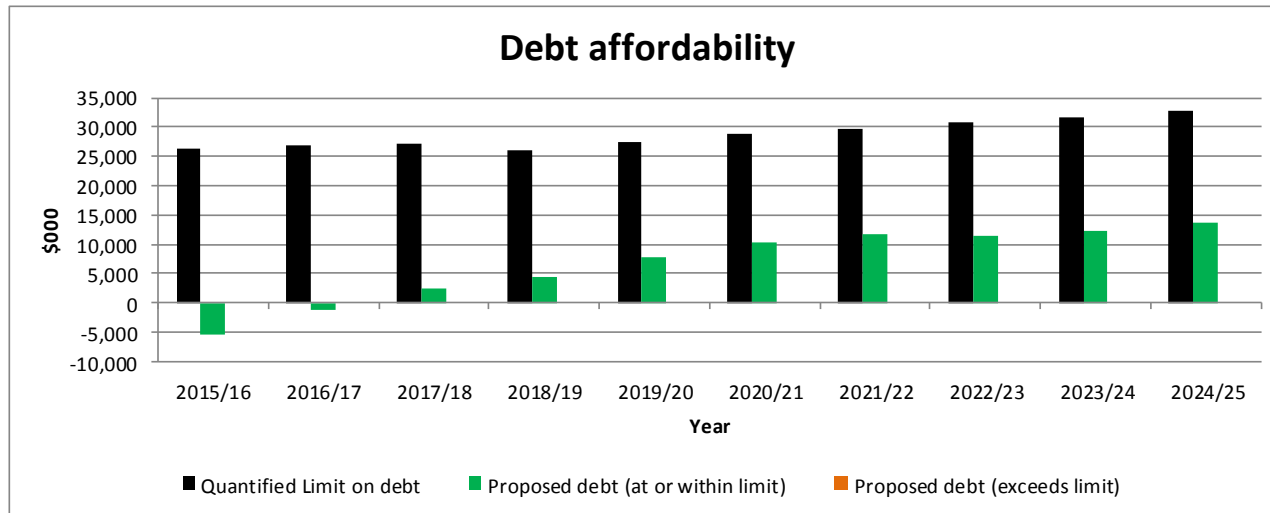
The following graph compares Council's planned rates increases with a quantified limit on rates increases contained in the financial strategy included in this LTP. The quantified limit is Local Government Cost Index plus 3.5% each year.



Debt affordability benchmark

Council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing.

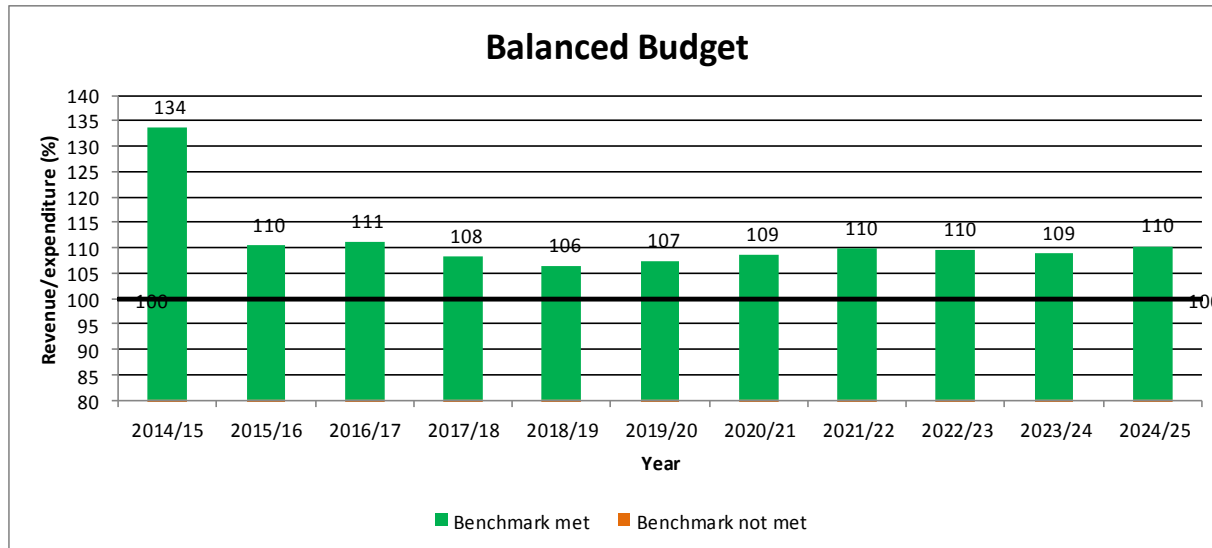
The following graph compares Council’s planned debt with a quantified limit on borrowing contained in the liability and investment policy included in Council’s LTP. The quantified limit is net debt less than 100% of total revenue.



Balanced budget benchmark

The following graph displays 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 operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment).

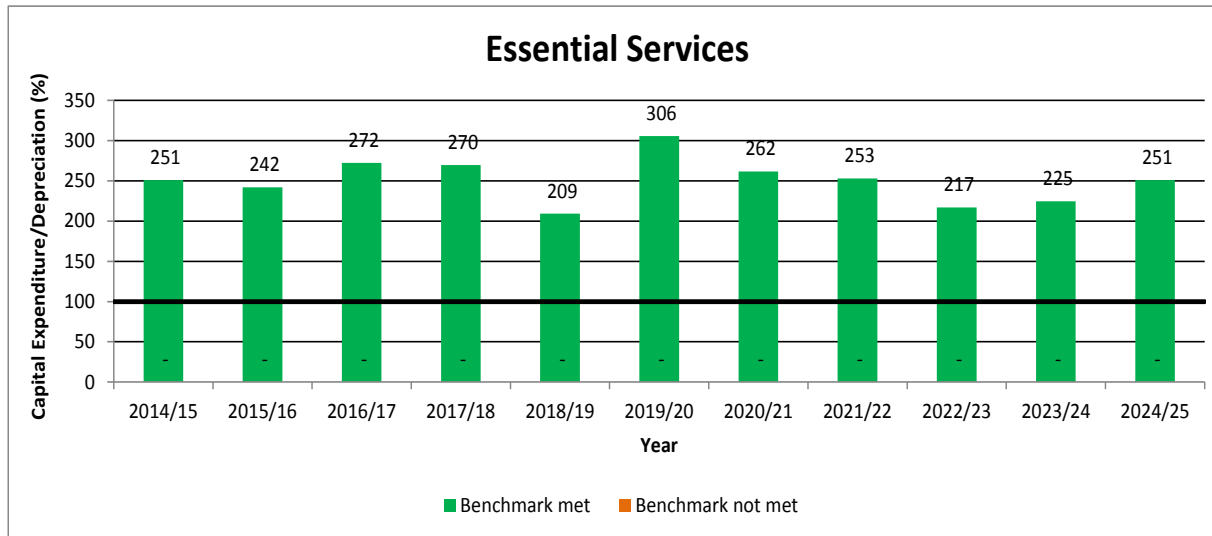
Council meets the balanced budget benchmark if its planned revenue equals, or is greater than, its planned operating expenses.



Essential services benchmark

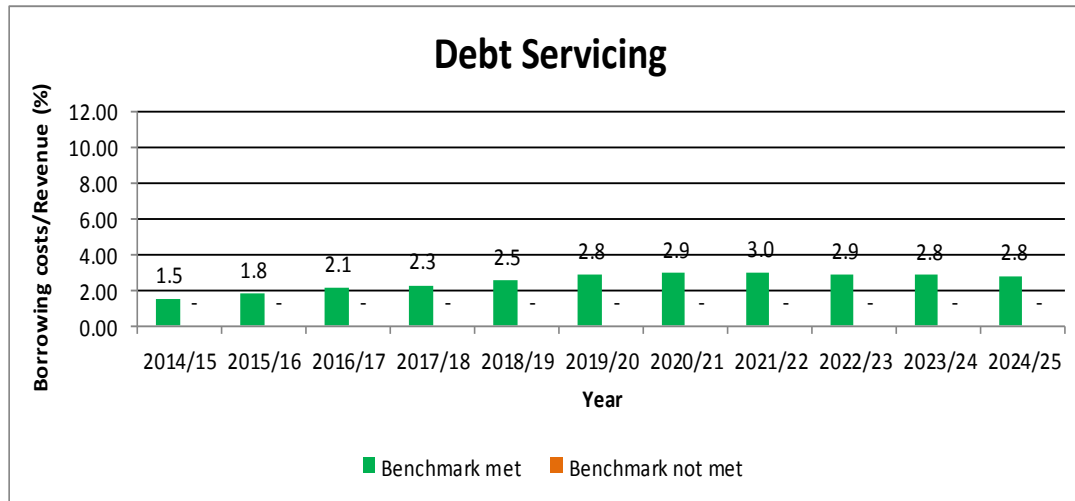
The following graph displays Council's planned capital expenditure on network services as a proportion of expected depreciation on network services.

Council meets the essential services benchmark if its planned capital expenditure on network services equals, or is greater than, expected depreciation on network services.



Debt servicing benchmark

The following graph displays Council's planned borrowing costs as a proportion of planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment). Because Statistics New Zealand projects the district's population will grow more slowly than the national population is projected to grow, Council meets the debt servicing benchmark if its planned borrowing costs equal, or are less than, 10% of its revenue.



General Finance Policies:

REVENUE AND FINANCING POLICY

1. Policy Objectives

The purpose of the Council's Revenue and Financing Policy¹ 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 council's financial management because how the activities are funded can have a significant impact on the financial viability of 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, including the basis for its rating system and is proposing the way in which the Uniform Annual General Charge (UAGC) is calculated. There are no other significant changes proposed in the Policy.

2. Revenue And Financing Policy Considerations

The Policy requirements are included in Sections 101, 102 and 103 of the Local Government Act 2002 (the Act). 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 accrue (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.

¹ Section 103 sets out the required contents of the Revenue and Financing Policy required by s.102(2)(a).

3. Council Outcomes

A full description of the outcomes is part of the Long Term Plan. The individual activity analysis lists the community outcomes that the activity primarily contributes to and link to the reasons why the activity is undertaken.

4. 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, 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 - 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, Jane cannot.

Excludability - good or service is excludable if a person can be prevented from consuming the good or service, e.g. if Bill does not buy a movie ticket, then the usher can exclude him by preventing him from entering the theatre.

These 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

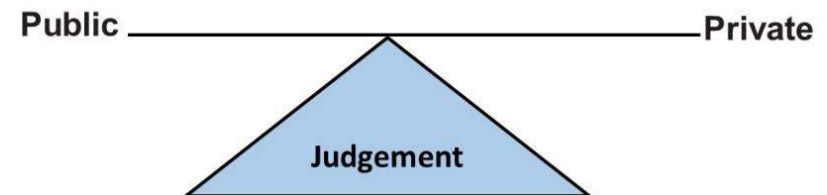
wishes to be or not, and this protection cannot be removed from anyone in New Zealand.

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. 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 LGA and previous case law place the responsibility on elected members to make decisions about who benefits and who should pay.



5. 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.

6. 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.

7. 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 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?

8. Financial Management

In terms of the Local Government Act 2002 (the Act) 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 s.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.

9. Other Legal Requirements

While the Revenue and Financing Policy is governed by the Local Government Act 2002, 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 all the 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 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.

Resource Management Act 1991

This Act sets out 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 Local Government Act 2002, local authorities are allowed to seek development contributions or a combination of development and financial contributions under the respective Acts. The Wairoa District Council does not currently take development contributions but it is considering the use of financial contributions as part of its review of its District Plan.

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".

10. 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.

The sources of funding available to the Council include:

- General rates;
- Targeted rates;

- 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; and,
- Any other source.

10.1 General rates

A General rate is assessed across all rateable properties in the district based on a property valuation system. It is used to fund those services where the Council has determined that the benefits from the service are available to the whole community and where a fixed charge per rating unit is not considered appropriate. General rates are set on a differential basis.

Differentials are applied to the General Rate and Targeted Rates based on the uses to which the land is put, and activities proposed to be permitted, controlled or discretionary within the operative district plan at the time the rate is assessed. The General rate is split into differentials to recognise the different classifications and uses of land within the district, and the differing consumption of council resources relative to other ratepayers in the District.

Those differentials are calculated as a percentage of the standard rates i.e. a differential rating factor of 0.50 applies a factor of 50% to the standard rate. The differential rating settings are as follows:

Urban differential categories

	Differential Category	Differential factor
i.	Wairoa Township (all properties not included in (ii), (iii), (iv) or (v) below) <i>being all rateable properties defined under the Rate Review Special Order "Differential Rating Special Order Resolution – E: Explanatory Statement 3a as Wairoa Township", and with a land value less than \$80,000.</i>	1
ii.	Wairoa Township (Commercial/Industrial) <i>being all rateable properties defined under the Rate Review Special Order "Differential Rating Special Order Resolution – E: Explanatory Statement 3a as Wairoa Township Commercial/Industrial".</i> The reason for this differential is to reflect the relative advantage this group has relative to other ratepayers located in the same urban area. The benefits derive from the proximity to and the usage of Council services provided and the occupation of the Council developed precinct of the district.	3.85
iii.	Wairoa Township (Commercial/Industrial) (CV <\$200,000) <i>being all rateable properties defined under the Rate Review Special Order "Differential Rating Special Order Resolution – E: Explanatory Statement 3a as Wairoa Township Commercial/Industrial with rateable capital value less than \$200,000.00".</i> The reason for this differential is to recognise the relative burden of rates relative to services received for these properties.	2.75
iv.	Wairoa Township (Commercial/Industrial) (CV ≥\$200,000) <i>being all rateable properties defined under the Rate Review Special Order "Differential Rating Special Order Resolution – E: Explanatory Statement 3a as Wairoa Township Commercial/Industrial with rateable capital</i>	2.75

	Differential Category	Differential factor
	<i>value equal to or greater than \$200,000.00".</i> The reason for this differential is to recognise the relative burden of rates relative to services received for these properties.	
v.	Residential 3 (LV ≥\$80,000) <i>being all rateable properties defined under the Rate Review Special Order "Differential Rating Special Order Resolution – E: Explanatory Statement 3a as Wairoa Township" and with a land value equal to or greater than \$80,000.</i> This differential category recognises the relative burden of rates relative to services received for these properties.	0.55

Rural differential categories

	Differential Category	Differential factor
vi.	Wairoa Rural (all properties not included in (vi), (vii), (viii), (ix), (xi) (x), (xi) and (xiv) below) <i>being all rateable properties defined under the Rate Review Special Order "Differential Rating Special Order Resolution – E: Explanatory Statement 3a as Wairoa Rural" with a land value less than \$100,000.</i>	1
vii.	Rural Villages of Frasertown, Nuhaka and Ruapunga <i>being all rateable properties defined under the Rate Review Special Order "Differential Rating Special Order Resolution – E: Explanatory Statement 3a as Wairoa Rural Residential" (the rural townships of Frasertown, Ruapunga and Nuhaka).</i> This differential category recognises the relative burden of rates relative to services received for these properties.	1.25
viii.	Rural Non-Forestry (LV ≥\$100,000 and < \$1,000,000)	1

	Differential Category	Differential factor
	<i>being all rateable properties defined under the Rate Review Special Order "Differential Rating Special Order Resolution – E: Explanatory Statement 3a as Wairoa Rural", with a land value equal to or greater than \$100,000 and less than \$1,000,000.</i>	
ix.	Rural Non-Forestry (LV ≥\$1,000,000) <i>being all rateable properties defined under the Rate Review Special Order "Differential Rating Special Order Resolution – E: Explanatory Statement 3a as Wairoa Rural" with Land Values greater than or equal to \$1,000,000.</i>	1
x.	Rural Residential/Residential One (Mahia) <i>being all rateable properties defined under the Rate Review Special Order "Differential Rating Special Order Resolution – E: Explanatory Statement 3a as Mahia Rural Residential".</i> The reason for this differential is to recognise the relatively high property values that unfairly penalise ratepayers in the district. Also, Council is collecting the similar dollar value as was previously collected.	0.85
xi.	Rural Residential - Residential One (b) (Tuai) <i>being all rateable properties defined under the Rate Review Special Order "Differential Rating Special Order Resolution – E: Explanatory Statement 3a as Tuai Rural Residential".</i> The reason for this differential is to recognise the relatively high property values that unfairly penalise ratepayers in the District. Also, Council is collecting the same dollar value as was previously collected.	0.5
xii.	Rural Roding Forestry (<100ha) <i>being all rateable properties defined under the Rate Review Special Order "Differential Rating Special Order Resolution – E: Explanatory Statement 3a as Wairoa Rural Forestry" and with a land area less than 100</i>	1

	Differential Category	Differential factor
	<i>hectares.</i>	
xiii.	Rural Roding Forestry (≥100ha) <i>being all rateable properties defined under the Rate Review Special Order "Differential Rating Special Order Resolution – E: Explanatory Statement 3a as Wairoa Rural Forestry" and with a land area equal to or greater than 100 hectares.</i> This differential category recognises the use to which the land is put and subsequent additional maintenance costs as a result of the forestry activities.	1.54
xiv.	Rural Commercial (CV ≥\$200,000) <i>being all rateable properties defined under the Rate Review Special Order "Differential Rating Special Order Resolution – E: Explanatory Statement 3a.</i> The reason for this differential is to reflect the advantage this group has compared to other ratepayers located in the same rural area, by consuming greater Council resources relative to other rural properties.	3.7

10.2 Uniform annual general charge

The Uniform Annual General Charge (UAGC) is set at a fixed amount per 'separately used or inhabited part' of every rateable part of a rating unit in the district. It is used where the benefits of an activity are for the whole of the district and where the use of a value-based rate would place an unfair burden on high value properties.

10.3 Targeted rates

A targeted rate is a rate that is charged to a particular group of rateable properties where the Council has identified that a group of rateable properties benefits from a specific service. It is used to fund services where a particular community or group benefits from the activity being funded.

10.4 Fees and charges

The Council impose fees and charges to recover either the full or a part of the 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.

10.5 Interest and dividends

Interest and dividends from investments are used to reduce the amount of Rates required.

10.6 Borrowing

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;
- 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; and,
- Operating surpluses.

10.7 Proceeds from asset sales

Proceeds from asset sales relate to funding received from selling physical assets such as plant and equipment. They are initially used to repay debt associated with that asset. Any remaining proceeds will be used to fund other capital expenditure within the activity that funded the acquisition of the asset sold.

10.8 Development contributions

The Local Government Act 2002 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.

Significant growth in services resulting from a population increase is not foreseen in Wairoa District over the ten year period therefore the Council has chosen not to take development contributions as a form of revenue at this time.

10.9 Financial contributions under the RMA

Financial contributions can be provided for in a council's district plan. Contributions may be imposed as a condition of development or resource consent. Currently the Council has no financial contributions, but the Council will consider Financial contributions as part of the review for the next District Plan.

10.10 Grants and Subsidies

The Council receives subsidies from New Zealand Transport Agency, which cover a proportion of the capital and maintenance costs of our roading network. The Council may also receive subsidies from the Ministry of Health for water related capital expenditure.

10.11 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).

11. 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.

11.1 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.

11.2 Extending level of service projects

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 loan and repaid from the operational funding sources.

11.3 Growth related projects

Additional assets required to serve growth in existing services due to new areas being serviced. These projects will be funded from rates 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.

SIGNIFICANCE & ENGAGEMENT POLICY:

1. Introduction

Decisions made by the Wairoa District Council affect the residents and ratepayers of Wairoa. We are committed to building and maintaining good relationships with stakeholders and our community so that decisions are well informed. Wherever practical, we will engage with individuals, organisations and groups in our community in ways that give them the best opportunity to have their say.

This Significance and Engagement Policy (Policy) meets the requirements of the Local Government Act 2002 (LGA 2002).

The objectives of this Policy are:

1. To establish a general approach and process for identifying the significance of Council decisions;
2. To set out when and how Council will engage with the community in decision-making, depending on the significance of the decision.

The LGA 2002 states that one role of a Council is to *enable democratic local decision-making and action by, and on behalf of, communities*. This Policy explains how Council will decide the level of significance that a matter has, the types of matters where the community will be involved in the decision-making process, and when the community can expect Council to make a decision *on its behalf*.

There are many informal ways that Council engages with the community during its everyday business which helps to inform it on community views. There are also decisions that a Council must make which require a more structured form of engagement. This is because of the importance that a matter has within the wider community, or for groups within the community.

The first part of this Policy sets out how Council will decide whether or not a matter is “significant”. The second part of this Policy sets out when and how the community’s views will be heard on these significant, and other, matters.

2. Purpose

This Policy lets both Council and the community identify the degree of significance attached to particular decisions, to understand when the community can expect to be engaged in Council’s decision making processes, and know how this engagement is likely to take place.

This Policy exists to:

- inform you about what you can expect from Council regarding community engagement and the ways you can influence and participate in the decision-making of Council.
- to provide Council with a tool that clearly guides the assessment of significance during decision-making and provides direction on the consideration of community views and the level of community engagement that might be desirable to enable Council to develop a clearer understanding of community views and preferences on an issue or proposal.

3. Significance

Local authorities must make decisions about a wide range of matters and most will have a degree of significance, but not all issues will be considered to be “significant”. An assessment of the degree of significance of proposals and decisions, and the appropriate level of engagement, will therefore be considered in the early stages of a proposal before decision making occurs.

Council has identified criteria to assess the degree of significance. The significance of an issue, proposal or decision lies somewhere on a continuum from low to high. Where the significance of a proposal or decision is unclear against one criterion, then Council will treat that criterion as being more, rather than less, significant. If any of the criteria are met, the proposal or decision may be ‘significant’. However, the criteria should be considered collectively to get to this point.

3.1 Criteria For Significance

Significance means the importance of an issue, proposal, decision, or matter, as assessed by Council. Council will take into account the

following matters when assessing the degree of significance of proposals and decisions, and the appropriate level of engagement:

- The likely impact/consequences of the issue, proposal, decision or other matter, on the district.
- Whether the asset is a strategic asset as listed in schedule two of this Policy.
- The impact on levels of service provided by Council or the way in which services are delivered.
- The degree of impact on Council's debt or the level of rates it charges.
- The financial and non-financial costs and implications of the issue, proposal, decision or other matter having regard to Council's capacity to perform its role.
- Whether the decision is reversible and the likely impact on future generations.
- The impact on the community, how many people are affected and by how much.
- Whether the decision or action flows from, or promotes, a decision or action that has already been taken by Council or furthers a community outcome, policy or strategy.
- Is there a past history or reasonable expectation of the issue generating wide public interest within the district.
- The likely impact/consequences of the issue, proposal, decision or other matter, on youth, elderly and Māori.

It may be that only one of the criteria applies, but to such a high degree that the decision will be considered "significant". Conversely, several criteria may be applicable, but to only a low degree, and therefore will be considered to have a lower level of significance. Each decision will involve staff making an assessment for consideration by elected members. Schedule one of this Policy sets out how the criteria will be used to assess significance.

3.2 Determining Significance

In the first instance, staff will be responsible for assessing the significance of a potential decision, in accordance with legislation and this Policy. Reports to Council and its Committees will include the staff assessment of the significance of the proposals and any options or

recommended decisions.

4. Engagement

In any engagement process undertaken with the community, that engagement will be in proportion to the matter being considered. When any engagement takes place, other than simply providing information, we will:

- Seek to hear from everyone affected by a decision.
- Ask for views early in the decision making process so that there is enough time for you to give us feedback, and for your views to be considered properly.
- Listen and consider views in an open and honest way.
- Respect everyone's point of view.
- Provide information that is clear and easy to understand.
- Consider different ways in which the community can share views with us.
- Ensure that the engagement process is efficient and cost effective.

4.1 Principles Of Engagement

Council will take a principle-based approach to our community engagement activities.

- **Genuine:** We will listen to the views provided by the community with an open mind and will give due consideration to them when making decisions.
- **Timeliness:** We will engage with the community as early as appropriate and ensure that engagement processes are an integral part of project planning. We will allow enough time for participants to contribute and for them to be able to raise unexpected issues.
- **Purposeful:** We will be clear about the purpose of engagement and the ability and scope of the engagement to influence decisions.
- **Inclusive and accessible:** We will engage in a way which encourages participation of all who are likely to be affected by, or are interested in, a decision.
- **Recognise diversity:** We will use engagement methods which are appropriate to the issue and those we are seeking to engage, having

- regard to their culture, age, ability and time availability.
- **Informed:** We will ensure information relating to the engagement is readily available so that participants can make informed contributions.
- **Responsive:** We will record, consider and respond to participants' contributions, and provide information to the community on how their feedback influenced the decision-making.
- **Engagement with Māori:** We will acknowledge the unique perspectives of Māori in our community.
- **Cost-effective:** We will engage in a cost-effective manner, and resource engagement in proportion to the significance of the decision. We will ensure the least possible cost to all involved in the engagement (including the costs to the communities/affected parties).

The ways engagement can take place are varied and will be in proportion to the significance of the matter being considered.

4.2 Statutory Compliance

The LGA 2002 and other legislation require Council to consult with the community in a range of circumstances. The LGA 2002 has also sets out principles to guide all consultation and prescribes specific consultative procedures, which must be followed in certain circumstances. At a minimum, Council will adhere to all legislative requirements.

4.3 Special Consultative Procedure

There are still situations where the Special Consultative Procedure must be used under the LGA 2002:

- Adoption or amendments to the Long Term Plan
- Adoption or amendment to a significant bylaw
- Transfer of ownership of a significant strategic asset
- Changes to financial policies.

There are also statutes which require the special consultative procedure to be followed in specified situations including:

- Resource Management Act 1991
- Rating Powers Act 1988
- Building Act 1991

- Sale and Supply of Liquor Act 2012
- Psychoactive Substances Act 2013
- Dog Control Act 1996
- Waste Minimisation Act 2008
- Freedom Camping Act 2011
- Land Transport Management Act 2003
- Energy Companies Act 1992.

It is important to note that formal consultation using a special consultative procedure is a structured process outlined in legislation and supported by case-law. In other engagement processes, however, there are no explicit statutory or legal rules constraining or defining community engagement processes. The LGA 2002 has given local authorities the ability to determine this as appropriate for their communities.

4.4 Significant Proposals Or Decisions

Council will determine the nature and form of the engagement in accordance with the significance of the particular decision. In general, the greater the significance of the decision, the more we will do to engage the community. A 'significant' decision will not automatically require the special consultative procedure.

4.5 Engagement With Māori

Council will honour all engagement processes, agreements and memorandums of understanding developed with Māori as they relate to its decision-making policies. It will also take into account its obligations as outlined under the Resource Management and Local Government Acts.

Te Tiriti o Waitangi/the Treaty of Waitangi is the founding document of New Zealand. Council accepts the great importance of this living, dynamic document, and is committed to upholding the spirit of Te Tiriti o Waitangi/the Treaty of Waitangi principles

- **Principle of *Tino Rangatiratanga* – Self-management**

The rights of Māori to exercise full authority and control over their lands, resources and taonga.

- **Principle of *Kawanatanga* – Governance**

The authority to make laws for the good order and security of the country subject to the duty imposed (on the Crown) to Māori under the Treaty.

- **Principle of *Whakawhanaungatanga* – Partnership**

A partnership between Māori and the Crown which requires the parties to act reasonably and with the utmost good faith in accordance with the Treaty of Waitangi.

- **Principle of *Oritetanga* – Equality and privileges of citizenship**

The right of tangata whenua as individual citizens to receive, as a minimum, fair and equal access to the resources and benefits provided by the Crown.

- **Principle of *Kaitiakitanga* – Stewardship**

The responsibility of Māori to undertake their duty of custodianship, stewardship and guardianship over their lands, resources and taonga.

- **Principle of *Whakatika i te mea he* – Duty to remedy past breaches**

The duty of the Crown to remedy past breaches of the Treaty and to prevent further breaches.

- **Principle of *Tuatiaki ngangahau* – Active protection of taonga and Māori interests**

The duty to ensure the active protection of taonga for as long as Māori wish it to apply.

- **Principle of *He here kia mōhio* – Duty to be informed**

The duty of the Crown to make informed decisions through consultation with Māori.

Engagement On Other Matters

Outside of matters where it remains mandatory for a special consultative procedure to be undertaken, Council will determine the appropriate level of engagement on a case by case basis.

Council may decide that it will use a special consultative procedure if the matter is of high significance, or it may choose another form of appropriate consultation. In instances where significance is judged to be moderate, engagement with the community could involve consulting through an advisory committee or focus group, public meetings, or surveys.

When Council decides that a matter is of low to moderate significance, or in instances where it is considered that the views of the community are already known, it may make a decision on behalf of the community and then inform the community of the outcome. This may be, for instance, through publication on the Council website, in the local media, or other appropriate means.

4.6 Reasons Not To Engage

Council acknowledges there are times when it is not necessary, appropriate or possible to engage the community on a proposal or decision. Council may also choose not to engage on a proposal or decision, but will only decide this in accordance with the criteria below:

1. The proposal or decision is not of a nature or significance that requires engagement.
2. Council already has a sound understanding of the views and preferences of the people likely to be affected by, or interested in, the proposal or decision.
3. There is a need for confidentiality or commercial sensitivity.
4. The costs of engagement outweigh the benefits of it.
5. The proposal or decision has already been addressed by Council's strategies, policies or plans, which have previously been consulted on.
6. An immediate or quick response or decision is needed or it is not reasonably practicable to engage.

Whenever Council does not formally engage, community views will still be considered before a decision is made and as much information will be provided to the public as possible.

4.7 Engagement Activities

Council will decide which engagement activities or processes to use based on the individuals, communities and sectors that are affected by, or

interested in the proposal; and the extent of that interest/impact. In the first instance, staff will be responsible for assessing the appropriateness of engagement activities for each proposal or decision at the project planning stage.

4.8 Information Requirements

Council will ensure that, when conducting any engagement or consultation process in relation to a significant decision, it provides:

- Clear information on what is being proposed and why it is being proposed
- Sufficient information on which to provide meaningful feedback
- The advantages and disadvantages of each option being considered
- What impacts, if any, will occur if the proposal goes ahead
- How the community can provide its views
- The timeframe for completing the community engagement or consultation
- How submitters and participants can learn about the outcome.

Definitions Used In This Policy

Community	A group of people living in the same place or having a particular characteristic in common. Includes interested parties, affected people and key stakeholders.
Decisions	Refers to all the decisions made by or on behalf of Council including those made by officers under delegation. (Management decisions made by officers under delegation during the implementation of council decisions will not be deemed to be significant).
Engagement	Is a term used to describe the process of seeking information from the community to inform and assist decision making. There is a continuum of community involvement.

Significance	As defined in Section 5 of the LGA 2002 <i>in relation to any issue, proposal, decision, or other matter that concerns or is before a local authority, means the degree of importance of the issue, proposal, decision, matter, as assessed by the local authority, in terms of its likely impact on, and likely consequences for:</i> <i>The district or region</i> <i>Any persons who are likely to be particularly affected by, or interested in, the issue, proposal, decision, or matter</i> <i>The capacity of the local authority to perform its role, and the financial and other costs of doing so.</i>
Strategic Asset	As defined in Section 5 of the LGA 2002 <i>in relation to the assets held by the local authority, means 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</i> <i>Any asset or group of assets listed in accordance with Section 90(2) by the local authority; and</i> <i>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</i> <i>Any equity securities held by the local authority in</i> <i>A port company within the meaning of the Port Companies Act 1988</i> <i>An airport company within the meaning of the Airport Authorities Act 1966.</i>

SCHEDULE ONE: ASSESSING SIGNIFICANCE AGAINST CRITERIA

Criteria	Higher Significance	Lesser Significance
Change in levels, or delivery, of service provided by Council.	There is a major and/or long term change to services.	There is a medium to low level of change to services.
Level of financial impact.	There is a major and long term financial impact.	There is a medium to low level of impact.
Impact on the community.	The decision would have a major impact on sections or all of the community.	The impact on the community is medium to low.
Decision involves a "strategic asset" as listed in this Policy.	The decision involves the sale or transfer of more than 20% of a strategic asset.	The decision does not impact on Council's ownership of the asset.
Impact on Council debt or level of rates.	The impact is major and/or long term on either debt levels or rates.	The impact is of a medium to low level
Reversibility of decision.	The decision is irreversible and would impact negatively on future generations to a high degree.	The decision is not irreversible, or if it were, the impact on future generations would not be high.
Building on previous decisions.	The matter is considered to be significant by other criteria, and has not been previously consulted with the community.	The decision or action is consequential to, or promotes, a decision or action already taken by Council or the views of the community on this matter are already known.
Historic interest.	There is a history of the matter generating wide and intense public interest and a reasonable expectation that this will again be so.	There is no history of the matter generating widespread interest.
The likely impact/consequences of the issue, proposal, decision or other matter, on youth, elderly and Māori.	The decision would have a major impact on youth, elderly and Māori.	The impact on youth, elderly and Māori is medium to low.

SCHEDULE TWO: LIST OF STRATEGIC ASSETS

The LGA 2002 definition of a strategic asset is outlined in Section 5.

The list of assets outlined below are considered to be “strategic assets”, however not all decisions made regarding them will be significant. For example, the road network is strategic but the purchase or sale of small land parcels that make up the network may not amount to a significant decision.

- Water supply catchments and supply network as a whole.
- Wastewater network as a whole.
- Stormwater and flood protection network as a whole.
- Land transport network as a whole.
- Waste management facilities as a whole.
- Cemeteries.
- Ownership of community facilities as a whole.

Remissions and Postponement Policies:

As required by Local Government Act 2002, s.102(2)(e), and s.102(3)(a) & (b)

Policy Objectives

The Local Government Act 2002 and the Local Government (Rating) Act 2002 provides Council with the ability to adopt a rates remission and a rates postponement policy. Any rates remission policy or postponement policy must initially be introduced in the Long Term Plan (LTP). Furthermore any amendments to a rates remission or rates postponement policy can only be made by an amendment to the LTP.

Section 102¹ of the Local Government Act 2002 requires a Council to adopt a rates remission and postponement policy on Māori freehold land and advises that a Council may also adopt other rates remission or rates postponement policies.

Definitions

For the purpose of interpreting these policies, the following definitions apply:

Ratepayer: The ratepayer is either the owner of the rating unit or a lessee under a registered lease of not less than ten years, where the lease provides that the lessee is required to be entered into the Rating Information Database as the ratepayer.

The term 'ratepayer' also applies to persons referred to in Part 4 of the Local Government (Rating) Act 2002, more specifically section 92.

Rating Unit: has the same meaning as a rating unit for the purposes of the Rating Valuations Act 1998.

¹ Sections 108, 109 & 110 set out the required contents of the Rates Remissions and Postponement Policies outlined or required by s.102(2)(e) and s.102(3)(a) & (b).

Part 1: Remission of rates on land owned or used by community or charitable organisations

Objectives

- To recognise circumstances where the requirements of Schedule 1, Parts 1 and 2 of the Local Government (Rating) Act 2002 are not met but it is considered unequitable not to grant a remission of up to 50% of rates (excluding targeted rates for sewerage or water or other utilities);
- To facilitate the ongoing provision of non-commercial, community services which meet the needs of the residents of the District; and,
- To make membership of the organisations more accessible to the general public, particularly disadvantaged groups. These include children, youth, young families, aged people, and economically disadvantaged people.

Conditions and Criteria

The Council may agree to remit rates of up to 50% on land owned or used by a community or charitable organisations subject to the following conditions:

- All applications must be made in writing and, if required, be accompanied by financial and other information;
- The organisation is not operating for private profit; and,
- The organisations primary purpose is to address the needs of adult members who engage in recreational, sporting, or community services as a secondary purpose.

Part 2: Remission of penalties added to unpaid rates objectives

To encourage ratepayers to enter into formal agreements to repay rates arrears.

Conditions and Criteria

- The Council will remit a penalty when it is demonstrated that a penalty has been levied because of an error made by the Council;
- The Council may remit a penalty where it considers that it is fair and equitable to do so. Matters that will be taken into consideration include the following:
 - The ratepayer's payment history;
 - Full payment made of rates due (excluding a penalty amount);
 - The ratepayer entering into an agreement with Council for the payment of rates; and,

- Under compassionate grounds where payment of rates has been late due to significant family disruption. Remission will be considered in the case of death, illness or accident of a family member, within 60 days of the due date.

Part 3: Remission of uniform annual general charges and targeted rates in certain circumstances – non rural land.

Objectives

Allow for the remission of rates in situations where uniform annual general charges and other selected targeted rates are assessed on additional rating units for contiguous or non-contiguous rating unit(s), where all requirements of s.20 of the Local Government (Rating) Act 2002 are not met.

Conditions and Criteria

- One rating unit is used as a private residence or a business and the additional rating unit is used solely as a garden or similar private part of the grounds in connection with the main rating unit;
- Where a private residence or business operates from more than one rating unit (location), and the additional unit is used as a single rating unit in conjunction with the main rating unit;
- A rating unit used for residential purposes, and includes a separately inhabited part, may be treated as one rating unit where the additional rating unit is used in conjunction with the main rating unit by a dependent member of the same family as that of the owner; and,
- This policy does not apply to untenanted flats, business premises or vacant buildings capable of use or inhabitation.

Part 4: Remission of uniform annual general charges and targeted rates for rural land

Objectives

To provide for relief from uniform charges and selected targeted rates for rural land which is either contiguous or non-contiguous and farmed as a single entity.

Conditions and Criteria

- This policy applies to rural land;

- A remission of charges will apply to additional rating units owned or used by a ratepayer; and,
- In the case of general land in separate ownership there must be some significant development that combines the two properties into one and the owners of each rating unit must confirm in writing that all rating units are being used as one farming operation.

Part 5: Remission on land for natural, historic or rates remission for land used for outstanding landscape, cultural, historical or conservation purposes

Objectives

To protect and promote significant natural areas, culturally significant sites, historic buildings, structures and places, and archaeological sites.

Conditions and Criteria

- Ratepayers who own rating units which include significant natural areas; culturally significant sites; historic buildings, structures and places; and archaeological sites qualify for remission of rates under this part of the policy.
- Applications must be made in writing. Applications should be supported by documentary evidence of the protected status of the rating unit.
- No person must be actually using the land or using the land (for private pecuniary profit).
- The Council will decide what amount of rates will be remitted on a case-by-case basis subject to a maximum amount of 50 percent of rates levied.

Part 6: Policy for remission and postponement of rates on Māori freehold land

Maori freehold land rates remission - Objectives

- To recognise the unique characteristics of Māori freehold land ownership structures.
- To meet the requirements of Schedule 11 of the Local Government Act 2002.

Criteria – Rates remission on Māori freehold land

- Land must be Māori Freehold land (as defined in the Te Ture Whenua Māori Act 1993 Part 6, Section 129 of the Local Government (Rating) Act 2002 Part1, Sub-paragraph 1, Section 5.
- No person shall be using the land at any time the rating unit is on the register. Persons actually using the land are liable for the rates on that land.
- For the purposes of this Part, a person actually using land means a person who, alone or with others,—
 - (a) Leases the land; or
 - (b) Does 1 or more of the following things on the land for profit or other benefit:
 - (i) Resides on the land;
 - (ii) De-pastures or maintains livestock on the land;
 - (iii) Stores anything on the land; or
 - (iv) Uses the land in any other way.
- Exceptions for use of land;
 - Where abandoned property or dwelling/s are situated upon the land;
 - Where an occupation order may have been granted but has not been put into effect; and,
 - Where only a portion of the land is usable, rates may be apportioned appropriately.
- The Council may give a remission of up to 100% of any and all types of rates, except targeted rates set for water supply or wastewater disposal, based on the following criteria:
 - The land is unoccupied and no income is derived from the use or occupation of that land;
 - The land is inaccessible, marginal in quality and/or unusable;
 - Only a portion of the land is used or usable;
 - The property carries a best potential use value that is significantly in excess of the economic value arising from its actual use;
 - The property is not used for residential purposes, and its value is significantly less than the value assessed by Valuation New Zealand; and,

- Other provisions and matters relating to the objectives of the policy as well as those found in Schedule 11 of the Local Government Act 2002.

Maori freehold land – Whenua Rahui Register – Objectives

- To recognise and take account of the presence of wāhi tapu that may affect the use of the land for other purposes;
- To recognise and support use of land by owners for traditional purposes as well as the relationship of Māori and their culture and traditions with their ancestral lands;
- To recognise and set aside land that is better set aside for non-use for the protection of its natural features, preservation of the natural character of the coastal environment and/or protection of significant indigenous vegetation and significant habitats of indigenous fauna;
- To recognise and take account of the importance of the land in providing economic and infrastructure support for Marae and associated papakainga housing;
- To recognise matters related to the physical accessibility and/or marginal quality of the land;
- To recognise situations where there is no person or group gaining an economic or financial benefit from the land or where part only of a block is used, to grant remission for the portion of land not in use;
- To recognise situations where fragmented ownership and/or insufficient management structures make it difficult to effectively administrate the affairs relating to the land;
- To facilitate development or use of the land where Council considers rates based on the rateable value make the use of the land uneconomic; and,
- To recognise the level of community services provided to the land and its occupiers.

Whenua Rahui register - criteria

- It must be Māori Freehold land (As defined in the Te Ture Whenua Māori Act 1993 Part 6, Section 129 or the Local Government (Rating) Act 2002 Part 1, Sub-paragraph 1, Section 5);
- No person shall be using the land at any time the rating unit is on the Whenua Rahui register. Persons actually using the land are liable for the rates on that land;

- The Council may grant a postponement of up to 100% of any and all types of rates, except targeted rates set for water supply or wastewater disposal, based on the following criteria;
- Land is better set aside for the promotion and protection of indigenous ecosystems or biodiversity management on Māori land;
- Land is used in a way that facilitates Iwi and hapū initiatives for the retention, preservation and promotion of traditional Māori knowledge, and its use in biodiversity management;
- A Whenua Rahui application should be made prior to commencement of the rating year. Applications made after the commencement of the rating year may be accepted at the discretion of the Council;
- Owners or trustees making the application should include the following information in their applications:
 - Details of the rating unit or units involved;
 - The objectives that will be achieved by providing a remission;
 - Documentation that shows the subject land of the application is Māori freehold land; and,
 - Where land is in multiple-ownership or persons making application are not owners of the land, proof authorising individuals to act for owners is to be included with the application. Reasons for non-presentation are to be fully explained.
- The burden of proof of eligibility and ongoing compliance with the policy criteria and conditions rests entirely with the owner/s of the property;
- All entries on the Register will be reviewed every five years and eligible rating units will need to be re-registered every five years;
- Registration automatically authorises the Council to undertake periodic inspections of the land to confirm ongoing compliance with the criteria and the conditions of this policy;
- The Council reserves the right to seek further information to confirm compliance as and when necessary;
- In the event of any portion of the land being sold within the three year period the Council reserves the right to recover the rates remitted for the entire period;

- Relief, and the extent thereof, is at the sole discretion of the Council and may be reviewed, cancelled or reduced at any time; and,
- All applications are to be processed with 30 working days of receipt of the completed application form.

Notification of Decision –Maori Freehold Land – Whenua Rahui Register

The applicant/s shall be notified in writing within 5 working days of the decision.

Appeal Process – Māori Freehold Land – Whenua Rahui Register

All applicants shall have a right to appeal the decision. It should be noted however, that the burden of proof rests with the applicant.

Unused Māori Freehold Land – Economic Development

- Given that the Council will be maintaining a register of vacant and unused land, the opportunity exists to link developers and/or entrepreneurs with land owners, and thereby explore economic development partnerships;
- Any owners of property on the register wishing to have their land considered for such opportunities may elect to have the registration noted for consideration on an as when basis;
- Applicants must have authority from land owners and/or land management administrators to apply for registration for economic development opportunities;
- All non-voted land shall remain confidential;
- In order to encourage the development of the land, the rating unit may be apportioned into useable and non-useable portions and the remission applied based on the percentage of non- useable land;
- If a portion of the land is being used, those using the land will likely be held liable for the rates on the land, but rates may be apportioned according to the area of land utilised;
- If development of the land were to commence while the unit remained on the register, the Council may still apply a remission, for a maximum period of 5 years; and,
- The length and degree of the remission will be proportionate to the nature, characteristics and level of development as well as the objectives and considerations of the policy. The remission may be

reviewed and amended periodically as development continues, at the Council's discretion.

Identification of Unused Māori Freehold Land – Economic Development

- Properties for inclusion can be identified by either the owner/s or the Wairoa District Council:
 - Council Identification - Properties are generally identified for inclusion on the register when rate arrears are incurred and efforts to recover have proved ineffective. Such properties are inspected and if the criteria are met, approaches are made to land owners to make application; and,
 - Owner Identification - If owners consider their land conforms with the criteria an approach may be made to the council.

Unused Māori Freehold Land – Economic Development - Application Process

Applications, whether initiated by the Council or the owner, will be made on the approved form. On receipt of the completed form a full investigation to validate the information presented is to be completed by council staff. The completed form and the resultant report shall form the basis on which compliance with the criteria shall be judged.

Part 7: Policy for remission of rates on coastal rural land used for grazing or farming purposes.

Introduction

Coastal land used as farms can qualify for a reduction in rates levied in certain circumstances

Objectives

- To recognise the special circumstances pertaining to the value of coastal rural land used for pastoral purposes.
- To recognise circumstances applying to situations where multiple rural properties are used as one rural property.

Conditions and Criteria

- Applications for remission will be considered in relation to additional rating units and not standalone rating units;
- Owners or trustees making application should include the following information in their applications:
 - A signed statement by the applicant that the land is, and will be, used for grazing purposes only; and,
- The land and capital values will be considered for special values that may be less than that assessed by the Council Valuation Service Provider.

Part 8: Remission of Rates on Land only partially in the Wairoa District**Objectives**

- To consider rates remission for land that lies in more than one local authority geographical district; and,
- To provide a fair means of assessing uniform annual general on rates levied on rating units that cross the Wairoa District territorial authority geographic boundary.

Conditions and Criteria

- Rating units must cross territorial authorities.
- Verification of uniform annual charges assessed in the boarding and select targeted rates levied in is required when assessing a rates remission.
- Remissions will be assessed by the following calculation.
- The rates remission will be calculated as follows:

$$(A/B) \times C$$

Where:

A = Total uniform annual general charges of the rating unit.

B = Total Separately used or inhabitable parts of the rating unit.

C = Percentage of land in the Wairoa District.

Part 9: Postponement of rates on landlocked general title land**Objectives**

To enable the Council to treat landlocked General Land Title a similar manner as landlocked Māori freehold land.

Conditions and Criteria

- The land must be landlocked. Landlocked land is defined in s.327 of the Property Law Act 2007 and the applicant must include a statutory declaration that the land is not being used by any person;
- Evidence may be requested that the ratepayer has taken steps to obtain access to the landlocked land;
- 100% of all rates may be postponed for a maximum period of five years and the ratepayer must agree that postponed rates will be payable if the land ceases to be landlocked during the period of postponement;
- If a second or subsequent application is approved, rates that have been postponed for a period of five years will be remitted;
- The repayment of any reinstated postponed rates will not be extinguished should there be a change in ownership of the land; and,
- Any rates postponed and not remitted under this policy will be immediately repayable if the land ceases to be landlocked land during the period of postponement.

Part 10: Remission of Excess Water Rates**Objectives**

This policy is designed to assist ratepayers who have excessive metered water rates due to a fault or leak in the water reticulation system servicing their rating unit or due to any errors or omissions on the part of the Council.

Conditions and Criteria

This policy applies only to targeted rates for water supply where:

- There has been a misreading of a water meter or a faulty meter;
- There has been an error in data processing;
- There has been a leak in the water reticulation system;
- In the case of a leak a remission for leakage may be made where a ratepayer produces evidence of a timely repair of a leak;

- A "timely repair" means a repair completed within 30 days of the date of the invoice to which the application refers; and,
- This remission will be calculated in accordance with the following formula:

50 percent of [A – B] x C

Where:

A = Current consumption as recorded by the water meter.

B = The estimated normal consumption for the period (this is the average of water used during the same period based on the previous two years).

C = The targeted water supply rate applicable to the invoice.

- In the case of an error in data processing or a misreading the error or reading will be corrected and any excess water rates charged will be refunded.

Part 11: Remission of Rates on Land Affected By Natural Calamities

Objectives

To provide relief and assistance to any ratepayer where the use that may be made of any rating unit has been detrimentally affected by erosion, subsidence, submersion or other natural calamities.

Conditions and Criteria

- Application for this remission should be made in writing as soon as practicable after the adverse event.
- Owners, lessees or trustees making an application should include the following information in their applications:
 - details of the rating unit or units involved
 - the objectives that will be achieved by providing a remission
 - details of tenure, whether a formal or informal lease, and whether owned by the applicant
 - a signed statement by the applicant that the land is not fit for the purpose for which it is occupied, and the economic effect of the adverse event.
- For residential units, up to 100% of all rates and charges, including charges

for water and wastewater, may be remitted for the period during which the buildings are uninhabitable.

- For all other rating units up to 100% of all rates and charges, including charges for water and wastewater, may be remitted for the period during which the rating unit is unable to be fully utilised.
- Applications will generally be considered for assistance where the rating unit is uninhabitable or unusable for a period exceeding one month.
- The application must describe the nature of the natural calamity, and outline the steps that the owner has taken, or will be taking, to return the rating unit to a usable state, and provide an estimate of the time the rating unit is expected to be affected.

The amount of the remission granted in any individual case will be determined based upon the severity of the damage to the rating unit, as well as the individual circumstances of the ratepayer.

Funding Impact Statement

Council commissioned a legal review of its Funding Impact Statement. Following receipt of the advice, Council has decided to change some aspects to ensure the Funding Impact Statement, and the rates set in accordance with the Funding Impact Statement, comply with the Local Government (Rating) Act 2002 and the Local Government Act 2002.

Various sections of the Local Government (Rating) Act 2002 ("Rating Act") and the Local Government Act 2002 that the Council sets its rates under, require particular information to be identified in Council's Funding Impact Statement. This includes the following:

- The basis for setting the general rate i.e. land, annual or capital value (Rating Act, section 13).
- Any category or categories that will be used for setting the general rate differentially (Rating Act, section 14).
- The activity or activities for which a targeted rate will be set (Rating Act, section 16).
- The category or categories that will be used to establish rateable land for a targeted rate (Rating Act, section 17).
- For each category, any factor that will be used to calculate liability for a targeted rate (Rating Act, section 18).
- Council's intention to set a targeted rate for the quantity of water supplied (Rating Act, section 19).
- If the targeted rate is set differentially, the total revenue sought from each category of rateable land or the relationship between the rates set on rateable land for each category (Local Government Act 2002, Sch 10, cl 15(4)(d)).
- Whether lump sum contributions will be invited in respect of the targeted rate (Local Government Act 2002, Sch 10, cl 15(4)(e)).
- Examples of the impact of the general rate and targeted rate rating proposals on the rates assessed on different categories of rateable land with a range of property values for the first year of the plan (Local Government Act 2002, Sch 10, cl 15(5)).

The total rates requirement included in the plan is \$11,172,321 (exclusive of doubtful debts and GST, and water supplied by meter), which represents an increase of \$460,997 from the 2014/2015 Annual Plan.

DIFFERENTIAL RATING FACTORS

The Local Government (Rating) Act 2002 authorises the concept of rates being charged at different rates in the dollar for different categories of rateable land. The categories must be defined using the factors in Schedule 2 of the Act.

Council uses the authorisation to set rates on a differential basis to recognise the different rateable value of land, the uses of land within the district, and the differing provision and consumption of Council services relative to other categories of ratepayers in the district.

Council operates different cost centres for the urban and rural differential categories, so the base differential factor for the urban and rural differential categories may be different.

The Wairoa District Council will use the differential categories set out below in the period 1 July 2015 to 30 June 2016 for the purposes of setting the general rate and the roading, recreation and services targeted rates.

Urban differential categories

	Differential Category	Differential factor
i.	Wairoa Township (all properties not included in (ii), (iii), (iv) or (v) below) <i>being all rateable properties defined under the Rate Review Special Order "Differential Rating Special Order Resolution – E: Explanatory Statement 3a as Wairoa Township", and with a land value less than \$80,000.</i>	1
ii.	Wairoa Township (Commercial/Industrial) <i>being all rateable properties defined under the Rate Review Special Order "Differential Rating Special Order Resolution – E: Explanatory Statement 3a as Wairoa Township Commercial/Industrial."</i> The reason for this differential is to reflect the relative advantage this group has relative to other ratepayers	3.85

	Differential Category	Differential factor
	located in the same urban area. The benefits derive from the proximity to, and the usage of, Council services provided and the occupation of the Council-developed precinct of the district.	
iii.	Wairoa Township (Commercial/Industrial) (CV <\$200,000) <i>being all rateable properties defined under the Rate Review Special Order "Differential Rating Special Order Resolution – E: Explanatory Statement 3a as Wairoa Township Commercial/Industrial with rateable capital value less than \$200,000."</i> The reason for this differential is to recognise the relative unfair burden of rates relative to services received for these properties.	2.75
iv.	Wairoa Township (Commercial/Industrial) (CV ≥\$200,000) <i>being all rateable properties defined under the Rate Review Special Order "Differential Rating Special Order Resolution – E: Explanatory Statement 3a as Wairoa Township Commercial/Industrial with rateable capital value equal to or greater than \$200,000."</i> The reason for this differential is to recognise the relative unfair burden of rates relative to services received for these properties.	2.75
v.	Residential 3 (LV ≥\$80,000) <i>being all rateable properties defined under the Rate Review Special Order "Differential Rating Special Order Resolution – E: Explanatory Statement 3a as Wairoa Township" and with a land value equal to or greater than \$80,000.</i> This differential category recognises the relative unfair burden of rates relative to services received for these properties.	0.55

Rural differential categories

	Differential Category	Differential factor
vi.	Wairoa Rural (all properties not included in (vi), (vii), (viii), (ix), (xi) (x), (xi) and (xiv) below) <i>being all rateable properties defined under the Rate Review Special Order "Differential Rating Special Order Resolution – E: Explanatory Statement 3a as Wairoa Rural" with a land value less than \$100,000.</i>	1
vii.	Rural Villages of Frasertown, Nūhaka and Raupunga <i>being all rateable properties defined under the Rate Review Special Order "Differential Rating Special Order Resolution – E: Explanatory Statement 3a as Wairoa Rural Residential" (the rural townships of Frasertown, Raupunga and Nūhaka).</i>	1.25
viii.	Rural Non-Forestry (LV ≥\$100,000 and < \$1,000,000) <i>being all rateable properties defined under the Rate Review Special Order "Differential Rating Special Order Resolution – E: Explanatory Statement 3a as Wairoa Rural", with a land value equal to or greater than \$100,000 and less than \$1,000,000.</i>	1
ix.	Rural Non-Forestry (LV ≥\$1,000,000) <i>being all rateable properties defined under the Rate Review Special Order "Differential Rating Special Order Resolution – E: Explanatory Statement 3a as Wairoa Rural" with Land Values greater than or equal to \$1,000,000.</i>	1
x.	Rural Residential/Residential One (Māhia) <i>being all rateable properties defined under the Rate Review Special Order "Differential Rating Special Order Resolution – E: Explanatory Statement 3a as Māhia Rural Residential."</i> The reason for this differential is to recognise the relatively high property values that unfairly penalise	0.85

	Differential Category	Differential factor
	ratepayers in the district. Also, Council is collecting the similar dollar value as was previously collected.	
xi.	Rural Residential – Residential One (b) (Tuai) <i>being all rateable properties defined under the Rate Review Special Order "Differential Rating Special Order Resolution – E: Explanatory Statement 3a as Tuai Rural Residential."</i> The reason for this differential is to recognise the relatively high property values that unfairly penalise ratepayers in the district. Also, Council is collecting the same dollar value as was previously collected.	0.5
xii.	Rural Roding Forestry (<100ha) <i>being all rateable properties defined under the Rate Review Special Order "Differential Rating Special Order Resolution – E: Explanatory Statement 3a as Wairoa Rural Forestry" and with a land area less than 100 hectares.</i>	1
xiii.	Rural Roding Forestry (≥100ha) <i>being all rateable properties defined under the Rate Review Special Order "Differential Rating Special Order Resolution – E: Explanatory Statement 3a as Wairoa Rural Forestry" and with a land area equal to or greater than 100 hectares.</i> This differential category recognises the use to which the land is put and subsequent additional maintenance costs as a result of the forestry activities.	1.54
xiv.	Rural Commercial (CV ≥\$200,000) <i>being all rateable properties defined under the Rate Review Special Order "Differential Rating Special Order Resolution – E: Explanatory Statement 3a.</i> The reason for this differential is to reflect the advantage this group has compared to other	3.7

	Differential Category	Differential factor
	ratepayers located in the same rural area, by consuming greater Council resources relative to other rural properties.	

Rates per unit in the following paragraphs are per \$000's of rateable value unless otherwise stated. Amounts shown are inclusive of GST at 15% (except in relation to water by meter rates which are expressed as being exclusive of GST).

GENERAL RATE

Council will assess a general rate based on the land value of all rateable land in the district, set differentially according to where land is situated, the use to which the land is put and the land value of the land.

The rates (per dollars (\$000's) of land value) for 2015/2016 are:

	Differential Category	Rate in the \$ of Land Value (incl GST) (\$)	Revenue Generated (incl GST) (\$)
i.	Wairoa Township (all properties not included in (ii) or (iii) below)/General Urban	0.8144	24,965
ii.	Wairoa Township (Commercial/Industrial)	3.1352	20,280
iii.	General Urban/Residential 3 (LV ≥\$80,000)	0.4479	3,006
iv.	Wairoa Rural (all properties not included in 2(v), (vi) or (vii) below)	0.3838	291,260
v.	Villages of Frasertown, Nūhaka and Raupunga	0.4797	3,327
vi.	General Rural Residential/Residential One (Māhia)	0.3262	54,428
vii.	General Rural Residential – Residential One (b) (Tuai)	0.1919	1,159

The general rate will raise \$398,425 (including GST) in 2015/2016.

General rates will be used to fund all activities that are not covered by the uniform annual general charge, targeted rates or other funding mechanisms outlined in the Revenue and Financing Policy.

UNIFORM ANNUAL GENERAL CHARGE

Council will assess a uniform annual general charge as a fixed amount per separately used or inhabited part of a rating unit within the district.

The calculation for the uniform annual general charge is determined by the activities to be funded by this charge.

The uniform annual general charge for 2015/2016 is \$564 (incl GST), raising \$2,918,728 (incl GST) compared with \$2,990,358 (incl GST) in 2014/2015.

The uniform annual general charge will be used to fund community representation, Māori liaison, library costs, and 30% of economic development costs and the community complex.

TARGETED RATE – ROADING

Council will assess a targeted rate for roading on the land value of all rateable land in the district, set differentially according to where land is situated, the use to which the land is put and the land value of the land.

The rates (per dollars (\$000's) of land value) for 2015/2016 are:

	Differential Category	Rate in the \$ of Land Value (incl GST) (\$)	Revenue Generated (incl GST) (\$)
i.	Wairoa Township (all properties not included in (ii) or (iii) below)/Roading Urban	9.3620	287,637
ii.	Wairoa Township (Commercial/Industrial)	36.0434	233,246

	Differential Category	Rate in the \$ of Land Value (incl GST) (\$)	Revenue Generated (incl GST) (\$)
iii.	Residential 3 (LV ≥\$80,000)	5.1491	34,589
iv.	Wairoa Rural (all properties not included in 3(v), (vi), (vii), (viii) and (ix) below)/Roading Rural	3.6382	196,057
v.	Rural Villages of Frasertown, Nūhaka and Raupunga	4.5477	30,814
vi.	Rural Non-Forestry (LV ≥\$100,000 and < \$1,000,000)	3.6382	600,015
vii.	Rural Non-Forestry (LV ≥\$1,000,000)	3.6382	1,518,098
viii.	Roading Rural Residential/Residential One (Māhia)	3.0925	517,299
ix.	Roading Rural Residential – Residential One (b) (Tuai)	1.8191	11,045
x.	Rural Roading Forestry (<100ha)	3.6382	15,653
xi.	Rural Roading Forestry (≥100ha)	5.6028	660,819

The roading targeted rate will raise \$4,105,272 (including GST) in 2015/2016.

The roading rate will be used to fund the roading activity.

TARGETED RATE – RECREATION

Council will assess a targeted rate for parks and reserves on the capital value of all rateable land in the district, set differentially according to where land is situated, the use to which the land is put and the capital value of the land.

The rates (per dollars (\$000's) of capital value) for 2015/2016 are:

	Differential Category	Rate in the \$ of Capital Value (incl GST) (\$)	Revenue Generated (incl GST) (\$)
i.	Wairoa Township (all properties not included in (ii) and (iii) below)/Recreation Urban	1.3697	272,995
ii.	Wairoa Township (Commercial/Industrial) (CV <\$200,000)	3.7666	37,417
iii.	Wairoa Township (Commercial/Industrial) (CV ≥\$200,000)	3.7666	126,457
iv.	Wairoa Rural (all properties not included in 4(v), (vi), (vii) and (viii) below)/Recreation Rural	0.2240	218,979
v.	Rural Villages of Frasertown, Nūhaka and Raupunga	0.2799	7,953
vi.	Recreation Rural Residential/Residential One (Māhia)	0.1904	52,020
vii.	Recreation Rural Residential/Residential One (b) (Tuai)	0.1120	1,890
viii.	Commercial Rural (CV ≥\$200,000)	0.8285	76,596

The recreation targeted rate will raise \$794,307 (including GST) in 2015/2016.

The recreation rate will be used to fund the parks and reserves activity.

TARGETED RATE – SERVICES

Council will assess a targeted rate in respect of other services, which include regulatory services, economic development and community support, on the capital value of all rateable land in the district, set differentially according to where land is situated, the use to which the land is put and the capital value of the land.

The rates (per dollars (\$000's) of capital value) for 2015/2016 are:

	Differential Category	Rate in the \$ of Capital Value (incl GST) (\$)	Revenue Generated (incl GST) (\$)
i.	Wairoa Township (all properties not included in (ii) or (iii) below)/Services Urban	1.5434	308,098
ii.	Wairoa Township (Commercial/Industrial) (CV <\$200,000)	4.2443	42,164
iii.	Wairoa Township (Commercial/Industrial) (CV ≥\$200,000)	4.2443	142,496
iv.	Wairoa Rural (all properties not included in 4(v), (vi), (vii) and (viii) below)/Recreation Rural	0.2983	291,566
v.	Rural Villages of Frasertown, Nūhaka and Raupunga	0.3729	10,720
vi.	Recreation Rural Residential/Residential One (Māhia)	0.2536	69,440
vii.	Recreation Rural Residential/Residential One (b) (Tuai)	0.1492	2,519
viii.	Commercial Rural (CV ≥\$200,000)	1.1036	102,030

The services targeted rate will raise \$969,033 (including GST) in 2015/2016.

The services rate will be used to fund the regulatory services, community support activities, and 70% of economic development costs.

TARGETED RATE – WATER SUPPLY (Fixed Charge)

Council will assess a targeted rate to fund water supply, set differentially according to where land is situated and the provision, or availability to the land of a service provided by, or on behalf of, Council as a fixed amount

per separately used or inhabited part of a rating unit.

The rates for 2015/2016 are:

	Differential Category	Basis for Liability	Charge (incl GST) (\$)	Revenue Generated (incl GST) (\$)
i.	Wairoa Township/Wairoa Ward Supply Area (including Frasertown and Wairoa Environs) – connected Water Charge Wairoa Frasertown Water Supply Peri Urban Water Supply	Per separately used or inhabited part of a rating unit	540.00	951,210 41,580 71,010
ii.	Wairoa Township Supply Area (including Frasertown and Wairoa Environs) – not connected but available <i>being a property to which water can be supplied but is not supplied (being a property within 100 metres of any part of the water reticulation system)</i>	Per separately used or inhabited part of a rating unit	270.00	
iii.	Māhanga Supply Area – connected Māhanga Water Supply	Per separately used or inhabited part of a rating unit	360.30	22,158
iv.	Māhanga Supply Area – not connected but available	Per separately used or	180.15	

	Differential Category	Basis for Liability	Charge (incl GST) (\$)	Revenue Generated (incl GST) (\$)
	<i>being a property to which water can be supplied but is not supplied (being a property within 100 metres of any part of the water reticulation system)</i>	inhabited part of a rating unit		
v.	Tuai Supply Area – connected	Per separately used or inhabited part of a rating unit	402.90	22,160
vi.	Tuai Supply Area – not connected but available <i>being a property to which water can be supplied but is not supplied (being a property within 100 metres of any part of the water reticulation system)</i>	Per separately used or inhabited part of a rating unit	201.45	

The water supply (fixed amount) targeted rate will raise \$1,108,118 compared with \$935,988 in 2014/2015.

The water supply rates will be used to fund the water supply activities in the Wairoa Township, Frasertown and Wairoa Environs, Māhanga and Tuai.

TARGETED RATE – WATER SUPPLY (Water by Meter)

Council will assess a targeted rate to fund water supply, set as based on the volume of water consumed or supplied, for all rating units fitted with a meter and metered exclusively for ordinary supply or metered for extraordinary supply.

A minimum quarterly charge of \$117.39 (excl GST) shall apply to each

metered water supply, being the value of a fixed charge water supply.

The rates for 2015/2016 are:

	Area	Basis for Liability	Charge per m ³ (excl GST) (\$)
i.	Wairoa Township Reticulation Area	All rating units fitted with a meter and metered exclusively for ordinary supply or metered for extraordinary supply	0.45
ii.	Wairoa Environs Area (not including rating units in (i), (iii) and (iv))	All rating units fitted with a meter and metered exclusively for ordinary supply or metered for extraordinary supply	0.45
iii.	Frasertown Reticulation Area	All rating units fitted with a meter and metered exclusively for ordinary supply or metered for extraordinary supply	0.45
iv.	Tuai Reticulation Area	All rating units fitted with a meter and metered exclusively for ordinary supply or metered for extraordinary supply	0.45
v.	Affco Ltd and Silver Fern Farms Ltd	All rating units fitted with a meter and metered exclusively for ordinary supply or metered for extraordinary supply	0.45

The water supply rates will be used to fund the water supply activities in the Wairoa Township, Frasertown and Wairoa Environs, Māhanga and Tuai.

TARGETED RATE – SEWERAGE DISPOSAL

Council will assess a targeted rate in respect of sewerage disposal, set differentially according to where land is situated and the provision, or availability to the land of a service provided by, or on behalf of, Council.

The rates for 2015/2016 are:

	Differential Category ¹	Basis for Liability	Charge (incl. GST) (\$)	Revenue Generated (incl GST) (\$)
i.	Wairoa Ward – connected (not temporary accommodation businesses)	Per water closet or urinal connected (for up to the first five)	392.90	876,436
ii.	Wairoa Ward (not temporary accommodation businesses) – connected	Per water closet or urinal connected (for six to up to and including 15)	70% full rate	
iii.	Wairoa Ward (not temporary accommodation businesses) – connected	Per water closet or urinal connected (for 16 or more)	50% full rate	
iv.	Wairoa Ward – connected (temporary accommodation businesses)	Per water closet or urinal connected (for up to the first five)	392.90	
v.	Wairoa Ward – connected (temporary accommodation businesses)	Per water closet or urinal connected (for six or more)	50% full rate	
vi.	Wairoa Ward – not	Per rating unit	196.45	

¹ For the purposes of this rate, a rating unit used primarily as a residence for one household must not be treated as having more than one water closet or urinal.

	Differential Category ¹	Basis for Liability	Charge (incl. GST) (\$)	Revenue Generated (incl GST) (\$)
	connected but available <i>where a property is situated within 30 metres of a public sewerage drain to which it is capable of being connected, either directly or through a public drain.</i>			
vii.	Tuai Village - connected¹	Per water closet or urinal connected	392.90	22,788
viii.	Tuai Village – not connected but available <i>where a property is situated within 30 metres of a public sewerage drain to which it is capable of being connected, either directly or through a public drain.</i>	Per rating unit	196.45	
ix.	Māhia – connected or required to be connected under the Trade Waste and Wastewater bylaw 2012	Per number or nature of connections from the land within each rating unit to the reticulation system	392.90	140,658
x.	Ōpoutama –	Per number or	392.90	14,537

	Differential Category ¹	Basis for Liability	Charge (incl. GST) (\$)	Revenue Generated (incl GST) (\$)
	connected or required to be connected under the Trade Waste and Wastewater bylaw 2012	nature of connections from the land within each rating unit to the reticulation system		

The sewerage disposal targeted rate will raise \$1,054,419 (including GST) in 2015/2016.

The sewerage disposal rate will be used to fund the sewerage disposal activity.

TARGETED RATE – WASTEWATER SCHEMES

Council will assess a targeted rate pursuant to the provision or availability to the land of a service provided by, or on behalf of, the local authority by the Māhia and Ōpoutama wastewater schemes.

The rates for 2015/2016 are:

	Differential Category	Basis for Liability	Charge (incl. GST) (\$)	Revenue Generated (incl GST) (\$)
i.	Māhia Wastewater Scheme – capital repayment and finance costs associated with the scheme over 3 years. <i>In accordance with</i>	The extent of provision of the services provided by the Māhia Wastewater Scheme including the infrastructure, costs connection costs (if any), and finance costs, relating to that property.		141,935

	Differential Category	Basis for Liability	Charge (incl. GST) (\$)	Revenue Generated (incl GST) (\$)
	<i>the Capital Funding Plan.</i>			
	Māhia Wastewater Scheme – capital repayment and finance costs associated with the scheme over 5 years. <i>In accordance with the Capital Funding Plan.</i>	The extent of provision of the services provided by the Māhia Wastewater Scheme including the infrastructure costs, connection costs (if any), and finance costs, relating to that property.		99,165
	Māhia Wastewater Scheme – capital repayment and finance costs associated with the scheme over 10 years. <i>In accordance with the Capital Funding Plan.</i>	The extent of provision of the services provided by the Māhia Wastewater Scheme including the infrastructure costs, connection costs (if any), and finance costs, relating to that property.		14,685
	Māhia Wastewater Scheme – capital repayment and finance costs associated with the scheme over 20 years. <i>In accordance with the Capital</i>	The extent of provision of the services provided by the Māhia Wastewater Scheme including the infrastructure costs, connection costs (if any), and finance costs, relating to that property.		221,936

	Differential Category	Basis for Liability	Charge (incl. GST) (\$)	Revenue Generated (incl GST) (\$)
	<i>Funding Plan.</i>			
	Māhia Wastewater Scheme – capital repayment and finance costs associated with the scheme over 30 years. <i>In accordance with the Capital Funding Plan.</i>	The extent of provision of the services provided by the Māhia Wastewater Scheme including the infrastructure costs, connection costs (if any), and finance costs, relating to that property.		10,205
ii.	Ōpoutama Wastewater Scheme – capital repayment and finance costs associated with the scheme over 3 years. <i>In accordance with the Capital Funding Plan.</i>	The extent of provision of the services provided by the Ōpoutama Wastewater Scheme including the infrastructure costs, connection costs (if any), and finance costs, relating to that property.		2,135
	Ōpoutama Wastewater Scheme – capital repayment and finance costs associated with the scheme over 5 years. <i>In accordance with the Capital</i>	The extent of provision of the services provided by the Ōpoutama Wastewater Scheme including the infrastructure costs, connection costs (if any), and finance costs, relating to that property.		5,081

	Differential Category	Basis for Liability	Charge (incl. GST) (\$)	Revenue Generated (incl GST) (\$)
	<i>Funding Plan.</i>			
	Ōpoutama Wastewater Scheme – capital repayment and finance costs associated with the scheme over 10 years. <i>In accordance with the Capital Funding Plan.</i>	The extent of provision of the services provided by the Ōpoutama Wastewater Scheme including the infrastructure costs, connection costs (if any), and finance costs, relating to that property.		6,162
	Ōpoutama Wastewater Scheme – capital repayment and finance costs associated with the scheme over 20 years. <i>In accordance with the Capital Funding Plan.</i>	The extent of provision of the services provided by the Ōpoutama Wastewater Scheme including the infrastructure costs, connection costs (if any), and finance costs, relating to that property.		20,180
	Ōpoutama Wastewater Scheme – capital repayment and finance costs associated with the scheme over 30 years. <i>In accordance with the Capital Funding Plan.</i>	The extent of provision of the services provided by the Ōpoutama Wastewater Scheme including the infrastructure costs, connection costs (if any), and finance costs, relating to that property.		1,732

TARGETED RATE – WASTE MANAGEMENT

Council will assess a targeted rate in respect of waste management, set differentially according to where land is situated and the provision, or availability to the land of a service provided by, or on behalf of, Council. The rate is set as a fixed amount per separately used or inhabited part of a rating unit in the Wairoa Township Area and the Wairoa Rural Area.

The rates for 2015/2016 are:

	Differential Category	Basis for Liability	Charge (incl GST) (\$)	Revenue Generated (incl GST) (\$)
i.	Wairoa Township Area <i>being all rateable properties defined under the Rate Review Special Order Differential Rating Special Orders Resolution confirmed on 1st August 2001 under A General 2 "The Urban Area."</i>	Per separately used or inhabited part of a rating unit	217.70	420,753
ii.	Rural Areas <i>being all rateable properties defined under the Rate Review Special Order Differential Rating Special Orders Resolution confirmed on 1st August 2001 under A General 2 "The Rural Area."</i>	Per separately used or inhabited part of a rating unit	153.80	501,568

The waste management targeted rate will raise \$922,321 (including GST) in 2015/2016.

The waste management rate will be used to fund the waste management activity.

TARGETED RATE – DRAINAGE

Council will assess a targeted rate in respect of drainage set differentially according to where land is situated and the provision, or availability to the land of a service provided by, or on behalf of, Council. The rate is set as a fixed amount per separately used or inhabited part of a rating unit in the Wairoa Urban and the Māhia Township Areas.

The rates for 2015/2016 are:

	Differential Category	Basis for Liability	Charge (incl. GST) (\$)	Revenue Generated (incl GST) (\$)
i.	Wairoa Urban Area <i>being all rateable properties defined under the Rate Review Special Order Differential Rating Special Orders Resolution confirmed on 1st August 2001 under A General 2 "The Urban Area."</i>	Per separately used or inhabited part of a rating unit	200.10	363,018
ii.	Māhia Township Area <i>being all rateable properties situated within the Māhia Township area with valuation references between 870016600 to 870017000 (inclusive) and 870030400 to 870042617 (inclusive) and 870050801 to 870050839 (inclusive).</i>	Per separately used or inhabited part of a rating unit	139.60	64,146

The drainage targeted rate will raise \$427,164 (including GST) in 2015/2016.

The drainage rate will be used to fund the drainage activity.

Definition of separately used or inhabited parts of a rating unit:

For the purposes of the general and targeted rates set by Council, a separately used or inhabited part of a rating unit is defined as follows.

A separately used or inhabited part of a rating unit includes any part of a rating unit that is used or inhabited by any person, other than the ratepayer, having a right to use or inhabit that part by virtue of a tenancy, lease, licence, or other agreement, or any part or parts of a rating unit that are used or inhabited by the ratepayer for more than one single use. Separately used or inhabited parts include:

- A residential property that contains two or more separately inhabitable units, flats or houses each of which is separately inhabited or is capable of separate habitation.
- A commercial, or other non-residential property that contains separate residential accommodation in addition to its commercial, farming or other primary use.
- A commercial premises that contains separate shops, kiosks or other retail or wholesale outlets, each of which is operated as a separate business or is capable of operation as a separate business.
- An office block which contains several sets of offices, each of which is used by a different business or which is capable of operation as separate businesses.

Council has recognised that there are certain instances where the above situations will occur, but in circumstances that do not give rise to separate uses or inhabitations. These specific instances are:

- Where a business, farm, orchard, vineyard or horticultural operation contains accommodation on a rent-free basis for the owner, staff or sharemilkers associated with the enterprise's productive operation.
- Where a residential property contains not more than one additional separately inhabited part and where members of the owner's family inhabit the separate part on a rent-free basis.
- Where an orchard, vineyard or horticultural operation contains a stall for the sale of goods produced solely by the operation or a residence that provides accommodation on a rent-free basis for the owner and staff of the operation.

RATING BASE

The total projected rating units within the district at the end of the financial year 2015 were 7,275. For each of the 10 years covered by this plan, the number of rateable units is 7,275.

Indicative Rating Samples 2015-16

	2012 Capital Value	2012 Land Value	Actual 2014-15	Budget 2015-16		\$ (+/-)	% (+/-)
Wairoa urban residential	170,000	19,000	2,566	2,603	increase of	\$37.30	1.45%
Wairoa urban residential	395,000	105,000	3,098	3,260	increase of	\$162.20	5.24%
Wairoa urban residential	255,000	31,000	2,924	2,973	increase of	\$49.40	1.69%
Opoutama residential *	68,000	28,000	832	844	increase of	\$12.00	1.44%
Wairoa urban commercial	500,000	32,000	7,467	7,420	decrease of	-\$46.70	-0.63%
Heavy Industrial	200,000	19,000	4,171	4,483	increase of	\$311.70	7.47%
Utilities	6,730,000	0	12,131	13,003	increase of	\$872.20	7.19%
Mahia residential *	375,000	140,000	2,583	3,024	increase of	\$441.30	17.09%
Opoutama residential *	110,000	30,000	1,345	1,262	decrease of	-\$83.00	-6.17%
Tuai residential	95,000	38,000	1,632	1,615	decrease of	-\$17.10	-1.05%
Hill Country Property - Waikaremoana	2,675,000	2,175,000	11,030	11,580	increase of	\$549.70	4.98%
Hill Country Property - Southern	2,150,000	1,760,000	8,477	8,919	increase of	\$441.60	5.21%
Hill Country Property - Morere	6,205,000	5,286,500	25,338	25,656	increase of	\$318.00	1.26%
Forestry Property - Southern	14,500,000	13,500,000	85,156	89,110	increase of	\$3,954.40	4.64%
Nuhaka residential	121,000	11,000	839	852	increase of	\$12.60	1.50%
Raupunga residential	72,000	5,500	783	792	increase of	\$8.70	1.11%
Frasertown residential	185,000	7,000	1,315	1,414	increase of	\$98.70	7.50%

* includes new wastewater costs (capital repayment and operational)

WAIROA DISTRICT COUNCIL
PROSPECTIVE FUNDING IMPACT STATEMENT
LTP 2015-2025

ANNUAL PLAN 2014/15	BUDGET 2015/16	BUDGET 2016/17	BUDGET 2017/18	BUDGET 2018/19	BUDGET 2019/20	BUDGET 2020/21	BUDGET 2021/22	BUDGET 2022/23	BUDGET 2023/24	BUDGET 2024/25
Sources of Operating Funding										
3,398,054	3,392,028	3,620,798	3,970,893	4,277,956	4,424,583	5,031,574	5,154,162	5,350,659	5,651,203	5,906,469
7,313,270	8,115,462	8,457,601	8,803,209	9,260,662	9,872,332	10,065,654	10,307,543	10,635,103	10,943,167	11,280,298
3,710,909	5,156,159	4,984,496	5,057,319	4,573,819	4,802,126	5,020,346	5,362,361	5,639,829	5,819,041	6,084,562
5,528,841	3,221,535	3,362,301	3,422,875	3,524,108	3,612,215	3,726,414	3,821,682	3,974,028	4,089,537	4,239,591
1,124,724	1,251,428	1,129,997	1,036,551	1,026,030	931,478	843,964	742,789	655,824	516,128	313,164
65,000	65,000	66,625	68,357	70,203	72,239	74,406	76,713	79,244	81,938	84,888
21,140,798	21,201,612	21,621,818	22,359,205	22,732,778	23,714,973	24,762,358	25,465,250	26,334,687	27,101,015	27,908,972
Applications of Operating Funding										
15,805,472	19,343,937	19,417,453	20,373,173	19,789,563	20,341,319	21,233,219	21,723,914	22,447,403	23,440,606	23,975,533
440,081	473,078	566,926	618,250	657,970	774,556	841,691	878,390	886,009	895,067	912,187
-	2	(3)	-	1	1	-	-	(3)	3	(2)
16,245,553	19,817,017	19,984,376	20,991,423	20,447,534	21,115,876	22,074,910	22,602,304	23,333,409	24,335,676	24,887,718
4,895,245	1,384,595	1,637,442	1,367,782	2,285,244	2,599,097	2,687,448	2,862,946	3,001,278	2,765,339	3,021,254
Sources of capital funding										
7,706,542	5,728,000	5,726,913	5,330,294	3,922,384	4,135,034	4,402,847	4,613,058	4,810,767	4,959,901	5,170,817
2,334,615	550,000	1,571,140	890,734	662,011	2,016,102	1,118,924	611,651	126,979	150,967	405,328
-	70,000	30,000	90,000	70,000	10,000	90,000	90,000	20,000	80,000	80,000
-	-	-	-	-	-	-	-	-	-	-
10,041,157	6,348,000	7,328,053	6,311,028	4,654,395	6,161,136	5,611,771	5,314,709	4,957,746	5,190,868	5,656,145
Application of capital funding										
(21,675)	-	-	-	-	-	-	-	-	-	-
8,959,107	2,116,000	2,171,982	1,365,670	987,966	2,701,884	1,604,674	990,051	386,046	418,843	682,847
5,447,897	8,520,515	9,586,595	9,404,225	7,943,028	7,594,401	7,996,942	7,817,107	7,472,480	8,088,890	9,156,911
551,073	(2,903,920)	(2,793,082)	(3,091,085)	(1,991,355)	(1,536,052)	(1,302,397)	(629,503)	100,498	(551,526)	(1,162,359)
-	-	-	-	-	-	-	-	-	-	-
14,936,402	7,732,595	8,965,495	7,678,810	6,939,639	8,760,233	8,299,219	8,177,655	7,959,024	7,956,207	8,677,399
(4,895,245)	(1,384,595)	(1,637,442)	(1,367,782)	(2,285,244)	(2,599,097)	(2,687,448)	(2,862,946)	(3,001,278)	(2,765,339)	(3,021,254)
-	-	-	-	-	-	-	-	-	-	-
5,552,905	4,844,184	4,903,410	4,903,758	4,904,134	5,151,567	5,152,009	5,152,484	5,470,890	5,471,445	5,472,042

**WAIROA DISTRICT COUNCIL
RECONCILIATION BETWEEN THE SURPLUS IN THE PROSPECTIVE INCOME STATEMENT AND SURPLUS (DEFICIT) OF OPERATING FUNDING IN THE FUNDING IMPACT STATEMENT
LTP 2015-2025**

ANNUAL PLAN 2014/15	BUDGET 2015/16	BUDGET 2016/17	BUDGET 2017/18	BUDGET 2018/19	BUDGET 2019/20	BUDGET 2020/21	BUDGET 2021/22	BUDGET 2022/23	BUDGET 2023/24	BUDGET 2024/25
Surplus / (Deficit) of operating funding from 4,895,245 funding impact statement	1,384,595	1,637,442	1,367,782	2,285,244	2,599,097	2,687,448	2,862,946	3,001,278	2,765,339	3,021,254
7,706,542 Subsidies and grants for capital expenditure	5,727,999	5,726,925	5,330,305	3,922,401	4,135,049	4,402,861	4,613,072	4,810,782	4,959,919	5,170,835
- Development and financial contributions	-	-	-	-	-	-	-	-	-	-
206,711 Capital funding not through Income Statement	225,874	264,043	270,077	283,316	314,039	336,419	348,651	351,194	354,207	350,318
- Vested assets	-	-	-	-	-	-	-	-	-	-
- Gains on sale	-	-	-	-	-	-	-	-	-	-
(5,552,905) Depreciation	(4,844,184)	(4,903,410)	(4,903,758)	(4,904,135)	(5,151,567)	(5,152,009)	(5,152,484)	(5,470,890)	(5,471,446)	(5,472,041)
Net Surplus before taxation in Prospective 7,255,593 Income Statement	2,494,284	2,725,000	2,064,406	1,586,826	1,896,618	2,274,719	2,672,185	2,692,364	2,608,019	3,070,366

Treasury Policies:

- **Investment And Liability Policy**

As required by Local Government Act 2002, s.102(2)(b) & (c)

INVESTMENT AND LIABILITY POLICY

1. Policy Objectives

The Council has Treasury risks arising from debt raising, investments and associated interest rate management activity and the Council wishes to minimise that risk.

Treasury activities are:

- Compliance with the Local Government Act 2002¹;
- Provide linkage to the Council's financial strategy;
- Develop and maintain professional relationships with the financial markets;
- Invest surplus cash in liquid and creditworthy investments;
- Raise appropriate finance, in terms of both maturity and interest rate; and,
- Manage the overall cash position of the Council's operations.

2. General Approach

- The Council seeks to minimise risk from its Treasury activities;
- Activity which may be construed as speculative in nature is expressly forbidden; and,
- The Council manages both liabilities and cash investments through an internal Treasury activity. Funds are advanced by the Treasury activity for a specific period. Loans are repaid to the Treasury activity based on standard loan lives, depending on the useful lives of the assets.

Calculation of interest

- Interest for loans is based on the Council's weighted cost of funds; and,
- Interest is credited to activities based on investment rates.

3. Liability Management Policy (S.102(2)(B))

The Council approves borrowing by resolution during the Annual Planning process.

¹ Sections 104 & 105 set out the required contents of the Liability Management Policy and the Investment Policy required by s.102(2)(b) & (c).

The Council raises borrowing for the following primary purposes:

- General debt to fund the Council's Balance Sheet;
- Specific debt associated with "special one-off" projects and capital expenditure; and,
- To fund assets with inter-generational qualities consistent with Council's Revenue and Financing Policy.

3.1 Specific borrowing limits

In managing borrowing, the Council will adhere to the following limits:

- The net interest expense of all external borrowings will not exceed 10% of total revenues;
- The net interest expense of all external borrowings will not exceed 7.5% of annual rates revenue;
- Liquid ratio of $\geq 1:1$;
- Current ratio ≥ 1.25 ; and,
- The percentage of net external debt to total revenue to be less than 100%.

'Revenue' - is defined as earnings from rates, government grants and subsidies, user charges, interest and other revenue.

'Liquidity ratio' - is defined as (term debt plus committed loan facilities less liquid investments divided by current external debt) to be greater than 110%.

'Rates' - is defined as all income under the Local Government (Rating) Act 2002.

'Total revenue' - for the purposes of this policy includes: earnings from rates revenue; grants and subsidies; user charges; interest and other operating revenue (excluding vested assets).

3.2 Liquidity and credit risk management

The Council's ability to readily attract cost-effective borrowing is largely driven by its ability to maintain a strong balance sheet, as well as its ability to rate, manage its image in the market and its relationships with bankers. Where possible, the Council seeks a diversified pool of stock and bank borrowing and ensures that bank borrowings are only sought from the approved list of registered banks.

To minimise the risk of large concentrations of debt maturing or being reissued in periods where credit margins are high for reasons within or beyond the Council's control, the Council ensures debt maturity is spread widely over a

band of maturities. The Council manages this specifically by ensuring that: no more than 35% of total borrowing is subject to refinancing in any financial year unless total borrowing is less than \$7.5 million. Total borrowing includes any forecast external borrowing.

3.3 *New Zealand Local Government Funding Agency Limited investment*

The Council may borrow from the New Zealand Local Government Funding Agency Limited (LGFA), and in connection with that borrowing, may enter into the transaction to the extent it considers necessary or desirable to secure its borrowing from the LGFA, and the performance of other obligations to the LGFA or its creditors with a charge over the Council's rates and rates revenue.

3.4 *Risk Recognition*

- Local government risk is priced to a higher fee and margin level;
- The Council's own financial strength as a borrower, deteriorates due to financial, regulatory or other reasons;
- A large individual lender to the Council experiences its own financial/exposure difficulties, resulting in the Council not being able to manage their debt portfolio as optimally as desired; and,
- New Zealand investment community experiences a substantial "over supply" of Council investment assets.

A key factor of funding risk management is to spread and control the risk to reduce the concentration of risk at one point in time. This is so that if any of the above events occur, the overall borrowing cost is not unnecessarily increased and the desired maturity profile is not compromised due to market conditions.

3.5 *Liquidity/funding risk control limits (Borrowings)*

- Term debt and committed debt facilities must be maintained at an amount that averages 115% of projected peak net debt levels over the next year (per long term cash and debt forecasts);
- Disaster recovery requirements are met through the liquidity ratio; and,
- The maturity profile of the total committed funding in respect to all loans and committed facilities is to be controlled by the following system:

Period	Minimum	Maximum
0 to 3 years	15%	60%
3 to 5 years	15%	60%
5 years plus	10%	40%

- A maturity schedule outside these limits requires specific Council approval. A 12-month phase-in, non-compliance period is permitted.

3.6 *Interest rate risk management*

The Council's borrowing gives rise to direct exposure to interest rate movements. Generally, given the long-term nature of Council's assets, projects and inter-generational factors and Council's preference to avoid an adverse impact on rates, there is a general tendency to have a high percentage of long-term fixed rate or hedged borrowing.

3.7 *Approved financial instruments*

Dealing in interest rate products must be limited to financial instruments approved by the Council. Any other financial instrument must be specifically approved by Council on a case-by-case basis and only be applied to the one singular transaction being approved.

Category	Instrument
Cash management and borrowing	Bank overdraft. Committed cash advance and bank accepted bill facilities (term facilities).
Interest rate risk Management	Uncommitted money market facilities Stock/Bonds issuance. Forward rate agreements ('FRAs') on: <ul style="list-style-type: none"> ○ Bank bills; and, ○ Government bonds.

	Interest rate swaps including: <ul style="list-style-type: none"> ○ Forward start swaps (start date <24 months); and, ○ Amortising swaps (whereby notional principal amount reduces).
	Interest rate options on: <ul style="list-style-type: none"> ○ Bank bills (purchased caps and one for one dollars); and, ○ Government bonds.
	<ul style="list-style-type: none"> ○ Interest rate swaps (purchased only).

3.8 Interest rate risk control limits

Debt/borrowings

The Council debt/borrowings/financial risk management instruments must be within the following fixed/floating interest rate risk control limit:

Master fixed/floating risk control limit	
Minimum fixed rate	Maximum fixed rate
50%	95%

- ‘Fixed Rate’ is defined as an interest rate re-pricing date beyond 12 months forward on a continuous rolling basis;
- ‘Floating Rate’ is defined as an interest rate re-pricing within 12 months; and,
- The fixed rate amount at any point in time must be within the following maturity bands.

4. INVESTMENT POLICY (s.102(2)(c))

4.1 The Council maintains investments in the following financial assets:

- Equity investments including shareholdings and loan advances to trading and service enterprises, charitable trusts and incorporated societies; for example sporting and community organisations;

- Property investments, including land and buildings; and,
- Treasury instruments incorporating longer term and liquidity investments.

4.2 Equity investments and loan advances

Investments include shareholdings in trading and service enterprises and loan advances to charitable trusts, incorporated societies, residential and rural housing which are consistent with the Council’s Long Term Plan. The Council operates an internal borrowing system for funding infrastructural improvements as well as funding current accounts. This information is reported to the Finance, Audit and Risk Committee on a quarterly basis.

Advances and loans are only provided to organisations where the Council has significant interest. In default, the assets of the organisation may not revert to the Council, however personal guarantees are obtained from the principals of the organisation.

4.3 Quality Rooding Services (Wairoa) Ltd.

The Council owns 100% of the shares of QRS which was set up as a Local Authority Trading Enterprise, and is now classified as a CCO. The company is a contractor providing construction, forestry, quarrying, reserves and utility services mainly in the Wairoa district.

The strategic objectives in owning QRS are to reduce costs and provide greater competition in tendering for construction, roading and maintenance work, to provide revenue by way of dividends to offset overheads, and to maintain employment levels and expertise in contracting within Wairoa District.

Dividends of 40% of the after-tax paid profit are paid to the Wairoa District Council, with payments made after reporting of the six-month and annual result.

In order to achieve the strategic objectives, the Council requires regular reporting of financial and non-financial results against target, including a statement of corporate intent, half-yearly financial statements, and annual financial statements. The Council appoints appropriately qualified directors to manage the business, and ensures that proper governance procedures are in place.

The Council appoints the board of QRS and annually approves the Statement of Corporate Intent. The Council also monitors the performance by reviewing the six-monthly accounts, and annual accounts.

4.4 Treasury investments

The Council maintains treasury investments for the following primary reasons:

- Provide ready cash in the event of a natural disaster. This cash is intended to bridge the gap between the disaster and the reinstatement of normal income streams and assets;
- Invest amounts allocated to accumulated surplus, the Council created and restricted reserves, and general reserves;
- Invest funds allocated for approved future expenditure, to implement strategic initiatives or to support inter-generational allocations;
- Invest proceeds from the sale of assets; and,
- Invest surplus cash and working capital funds.

Treasury investment objectives

The Council's primary objective when investing is the protection of its investment. Accordingly, only creditworthy counterparties are acceptable.

The Council also seeks to:

- Maximise investment return;
- Ensure investments are liquid; and,
- Manage potential capital losses due to interest rate movements if investments need to be liquidated before maturity.

Credit risk is minimised by limiting investments to registered banks, strongly rated State Owned Enterprises (SOE) and corporates within prescribed limits.

Liquidity risk is minimised by ensuring that all investments must be capable of being liquidated in a readily available secondary market. Where practical, the Council maintains \$1 million of its investments with a maturity less than one year.

4.5 Interest rate risk management

The Council's investments give rise to a direct exposure to a change in interest rates, impacting the return and capital value of its fixed rate investments.

Interest rate risk will be managed by reviewing rolling cash flow forecasts and using risk management instruments to protect investment returns and/ or to change interest rate and maturity profile.

4.6 Acquisition and disposal of assets

Any disposal of assets requires the approval of the Council except those assets within delegated authority

5. Development And Financial Contributions Policy (s.102(2)(d))

The Local Government Act 2002 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 Council has already incurred in anticipation of growth.

Significant growth in services resulting from a population increase is not foreseen in Wairoa District over the ten year period, therefore the Council has chosen not to take development contributions as a form of revenue at this time.

Financial Contributions can be provided for in a council's district plan. Contributions may be imposed as a condition of development or resource consent. Currently the Council has no Financial Contributions, but the Council will consider Financial Contributions as part of the review for the next District Plan.

Balanced Budget

Council, when approving the Annual Plan and Budget/LTP, sets the rates and fees and charges at a level that is predicted to adequately fund the next year's activities. Council must have a balanced budget under section 100(1) of the Local Government Act 2002. Council is required to ensure that each year's projected operating revenues are set at a level sufficient to meet that year's projected operating expenses.

However, under section 100(2) a local authority may set projected operating revenues at a different level from that required by section 100(1) if the local authority resolves that it is financially prudent to do so, having regard to:

- The estimated expenses of achieving and maintaining the expected levels of service provision set out in the LTP, including the estimated expenses associated with maintaining the service capacity and integrity of assets throughout their useful life.
- The projected revenue available to fund the estimated expenses associated with maintaining the service capacity and integrity of assets throughout their useful life.
- The equitable allocation of responsibility for funding the provision and maintenance of assets and facilities throughout their useful life.
- The funding and financial policies adopted under section 102.

Under section 101(1) a local authority must manage its revenues, expenses, assets, liabilities, investments and general financial dealings prudently and in a manner that promotes the current and future interests of the community. Council is required to ensure that the funding needs of Council are met from the sources of finance deemed appropriate taking account of the distribution of benefits, the periods that benefits occur, the costs and benefits of funding the activities, and the community outcome, which the activity promotes. Also, Council is required to consider the impact on the social, economic, environmental, and cultural well-being of the community.

Council has complied with section 100(1) of the Local Government Act 2002, to ensure that each year's projected operating revenues are set at a level sufficient to meet that year's projected operating expenses, as per the attached reconciliation.

Attached at Appendix 1 is an analysis of the surpluses for each year, with adjustments for non-cash items, such as non-funded depreciation, transfer to reserves, the capital subsidy and rate-funded projects. Capital subsidy relates to a subsidy for the capital projects, including \$4.6 million for subsidised roading projects, \$1.0 million for the community centre and \$100k for replacement water reservoirs. Rate funding projects is rate contributions for capital below the line items such as sinking funds.

Council has resolved that the following assets have depreciation that has not been funded:

- community halls and buildings on reserves
- community centre
- Ruakituri and Tuai fire appliances
- subsidised portion of roading
- staff housing
- camping ground
- loan funded assets including the Māhia wastewater system and the Ōpoutama sewerage system.

Council has set the expenditure and revenue at levels it considers appropriate to meet the funding needs of the district over the next ten years, and to meet the social, cultural, environmental and economic well-being of the community. As a responsible public entity it has met the legislative requirements to have a balanced budget.

**WAIROA DISTRICT COUNCIL
FUNDING AND FINANCING POLICIES
LTP 2015-2025**

Appendix 1 Reconciliation of Surplus (Deficit)

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Surplus (Deficit) on Operations	2,494,284	2,725,000	2,064,406	1,586,826	1,896,618	2,274,719	2,672,185	2,692,364	2,608,019	3,070,366
Non -Funded Depreciation										
Council	3,500	-	-	-	-	-	-	-	-	-
Library	200	200	1,903	1,903	1,903	1,903	1,903	1,903	1,903	1,903
Community Halls	5,690	5,690	5,690	5,690	5,690	5,690	5,690	5,690	5,690	5,690
Parks and Reserves	31,514	31,514	31,514	31,514	37,071	37,071	37,071	37,071	37,071	37,071
Cemeteries	2,300	2,300	2,300	2,300	2,633	2,633	2,633	2,633	3,011	6,929
Community Centre	400,820	400,820	400,820	400,820	400,820	400,820	400,820	400,820	400,820	400,820
Building Inspection	10,000	10,000	-	-	-	-	-	-	-	-
Rural Fire Service	17,752	17,752	17,752	17,752	17,752	17,752	17,752	17,752	17,752	17,752
ByLaw Enforcement	2,668	2,668	2,668	2,668	2,668	2,668	2,668	2,668	2,668	2,668
LTNZ portion Subsidised Roading	1,591,857	1,713,467	1,738,300	1,763,133	1,917,935	1,944,573	1,971,211	2,172,519	2,172,519	2,172,519
Parking	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667
Stormwater and Drainage	39,129	41,205	43,343	45,550	47,830	50,189	52,636	55,176	57,817	60,569
Water Reticulation	22,250	22,250	22,250	22,250	22,250	22,250	22,250	22,250	22,250	22,250
Water Production	-	2,076	4,214	6,420	6,990	6,990	6,990	6,990	6,990	6,990
Waste Management	10,122	10,122	10,122	10,122	10,233	11,378	11,378	11,378	11,378	12,815
Mahia/Opoutama Sewerage Scheme	453,333	453,333	453,333	453,333	453,333	453,333	453,333	453,333	453,333	453,333
Administration	9,200	17,400	25,813	25,813	21,213	21,213	21,213	21,213	21,213	17,213
Information Services	1,775	1,775	-	-	-	-	-	-	-	-
Staff Housing	4,421	4,421	4,421	4,421	4,421	4,421	4,421	4,421	4,421	4,421
Camping Ground	8,658	8,658	8,658	8,658	8,658	8,658	8,658	8,658	8,658	8,658
Administrative Property	18,333	18,333	18,333	18,333	8,333	8,333	8,333	8,333	8,333	8,333
	2,635,189	2,765,651	2,793,101	2,822,347	2,971,400	3,001,542	3,030,627	3,234,475	3,237,494	3,241,601
Reserves Transfer	824,400	500,316	742,875	(203,457)	(418,932)	(536,978)	(741,089)	(764,864)	(531,387)	(790,812)
Capital Subsidy	(5,728,000)	(5,726,913)	(5,330,294)	(3,922,384)	(4,135,034)	(4,402,847)	(4,613,058)	(4,810,767)	(4,959,901)	(5,170,817)
Rate Funding Projects	(225,873)	(264,054)	(270,088)	(283,332)	(314,052)	(336,436)	(348,665)	(351,208)	(354,225)	(350,338)
Surplus (Deficit)	-	-	-	-	-	-	-	-	-	-

Schedule of Related Documents

- Wairoa District Council Asset Management Plans
- Wairoa District Council Infrastructure Strategy
- Wairoa District Community Profile (2013 Census Results)
- Wairoa District Council Significance and Engagement Policy
- Communitrak Survey Report 2014
- Wairoa District Council Operative District Plan
- North Clyde Strategy
- The Wairoa Coastal Strategy
- Wairoa Social Development Profile Report
- Wairoa Economic Development Plan
- Wairoa District Council Consolidated Bylaws
- Policy on Earthquake-prone Buildings
- Policy on Dangerous and Insanitary Buildings
- Various Wairoa District Council Policies
http://www.wairoadc.govt.nz/wairoa/council_documents/council_policies/index.htm
- Reserves Management Plans
- Provision of Safe Drinking Water in Rural Areas
- Engineering Code of Practice
- Waste Management and Minimisation Plan
- Water and Sanitary Services Assessment

REGISTER OF FEES & CHARGES 2015/16

CHARGE DESCRIPTION

Incl GST

CORPORATE SERVICES

Corporate Services Charges

Motor Vehicle Use Charge (Per KM) <u>Across All Council Activities</u>	\$	0.80
Provision Of Information (First Hour No Charge) For Each Half Hour Or Part Thereof (Deposit May Be Required)	\$	38.00
Access To Archives (First Hour No Charge) For Each Half Hour Or Part Thereof (Deposit May Be Required)	\$	38.00
Photocopying (Black & White) A4 Single Sided	\$	0.20
Photocopying (Black & White) A4 Double Sided	\$	0.40
Photocopying (Black & White) A3 Single Sided	\$	0.30
Photocopying (Black & White) A3 Double Sided	\$	0.60
Photocopying (Colour) A4 Single Sided	\$	0.50
Photocopying (Colour) A4 Double Sided	\$	1.00
Photocopying (Colour) A3 Single Sided	\$	1.00
Photocopying (Colour) A3 Double Sided	\$	2.00

Corporate Services Staff Labour

Senior Corporate Services Staff (Per Hour)	\$	130.00
Other Corporate Services Staff (Per Hour)	\$	90.00

Community Halls

Wairoa Memorial Hall - Refer Combined Services Clubs Inc

CHARGE DESCRIPTION	Incl GST	
Library		
Lost Book		
Charges As Per Purchase Cost Of Item Plus \$5.00 Administration Fee		
Sundry Income		
Lost Cards (Per Replacement)	\$	2.00
Overdues		
Administration Fee Per Letter Sent	\$	2.00
Phone Message/Text Message/Email Message	\$	0.50
Per Day Per Book For Adult Books	\$	0.10
Per Day Per Book For Children's Books	\$	0.10
Photocopy		
Photocopying (Black & White) A4 Single Sided	\$	0.20
Photocopying (Black & White) A4 Double Sided	\$	0.40
Photocopying (Black & White) A3 Single Sided	\$	0.30
Photocopying (Black & White) A3 Double Sided	\$	0.60
Photocopying (Colour) A4 Single Sided	\$	0.50
Photocopying (Colour) A4 Double Sided	\$	1.00
Photocopying (Colour) A3 Single Sided	\$	1.00
Photocopying (Colour) A3 Double Sided	\$	2.00
User Charges		
Bestseller Collection (Charge Varies Depending On Book)		
Per 10 Days For Books - A Format	\$	3.00
Per 10 Days For Books - B Format	\$	4.00
Per Week For Magazines	\$	1.00
Per Day For Overdue Books	\$	1.00
Per Day For Overdue Magazines	\$	0.50
Reserve System		
Per General Collection Reserve	\$	1.00
Per Reserve On A Bestseller	\$	2.00

CHARGE DESCRIPTION**Incl GST****Council Property**

Commercial Property – All Rentals/Leases Determined By Market Valuation

Housing – Staff – Rentals Determined By Market Valuation

Housing Community Category 1 – Bedsit (Per Week)

\$ 45.00

Housing Community Category 2 – Single Unit (Per Week)

\$ 60.00

Housing Community Category 3 – Double Unit (Per Week)

\$ 80.00

FINANCE**Rating Information**

Title Search

\$ 30.00

Copies Of Roll (Per 1000)

\$ 125.00

Geographic Information Services**Plotter Printing Costs**

Basic Cover Prints (Text Or Line Drawings) Normal Weight Paper A1

\$ 23.00

Basic Cover Prints (Text Or Line Drawings) Normal Weight Paper A2

\$ 15.30

Basic Cover Prints (Text Or Line Drawings) Normal Weight Paper A3

\$ 11.80

Basic Cover Prints (Text Or Line Drawings) Normal Weight Paper A4

\$ 7.70

Basic Cover Prints (Text Or Line Drawings) Heavy Weight Paper A1

\$ 25.90

Basic Cover Prints (Text Or Line Drawings) Heavy Weight Paper A2

\$ 23.00

Basic Cover Prints (Text Or Line Drawings) Heavy Weight Paper A3

\$ 15.30

Basic Cover Prints (Text Or Line Drawings) Heavy Weight Paper A4

\$ 11.80

Basic Cover Prints (Text Or Line Drawings) Photo Quality Paper A1

\$ 46.00

Basic Cover Prints (Text Or Line Drawings) Photo Quality Paper A2

\$ 30.70

Basic Cover Prints (Text Or Line Drawings) Photo Quality Paper A3

\$ 23.00

Basic Cover Prints (Text Or Line Drawings) Photo Quality Paper A4

\$ 13.80

Full Cover Prints (Photography Or Graphics) Normal Weight Paper A1

\$ 30.70

Full Cover Prints (Photography Or Graphics) Normal Weight Paper A2

\$ 23.00

Full Cover Prints (Photography Or Graphics) Normal Weight Paper A3

\$ 15.30

Full Cover Prints (Photography Or Graphics) Normal Weight Paper A4

\$ 11.80

CHARGE DESCRIPTION

	Incl GST
Full Cover Prints (Photography Or Graphics) Heavy Weight Paper A1	\$ 46.00
Full Cover Prints (Photography Or Graphics) Heavy Weight Paper A2	\$ 30.70
Full Cover Prints (Photography Or Graphics) Heavy Weight Paper A3	\$ 23.00
Full Cover Prints (Photography Or Graphics) Heavy Weight Paper A4	\$ 13.80
Full Cover Prints (Photography Or Graphics) Photo Quality Paper A1	\$ 61.30
Full Cover Prints (Photography Or Graphics) Photo Quality Paper A2	\$ 46.00
Full Cover Prints (Photography Or Graphics) Photo Quality Paper A3	\$ 30.70
Full Cover Prints (Photography Or Graphics) Photo Quality Paper A4	\$ 23.00
Geographic Information Service Staff Labour	
GIS Staff (Per Hour) (First ¼ Hour No Charge)	\$ 86.90

Special Map Request Charges

Specialised maps are those which require new layers to be added to the GIS, analysis work and/or specialised printing techniques to be used. In addition to printing charges outlined above, charges are based on actual time to the nearest ½ hour plus any actual packaging or postage costs incurred.

CHARGE DESCRIPTION	Incl GST
ENGINEERING	
General Engineering Charges	
Tender Documents	\$ 50.00
Engineering Staff Labour	
Senior Engineering Staff (Per Hour)	\$ 150.00
Other Engineering Staff (Per Hour)	\$ 105.00
Trainee/Cadets (Per Hour)	\$ 60.00
Traffic Management Plan - permit application - minimum charge	\$ 150.00
Consultants	
Consultancy costs are on-charged at cost. Council may charge an administration cost of up to 5%.	
Consultancy costs <u>may be</u> incurred for the following activities:	
- Permits for working in the road reserve	
- Subdivisions – general inspections as work progress. Normally 1 -2 visits per month.	
- Subdivisions – specific visits for testing of infrastructure – e.g. pressure test watermains or pre-seal inspections of road surface.	
- Advice on fence encroachments.	
- Enforcement of bylaws such as for fencing, cattlestops etc	
- Visits required where conditions of consent or other district plan rules are breached.	
- New access ways.	
Water Treatment Plant	
Laboratory Analyses Of Water Samples	
Bacteriological (Presence/Absence) (Per Sample)	\$ 35.00
Chemical Analysis (Chlorine, PH, Turbity) (Per Sample)	\$ 35.00

CHARGE DESCRIPTION	Incl GST
Water Supply Connections	
Administration Charge	\$ 100.00
Connection Costs (On Charged At Cost – Refer Note Below Regarding Contractor Costs)	
Water Supply Reconnections, Disconnections & Re-check Of Meter Readings	
Administration Charge	\$ 25.00
Connection Costs (On Charged At Cost – Refer Note Below Regarding Contractor Costs)	
Sewerage Connections (excludes Mahia/Opoutama)	
Administration Charge	\$ 100.00
Connection Costs (On Charged At Cost – Refer Note Below Regarding Contractor Costs)	
Stormwater Connections – To Piped Stormwater System	
This Applies To Connections To Council’s Piped Stormwater System	
Administration Charge	\$ 100.00
Connection Costs (On Charged At Cost – Refer Note Below Regarding Contractor Costs)	
Stormwater Connections – To Open Drain Or Kerbside	
Administration Charge	\$ 25.00
Connection Costs (On Charged At Cost – Refer Note Below Regarding Contractor Costs)	

NB: Contractor Costs for Services Connections

Except as otherwise approved (at the discretion of the Engineering Manager) connections to Council’s services (Stormwater, Sewer & Water Reticulation) may only be carried out by Council’s maintenance Contractor. All costs incurred in making the connection will be on-charged to the applicant. Council may charge an administration cost of up to 5% of the value of the work.

CHARGE DESCRIPTION**Incl GST****Waste Management****Weighbridge Rates (Minimum weight 20kg)****Direct User Charges – Non Recyclables****Wairoa Landfill – Weighbridge**

Green Waste (Per Tonne)	\$	60.00
Other Waste (Per Tonne)	\$	185.00

NB: If the weighbridge computer is not working, the Non-weighed Rates are to be applied and the transactions manually carried out – with handwritten receipts being given for cash received.

Non-Weighed Rates**Clean Green Waste**

Clean Green Waste (Per 40 Litre Bag)	\$	1.20
Clean Green Waste (Car)	\$	6.00
Clean Green Waste (Small Van Or Trailer)	\$	9.00
Clean Green Waste (Car & Trailer)	\$	12.00
Commercial Vehicles (Trucks) - As Assessed By Attendant		

Unsorted Waste

Unsorted Waste (Per 40 Litre Bag)	\$	3.70
Unsorted Waste (Car)	\$	10.00
Unsorted Waste (Small Van Or Trailer)	\$	20.00
Unsorted Waste (Car & Trailer)	\$	25.00
Commercial Vehicles (Trucks) - As Assessed By Attendant		

NB: 1 x 40 Litre refuse bag = 2 x Supermarket plastic shopping bags.

Vehicles & Tyres

A \$10 petrol voucher will be given for all vehicles accepted at the landfill. Vehicles must be presented with fluids removed and must not be filled with refuse or other debris.

Tyres are accepted at the following rates to cover the cost of shredding:

Car Tyres	\$	7.00
Truck Tyres	\$	17.00

CHARGE DESCRIPTION**Incl GST****Burial Of Asbestos**

Administration Fee (all Asbestos transations)

\$ 50.00

Weighbridge Charges for Out of District Asbestos Waste (per tonne)

\$ 450.00

Note: Asbestos from sites within Wairoa District charged Admin Fee plus prevailing weighbridge rate for general refuse

Airport**Landing Fees**

Light Aircraft

\$ 12.00

Heavy Aircraft

\$ 15.50

Casual Landings Where Account Required To Be Sent

\$ 18.50

Facility Fees – Parking Of Aircraft

Topdressing Aircraft (Per Annum)

\$ 1,610.00

Private Aircraft (Per Annum)

\$ 690.00

Wairoa Aero Club (Single Engine) (Per Annum)

\$ 345.00

Privately Owned Aircraft (Operated/Leased By Wairoa Aero Club)

\$ 355.00

Wairoa Aero Club Leased Planes (For Periods Of Less Than Six Months) (Per Month)

\$ 20.00

Cookson Air Facilities Lease (Ground Rental) (Per Month)

\$ 230.00

Hire Of Airport For Driving Schools (Per Day)

\$ 350.00

Storage Of Microlight Aircraft (Per Annum)

\$ 57.50

CHARGE DESCRIPTION	Incl GST
Cemeteries	
Plot Charges	
Ashes	\$ 155.00
Child	\$ 305.00
Standard	\$ 615.00
Interments	
Ashes	\$ 115.00
Still Born	\$ 70.00
Under 13 Years	\$ 480.00
Standard Single	\$ 615.00
Standard Double	\$ 665.00
Disinterment/Reinterment	
Contractor actual costs will be on-charged to the applicant. Council may charge an administration cost of up to 5% of the value of the work.	
Sundry Charges	
Monumental Work Permit	\$ 20.00
Parks & Reserves	
Rural Domains (Nuhaka, Frasertown, Otoi and Kotemaori)	
One off cases per day. User charges for rural domains determined by local Domain committees on a case by case basis.	
Urban Parks	
Clyde Domain Per Day	\$ 50.00
Alexandra Park Per Day	\$ 50.00
Ski Club Reserve (Lockwood Point) Per Day	\$ 50.00
Lighthouse Reserve Per Day	\$ 50.00

Bonds

Casual daily hirers will be required to pay a refundable bond of \$300 provided facilities left in acceptable state.

CHARGE DESCRIPTION

Incl GST

REGULATORY**Building Control****Building Control Staff**

Building Control Officer (Per Hour)	\$	135.00
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Regulatory Administration Officer (Per Hour)	\$	100.00
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Building/Drainage Consents

Consent Applications Based On Time Occupied

DBH Levy: the Building Act 2004 requires council to collect a levy of \$2.01 per \$1000 value of building work valued \$20,000 & over

BRANZ Levy: Building Research Levy Act 1969 requires Council to collect a levy of 0.1% (\$1.00 per \$1000 value) Of Building work valued

Value of Building Work: This is based on the Dept of Building and Housing costs and Rawlinson's New Zealand Construction Handbook

NB: Some of the fees are determined by statute/regulation and Council is not able to change them. They are subject to change without notice.

Central Govt accreditation Audit Fee - under \$20,000	\$	25.00
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Central Govt accreditation Audit Fee - under \$100,000	\$	60.00
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Central Govt accreditation Audit Fee - over \$100,000	\$	115.00
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Central Govt accreditation Audit Fee - Commercial	\$	170.00
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Consent Deposits - Building Work <\$100,000 <u>deposit</u>	\$	350.00
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Consent Deposits - Building Work >\$100,000 <u>deposit</u>	\$	1,000.00
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Lodgement Fee - Online	\$	75.00
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Lodgement Fee - Manual (paper) Lodgement	\$	120.00
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Solid Fuel Heaters – Free Standing within 20km of Wairoa Township (Includes Accreditation Fee) Note additional inspections at cost	\$	190.00
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Solid Fuel Heaters – Free Standing further than 20km from Wairoa Township (Includes Accreditation Fee). Note additional inspections	\$	250.00
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Solid Fuel Heaters – In Built Heater within 20km of Wairoa Township (Includes Accreditation Fee). Note additional inspections at cost	\$	250.00
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Solid Fuel Heaters – In Built Heater further than 20km from the Wairoa Township (Includes Accreditation Fee). Note additional	\$	290.00
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Marquees (Includes One Inspection - Additional Inspections At Cost)	\$	155.00
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Demolition Consent (Includes One Inspection - Additional Inspections At Cost)	\$	225.00
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Code Compliance Certificate - project up to \$19,999	\$	60.00
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Code Compliance Certificate - project value over \$20,000	\$	130.00
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Code Compliance Certificate - For consents granted under Building Act 1991 (lodged prior to 30 November 2004)	\$	130.00
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Building Property Files Search	\$	30.00
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Building Consent Amendment	\$	50.00
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CHARGE DESCRIPTION	Incl GST
Building Consent Cancellation, Lapsing Fee & Refused Fee	\$ 65.00
Swimming Pool Fence Inspection (Plus Mileage & Time)	\$ 50.00
Certificate Of Acceptance (Plus Normal Inspection & Mileage)	\$ 515.00
Certificate Of Public Use (Plus Mileage & Time)	\$ 255.00
Notice To Fix	\$ 95.00
Building Relocation Report Request By Territorial Authority/Customer (Plus Mileage & Time)	\$ 155.00
Administration Fee - Maori Land Court Letter	\$ 46.00
Administration Fee - Road/footpath damage Bond	\$ 50.00
Issue of Consent reports - Monthly (Annual subscription)	\$ 50.00
Issue Of Compliance Schedule	\$ 253.00
Amendments To Certificate Of Compliance Schedule	\$ 115.00
Building Warrant Of Fitness Administration	\$ 100.00
Building Warrant Of Fitness Audit fee	\$ 150.00
Certificate Of Title Registration Of S73 & 74 Notice (Plus Any Inspection Costs)	\$ 250.00
Certificate Of Title Registration Of S77 & 78 Notice (Plus Any Inspection Costs)	\$ 250.00
Application for Building Consent Exemption Fee	\$ 180.00
Entry of Building Report On To Property File	\$ 65.00
Photocopy Charges (Refer To Administration Photocopying Charges)	
Scanning Building Consent Plans – Standard Fee A4 Sheets & Application Form	\$ 15.00
Scanning – A3 (Per Sheet)	\$ 2.00
Scanning – A2 & A1 (Per Sheet)	\$ 5.00
NB: The above are not applicable to fixed fee consents.	
Copy Of Certificate Of Title	\$ 30.00
Property Information	
Land Information Memorandum - 10 working days (Residential/Rural Property)	\$ 220.00
Property Information Memorandum	\$ 130.00
Engineering & Planning Fee	\$ 130.00

CHARGE DESCRIPTION	Incl GST
Environmental Health	
Registration Of Premises (annual fee) And/Or Approval Of Plan - Fee	
Apiaries	\$ 155.00
Ancillary Food Premises	\$ 155.00
Dairy/Grocery	\$ 165.00
Butchery/Bakery	\$ 265.00
Supermarket	\$ 310.00
Takeaways	\$ 270.00
Eating Houses	\$ 270.00
Fruit & Vegetables	\$ 160.00
Other Food Premises	\$ 160.00
Occasional Food Premises – Per Day	\$ 55.00
Temporary Food Stands	\$ 35.00
Market Stall	\$ 35.00
Boarding Houses Etc	\$ 160.00
Hairdressers	\$ 160.00
Funeral Directors	\$ 165.00
Offensive Trades	\$ 165.00
Motels	\$ 165.00
Camping Grounds With Shop	\$ 265.00
Camping Grounds Without Shop	\$ 165.00
Hawkers	\$ 155.00
Itinerant Traders	\$ 155.00
Mobile Shops	\$ 155.00
Inspections – Client Requested	\$ 195.00
Plan Audits	\$ 150.00
Environmental Health Officer (Per Hour) - charged when extended time required to resolve issues	\$ 105.00

CHARGE DESCRIPTION**Incl GST****Liquor Control**

Fees Set By Statute (Sale and Supply of Alcohol Act 2012 (Fees Regulations))

On / Off / Club Licences and Renewal

	Application Fee	Annual Fee		
Risk				
Very Low	\$368.00	\$161.00		
Low	\$609.50	\$391.00		
Medium	\$816.50	\$632.50		
High	\$1023.50	\$1035.00		
Very High	\$1207.50	\$1437.50		
Special Licences				
Class 1			\$	575.00
Class 2			\$	207.00
Class 3			\$	63.25
Temporary Licence			\$	296.70
Permanent Club Charter			\$	632.50
Extract From Register			\$	57.50
Appeals to ARLA			\$	517.50
Extract Of Records			\$	25.00
Managers Certificate and Renewals			\$	316.25
Temporary Authority			\$	296.70
Liquor Licencing Officer (Per Hour)			\$	105.00
Regulatory Administration Officer (Per Hour)			\$	100.00

CHARGE DESCRIPTION	Incl GST
Dog Control	
Class D – Dogs classified Dangerous (\$10.00 discount if registered before 31 July)	\$ 110.00
Class M – Dogs classified Menacing (\$10.00 discount if registered before 31 July)	\$ 110.00
Class S – being all other dogs, including working dogs (\$10.00 discount if registered before 31 July)	\$ 67.00
Replace Tag	\$ 5.00
Micro Chipping	\$ 25.00
Dog Control Officers Time Where Rechargeable (Per Hour)	\$ 100.00
Impounding Fees	
First Impounding	\$ 40.00
Second Impounding	\$ 60.00
Third and Subsequent Impounding	\$ 80.00
Dogs Impounded After 6pm and Before 6am	\$ 85.00
Daily Sustenance Charge	\$ 8.00
Livestock Control	
Stock Impounding	
Horses & Cows (Per Head For First Day)	\$ 25.00
Horses & Cows (Per Head Per Day Thereafter)	\$ 12.00
Sheep (Per Head For First Day)	\$ 12.00
Sheep (Per Head Per Day Thereafter)	\$ 3.00
Driving Charges (Fee Based Upon Cost Of Shifting Stock To Pound (Minimum Charge \$10.00)	
Sustenance Charges (Based On Cost Of Stock Food)	
Stock Droving	
Droving Permit	\$ 60.00
Holding Paddock (Per Hundred Per Day)	\$ 20.00
Livestock Control Staff	
Council Supervision (Staff Time Charged At Appropriate Rate)	
Impounding Officer (Per Hour) Where Rechargeable	\$ 100.00

CHARGE DESCRIPTION**Incl GST****Resource Planning**

Deposit Payable With Full Cost Recovery:

Deposit Land Use Consent Non Notified	\$	400.00
Deposit Subdivision Consent Non Notified	\$	800.00
Deposit Land Use & Subdivision Consent Limited Notified	\$	2,000.00
Deposit Land Use & Subdivision Consent Notified	\$	4,000.00
Deposit Designation & Notice Of Requirements	\$	800.00
Deposit Heritage Orders	\$	150.00
Deposit Private Plan Change	\$	5,500.00
Deposit Overseas Investment Certificate /Crown Land Disposal Certificate	\$	200.00
Deposit for Certificate Of Compliance	\$	200.00
*Administration Fee	\$	100.00
*Monitoring Fee	\$	100.00
*Bond Administration Fee	\$	50.00
Minimum Fee With Full Cost Recovery		
* Review & Signature Survey Plan - S223	\$	200.00
* Review & Signature Survey Plan - S224	\$	200.00
* Review & Signature Survey Plan - S226	\$	200.00
* Outline Plan & Review – S176A	\$	250.00
Waiver to Outline Plan	\$	75.00
* Right Of Way Application – S348	\$	250.00

NB: * = Minimum fee, additional fees may be charged.**Resource Planning Staff**

District Planner (Per Hour)	\$	135.00
Regulatory Administration Officer (Per Hour)	\$	100.00
Regulatory Manager (Per Hour)	\$	180.00
Engineering Staff at rates determined by the Engineering Manager but not less than \$100.00 per hour		
External Costs e.g. Consultants Are Recovered From Applicant At Cost		

CHARGE DESCRIPTION**Incl GST****Emergency Management**

Fire Permits (No Cost)

Fire Fighting Costs (Full Cost Recovery)

Emergency Management Staff

Inspections For Fire Plans (Per Hour)

\$ 100.00

Fire Officer (Per Hour)

\$ 100.00

Board (TAB) Venue Consent Application

Application Fee

\$ 300.00

License Inspection Fee (Per Inspection, Following Successful Application)

\$ 100.00

Consultation & Hearing Costs Are Recovered From Applicant

Noise Control

First Call to Excessive Noise

\$ 35.00

Second Call to Excessive Noise

\$ 45.00

Third and Subsequent Calls to Excessive Noise

\$ 50.00

Recovery of Impounded Equipment = Actual Cost + 10%

Noise Control Officer (Per Hour)

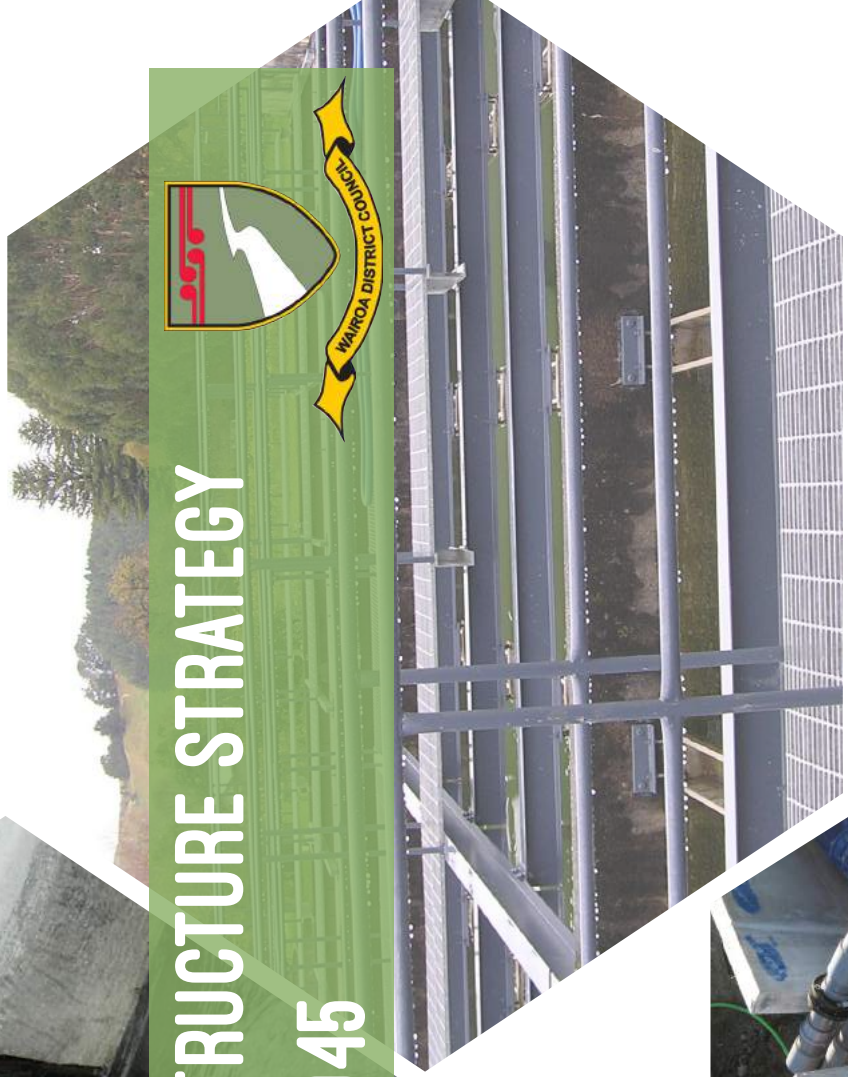
\$ 105.00

Regulatory Administration Officer (Per Hour)

\$ 100.00

Infrastructure Strategy 2015-2045

INFRASTRUCTURE STRATEGY 2015-2045





Wairoa District Council

Infrastructure Strategy

Prepared By

Linda Cook
Consultant Engineer (Wairoa District Council)

Approved By

.....

Jamie Cox
Engineering Manager (Wairoa District Council)

Date: July 2015
Status: FINAL

Peer Review

This document was independently peer reviewed by David Fraser of AMSAAM Ltd, who is an acknowledged expert in infrastructure asset management.

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Glossary

Appendices

Proposed Expenditure 2015-2045

1 CONTEXT

1.1 GEOGRAPHIC CONTEXT

The Wairoa district in Northern Hakes Bay covers an area of about 4,118 square kilometres with approximately 130 kilometres of coastline.

The majority of the district is hill country merging with mountains in the west, often dissected with gorges. Areas of coastal and river flats of versatile soils give greater variety to the landscape.

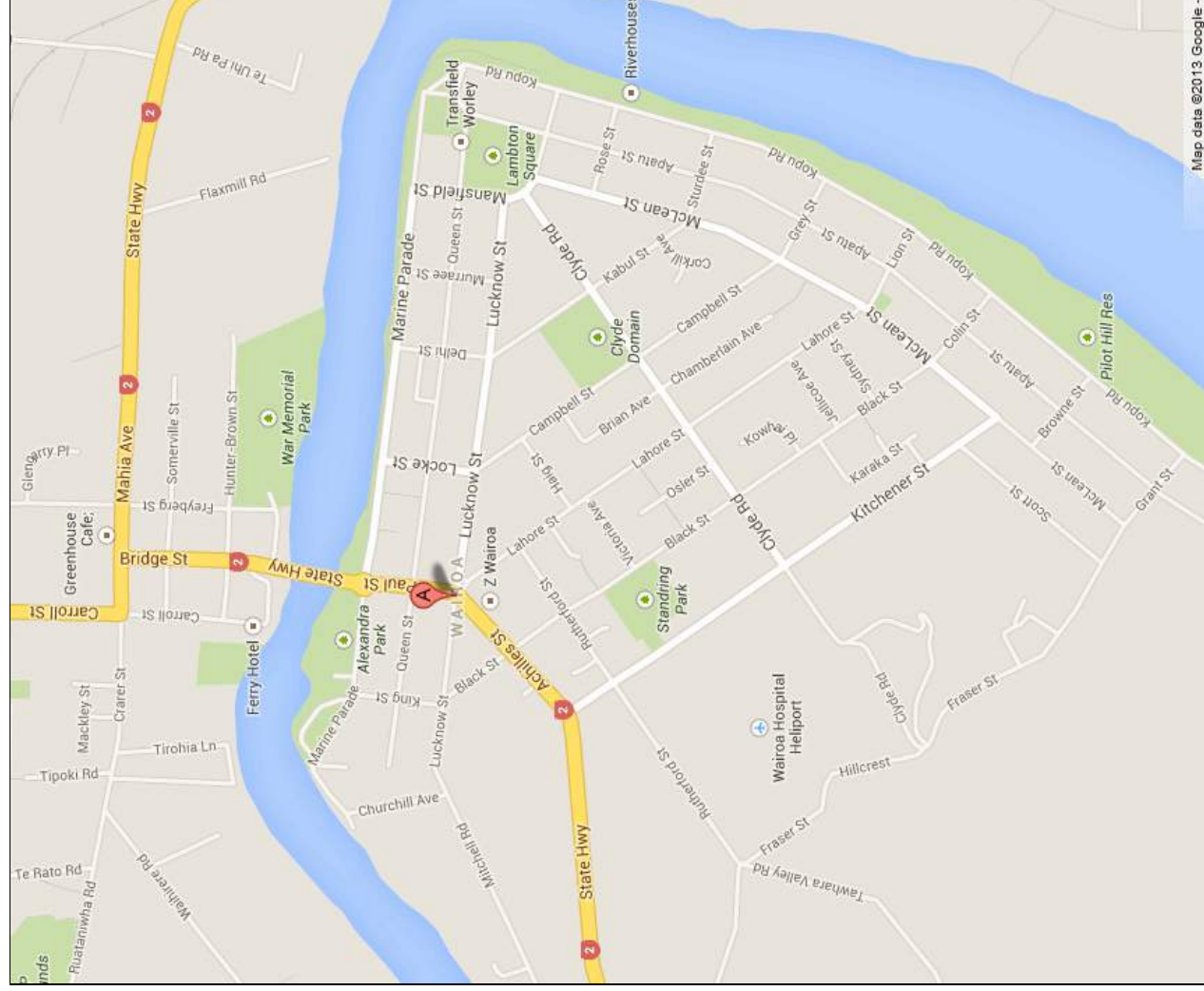
Wairoa includes a vast range of landscapes from the Te Urewera National Park and Lake Waikaremoana to the surf and fishing beaches of the Mahia Peninsula, the hot springs at Morere and the riverside town of Wairoa. There are numerous lakes, rivers and wetlands, several of national importance such as the Wairoa, Mohaka and Nuhaka Rivers and Whakaki Lagoon.



The district can be broken down into the following key centres:

Centre	Population (2013 Census)	% of District
Wairoa	4053	51.4
Mahia	720	9.1
Raupunga/Mohaka	627	7.9
Frasertown	252	3.2
Nuhaka	261	3.3
Tuai	219	2.8
Whakaki	732	9.3
Ruakitiri/Morere	705	8.9
Maungataniwha	318	4.0

The main urban area is the Wairoa Township



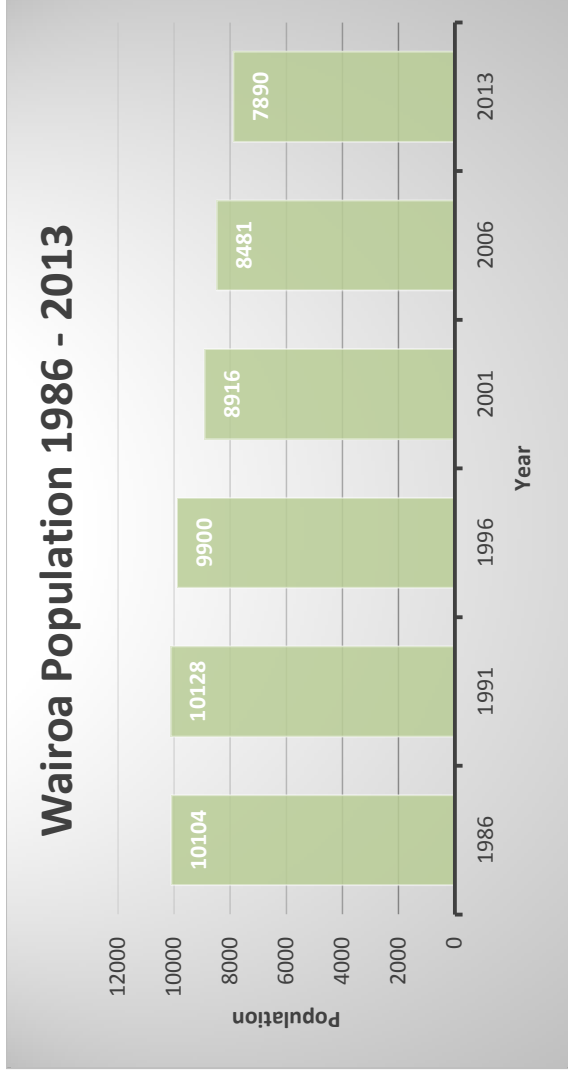
1.2 POPULATION CONTEXT / DEMOGRAPHICS

1.2.1 Population numbers

Department of Statistics NZ produces a census report every 5 years (the exception being the 2011 Census which was not conducted due to the earthquakes in Christchurch). The most recent Census was undertaken in 2013.

Between 1996 and 2013, the population in Wairoa fell from 9,900 to 7,890 indicating a steady decline over this period (average of 120 people per year with 591 or 7% drop between the Census in 2006 and that in 2013).

Figure 1.2a: Population trends in Wairoa District (1986 to 2013)

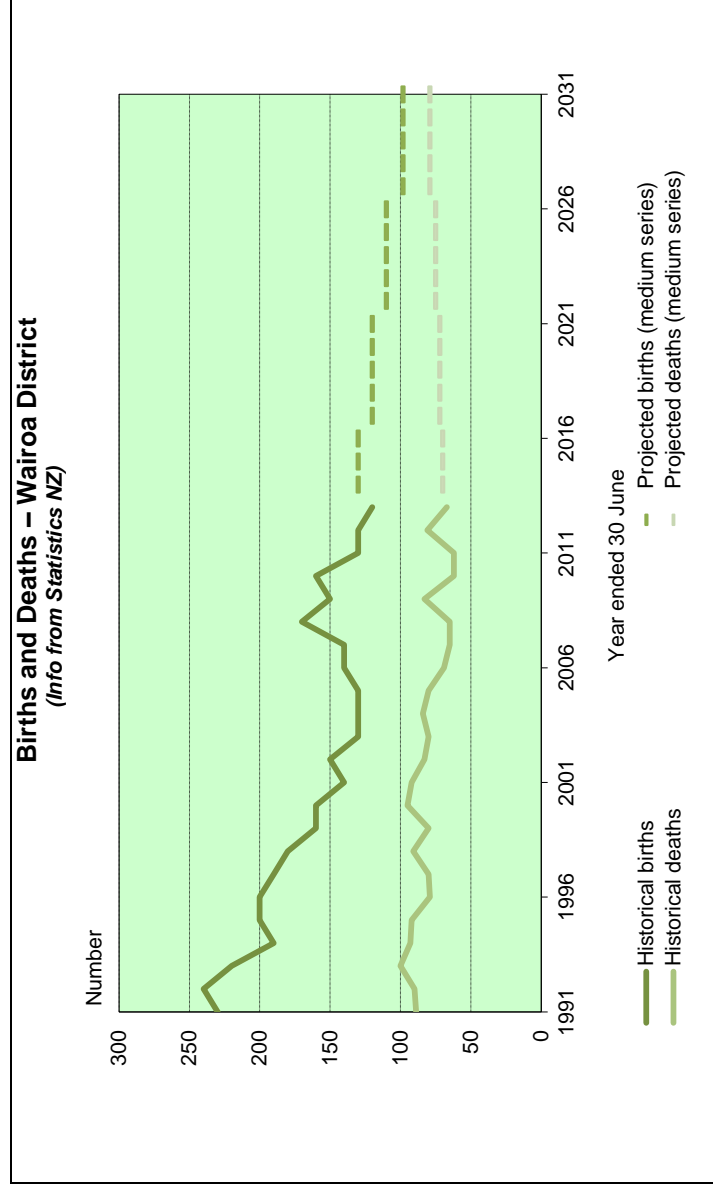


Between 1996 and 2013, there has been a decline in both the under 15 and 15-39 age group. Since 2006, there has also been a decline in the 40-64 age group which had been increasing until then. The 65 and over age group, however, has shown a steady increase.

Births continue to outnumber deaths in the Wairoa District although projections to 2031 show that gap to reduce.

The main cause of overall population decline is therefore out-migration.

Figure 1.2b: Births and Deaths trends in Wairoa District (1981 to 2031)



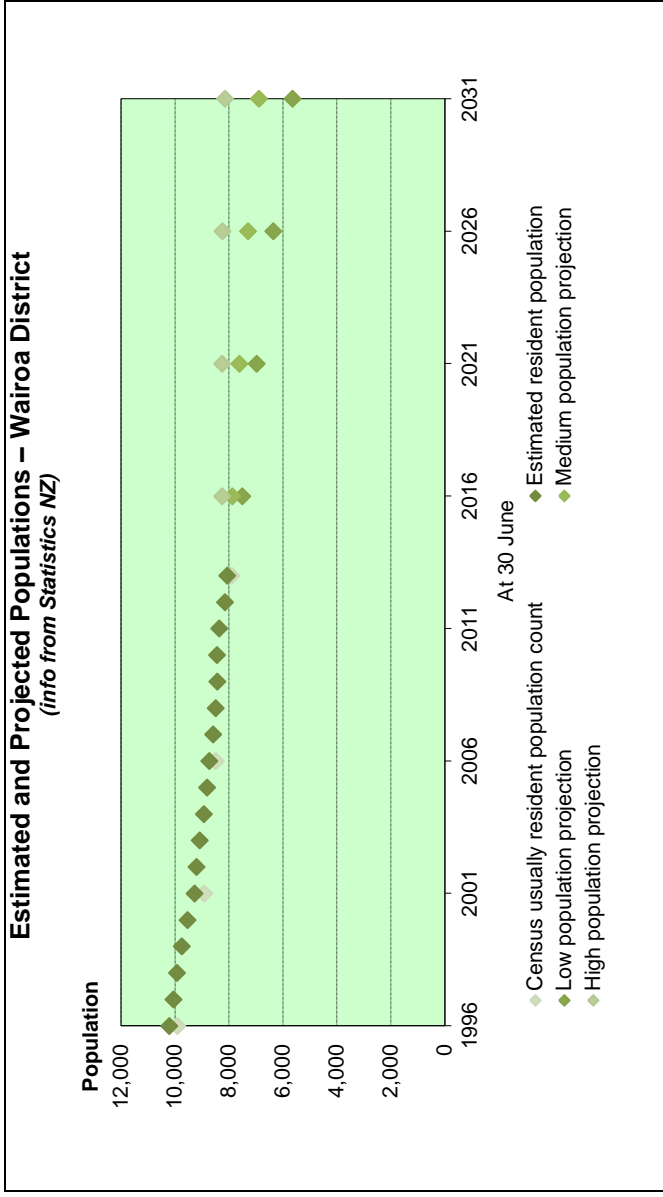
Source: Statistics New Zealand

Population growth forecasts (Dept. of Statistics) project the declining population in Wairoa will continue. Figures project the 2013 Census population of 7,890 to decline to 7,610 (medium) in 2021

suggesting a decline of 3.5% over that 8 year period. In contrast, the total population of Hawke's Bay is predicted to have a growth of 5.2% over the same period.

Longer term, the projections are for the population to be between 5,640 and 8,140 in 2031.

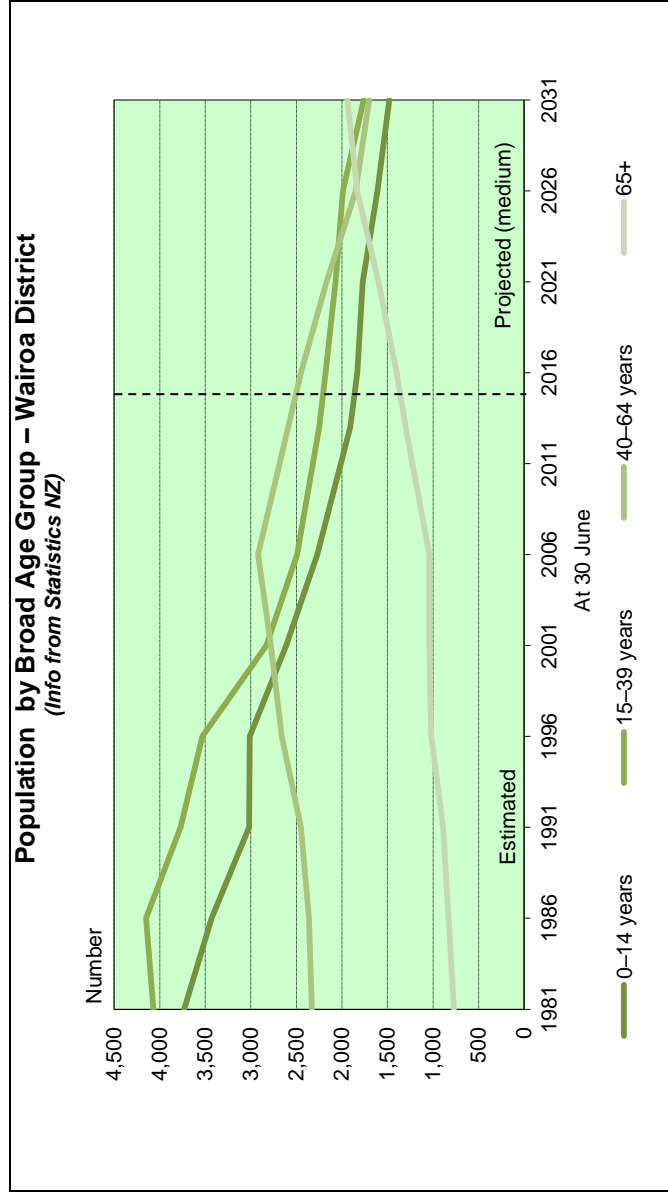
Figure 1.2c: Projected Population Growth Forecasts in Wairoa District (1996 to 2031)



Source: Statistics New Zealand

Projections show a continuing decline in the youth population and significant increases in older people as a proportion of the total Wairoa population. It is estimated that over 1 in 4 residents will be over the age of 65 in 2031.

Figure 1.2d: Projected Population trends in Wairoa District (1981 to 2031)



Source: Statistics New Zealand

2 COUNCIL'S STRATEGIC DIRECTION

2.1 LEGISLATIVE REQUIREMENTS

The Local Government Act Amendment Bill (No.3) was introduced into Parliament in 2013.

Under that Bill, Councils are now required to prepare and adopt an Infrastructure Strategy, to cover at least 30 consecutive years, as part of their Long term Plan.

The purpose of this strategy is to:

- a) Identify significant infrastructure issues for the local authority over the period of the strategy
- b) Identify the principal options for managing those issues and the implications of those options.

As a minimum, the Infrastructure Strategy must include the core activities of:

- Roading and footpaths
- Water supply
- Sewerage, including the treatment and disposal of sewage
- Stormwater drainage
- Flood protection and control works (not within district council jurisdiction, to be addressed at regional level)

Wairoa will also include some discussion on the Waste Management Activity as there are some challenging issues to address around the sustainability of the landfill facility in Wairoa.

Under Section 101B of the LGA, the Infrastructure Strategy must outline how Council will manage its infrastructure assets taking into account the need to:

- Renew or replace assets
- Respond to growth or decline of services reliant on those assets
- Allow for planned changes in levels of service
- Maintain or improve public health and environmental outcomes or mitigate adverse effects on them
- Provide for the resilience of infrastructure assets by identifying and managing risks associated with natural hazards and making appropriate financial provision for those risks

2.2 COUNCIL'S VISION

Council's vision defines who we are, what we are trying to achieve and who our intended customers are in a single succinct statement. These must be integrated into the Infrastructure Strategy.

Council's VISION is:

Connected Communities
Desirable Lifestyles
Treasured Environments

Sitting beneath this vision is a statement outlining the expected Strategic Result for each activity.

Council's goals or strategic intents for the core activities included in this strategy are:

Roading *Provision of a safe and affordable Land Transport network that contributes to the outcomes of the Land Transport Management Act and the objectives of the Regional Land Transport Strategy*

Water Supply *To comply with the drinking water standards*

Stormwater *Effective and efficient management of collection and disposal of stormwater to ensure that the capacity of available facilities are optimised and that the environment is not compromised*

Sewerage / Wastewater *Reliable and safe collection and disposal of sewage*

Waste Management *Reliable and safe collection and disposal of waste*

3 OUTLINE OF ASSETS

For Wairoa, the Infrastructure Strategy is required to include Water Supply, Stormwater, Sewerage (including treatment and disposal) and the provision of roads and footpaths. Wairoa has also included the waste management activity because of some likely significant changes in the service to be provided over the next 30 years.

A brief outline of each of these activities is given below

3.1 **ROADING**

3.1.1 **Roading Asset Description**

Wairoa's Land Transport network consists of 875km of roads, of which approximately 35% is sealed. Within the formed road corridor Council owns 175 bridges, 346 retaining structures, 882 streetlights, numerous traffic signs and drainage culverts along with footpaths, walkways and cycleways as outlined in Table 3.1 below

Table 3.1 – Outline of Roading Assets

Asset	Quantity
Road – Sealed Local Roads	km 285.9
Road – Unsealed Local Roads	km 559.09
Road - SP 38 Sealed Length	km 27.26
Road - SP 38 Unsealed Length	km 2.98
Total Roading (km)	
875.23	
Bridges - Bridges	ea 126
Bridges - Culverts	ea 42
Bridges – Fords	ea 7
Bridges - Railings	ea 184
Railings	ea 500
Retaining Walls	ea 343
Signs	ea 3,207
Culverts	ea 5,947
Side Drains	ea 398
Subsoil Drains	ea 14
Kerb & Channel	km 44.529
Sumps & Catch pits	ea 168
Debris Grids	ea 807
Manholes	ea 309
Drainage Flumes	ea 2
Stormwater Channels	km 1,643
Street Lights	ea 883
Footpaths	km 4.318

3.1.2 **Condition of Key Roading Assets**

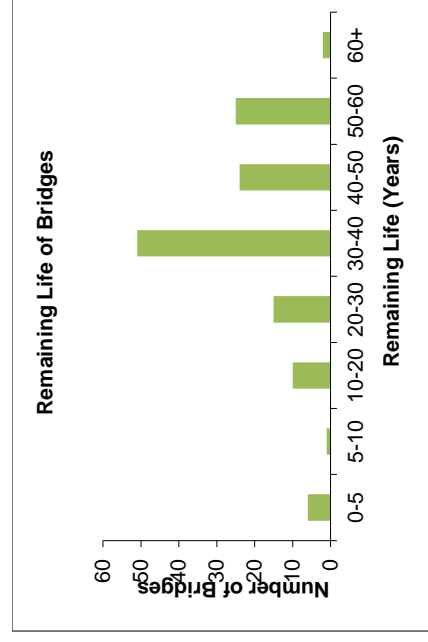
Sealed roads - The condition of the sealed roads is measured annually using the RAMM road condition survey. 10% of the network is covered each year. The modelling of sealed roads performance is showing a gradual deterioration of the sealed roads, and considered to be medium risk for the next 5 to 10 years, particularly for the traffic routes where increased loads are anticipated.

Unsealed roads - The overall condition of the unsealed road network is not currently measured by any specific survey. Contract management performance monitoring shows the overall condition of the unsealed road network is good and that current maintenance levels are appropriate. However, unsealed road complaints were common during stakeholder consultation reviews undertaken in 2011.

Council's aim is to keep the roads in a condition that is not deteriorating and this is monitored by Council staff, Professional Services Providers and Contractors. Updating of remaining useful life (RUL) data is required to develop more realistic lifecycles.

Bridges - The bridge structures vary considerably throughout the district in terms of design, materials and deck type. With the exception of the Mohaka Township Bridge (currently under refurbishment) the overall condition of critical bridge structures is considered good with only a handful of bridges, mostly on dead-end roads, identified for upgrade. Notwithstanding this, the remaining useful life of some bridges are projected to fall within the next 30 years as shown in the chart below. This will lead to reinvestment in this period.

Figure 3.1 - Bridges by Remaining Bridge Life Group



Increasing bigger and heavier trucks is an issue for Council's bridge stock.

Footpaths throughout the District vary considerably in condition and materials. The majority of footpaths are concrete construction. Chipseal and asphalt footpaths are also provided and there are interlocking pavers in the Central Business Area

Although some sections of concrete footpaths are cracked, most of these are still providing an appropriate level of service. The majority of damaged footpaths simply require localised maintenance repairs rather than complete replacement.

Other assets – generally considered to be in acceptable condition, works are generally reactive based on regular visual assessments by staff, consultants and contractors.

3.1.3 Management of Roading and Footpath Infrastructure

Council's Roading and footpath assets are currently maintained under Road Maintenance contracts which are managed and administered by Council. There are no proposals to change this overall method infrastructure management with contracts typically tendered on a three year basis (with provision for extensions dependent on contractor performance)

The operation, maintenance, renewals and capital works programmes of the roading assets will be undertaken generally in accordance with the 2015 Land Transport Asset Management Plan (AMP) which addresses the following:

- How the assets will be managed and operated, including developing budgets for the next 30 years
- Setting cost-effective renewals and capital works programmes (lifecycle management), including developing budgets for the next 30 years
- Projected changes in population as well as changes in demographics of the population and how this will affect the management of assets
- Levels of service (LoS) including a review of previous LoS and development of new and currently appropriate LoS. Performance measures and annual targets are linked to each of the LoS statements and are used to report annually on Council performance. The 2015 AMP includes newly introduced mandatory non-financial performance measures. The LoS are also linked to community outcomes
- Risk management in relation to the assets including contingency planning in events such as natural hazards. For roading this includes continuation of the Lifelines project where alternative access routes have been identified should main access routes become unusable

Many of the significant issues identified in section 5 of this document are also addressed in the 2015 AMP.

3.2 WATER SUPPLY

3.2.1 Water Supply Asset Description

The water supply activity includes the operation and maintenance of water supplies in:

	ACTIVITY DESCRIPTION	ASSET OUTLINE
Wairoa & Frasertown	<p>The treated water supply for Wairoa, Frasertown and the peri-urban area of Wairoa is sourced from the Waiau River and processed in the Water Treatment Plant in Frasertown.</p> <p>The Wairoa reticulation system services a mix of residential, commercial and light industrial properties. It is delivered via the reservoirs on the Tawhara Hills. The majority of existing water reticulation in Wairoa was established after 1970, though a significant proportion was installed in the 1940's.</p> <p>Frasertown has a newer network with the earliest part of the system installed around 1965. It was originally installed as a low-pressure treated supply to supplement tank supplies. However there are now reservoirs that feed the Frasertown community providing potable water services</p>	<ul style="list-style-type: none"> • 76.7km of reticulation in Wairoa, 5.4km in Frasertown and 18km of reticulation in the Wairoa peri-urban area (not part of this AMP). • Three reservoirs at Wairoa Boundary – capacity 3000m³ • Two reservoirs at Tawhara - capacity 2500m³ • One reservoir at Frasertown – capacity 13m³ • River intake on the Waiau River • Water Treatment Plant in Frasertown • One pump station at Wairoa Boundary
Tuai	<p>The Tuai supply is sourced from the Waimako spring. The original mains were installed between 1940 and 1950.</p> <p>the Tuai supply was upgraded in 2012 in order to meet the drinking water standards (\$250,000 upgrade, with 85% of funds coming from central government)</p>	<ul style="list-style-type: none"> • 6km of reticulation (untreated) and • Three reservoirs each with capacity of 13m³
Mahanga	<p>The Mahanga supply comes from a shallow bore located in farmland and is untreated. However, it was originally intended only as a supplementary</p>	<ul style="list-style-type: none"> • 1km of reticulation (untreated) • one reservoir (capacity 13m³)

ACTIVITY DESCRIPTION	ASSET OUTLINE
non-potable supply and firefighting. Much of the community utilises rainwater as well.	<ul style="list-style-type: none"> one pump station.

3.2.2 Condition of Water Supply Assets

To date, condition information has been based primarily on age, staff / contractor knowledge and the frequency of repairs required to any pipeline / asset.

A condition assessment programme is to be developed and implemented as part of the activity improvement plan (refer 2015 Water Supply Asset Management Plan).

Part of the Wairoa reticulation infrastructure is asbestos cement, which in some cases, may need remedial work in the next 30 years to prevent leakage. The Tuai and Mahanga reticulation was constructed pre-1970's and provision for a renewals programme will be made over the next 30 years, dependent on condition assessments. The 2014 water supply valuation includes more detail on pipe materials and age.

3.2.3 Management of Water Supply Infrastructure

Council's water supply reticulation assets are currently maintained under a Water Supply Operations and Maintenance contract which is managed and administered by Council. There are no proposals to change this overall method infrastructure management with contracts typically tendered on a three year basis (with provision for extensions dependent on contractor performance). Water treatment / production assets are operated and maintained by Council staff with works procured as needed and in accordance with Council's procurement policy.

The operation, maintenance, renewals and capital works programmes of the water supply assets will be undertaken generally in accordance with the 2015 Water Supply Asset Management Plan (AMP) which addresses the following:

- How the assets will be managed and operated, including developing budgets for the next 30 years
- Setting cost-effective renewals and capital works programmes (lifecycle management), including developing budgets for the next 30 years
- Projected changes in population as well as changes in demographics of the population and how this will affect the management of assets
- Levels of service (LoS) including a review of previous LoS and development of new and currently appropriate LoS. Performance measures and annual targets are linked to each of the LoS statements and are used to report annually on Council performance. The 2015 AMP includes newly introduced mandatory non-financial performance measures. The LoS are also linked to community outcomes
- Risk management in relation to the assets including contingency planning in events such as natural hazards / earthquakes which may mean that supplies are contaminated or disrupted.

Many of the significant issues identified in section 5 of this document are also addressed in the 2015 AMP.

A key aspect in the management of the water supply activity is to ensure the supply of safe drinking water. A Water and Sanitary Services Assessment has been prepared to assess the adequacy of water and other sanitary services in relation to public health. This is then linked back through the AMP primarily through works that have been identified as necessary to ensure an adequate service.

Resource consents are in place to protect both public health and also the environment.

3.3 WASTEWATER

3.3.1 Description of Wastewater Assets

The sewerage activity comprises a reticulated sewer system in the Wairoa Township, Tuai, Mahia Beach and Opoutama, as outlined below

ACTIVITY DESCRIPTION		ASSET OUTLINE
Wairoa	<p>The sewerage system for Wairoa services a mix of residential, commercial and light industrial properties, through a network of gravity pipes, pump stations and rising mains.</p> <p>Pump stations lift the sewage into a gravity sewer trunk and to the treatment plant located at Pilots Hill comprising a step screen, aerated lagoon and oxidation pond. Following a retention period, treated effluent is discharged into the estuary at the mouth of the Wairoa River on outgoing tides.</p>	<ul style="list-style-type: none"> • 32km pipework ranging in size from 150mm dia to 450mm dia • 357 manholes • 5 pump stations • Treatment plant with step filter, aeration lagoon and oxidation pond • Discharge to Wairoa River estuary
Tuai	<p>The sewerage reticulation for the settlement of Tuai was designed on the basis that grey water and sewage (black water) are reticulated as separate systems. Therefore much of the network consists of two pipes running parallel to each other</p>	<ul style="list-style-type: none"> • 5km pipework ranging in size from 100mm dia to 150mm dia • 36 manholes • Treatment plant comprising a septic tank and sand filters • Discharge to Whakamarino Stream
Mahia	<p>The Mahia township wastewater scheme is now substantially complete and comprises a STEP system, - Septic Tank Effluent Pumping – where the clear effluent from the septic tanks on each property is reticulated via a pump station and rising main to treatment ponds for further treatment and disposal by way of irrigation for a 14ha forestry plantation</p>	<ul style="list-style-type: none"> • Private infrastructure comprising septic tank, pump and pipework on private property • Approx. 9km of pipework, up to 125mm dia, generally in road reserve • Pump station (with back-up storage) • 1.7km rising main to take wastewater over the hill • Three treatment ponds • Irrigation system over 14ha of plantation
Opoutama	<p>The Opoutama wastewater scheme is now substantially complete. The public system is complete comprising reticulation and pump stations that feed a pump station at the former Blue Bay subdivision for treatment prior to discharge via ground soakage. Private connections to the system are near completion.</p>	<ul style="list-style-type: none"> • Approx 3.9km of UPVC and HDPE pipework up to 150mm dia. • 50 manholes (1050mm & 600mm dia) • 4 pump stations • Approx 30m bridge crossing • Treatment Plant discharging to ground soakage (former Blue Bay package plant)

Where a public system is available, property owners are required to connect to the system.

3.3.2 Condition of Wastewater Assets

Condition information is based primarily on age, staff / contractor knowledge and the frequency of repairs required to any pipeline / asset.

A condition assessment programme is to be developed and implemented as part of the activity improvement plan (refer 2015 Sewerage Asset Management Plan). A recent 'inflow and infiltration' study has identified problems with stormwater entering the wastewater systems increasing flows and, at times, causing discharges from the system through manholes and / or directly into the river. Provisions are consequently being made to undertake detailed investigations to identify where those entry points are and to undertake necessary remedial works to address the issue.

Some of the Wairoa infrastructure is over 50 years old and in need of remedial work to reduce infiltration of the pipe network. By the end of the 30 year period of this plan some of the older infrastructure will have been replaced or be close to the end of its serviceable life. The 2014 wastewater valuation includes more detail on pipe materials and age.

3.3.3 Management of Wastewater Infrastructure

Council's wastewater assets are currently maintained under a Sewerage Operations and Maintenance contract which is managed and administered by Council. There are no proposals to change this overall method infrastructure management with contracts typically tendered on a three year basis (with provision for extensions dependent on contractor performance)

The operation, maintenance, renewals and capital works programmes of the wastewater assets will be undertaken generally in accordance with the 2015 Sewerage Asset Management Plan (AMP) which addresses the following:

- How the assets will be managed and operated, including developing budgets for the next 30 years
- Setting cost-effective renewals and capital works programmes (lifecycle management), including developing budgets for the next 30 years to ensure the wastewater activity is managed to minimise adverse effect in terms of the environment and public health
- Projected changes in population as well as changes in demographics of the population and how this will affect the management of assets
- Levels of service (LoS) including a review of previous LoS and development of new and currently appropriate LoS. Performance measures and annual targets are linked to each of the LoS statements and are used to report annually on Council performance. The 2015 AMP includes newly introduced mandatory non-financial performance measures. The LoS are also linked to community outcomes
- Risk management in relation to the assets including contingency planning in events such as natural hazards / earthquakes which may lead to a failure in the system and consequent sewage overflows

Many of the significant issues identified in section 5 of this document are also addressed in the 2015 AMP.

A key aspect in the management of the wastewater activity is to ensure the supply of safe drinking water partly through efficient management of the wastewater activity. A Water and Sanitary Services Assessment has been prepared to assess the adequacy of water and other sanitary services in relation to public health. This is then linked back through the AMP primarily through works that have been identified as necessary to ensure an adequate service.

Resource consents are in place to protect both public health and also the environment

3.4 STORMWATER-

3.4.1 Description of Stormwater Activity & Assets

There is stormwater reticulation in Wairoa, Mahia and Tuai. In other areas, primarily rural areas, stormwater assets comprise open drains and culverts and are generally dealt with as roading assets.

Stormwater assets for the Wairoa, Mahia and Tuai systems include:

- 39,251m of stormwater reticulation
- 217 manholes.
- 950 sumps
- Approx. 24km of stormwater channel
- Open drains

In the order of 75% of the pipes are concrete. Council has insufficient information to fully determine the material of the older pipes although it is likely to be concrete or earthenware. The 2014 stormwater valuation includes more detail on pipe materials and age.

Asset condition is not well known, especially for the older pipes, with maintenance and renewals generally undertaken on a reactive basis. A condition assessment programme is to be developed and implemented as part of the activity improvement plan (refer 2015 Stormwater Asset Management Plan).

3.4.2 Management of Stormwater Infrastructure

Council's stormwater assets are currently maintained under a Stormwater Operations and Maintenance contract which is managed and administered by Council. There are no proposals to change this overall method infrastructure management with contracts typically tendered on a three year basis (with provision for extensions dependent on contractor performance)

The operation, maintenance, renewals and capital works programmes of the stormwater assets will be undertaken generally in accordance with the 2015 Stormwater Asset Management Plan (AMP) which addresses the following:

- How the assets will be managed and operated, including developing budgets for the next 30 years
- Setting cost-effective renewals and capital works programmes (lifecycle management), including developing budgets for the next 30 years
- Projected changes in population as well as changes in demographics of the population and how this will affect the management of assets
- Levels of service (LoS) including a review of previous LoS and development of new and currently appropriate LoS. Performance measures and annual targets are linked to each of the LoS statements and are used to report annually on Council performance. The 2015 AMP includes newly introduced mandatory non-financial performance measures. The LoS are also linked to community outcomes
- Risk management in relation to the assets including contingency planning in events such as natural hazards. For stormwater this could include flooding affecting public health and having significant environmental impact.

Many of the significant issues identified in section 5 of this document are also addressed in the 2015 AMP.

3.5 WASTE MANAGEMENT

The landfill is located on Fraser Street in the Wairoa Township. Council owns the land that the facility is located on.

Assets at the landfill include:

- Landfill cell and tipping wall
- Weighbridge and office
- Leachate and drainage systems
- Access road
- Perimeter fencing
- Recycling building with sorting and storage area with canopy cover
- Staff facilities including toilet and washroom

The landfill is open seven days a week, closing only for Christmas Day and Easter Sunday. Hours of operation are 11:00am to 5:00pm except Thursday when the hours are 9:00am to 3:00pm to better provide for commercial users.

Based on visual assessments, the landfill assets are considered to generally be in good condition with more than 20 years life remaining and are adequate for the current level of service provided. A condition assessment programme is to be developed and implemented as part of the activity improvement plan (refer 2015 Waste Management Asset Management Plan).

4 FUTURE DEMAND AND LEVELS OF SERVICE

4.1 POPULATION NUMBERS & RATEABLE PROPERTIES

4.1.1 Population

The growth or reduction of a population that consumes the service will influence the ability to sustain the service financially. It also gives an indication of the likely future demand for a service.

As outlined in Section 2 above, the population in Wairoa has been declining for the last 20 years and this decline is projected to continue whilst the total population of Hawkes Bay is predicted to increase.

However, various factors may still result in longer-term population increase such as demand for coastal property and families returning home to raise families and/or retire. There had been evidence of modest population growth in Mahia, although the non-permanent resident population was not reflected in the last Census data which also showed a decline in the Mahia area. There is further potential for growth in this area with the completion of the Mahia and Opoutama wastewater systems.

4.1.2 Rateable Properties

Council's income is through rates. An increase in rateable properties means that many of Council's costs can be spread over a broader base, reducing per property costs for all.

Year	Total rateable properties
2009	6613
2010	6708
2011	6715
2012	6727
2013	6747
2014	6776

The figures above show rateable properties have increased over the years but that rate of increase has slowed from 1.4% between 2009 and 2010 to less than 1% since. Much of the increase will be recent development in the Mahia area with new properties being owned by resident and non-resident population.

Although the per property costs reduce with an increase in the number of properties, the demographics of those properties need to be analysed to determine the ability of the community, as a whole, to pay. For example, there may be more houses with single income or retired couples and less with two income families.

4.2 FUTURE LEVELS OF SERVICE

Although the Census figures show a general decline in population over time and a small but consistent increase in rateable properties, it is unlikely that this will reduce the demand for these Core Infrastructures Activities where assets will need to be maintained to at least current condition.

Levels of Service are influenced by

- Changing population
- Legislative requirements,

- Customer desires,
- Corporate and strategic environment (community outcomes),
- Associated risks and resilience of the activity and assets

Roading & Footpaths	<p>With increasingly bigger and heavier trucks on Wairoa's roads there is increasing demand for safe and robust road infrastructure, including bridges – <i>this will likely have cost implications; there have been discussions around rates differentials to partially address this</i></p> <p>Community desires could see a reduction in service levels in some areas if the ability to pay for the service is affected, although this has not been evident to date.</p> <p>The NZTA is in the process of introducing the One Network Road Classification (ONRC). This has developed a functional classification for roads that is to be applied nationally. The ultimate intention is to provide the road users a more consistent experience. The system introduces customer and performance levels of service pertinent to the road classification involved. Preliminary performance measure guidelines have been developed for Road Controlling Authorities to deliver under the ONRC. These performance measures are intended to provide a level of service in keeping with the classification of road and set technical outcome measures for the provision of roading infrastructure. <i>This may have cost implications or reduced levels of service for some roads in order to meet performance measures of the ONRC.</i></p>
Water Supply	<p>Legislation, in particular the Drinking Water Standards, will have a significant impact on levels of service for water supplies. Mahanga is the main example in Wairoa at this time.</p> <p>Resilience provisions for Wairoa, where the community is reliant on a single source and only one trunk main delivering the treated water, need to be reviewed</p> <p><i>These will both likely come at increased cost of service provision. Funding has been applied for in relation to Mahanga.</i></p> <p><i>Possible changes in legislation mean that there are uncertainties around future costs of service delivery. Such changes should be monitored so that alternative sources of funding can be investigated to minimise rate increases</i></p>
Wastewater	<p>Legislation will have a significant impact on levels of service for wastewater, in particular the treatment and discharge of wastewater. For example, the Wairoa wastewater discharge consent expires in 2019 and, to date, the preferred method of treatment and discharge has not been determined. An upgrade will likely come at increased cost of service provision.</p>
Stormwater	<p>Tightening environmental standards will have an impact on levels of service for stormwater as may the effects of climate change and changes in rainfall patterns.</p> <p>Changes in population will not affect the level of service provision</p>
Waste Management	<p>A declining population could reduce the demand for this service and also reduce the ability of the community to pay for the service. For the landfill, this could mean a reduction in levels of service, such as the hours of operation.</p> <p>Education continues to see a reduction in waste generation and changes in technology etc in the future may further see changes in the</p>

	type and volume of waste generated, impacting on the demand for this service.
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5 SIGNIFICANT INFRASTRUCTURE ISSUES

The following tables outline the significant infrastructure issues that have been identified for the Wairoa District Council over the next 30 years. The table also outlines options to respond to those issues and the implications of either responding or not responding to the recommended actions.

It is noted that it is possible that some form of amalgamation or shared services for Council over the next 30 years will affect the whole of Council's business not just infrastructure. However, this strategy has been developed on a 'business as usual' basis and does not provide for such a scenario.

Table 5a – Roding and Footpaths Significant Issues

SIGNIFICANT ISSUE	OPTIONS FOR RESPONSE		IMPLICATIONS / UNCERTAINTIES
ROADING AND FOOTPATHS			
Levels of Service Issues – Roding and Footpaths			
Ability for community to pay for service	<ul style="list-style-type: none"> Demographics show a declining and ageing population which will potentially affect ability of the community to pay The community share paid through rates is sensitive to subsidies (typically NZTA). The ONRC requirements will mean an adjustment to the levels of service provided in some instances. 	<ul style="list-style-type: none"> Identify and monitor alternative / additional sources of funding Priorities to be set based on community consultation, sound data, appropriate forward planning and prioritisation of works. Adjusting some Levels of Service following consultation and adoption of other (typically reduced) performance measures where options indicate savings can be made at an acceptable and sustainable level An ONRC implementation plan is being put in place and is included in the Roding AMP 	<ul style="list-style-type: none"> Adjustments or rationalisation of levels of service, for example less frequent grading of low-volume unsealed roads, may reduce the cost of maintenance or maintain it at current levels when taking into account the need to upgrade some roads as indicated below The NZTA funding assistance rate is set to increase. This will help offset the impacts of the declining population. The full implications of the ONRC will be better understood by the next planning round. Financial implications could be significant if changes in population numbers and demographics are such that the current levels of service cannot be achieved without alternative funding sources. This would possibly mean that levels of service would have to be reduced although legislation will partly dictate minimum levels of service
Increasing Heavy Commercial Vehicle (HCV) use, typically with changes in land use and changes in	<p><u>General</u></p> <ul style="list-style-type: none"> Impacts on road maintenance costs and possible need to upgrade some roads on our local roading network 	<ul style="list-style-type: none"> A working committee involving Council and other similar TLAs is actively engaging with industry to better quantify this issue. More renewal programmes on HCV routes. Options on level of service adjustments include unique heads of agreement with 	<ul style="list-style-type: none"> Failure to monitor and programme renewals and capital works for land use changes and increasing heavy vehicles could impact on the integrity of roads and bridges which could lead to failure and more costly repairs in the long term. It could also result in cost peaks or a

SIGNIFICANT ISSUE	OPTIONS FOR RESPONSE	IMPLICATIONS / UNCERTAINTIES	
ROADING AND FOOTPATHS			
government policy on high productivity motor vehicles	<ul style="list-style-type: none"> Impact on bridges 	<p>primary industry user(s) outlining fit for purpose maintenance intervention strategies, user pay arrangements, and increased rates differential for primary land use.</p>	<p>reduced level of service if those costs cannot be met</p> <p><i>The likelihood of these changes is high and the consequences of not addressing would be moderate to high.</i></p>
	<p><u>Forestry / Land Use Changes</u> Predicted that regional forestry plantations will peak for logging harvest between 2021 and 2030, increasing demand on some roads by as much as 100% of current heavy commercial vehicle movements.</p>	<ul style="list-style-type: none"> A forward plan to show, in general terms, where forests are expected to come to harvest is continually being developed in consultation with forest managers to assist in programming future renewal/capital development Also applies to bridges along these routes 	
Potential revocation of State Highway 38 and changes in funding of Special Purpose Road 38 in Te Urewera Rainforest Route	<p>Impact on economic development potential and increasing rate payer contribution</p>	<ul style="list-style-type: none"> Confirmation of NZTA plans Investigate and fully understand short and long term implications Assess the full impact taking into account the increase in Financial Assistance from NZTA 	<ul style="list-style-type: none"> 100% funding for first 3 years but then reducing to base subsidy only, which will increase the rate payer contribution. Improvements could however encourage economic growth through improved access to the district. <p><i>The likelihood of this happening is high and the consequences could be positive in relation to economic growth or negative in terms of ongoing long term maintenance costs</i></p>
Focus on Economic and Tourism growth	<p>The roading network and associated infrastructure such as footpaths, walkways, cycleways, rest areas, carparking and other roadside amenities can have a positive effect on attracting businesses and visitors to our District.</p>	<ul style="list-style-type: none"> Identify areas of priority Assess cost-benefit of options eg. Sealing of roads will result in less dust hazard (driver visibility and adjacent household health issues), and will reduce rental vehicle liability associated with unsealed roads that hampers tourism 	<ul style="list-style-type: none"> Outcomes of this focus are unknown – hence robust decision making process required to justify spending Improved roading infrastructure, in particular sealing of unsealed roads and provision of suitable roadside access to places of interest, can provide direct and immediate benefits for local ease of access and efficient, economic movement of goods and services. Cost implications to meet increased levels of service
Development and enhancement of footpaths/walkways and cycleways	<p>increased community connectivity, associated safety and health benefits and tourism opportunities</p>	<ul style="list-style-type: none"> Identify options and estimates, initially from Reserve Management Plans Set order of priority 	<ul style="list-style-type: none"> Increased investment in good quality walkway/cycleway facilities has significant advantages including health benefits and improved people friendly environments

SIGNIFICANT ISSUE		OPTIONS FOR RESPONSE	IMPLICATIONS / UNCERTAINTIES
ROADING AND FOOTPATHS			
		<ul style="list-style-type: none"> Identify sources of funding eg co-funding arrangements with the district health board based on associated health benefits and potential cost savings through the creation of healthier communities Develop programme of implementation 	<p>encouraging tourism. Economic benefits that stem from affordable travel choices, healthier communities, and reduced motor vehicle trips resulting in lower road maintenance and fewer emissions.</p> <ul style="list-style-type: none"> Uncertainties around funding sources will impact on decisions and costs to ratepayers These works may be affected by funding requirements to meet levels of service in areas of higher priority
Resilience Issues –Roading and Footpaths			
Ageing Bridge Stock	Due to the remaining life of bridges in the district and to meet demand of increasing bigger and heavier trucks, there are financial implications of renewals over the next 30 years including a modest funding increase in the next three years.	<ul style="list-style-type: none"> Capacity analysis of bridges to address future demand especially where heavier loads predicted such as forestry access Detailed extensive condition assessment of bridges (including invasive works) to determine priority of renewals Investigation of life extension options through targeted upgrading of key components vs renewal. Renewals programme to be further developed, funded and implemented Investigation of investment smoothing through using depreciated funds and debt financing for major bridge renewals 	<ul style="list-style-type: none"> Failure to monitor and programme renewals for bridges could impact on the integrity of these structures which could lead to failure and more costly repairs in the long term as well as possible road closures if bridges fail completely. Effective condition assessments will reduce uncertainties around costings This could also impact on the ability for Council to deliver required levels of service. <p><i>The consequences of bridge failure could be significant in relation to levels of service provision and cost</i></p>
Reduced emergency works funding from NZTA	New funding criteria require Councils to fund small event recovery with 68% subsidy (previously 85-93%). Due to the unforeseen nature and variable scale of emergency events this activity is challenging to plan for funding.	<ul style="list-style-type: none"> Identify possible less costly reactive clean-ups with resulting lower levels of service. Contingency plans to be developed to provide for more cost-effective management of clean-ups Investigate more enduring restoration options 	<ul style="list-style-type: none"> Changes in funding mean changes in rate payer share and possible changes in levels of service if costs can't be met. Council unable to predict future changes in funding
Maintenance of critical routes (lifelines)	<ul style="list-style-type: none"> Awamate Rd (alternative route for Wairoa Bridge) Tiniroto Rd (alternative 	<ul style="list-style-type: none"> Maintenance and renewals to be programmed and funded through a robust assessment 	<ul style="list-style-type: none"> Maintenance of these routes critical to ensure continued access in emergency events Failure to maintain may result in isolated

SIGNIFICANT ISSUE		OPTIONS FOR RESPONSE	IMPLICATIONS / UNCERTAINTIES
ROADING AND FOOTPATHS			
	<p>route to Gisborne for SH2)</p> <ul style="list-style-type: none"> Nuhaka-Opoutama Rd (access to Mahia Peninsula) - coastal erosion issues but consent in place for ongoing repairs to erosion damage. Alternative is Tunanui Rd which is steep, winding and unsealed 	<ul style="list-style-type: none"> Contingency plans to be in place for emergency events 	<p>communities during and following emergency events.</p> <ul style="list-style-type: none"> Lack of maintenance may also lead to higher costs for repairs after emergency events If funding subsidies reduce, reduction in levels of service may need to be considered in other areas to ensure these routes are continually accessible
Climate Change	<p>Climate change can cause sea level rises, increased rainfall etc which can impact on roading infrastructure where located adjacent to rivers or the sea.</p>	<ul style="list-style-type: none"> Monitor local trends in weather events, climate change and associated legislation Identify assets at risk including roads and bridges Identify options for those assets most at risk and implement on a priority basis as funding becomes available 	<ul style="list-style-type: none"> This is an area of uncertainty, hence monitoring key to future decisions A managed approach to addressing climate change will reduce long term costs and will reduce the frequency of necessary emergency works Possible cost implications to fund remedial works if funding policies change

Table 5b – Sewerage Significant Issues

SIGNIFICANT ISSUE		OPTIONS FOR RESPONSE	IMPLICATIONS / UNCERTAINTIES
SEWERAGE including Treatment and Disposal			
Levels of Service Issues - Sewerage			
Ability for community to pay for service	Demographics show a declining and ageing population which will potentially affect ability of the community to pay and may impact on the desired levels of service	<ul style="list-style-type: none"> Will be limited ability to reduce those levels of service set by legislation Priorities to be set based on community consultation, sound data, legislation, appropriate forward planning and prioritisation of works. Good asset management practices to ensure cost-effective maintenance, renewals and capital works programme Investigate additional funding sources 	<ul style="list-style-type: none"> Good asset management practices will reduce overall spending both in the short and long term Financial implications could be significant if changes in population numbers and demographics are such that the current levels of service cannot be achieved without alternative funding sources. This would possibly mean that levels of service would have to be reduced although legislation will partly dictate minimum levels of service.
Legislation	Environmental & public health standards are likely to increase in the future	<ul style="list-style-type: none"> Monitor requirements Levels of service will have to meet minimum standards set by legislation 	<ul style="list-style-type: none"> Likely cost implications – monitoring for example As consents are renewed, conditions will have to be complied with
The existing Wairoa wastewater treatment facility may not meet environmental standards when the consent expires in 2019		<ul style="list-style-type: none"> Options for a new / upgraded facility be investigated and implemented prior to expiry of consent. Early interaction with local iwi to ensure extensive understanding of the implications Approx \$4.75 million has been allocated for feasibility study, design and construction of an upgraded treatment facility for Wairoa 	<ul style="list-style-type: none"> Could be legal, environmental and public health implications if consent not in place Council not yet able to confirm likely method of treatment and hence is unable to determine costs <p><i>The consequences of not obtaining consent will likely have extreme / high negative impact</i></p>
Resource Consents	Consents for discharge of treated wastewater for other systems will expire over the next 30 years <ul style="list-style-type: none"> Mahia 2035 Opoutama 2040 Tuai 2024 	<ul style="list-style-type: none"> Ensure process in place to address this nearer the time 	<ul style="list-style-type: none"> Consents must be in place for Council to operate legally May be environmental, health and legal implications if consents not in place Costs difficult to determine, in particular those associated with consultation and changes in legislation between now and when consents expire

SIGNIFICANT ISSUE	OPTIONS FOR RESPONSE		IMPLICATIONS / UNCERTAINTIES
SEWERAGE including Treatment and Disposal			
Resilience Issues - Sewerage			
Ageing Infrastructure / inflow and infiltration of stormwater	<ul style="list-style-type: none"> • Some pipework more than 50 years old and may need replacement in next 50 years • Significant inflow and infiltration of stormwater into the sewerage network during and following heavy rainfall events (estimated 50% additional flow) 	<ul style="list-style-type: none"> • Condition assessments of infrastructure • Inflow and infiltration investigations, prioritising areas of most concern (based on staff knowledge and previous studies) • Renewals programme to be set based on inflow and infiltration investigations and other condition assessments 	<ul style="list-style-type: none"> • Cost estimated at \$1,000,000 spread over the next 3 years then \$250,000 per annum up to year 10 reducing to \$100,000 per annum after that • Actual spending will depend on results of condition assessments and inspections - Effective condition assessments will reduce uncertainties around costings <p><i>The risk of non-compliance with consent conditions, through sewage overflows in storm events, is high if an appropriate renewals programme is not developed and implemented.</i></p>

Table 5c – Water Supply Significant Issues

SIGNIFICANT ISSUE		OPTIONS FOR RESPONSE	IMPLICATIONS / UNCERTAINTIES
WATER SUPPLY			
Levels of Service Issues – Water Supply			
Ability for community to pay for service	Demographics show a declining and ageing population which will potentially affect ability of the community to pay and may impact on the desired levels of service	<ul style="list-style-type: none"> Will be limited ability to reduce those levels of service set by legislation Priorities to be set based on community consultation, sound data, appropriate forward planning and prioritisation of works. Good asset management practices to ensure cost-effective maintenance, renewals and capital works programme Investigate additional funding sources 	<p>Good asset management practices will reduce overall spending both in the short and long term</p> <p>Financial implications could be significant if changes in population numbers and demographics are such that the current levels of service cannot be achieved without alternative funding sources. This would possibly mean that levels of service would have to be reduced although legislation will partly dictate minimum levels of service</p>
Legislation	Environmental & public health standards are likely to increase in the future	<ul style="list-style-type: none"> Monitor requirements Levels of service will have to meet minimum standards set by legislation 	<ul style="list-style-type: none"> Likely cost implications – monitoring for example As consents are renewed, conditions will have to be complied with
Mahanga supply	For Mahanga, a non-potable supply, the main issue in the next thirty years will be upgrading to higher drinking water standards to meet legislation / community desires. This has impacts across the asset base and will come at a significant per property cost	<ul style="list-style-type: none"> Continue public consultation to determine community desire (referendum to be conducted to determine whether to upgrade or to disestablish the supply) Monitor approved water safety plan for compliance Identify most cost-effective solutions to provide treated water Identify and pursue funding sources 	<ul style="list-style-type: none"> Whilst there will be cost implications, a public treated supply may encourage development Water that meets DWSNZ will aid in protection of public health Actual costs uncertain as designs still to be developed <p><i>The likelihood of being required to upgrade the water supply to meet drinking water standards is moderate to high</i></p>
Resource Consents	Consents for the Tuai and Wairoa supplies will both expire over the next 30 years (Tuai in 2024, Wairoa in 2032)	<ul style="list-style-type: none"> Ensure process in place to address this nearer the time 	<ul style="list-style-type: none"> May be environmental, health and legal implications if consents not in place Cost uncertain as legislation and levels of service may change between now and time of consent expiry
Mahia Beach Supply	Recent development at Mahia Beach may require the investigation and implementation of a water	<ul style="list-style-type: none"> Monitor drinking water standards to determine 'requirement' to provide a supply Community consultation to determine the 	<ul style="list-style-type: none"> Legislation may drive the requirement for a public supply at Mahia Cost implications to implement, operate &

SIGNIFICANT ISSUE		OPTIONS FOR RESPONSE	IMPLICATIONS / UNCERTAINTIES
WATER SUPPLY			
	supply in the future to meet community needs, currently dependent on private bore and rainwater supplies.	public interest <ul style="list-style-type: none"> Investigate source options and appropriate forms of treatment Investigate funding sources 	maintain uncertain at this time <ul style="list-style-type: none"> A treated supply may encourage development <i>The likelihood of being required to provide a public water supply to either meet legislation or due to community desire is considered moderate</i>
Resilience Issues – Water Supply			
Resilience to natural disasters	Natural disasters such as earthquake can impact significantly on production, storage and reticulation if appropriate mitigation plans are not in place	<ul style="list-style-type: none"> Implement good asset management Address single source Contingency plans to be in place for emergency events 	Good asset management practices will reduce overall spending both in the short and long term
Ageing Infrastructure / Critical assets	Critical assets include the mains from the intake to the treatment plant and the trunk main from the treatment plant to the boundary reservoirs	<ul style="list-style-type: none"> Condition assessment of the infrastructure, in particular critical assets including pipe bridges and bridge-hangings. Renewals programme to be further developed 	<ul style="list-style-type: none"> Potential peaks in funding required for reactive repairs if condition of assets not effectively assessed to allow cost effective renewal programmes. Actual spending will depend on results of condition assessments and inspections - Effective condition assessments will reduce uncertainties around costings <i>The likelihood of a failure of these assets is moderate given their age. The consequence of such a failure would be moderate to high, depending on how long the supply is disrupted and whether critical assets are affected.</i> <i>However, if an appropriate renewals programme is implemented, the likelihood of failure will reduce</i>
Single Source	Wairoa relies on a single source for its supply and hence maintenance of critical assets is crucial.	<ul style="list-style-type: none"> Additional storage is currently being addressed (Tawhara tanks to provide 24 hour storage - programme 2015-2018) Investigations to identify alternative supply 	Wairoa remains at risk to water disruptions whilst it is reliant on a single source

Table 5d – Stormwater Significant Issues

SIGNIFICANT ISSUE		OPTIONS FOR RESPONSE	IMPLICATIONS / UNCERTAINTIES
STORMWATER			
Levels of Service Issues - Stormwater			
Ability for community to pay for service	Demographics show a declining and ageing population which could potentially affect ability of the community to pay and may impact on the desired levels of service	<ul style="list-style-type: none"> Identify and monitor alternative sources of funding Priorities to be set based on community consultation, sound data, appropriate forward planning and prioritisation of works. 	<ul style="list-style-type: none"> The rating database will likely reduce which would increase rates unless alternative sources of funding are identified Good asset management practices will reduce overall spending both in the short and long term Financial implications could be significant if changes in population numbers and demographics are such that the current levels of service cannot be achieved without alternative funding sources. This would possibly mean that levels of service would have to be reduced although legislation will partly dictate minimum levels of service
Legislation	Environmental & public health standards are likely to increase in the future	'global' stormwater consent application to be lodged	<ul style="list-style-type: none"> Resource consent, once granted, will have conditions attached to it for compliance Likely cost implications – monitoring for example
Resilience Issues - Stormwater			
Climate change	For example, changes in rainfall patterns, especially intensity of rain, will impact on stormwater systems	<ul style="list-style-type: none"> Catchment management plans to be developed, prioritisations based on areas prone to flooding such as alongside the Wairoa River Work with Regional Council who have responsibility in relation to flood protection 	<ul style="list-style-type: none"> Predictions of Climate change cannot be certain Development of catchment plans will enable future planning for stormwater systems, including overland flow paths, to control and reduce the likely impact of flooding <p><i>Likelihood of changes in rainfall patterns that will affect Wairoa is moderate to high</i></p>
Ageing Infrastructure	<ul style="list-style-type: none"> Some pipework old and likely to need replacement in next 30 years Significant inflow and infiltration of stormwater 	<ul style="list-style-type: none"> Condition assessment of the infrastructure Renewals programme to be further developed 	<ul style="list-style-type: none"> Effective condition assessments will reduce uncertainties around costings with potential peaks in funding required for reactive repairs if condition of assets not effectively assessed Actual spending will depend on results of

SIGNIFICANT ISSUE		OPTIONS FOR RESPONSE	IMPLICATIONS / UNCERTAINTIES
STORMWATER			
	into the sewerage network during and following heavy rainfall events		condition assessments and inspections <i>The likelihood of a failure of these assets is moderate given their age. The consequence of such a failure would be moderate to high, However, if an appropriate renewals programme is implemented, the likelihood of failure will reduce</i>

Table 5e – Waste Management Significant Issues

SIGNIFICANT ISSUE	OPTIONS FOR RESPONSE		IMPLICATIONS / UNCERTAINTIES
WASTE MANAGEMENT			
Levels of Service Issues – Waste Management			
Sustainability of the Wairoa Landfill	<p>With a declining population base and increasing waste diversion and recycling practices, waste to landfill is reducing which is likely to put pressure on the affordability and sustainability of the landfill operation due to the fixed operating costs</p>	<ul style="list-style-type: none"> • Further investigations into acceptance of commercial waste from outside the district which would bring in additional income / revenue • Investigations of other options to increase funding / reduce costs • Adjusting some Levels of Service and adoption of other (typically reduced) performance measures where options indicate savings can be made at an acceptable and sustainable level such as reduced landfill hours • Status Quo 	<ul style="list-style-type: none"> • Cost implications in terms of operating and maintaining the landfill as well as capital and renewal works if out-of-district waste accepted • Additional revenue if out-of-district waste accepted likely to make this option more sustainable • Further consultation will determine preferred options of stakeholders <p><i>With reduced waste generation per household, if such initiatives are not pursued, the landfill will unlikely be sustainable with reduced waste generation</i></p>
Technology & Changes in Waste	<ul style="list-style-type: none"> • Economic & technological changes can significantly change the way assets are managed. Could have cost implications • Also changes in the type of waste generated 	<ul style="list-style-type: none"> • Monitor waste streams • Identify markets for recyclable/reusable materials 	<ul style="list-style-type: none"> • Likely reduced waste generation per person • Likely changes in types of waste generated and hence changes in the way waste is disposed of • May require changes in the facilities provided at the landfill

6 INFRASTRUCTURE INVESTMENT PROGRAMME

6.1 TOTAL EXPENDITURE

Refer to table 6.1a below for a breakdown on spending and income over the next 30 years.

By addressing the significant issues previously identified, it is predicted that the **total cost of operations, labour, overheads, fixed costs, depreciation and maintenance for Wairoa's core infrastructure activities will be in the order of \$457 million** between 2015 and 2045. For the Rooding Activity, a significant portion of this expenditure will be covered by NZTA subsidies. For all other activities, this will be funded primarily through rates.

During that same period, it is anticipated that approximately **\$215 million will be spent on new, upgraded or replacement infrastructure**. Where not covered by subsidies, renewals (replacement of assets to the same standard) will more or less be 100% funded through depreciation. New or upgraded assets (Capital works) will generally be funded through loans or rates.

A total income of approximately \$316 million will come from government subsidies (primarily NZTA roading subsidies) as well as income from sale of water, connection of services and interest on reserve funds.

Detailed 'Projected Expenditure' spreadsheets for each core activity are included in Appendix 1

Waste Management Activity figures have not been included in this section as there is still uncertainty around future provision of services. Some discussion around cost in relation to the option of extending waste acceptance from beyond the district boundary is included in section 6.4 below.

Table 6.1a : Expenditure Breakdown for Core Activities 2015-2045

ACTIVITY		OPERATIONAL EXPENDITURE	CAPITAL EXPENDITURE		SUBTOTAL (EXPENDITURE)	INCOME / REVENUE	TOTAL (ACTIVITY COST)	FUNDING COMMENTS
			RENEWALS	CAPEX				
Roading & Footpaths	Subsidised	295,828,000	155,150,000	725,000	451,703,000	-269,330,000	182,373,000	<ul style="list-style-type: none"> Income includes NZTA subsidies \$269,180,000 Renewals 100% funded through depreciation where not subsidised Remainder (part Ops) through rates
	Non-Subsidised	12,861,000	4,764,000	6,704,000	24,329,000	-121,000	24,208,000	<ul style="list-style-type: none"> Renewals 100% funded through depreciation CapEx funded through loans Remainder through rates
Water Supply	Reticulation	44,371,000	9,975,000	0	54,346,000	-13,114,000	41,232,000	<ul style="list-style-type: none"> Renewals 100% funded through depreciation, less Income includes \$1.5 million subsidy - Tawhara tanks CapEx funded through loans Remainder through rates, reserves and non-funded depreciation
	Treatment	28,250,000	6,921,000	625,000	35,796,000	-27,193,000	8,603,000	<ul style="list-style-type: none"> Renewals 100% funded through depreciation CapEx funded through loans Remainder through rates
Wastewater		60,916,000	9,547,000	5,100,000	75,563,000	-3,593,000	71,970,000	<ul style="list-style-type: none"> Renewals 100% funded through depreciation CapEx funded through loans Remainder through rates, reserves and non-funded depreciation
Stormwater		15,057,000	10,170,000	3,000,000	28,227,000	-3,470,000	24,757,000	<ul style="list-style-type: none"> Ops primarily funded through rates Renewals 100% funded through depreciation CapEx funded through loans
TOTAL EXPENDITURE		\$457,283,000	\$196,527,000	\$16,154,000	\$669,964,000	-\$316,821,000	\$353,143,000	

Notes:

Figures based on 2015 rates, inflation is not provided for.

Operational Expenditure includes routine expenditure on maintaining the assets, depreciation, fixed cost (such as insurances and rates) and overheads

Capital expenditure includes renewal of an existing asset to the same service standard as existed (Renewals) or creation of new asset or works that upgrade or improve an

Fig 6.1a: Operations and Capital Total Expenditure Split 2015-2045

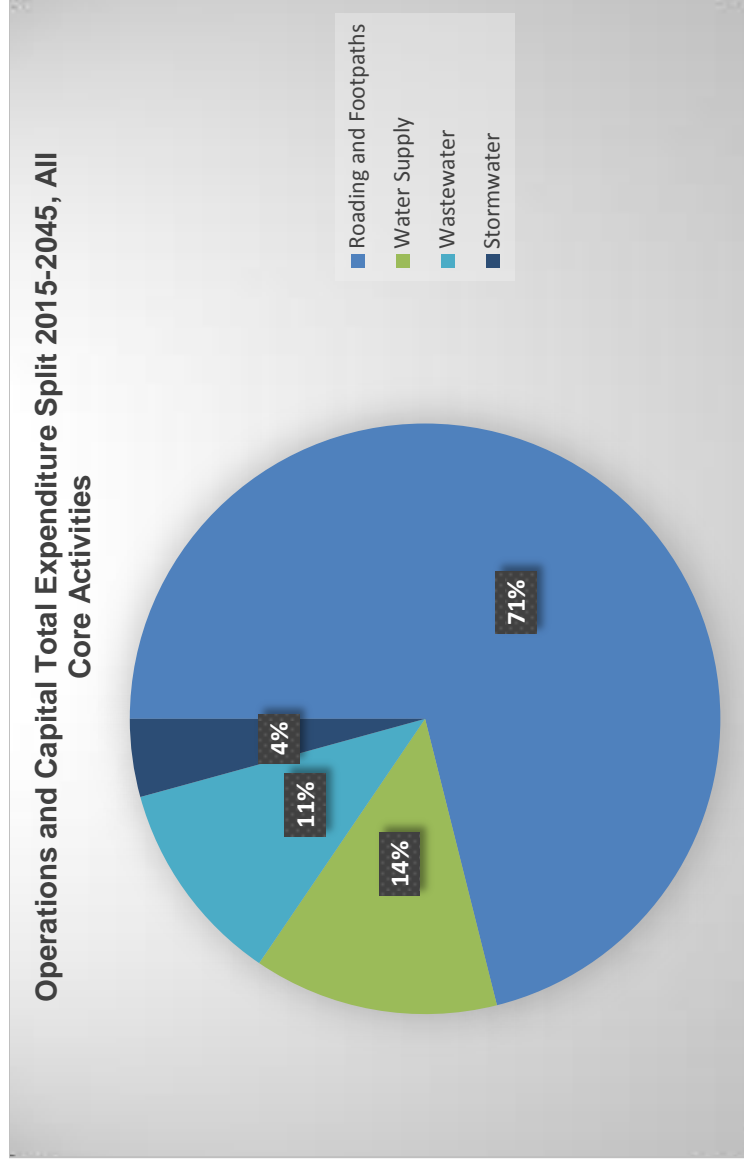
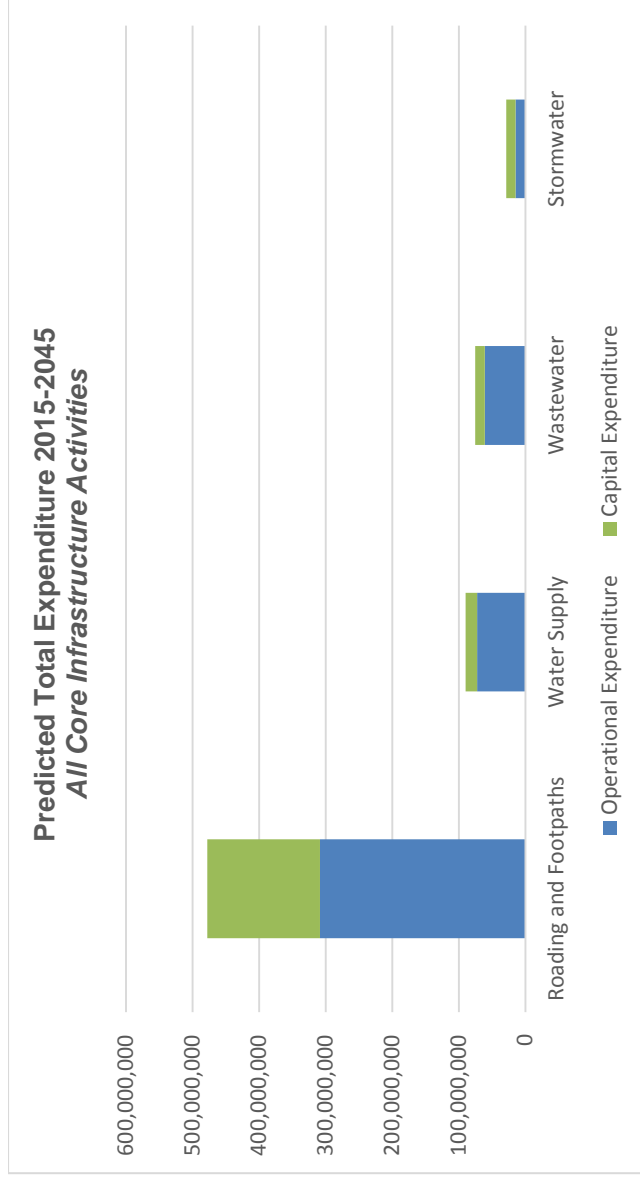


Fig 6.1b: Predicted Total Expenditure 2015-2045



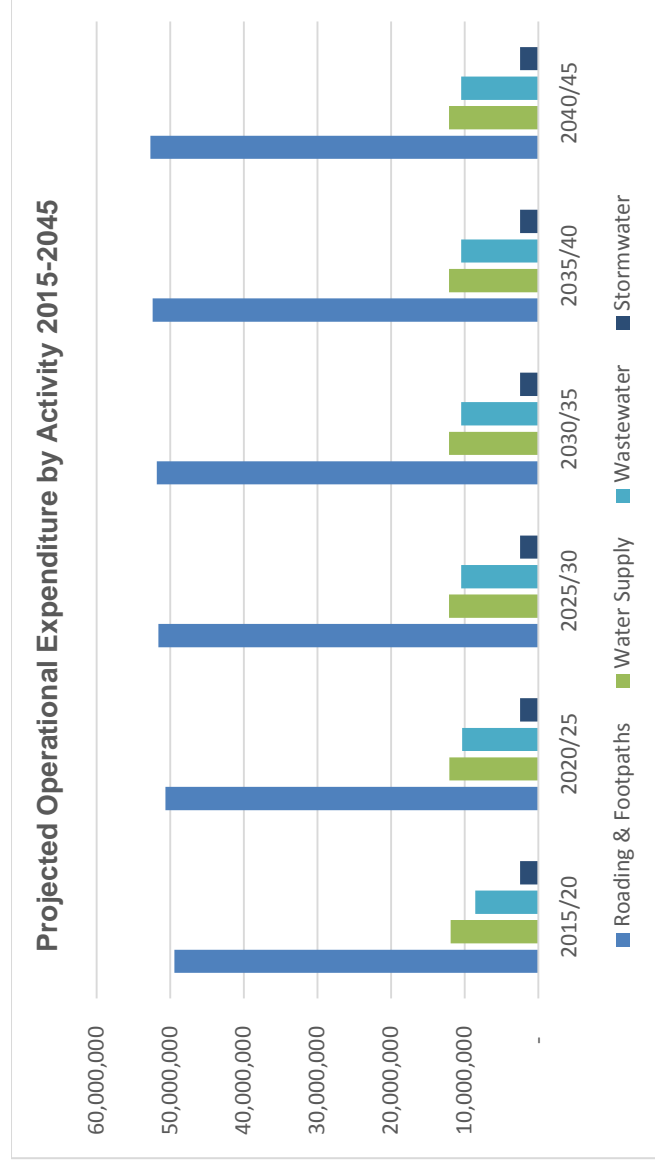
These charts show total expenditure only, income / subsidies are excluded

These figures show that the operational and maintenance costs are higher than capital expenditure for all core activities

It should also be noted that there are some cross-overs between roading and stormwater (eg piping of open drains)

6.2 OPERATIONAL EXPENDITURE

Fig 6.2: Projected Operational Expenditure 2015-2045



Note: this chart does not include subsidies (such as NZTA roading subsidies) or income. It has been produced to demonstrate the total operational spending on each activity and their relativity

Projected total expenditure for operations is relatively consistent across the next 30 years with spending on the roading activity far exceeding that of the other activities

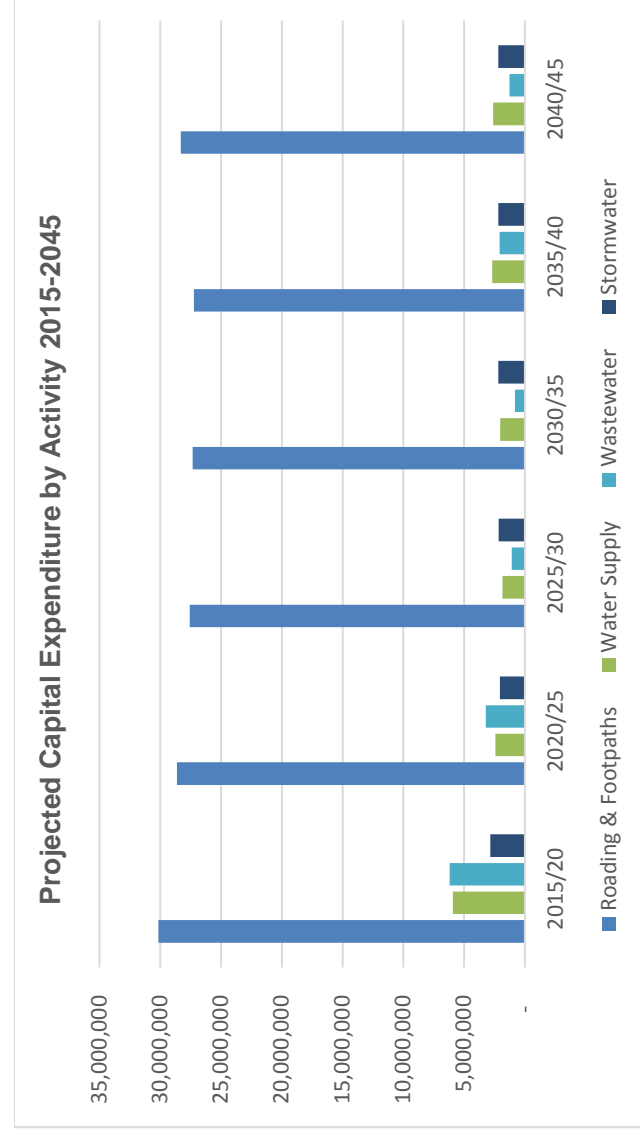
6.3 CAPITAL EXPENDITURE

6.3.1 All Activities

Capital expenditure includes renewal of an existing asset to the same service standard as existed and new asset/s or works that upgrade or improve an existing asset beyond its existing capacity

The chart below shows predicted total expenditure on capital and renewal works across the core infrastructure activities over the next 30 years

Fig 6.3.1: Projected Capital Expenditure 2015-2045



Note: this chart does not include subsidies (such as NZTA roading subsidies) or income. It has been produced to demonstrate the total operational spending on each activity and their relative

Total expenditure on the roading activity exceeds all other activities and is generally consistent over the period.

The peak in wastewater expenditure in the first five years reflects the new / upgraded Wairoa Wastewater Treatment Plant that will be required as the existing consent expires, 2019. This process will include significant consultation as part of the resource consent process. A feasibility study into options is underway which will enable a better assessment of likely costs.

Higher water supply spending in the first five years includes the Tawhara Tank Reservoirs renewal at a cost in the order of \$2.3 million which will be partially subsidised. This work will ensure that Wairoa Township has a minimum 24 hour storage of potable drinking water in the event that the treatment plant is unable to produce potable water, for example.

All activities have a relatively constant renewals programme of work across the 30 years to ensure level of service delivery through effective management of assets. There will be some uncertainty around spending on an annual basis whilst condition assessments are undertaken and renewals programmes developed.

Whilst the AMPs and LTP have a projected 30 year budget for each of the activities (as outlined here), the Annual Plan process will allow final decisions on these works, taking into account changes in circumstances such as community desires, the ability of the community to pay for the works, changes in agreed levels of service (generally reviewed every three years with the LTP / AMP reviews) and changes in legislation.

6.3.2 Major projects - Roading and Footpaths

Fig 6.3.2a: Predicted Renewals and Capital Works – Roading and Footpaths 2015-2025

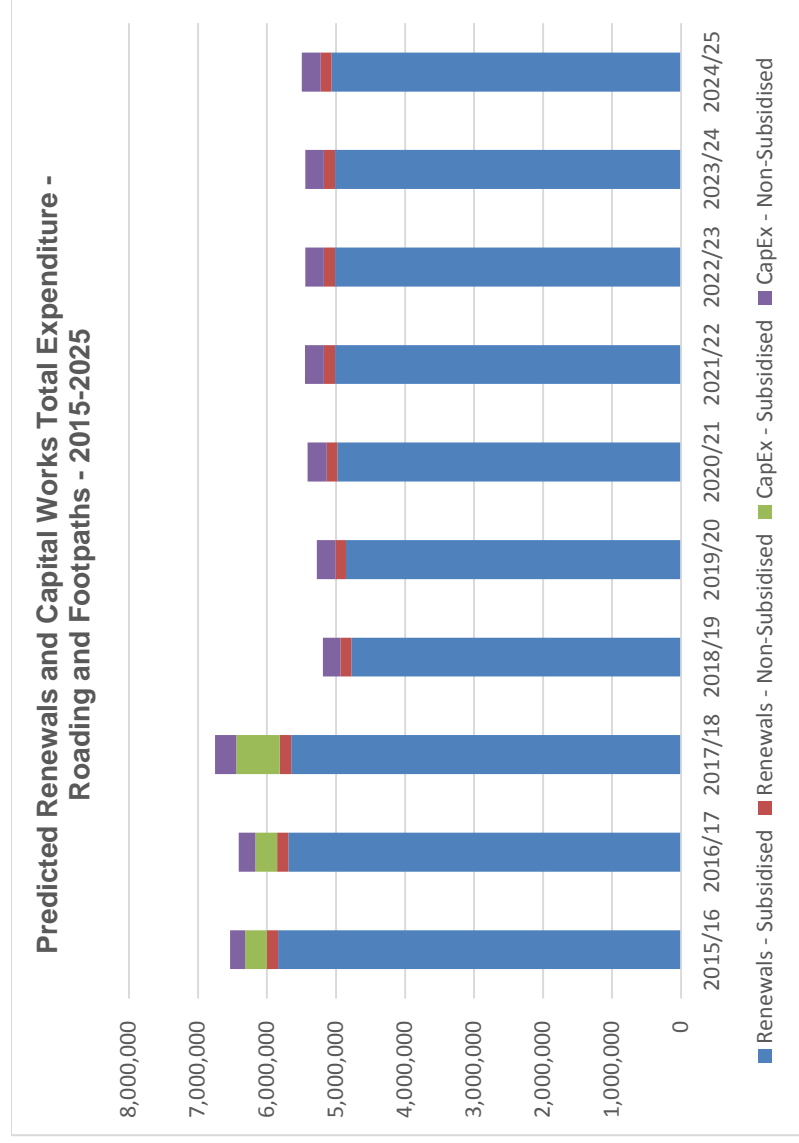
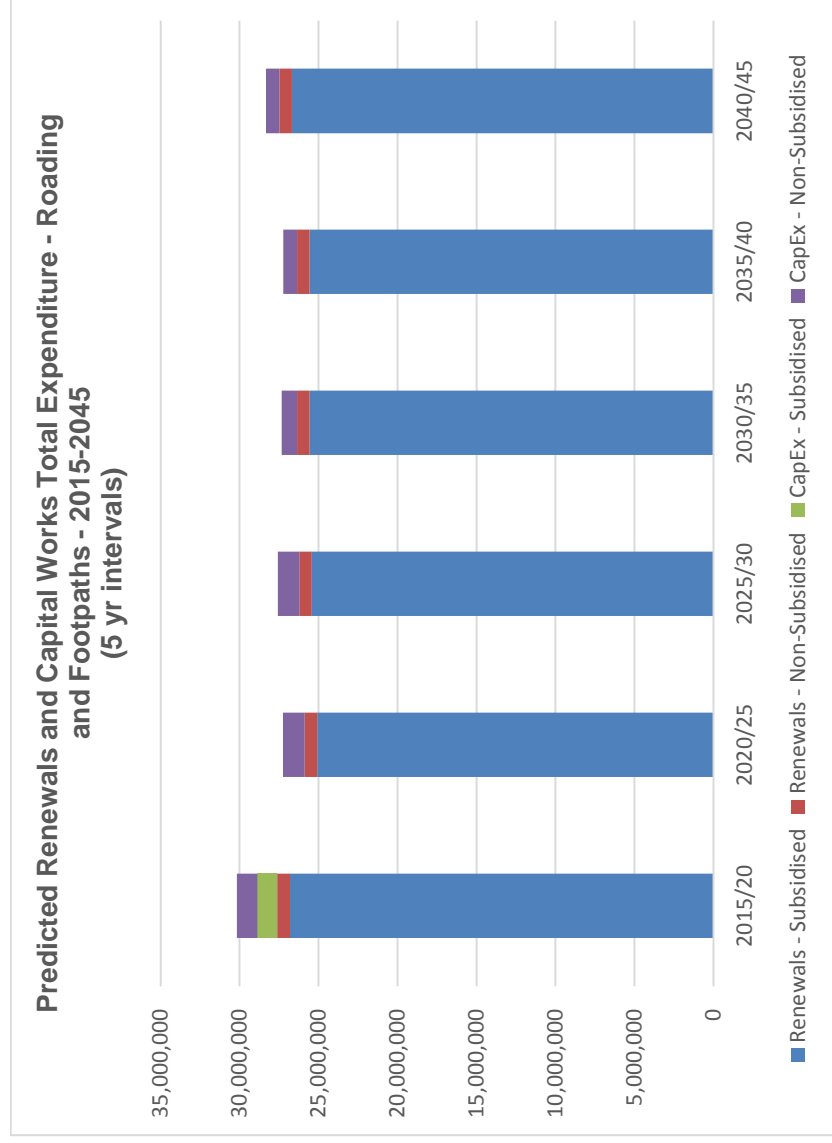


Fig 6.3.2b: Predicted Renewals and Capital Works – Roading and Footpaths 2015-2045



Note: Figures show total expenditure and hence exclude NZTA subsidy

These charts show renewals costs to exceed capital works significantly over the next 30 years, partly retaining existing levels of service. Works will be prioritised from condition assessments / deterioration modelling as well as the criticality of the roads / bridges (eg main access routes and lifeline routes will likely have higher priority)

Subsidised works will exceed non-subsidised works, assuming NZTA continued funding. Subsidies for renewals are assumed to be in the order of 80% of the cost. Council are unable to predict changes in levels of subsidy over the next 30 years which may have implications in funding and levels of service.

Key works, in excess of \$500,000 (per annum for renewals) are identified for the next 30 years in the table below:

Table 6.3.2: Predicted Renewals and Capital Works – Roading and Footpaths 2015-2045

Works	Timeframe	Estimated Total Cost*	Comments / Assumptions
Renewals – Subsidised			
State Highway 38 Renewals	2015-2045	\$13 million	Assumes 100% NZTA funding for first 3 years, then reducing to base subsidy only.
Structures Renewals	2015-2045	\$17 million	Subject to NZTA approval / subsidies
Sealed Road Resurfacing		\$28 million	Estimated cost is total cost prior to subsidies. Upgrades or renewals are normally undertaken on an 'as needed' basis and their timing is generally predictable based on asset life and condition. Optimised decision making is used to ensure successful delivery of sustainable replacement programmes. Condition assessments and pavement deterioration modelling are tools used for the site selection decision making process
Pavement Rehabilitation		\$11 million	
Renewals – Non-Subsidised			
Footpath renewals	2015-45	\$3.04 million	Based on continuing Councils policy providing between \$110,000 and \$150,000 per annum. Decisions made annually as part of Annual Plan process
Capital – Subsidised			
Cycleways / walkways (Wairoa)	2015-2018	\$725,000	Subject to NZTA approval / subsidies and further public consultation.
Pilot Hill to Whakamahi Marine Parade Playground to Ski Club Wairoa Township Loop			This is an area that may be affected by higher priority works requiring funding to achieve levels of service.
Capital – Non-Subsidised			
Piping of Kitchener Street Drain (nominal 1800mm dia)	2015-2022	\$1,300,000	To be staged to spread cost of project with annual allocation confirmed through Annual Plan process. Will have safety and aesthetic benefits <ul style="list-style-type: none"> • SH2 – Hospital - 2015-18 • Hospital to Clyde Rd - 2018-22

* Estimated costs at 2015 prices / All figures are prior to NZTA subsidies

6.3.3 Major Projects – Water Supply

Fig 6.3.3a: Predicted Renewals and Capital Works – Water Supply 2015-2025

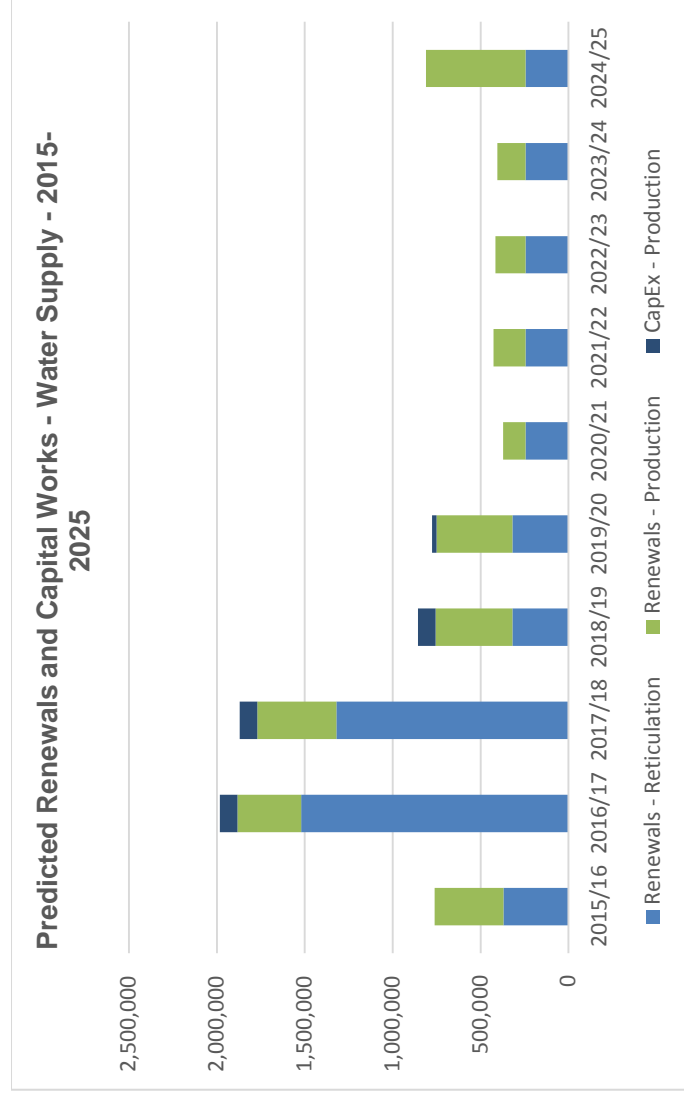
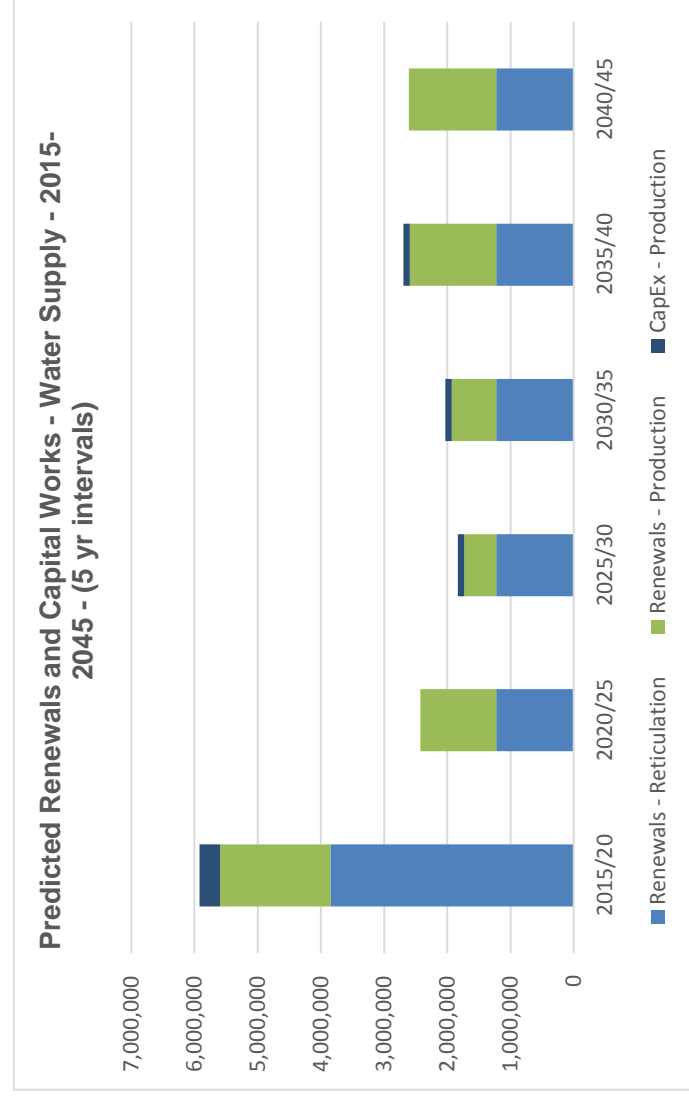


Fig 6.3.3b: Predicted Renewals and Capital Works – Water Supply 2015-2045



This shows that renewals expenditure is significantly higher than capital. There is no predicted capital expenditure over the next 10 years on reticulation, only renewals through a developed renewals programme that will be dependent on the results of condition assessments and modelling.

Capital works are primarily related to:

- the development of the Mahanga supply to provide potable water that meets the DWSNZ and to ensure public health is protected – due to public interest, a referendum involving affected

- stakeholders is to be conducted to determine whether the supply will be upgraded or disestablished.
- provision of an alternative supply for Wairoa to address resilience and public health with the Township currently relying on a single source of drinking water
 - Provision is also made for the investigation of a supply to serve the Mahia Beach community.

Key works in excess of \$100,000 (for any one year) are identified for the next 30 years in the table below:

Table 6.3.3: Predicted Renewals and Capital Works – Water Supply 2015-2045

Works	Timeframe	Estimated Cost*	Assumptions
Renewals			
Programmed pipe renewals – Wairoa <i>Including Condition assessments and modelling to determine programme and extent of works</i>	2015-45	Approx \$7 million over 30 years \$200,000 to \$300,000 per annum	Programme depends on condition assessments Annual allocation decision will made through Annual Plan process
Tawhara tank replacements to provide 24 hour storage to Wairoa supply	2015-2018	\$2.3 million (approx. \$1.5 million subsidy)	No assumptions – funding, including subsidies has been secured Will ensure minimum 24 hours storage for Wairoa and will also assist in addressing water pressure issues and consequently reducing leakage
Trunk Main Sectional Renewals	2015-2045	\$1,000,000	Annual allocation decision will made through Annual Plan process
Capital			
Mahanga supply upgrade to provide treated water	2016-2019	\$200,000	Depends on community agreement on any proposed scheme (referendum to be conducted) Application has been made for funding Costs also assume no significant changes to Drinking Water Standards
Wairoa Alternative Supply to address resilience of supply	2035-2040	\$100,000	Whilst Council engineers have proposed this project for resilience purposes, there has been no consultation to date to determine community interest (2015 LTP will provide this initial consultation) Costs assume some form of package plant as the likely option
Modifications to the Wairoa source intake	2025-2030	\$100,000	Design details to be developed
Mahia Beach Supply – investigation into supply for Mahia beach township	2030-2035	\$100,000	Whilst Council engineers have proposed this project, there has been no consultation to date to determine community interest (2015 LTP will provide this initial consultation)

*Estimated costs at 2015/16 prices

6.3.4 Major Projects – Wastewater

Fig 6.3.4a: Predicted Renewals and Capital Works – Wastewater 2015-2025

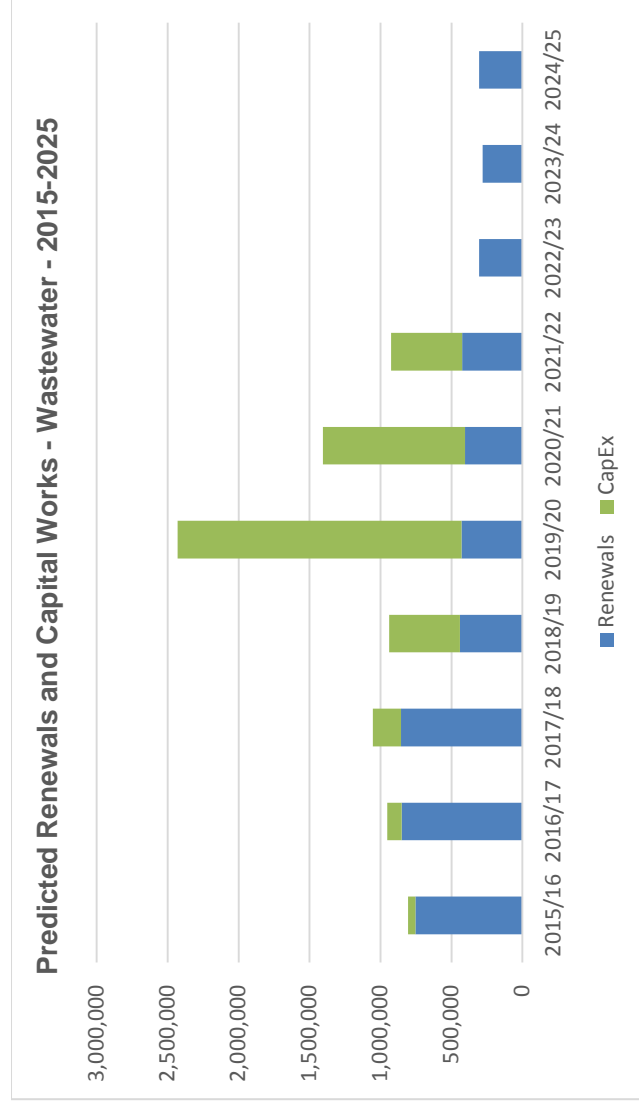
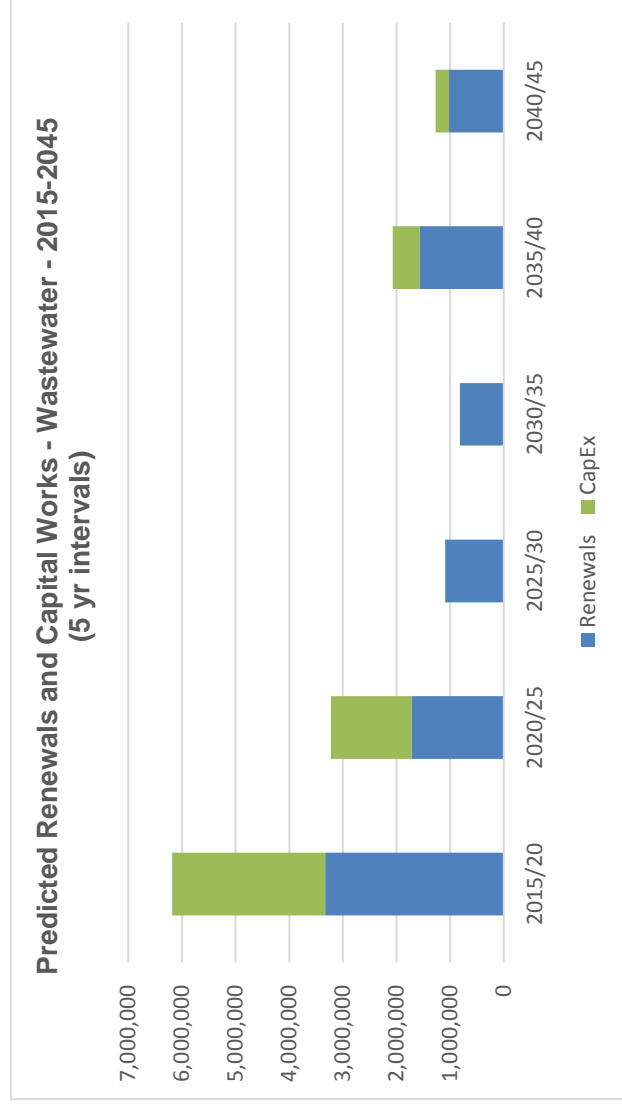


Fig 6.3.4b: Predicted Renewals and Capital Works – Wastewater 2015-2045



These charts show that renewals expenditure exceeds capital works throughout.

Main expenditure is over the next five years when the Wairoa wastewater treatment plant will need to be upgraded / replaced as the existing resource consent expires. These works will ensure the protection of public health as well as minimising any adverse effects on the environment. To date, a feasibility study into options has commenced, which will enable a better assessment of likely costs, consent requirements etc.

Significant spending on renewals and remedial works associated with infiltration and inflow of stormwater into the network will address problems of untreated sewage overflowing into the river and

through manholes and pump stations which can lead to public health and environmental issues. The most cost-effective programme will be dependent upon the results of investigations that are ongoing.

Key works in excess of \$100,000 are identified for the next 30 years in the table below:

Table 6.3.4: Predicted Renewals and Capital Works – Wastewater 2015-2045

Works	Timeframe	Estimated Cost*	Assumptions
Renewals			
Programmed renewals (pipe replacement and pipe lining) - Wairoa	2015-45	\$4.75 million over 30 years	Programme primarily based on inflow and infiltration investigations with reactive works as necessary Annual allocation confirmed through Annual Plan process Funded through depreciation
Mahia Beach / Opoutama - provision for general wastewater system renewals	2015-45	\$900,000 over 30 years	Assumes some form of renewals required – will be subject to condition assessments Annual allocation confirmed through Annual Plan process Funded through depreciation
Capital			
Wairoa wastewater Treatment Plant - discharge consent for the existing treatment plant expires in 2019.	2015-20	\$4.75 million plus \$500,000 professional services for feasibility, options & implementation plan	Form of discharge method to be determined through consultation and investigations / feasibility study Assuming no growth in population

*Estimated costs at 2015 prices

6.3.5 Major Projects – Stormwater

Fig 6.3.5a: Predicted Renewals and Capital Works – Stormwater 2015-2025

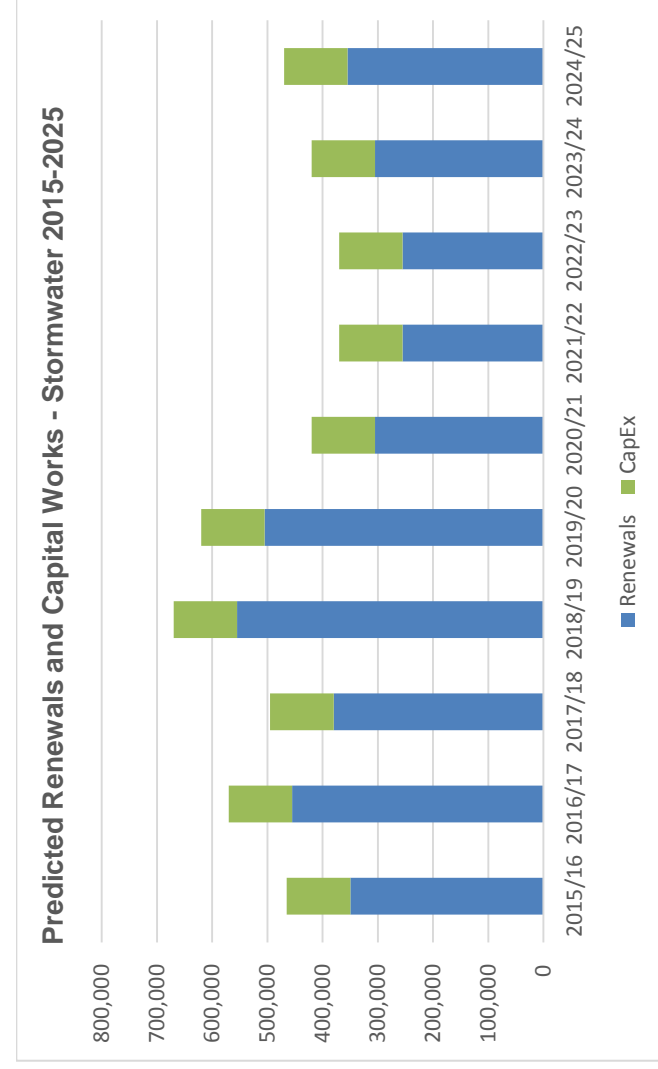
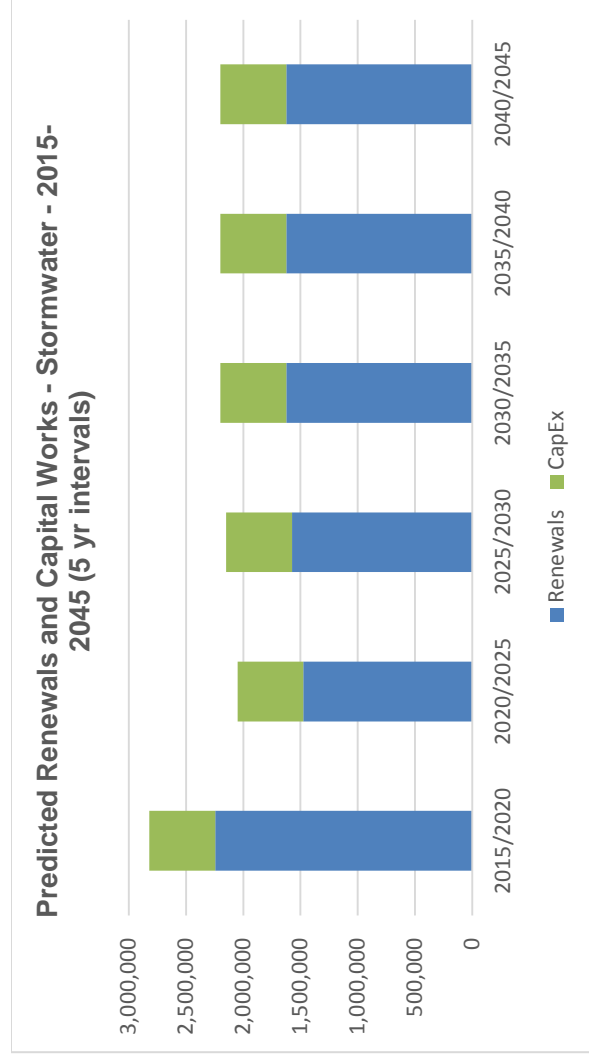


Fig 6.3.5b: Predicted Renewals and Capital Works – Stormwater 2015-2045



Projected spending is relatively consistent over the 30 year period with annual allocation for renewals and for piping of open drains.

Key works in excess of \$100,000 are identified for the next 30 years in the table below:

Table 6.3.5: Predicted Renewals and Capital Works – Stormwater 2015-2045

Works	Timeframe	Estimated Cost*	Assumptions
Renewals			
Programmed pipe renewals - Wairoa	2015-45	\$10 million over 30 years	Programme depends on condition assessments, included in budget and to be confirmed annually through Annual Plan process Funded through depreciation
Capital			
Piping of open drains – Wairoa township	2015-2045	\$100,000 per annum	Assumes no acceleration of current programme and annual approval through Annual Plan process. Current method of selection will continue. Funded through loans

*Estimated costs at 2015 prices

6.4

WASTE MANAGEMENT - PROVISION OF A REGIONAL LANDFILL VS LOCAL SERVICE ONLY OPTIONS

Whilst the proposal, at this stage, is to retain the local service, it has been recognised that, due to a reduction in local waste generation, options to ensure sustainability of the facility must be considered. It is therefore appropriate to outline the key differences between a local and regional option to allow the public and other stakeholders to make an informed decision.

Any extension of the services will require significant capital expenditure over the next 30 years to accommodate additional waste. Operational costs would also increase. However, there would be significant increase in income through user charges.

The comparison of options below is based on a financial model developed allowing 10,000T of waste per annum with the majority generated from outside the District.

Table 6.4: Comparison of Options – Waste Management

Factor	Comparison Of Options		Comment
	Regional Landfill	Local Service (Status Quo)	
Income	\$1.56 million per annum \$15.6 million over 10 yrs \$46.8 million over 30 yrs	\$350,000 per annum \$3.5 million over 10 yrs \$1.05 million over 30 yrs	Increase in the order of 2,000T to 10,000T per annum over weighbridge with regional model
Operational & Maintenance Costs <i>(incl. fixed costs, overheads and depreciation)</i>	\$1.65 million per annum \$16.5 million over 10 yrs \$49.5 million over 30 yrs	\$1.11 million per annum \$11.1 million over 10 yrs \$33.3 million over 30 yrs	Additional costs of regional option cover depreciation of new works, loan interest and landfill operations (approx 2.5 x more than local service only)
Renewals	\$280,000 over 30 years for renewals to diversion infrastructure, hardstand area and recycling area	\$250,000 over 30 years for renewals to diversion infrastructure, hardstand area and recycling area Additional \$200,000 renewals for effluent system	Additional renewals with local service only which would be upgraded as part of the capital development associated with the regional option.
Capital Works	<ul style="list-style-type: none"> New cell construction including 1 million in 2022/23 & \$3.2 million 2030-2045 \$300,000 Landfill Buildings and diversion infrastructure extensions over 30 years 	\$300,000 Landfill Buildings and diversion infrastructure extensions over 30 years	No expenditure associated with new cell needed over next 30 years with local service only – current cell has approx 35 year life based on current volume of waste disposal

The information above shows that the cost of operating and maintaining a regional facility would increase due to the additional volumes of waste over the weighbridge. There would also need to be significant investment in capital and renewal works to accommodate the additional waste. However, the revenue generated through this option would compensate for these additional costs.

Before any decisions are made, further consultation with the public and other stakeholders on this option, other options and the status quo is required.

Glossary

This glossary is generally consistent with the International Infrastructure Management Manual Glossary (refer reference), which contains a larger range of items. The following terms and acronyms (in brackets) may be used in this Infrastructure Strategy.

Activity	An activity is the work undertaken by Council to support and/or deliver services to the community. In the context of infrastructural assets, it is the work undertaken on an asset or group of assets to achieve a desired outcome.
Asset	A physical component of a facility, or a collective or network of physical assets, which has value, enables services to be provided and has an economic life of greater than 12 months.
Asset Management (AM)	The combination of management, financial, economic, engineering and other practices applied to physical assets with the objective of providing the required level of service in the most cost-effective manner.
Asset Management Plan (AMP)	A plan developed for the management of one or more infrastructure assets that combines multi-disciplinary management techniques (including technical and financial) over the lifecycle of the asset in the most cost-effective manner to provide a specified level of service. A significant component of the plan is a long-term cash flow projection for the activities.
Capital Expenditure (CAPEX)	Expenditure used to create new assets or to increase the capacity of existing assets beyond their original design capacity or service potential. CAPEX increases the value of an asset. Expenditure falls into two main categories Operational (or expensed) cost and CAPEX.
Council	Wairoa District Council
Critical Assets	Assets for which the financial, business or service levels consequences of failure are sufficiently severe to justify proactive inspection and rehabilitation. Critical assets have a lower threshold for action than non-critical assets.
Depreciated Replacement Cost (DRC)	The replacement cost of an existing asset after deducting an allowance for wear or consumption to reflect the remaining economic life of the existing asset.
Depreciation	The wearing outs, consumption or other loss of value of an asset whether arising from use, passing of time or obsolescence through technological and market changes. It is accounted for by the allocation of the historical cost (or revalued amount) of the asset less its residual value over its useful life.
IIMM	International Infrastructure Management Manual
Level of Service (LOS)	The defined service quality for a particular activity (e.g. Wairoa Airport) or service area (e.g. playgrounds) against which service performance may be measured. LOS usually relate to quality, quantity, reliability, responsiveness, environmental acceptability and cost.
Life	A measure of the anticipated life of an asset or component; such as time, number of cycles, distance intervals etc.
Life Cycle	Life cycle has two meanings: (a) The cycle of activities that an asset (or facility) goes through while it retains an identity as a particular asset i.e. from planning and design to decommissioning or disposal. (b) The period of time between a selected date and the last year over which the criteria

(e.g. costs) relating to a decision or alternative under study will be assessed.

Life Cycle Cost

The total cost of an asset throughout its life including planning, design, construction, acquisition, operation, maintenance, rehabilitation and disposal costs.

Long Term Plan (LTP)

The LTP provides a formal and public statement of Council's intentions regarding the Airport activity over a period of not less than 10 consecutive financial years and provides for more community vision for the District.

Maintenance

All actions necessary for retaining an asset as near as practicable to its original condition, but excluding rehabilitation or renewal.

New Work

Works that create new assets or increase the capacity of existing assets beyond their original design capacity or service potential. New work increases the value of the asset.

ODRC

Optimised Depreciated Replacement Cost – the depreciated value of the optimised replacement cost – used in determining optimised depreciated value.

ORC

Optimised Replacement Cost – the cost of replacing an existing asset with a more appropriate less expensive alternative – used in determining replacement value.

Operation

The active process of utilising an asset that will consume resources such as manpower, energy, chemicals and materials. Operation costs are part of the life cycle costs of an asset.

Renewal

Works to upgrade, refurbish, rehabilitate or replace existing facilities with facilities of equivalent capacity or performance capability.

Risk Management

The application of a formal process to the range of possible values relating to key factors associated with a risk in order to determine the resultant ranges of outcomes and their probability of occurrence.

Valuation

Estimated asset value, which may depend on the purpose for which the valuation is required, i.e. replacement value for determining maintenance levels or market value for life cycle costing.

Appendices

Appendix 1: Proposed Expenditure 2015-2045

Appendix 1 Proposed Expenditure 2015-2045

WAIROA DISTRICT COUNCIL
PROSPECTIVE FUNDING IMPACT STATEMENT - WATER SUPPLY
LTP 2015-2025

ANNUAL PLAN 2014/15	BUDGET 2015/16	BUDGET 2016/17	BUDGET 2017/18	BUDGET 2018/19	BUDGET 2019/20	BUDGET 2020/21	BUDGET 2021/22	BUDGET 2022/23	BUDGET 2023/24	BUDGET 2024/25
Sources of Operating Funding										
General rates, uniform annual charges, rates										
- penalties	-	-	-	-	-	-	-	-	-	-
Targeted rates (other than a targeted rate for										
775,555 water supply)	935,285	1,054,413	1,144,485	1,203,580	1,378,963	1,430,970	1,467,687	1,566,716	1,612,490	1,668,271
- Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-
Fees charges and targeted rates for water										
926,279 supply	1,053,415	1,133,341	1,121,616	1,169,240	1,210,911	1,259,231	1,286,424	1,364,654	1,398,732	1,462,764
207,926 Local authorities fuel tax, fines, infringement										
fees, and other receipts	138,224	133,739	127,165	124,551	110,578	115,040	119,514	117,214	108,133	103,914
1,909,760 Total Operating Funding	2,126,924	2,321,493	2,393,266	2,497,371	2,700,452	2,805,241	2,873,625	3,048,584	3,119,355	3,234,949
Applications of Operating Funding										
1,156,403 Payments to staff and suppliers	1,468,158	1,584,737	1,574,051	1,669,272	1,721,224	1,815,457	1,876,119	1,985,076	2,043,129	2,149,157
106,799 Finance costs	106,799	113,027	119,442	126,062	127,772	127,772	127,772	127,772	127,772	127,772
240,020 Internal charges and overheads applied	277,889	298,050	316,858	321,157	326,951	337,307	344,811	352,676	365,141	374,429
- Other operating funding applications	-	-	-	-	-	-	-	-	-	-
1,503,222 Total applications of operating funding	1,852,846	1,995,814	2,010,351	2,116,491	2,175,947	2,280,536	2,348,702	2,465,524	2,536,042	2,651,358
406,538 Surplus (Deficit) of operating funding	274,078	325,679	382,915	380,880	524,505	524,705	524,923	583,060	583,313	583,591
Sources of capital funding										
- Subsidies and grants for capital expenditure	100,000	1,000,000	484,000	-	-	-	-	-	-	-
- Development and financial contributions	-	-	-	-	-	-	-	-	-	-
- Increase (decrease) in debt	-	103,800	106,914	110,335	28,494	-	-	-	-	-
- Gross proceeds from sale of assets	-	10,000	10,000	-	-	-	10,000	10,000	-	-
- Lump sum contributions	-	-	-	-	-	-	-	-	-	-
- Total sources of capital funding	100,000	1,113,800	600,914	110,335	28,494	-	10,000	10,000	-	-
Application of capital funding										
Capital expenditure										
- to meet additional demand	-	-	-	-	-	-	-	-	-	-
349,750 - to improve the level of service	-	103,800	106,914	110,335	28,494	-	-	-	-	-
328,000 - to replace existing assets	762,000	1,801,233	1,713,502	724,814	827,310	438,831	521,323	526,963	534,835	1,114,595
(271,212) Increase (Decrease) in reserves	(387,922)	(465,554)	(836,587)	(343,934)	(302,805)	85,874	13,600	66,097	48,478	(531,004)
- Increase (Decrease) of investments	-	-	-	-	-	-	-	-	-	-
406,538 Total application of capital funding	374,078	1,439,479	983,829	491,215	552,999	524,705	534,923	593,060	583,313	583,591
(406,538) Surplus (Deficit) of capital funding	(274,078)	(325,679)	(382,915)	(380,880)	(524,505)	(524,705)	(524,923)	(583,060)	(583,313)	(583,591)
- Funding Balance	-	-	-	-	-	-	-	-	-	-
583,788 Group depreciation and amortisation	451,328	468,440	468,596	468,767	514,267	514,467	514,685	572,821	573,075	573,352

PROJECTED 10 YEAR FINANCIAL SUMMARY - WATER SUPPLY

ANNUAL PLAN 2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Expenditure										
1,263,202 Operational Costs	1,468,158	1,584,737	1,574,051	1,669,272	1,721,224	1,815,457	1,876,119	1,985,076	2,043,129	2,149,157
- Interest	106,799	113,027	119,442	126,062	127,772	127,772	127,772	127,772	127,772	127,772
240,020 Overhead Allocation	277,889	298,050	316,858	321,157	326,951	337,307	344,811	352,676	365,141	374,429
583,788 Depreciation	451,328	468,440	468,596	468,767	514,267	514,467	514,685	572,821	573,075	573,352
2,087,010 Total Operating Costs	2,304,174	2,464,254	2,478,947	2,585,258	2,690,214	2,795,002	2,863,387	3,038,345	3,109,117	3,224,710
1,134,772 Activity Income - Service Charges	1,291,639	2,267,080	1,732,781	1,293,791	1,321,489	1,374,270	1,405,938	1,481,867	1,506,865	1,566,678
22,250 Less depreciation not funded	22,250	24,326	26,464	28,670	29,240	29,240	29,240	29,240	29,240	29,240
1,157,022	1,313,889	2,291,406	1,759,245	1,322,461	1,350,729	1,403,510	1,435,178	1,511,107	1,536,105	1,595,918
929,988 Net Cost of Service	990,285	172,848	719,702	1,262,797	1,339,485	1,391,492	1,428,209	1,527,238	1,573,012	1,628,792
-	-	-	-	-	-	-	-	-	-	-
Capital Expenditure										
328,000 Renewals	762,000	1,801,233	1,713,502	724,814	827,310	438,831	521,323	526,962	534,835	1,114,595
349,750 New Capital	-	103,800	106,914	110,335	28,494	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
677,750	762,000	1,905,033	1,820,416	835,149	855,804	438,831	521,323	526,962	534,835	1,114,595
-	-	-	-	-	-	-	-	-	-	-
1,607,738 Funding Required	1,752,285	2,077,881	2,540,118	2,097,946	2,195,289	1,830,323	1,949,532	2,054,200	2,107,847	2,743,387
-	-	-	-	-	-	-	-	-	-	-
Funded By:										
774,988 Rate Income	935,285	1,054,413	1,144,485	1,203,580	1,378,963	1,430,970	1,467,687	1,566,716	1,612,490	1,668,271
155,000 Reserves - Operational Funding	155,000	118,435	59,217	59,217	(39,478)	(39,478)	(39,478)	(39,478)	(39,478)	(39,479)
677,750 Reserves - Capital Funding	662,000	791,233	1,219,502	724,814	827,310	438,831	511,323	516,962	534,835	1,114,595
- Loans	-	103,800	106,914	110,335	28,494	-	-	-	-	-
- Sale of Assets	-	10,000	10,000	-	-	-	10,000	10,000	-	-
1,607,738 Total Funding	1,752,285	2,077,881	2,540,118	2,097,946	2,195,289	1,830,323	1,949,532	2,054,200	2,107,847	2,743,387

PROJECTED 10 YEAR FINANCIAL SUMMARY - WATER RETICULATION

ANNUAL PLAN 2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Expenditure										
814,094	832,830	889,154	903,192	961,218	997,773	1,051,880	1,093,327	1,156,080	1,190,162	1,242,297
-	106,799	106,799	106,799	106,799	106,799	106,799	106,799	106,799	106,799	106,799
184,723	221,813	237,881	252,823	256,287	260,933	269,175	275,179	281,475	291,397	298,828
343,866	265,717	275,814	275,814	275,814	302,854	302,854	302,854	337,404	337,404	337,404
1,342,683	1,427,159	1,509,648	1,538,628	1,600,118	1,668,359	1,730,708	1,778,159	1,881,758	1,925,762	1,985,328
390,567	414,624	1,314,549	796,676	315,071	306,623	316,966	327,700	332,270	330,501	334,287
22,250	22,250	22,250	22,250	22,250	22,250	22,250	22,250	22,250	22,250	22,250
412,817	436,874	1,336,799	818,926	337,321	328,873	339,216	349,950	354,520	352,751	356,537
929,866	990,285	172,849	719,702	1,262,797	1,339,486	1,391,492	1,428,209	1,527,238	1,573,011	1,628,791
Capital Expenditure										
210,000	370,000	1,528,360	1,338,668	353,073	364,724	289,015	299,709	311,098	323,542	337,131
20,000	-	-	-	-	-	-	-	-	-	-
230,000	370,000	1,528,360	1,338,668	353,073	364,724	289,015	299,709	311,098	323,542	337,131
1,159,866	1,360,285	1,701,209	2,058,370	1,615,870	1,704,210	1,680,507	1,727,918	1,838,336	1,896,553	1,965,922
Funded By:										
774,866	935,285	1,054,414	1,144,485	1,203,580	1,378,964	1,430,970	1,467,687	1,566,716	1,612,489	1,668,270
155,000	155,000	118,435	59,217	59,217	(39,478)	(39,478)	(39,478)	(39,478)	(39,478)	(39,479)
230,000	270,000	528,360	854,668	353,073	364,724	289,015	299,709	311,098	323,542	337,131
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
1,159,866	1,360,285	1,701,209	2,058,370	1,615,870	1,704,210	1,680,507	1,727,918	1,838,336	1,896,553	1,965,922

PROJECTED 10 YEAR FINANCIAL SUMMARY - WATER PRODUCTION

ANNUAL PLAN 2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Expenditure										
449,108	635,328	695,583	670,859	708,054	723,451	763,577	782,792	828,996	852,967	906,860
-	-	6,228	12,643	19,263	20,973	20,973	20,973	20,973	20,973	20,973
55,297	56,076	60,169	64,035	64,870	66,018	68,132	69,632	71,201	73,744	75,601
239,922	185,611	192,626	192,782	192,953	211,413	211,612	211,831	235,417	235,671	235,948
744,327	877,015	954,606	940,319	985,140	1,021,855	1,064,294	1,085,228	1,156,587	1,183,355	1,239,382
744,205	877,015	952,531	936,105	978,720	1,014,866	1,057,304	1,078,238	1,149,597	1,176,364	1,232,391
-	-	2,076	4,214	6,420	6,990	6,990	6,990	6,990	6,990	6,990
744,205	877,015	954,607	940,319	985,140	1,021,856	1,064,294	1,085,228	1,156,587	1,183,354	1,239,381
122	-	(1)	-	-	(1)	-	-	-	1	1
Capital Expenditure										
118,000	392,000	272,873	374,834	371,741	462,586	149,816	221,614	215,864	211,293	777,464
329,750	-	103,800	106,914	110,335	28,494	-	-	-	-	-
447,750	392,000	376,673	481,748	482,076	491,080	149,816	221,614	215,864	211,293	777,464
447,872	392,000	376,672	481,748	482,076	491,079	149,816	221,614	215,864	211,294	777,465
Funded By:										
122	-	(1)	-	-	(1)	-	-	-	1	1
-	-	-	-	-	-	-	-	-	-	-
447,750	392,000	262,873	364,834	371,741	462,586	149,816	211,614	205,864	211,293	777,464
-	-	103,800	106,914	110,335	28,494	-	-	-	-	-
-	-	10,000	10,000	-	-	-	10,000	10,000	-	-
447,872	392,000	376,672	481,748	482,076	491,079	149,816	221,614	215,864	211,294	777,465

	2011/12	2012/13	2013/14		2014/15	2025/2030	2030/2035	2035/2040	2040/2045
	ACTUAL	ACTUAL	ACTUAL		BUDGET				

FEES CONNECTIONS WAIROA	-22	-1,994	-2,563		-10,690	-12,500	-12,500	-12,500	-12,500
FEES CONNECTIONS FRASERTOWN	-22	-2,246	-1,752		-500	-10,000	-10,000	-10,000	-10,000
FEES RECONNECTIONS FRASERTOWN	0	-22	0		-605	0	0	0	0
FEES RECONNECTIONS URBAN	0	0	0		-1,211	0	0	0	0
FEES RECONNECTIONS RURAL	0	-180	0		-605	-1,000	-1,000	-1,000	-1,000
SALE OF WATER WAIROA URBAN	-105,929	-92,363	-88,645		-100,000	-500,000	-500,000	-500,000	-500,000
SALE WATER FRASERTOWN	-9,557	-10,098	-10,525		-8,650	-50,000	-50,000	-50,000	-50,000
SALE OF WATER WAIROA RURAL	-49,971	-48,139	-46,170		-50,000	-250,000	-250,000	-250,000	-250,000
SALE OF WATER FRASERTOWN MEATS	-11,377	-12,673	-9,768		-10,380	-50,000	-50,000	-50,000	-50,000
SUNDRY INCOME WAIROA	-17	-174	-45		0	-1,000	-1,000	-1,000	-1,000
INTEREST RESERVE FUNDS URBAN	0	0	0		-194,315	-971,575	-971,575	-971,575	-971,575
INTEREST RESERVE FUNDS PERI URBAN	0	0	0		-6,953	-34,765	-34,765	-34,765	-34,765
INTEREST RESERVE FUNDS TUAI	0	0	0		-3,152	-15,760	-15,760	-15,760	-15,760
INTEREST RESERVE FUNDS F'TOWN	0	0	0		-2,577	-12,885	-12,885	-12,885	-12,885
INTEREST RESERVE FUNDS MAHANGA	0	0	0		-929	-4,645	-4,645	-4,645	-4,645
METERED WATER PENALTIES	-2,027	-1,468	-1,205		0	-7,500	-7,500	-7,500	-7,500
Replacement reservoir -subsidy									

INCOME TOTAL	-178,922	-169,357	-160,673		-390,567	-1,921,630	-1,921,630	-1,921,630	-1,921,630
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BAD DEBTS URBAN WATER	2,814	0	0		0				
BAD DEBTS F'TOWN WATER	177	0	0		0				
BAD DEBTS RURAL WATER	413	0	0		0				
INSURANCE	4,455	30,102	25,739		31,065	160296.7622	160296.7622	160296.7622	160296.7622
INSURANCE WAIROA	20,832	13,923	14,222		0	74141.64576	74141.64576	74141.64576	74141.64576
INSURANCE WAIROA PERI URBAN	2,894	1,934	1,979		0	10298.78208	10298.78208	10298.78208	10298.78208
INSURANCE FRASERTOWN	1,401	936	958		0	4984.31232	4984.31232	4984.31232	4984.31232
INSURANCE TUAI	1,802	1,205	1,232		0	6416.7696	6416.7696	6416.7696	6416.7696
INSURANCE MAHANGA	350	234	239		0	1246.07808	1246.07808	1246.07808	1246.07808
INTEREST PUBLIC DEBT (EX WT IM	0	0	0		106,799	533995	533995	533995	533995
SINKING FUND CONTRIBS (EX WT I	0	0	0		22,250	111250	111250	111250	111250
CONNECTIONS REINSTATED WAIROS	0	0	0		1,500				
CONNS REINSTATED PERI URBAN	0	0	0		500				
CONNS REINSTATED FRASERTOWN	0	0	0		500				
CONSULTANCY WAIROA	12,105	0	0		0	50000	50000	50000	50000
Depreciation	0	0	0		343,866				

Depreciation Wairoa Supply	399,140	419,272	428,539	0	1328585	1328585	1328585	1328585
Loss On Disposal Of Assets	499	174,501	0	0				
ELECTRICITY TUAI	0	0	2,196	0	10000	10000	10000	10000
METER READING COSTS FRASERTOWN	0	-35	0	0				
READING WATER METERS	0	35	0	0				
Mahanga Water Scheme Design	0	0	2,858	0				
PURCHASE WATER	253,363	540,407	664,444	0				
PURCHASE WATER WAIROA	0	0	0	378,997	2190670	2190670	2190670	2190670
PURCHASE OF WATER FRASERTOWN	8,982	22,903	21,447	16,193	100000	100000	100000	100000
ASSET MANAGEMENT WAIROA	0	1,795	0	0	10000	10000	10000	10000
CORPORATE OVERHEADS	138,705	168,054	167,904	135,016	888035	888035	888035	888035
ENGINEERING OVERHEADS	56,747	54,296	58,200	49,707	295633.6	295633.6	295633.6	295633.6
ASSET MANAGEMENT SYSTEM (ALLOC	0	0	4,054	0	10000	10000	10000	10000
WAIROA DIRECT CHARGES	50,800	66,991	66,120	57,507	325000	325000	325000	325000
RATES WAIROA	501	578	873	500	2500	2500	2500	2500
RATES FRASERTOWN	45	51	0	42	250	250	250	250
RATES TUAI	36	41	50	34	250	250	250	250
RATES MAHANGA	7	8	12	7	50	50	50	50
WAIROA PIPELINES - OPS & MTCE	63,103	46,546	78,538	50,000	260000	260000	260000	260000
WAIROA METERS - OPS & MTCE	10,327	8,774	10,880	10,000	55000	55000	55000	55000
WAIROA SVCE CONN - OPS & MTCE	62,651	100,221	67,083	65,000	400000	400000	400000	400000
WAIROA RESERVOIRS OPS & MTCE	2,543	0	0	0	5000	5000	5000	5000
WAIROA BACKFLOW PREVENTERS MTC	1,000	1,510	1,946	1,000	7500	7500	7500	7500
WAIROA P/URBAN PIPES OPS & MTC	9,100	8,087	8,670	12,000	26797.2844	26797.2844	26797.2844	26797.2844
WAIROA P/URBAN METERS OPS & MT	593	593	150	1,000	100489.8165	100489.8165	100489.8165	100489.8165
WROA P/URBAN CONNEC OPS & MTCE	5,343	106	3,816	5,000	53594.56881	53594.56881	53594.56881	53594.56881
FRASERTOWN P/LINES OPS & MTCE	9,469	8,087	10,688	8,000	20097.9633	20097.9633	20097.9633	20097.9633
FRASERTOWN METERS OPS & MTCE	2,263	1,070	1,808	3,000	53594.56881	53594.56881	53594.56881	53594.56881
FRASERTOWN SVCE CONN OPS & MTC	4,059	4,506	6,443	4,000	3349.660551	3349.660551	3349.660551	3349.660551
FRASERTOWN RESERVOIRS -ELECT	909	875	1,463	0	5000	5000	5000	5000
TUAI PIPELINES OPS & MTCE	19,233	8,087	14,657	10,000	46895.24771	46895.24771	46895.24771	46895.24771
TUAI SVCE CONNECT OPS & MTCE	1,612	1,489	250	5,000	66993.21101	66993.21101	66993.21101	66993.21101
TUAI RESERVOIRS OPS & MTCE	6,416	2,290	7,577	3,000	20097.9633	20097.9633	20097.9633	20097.9633
TUAI RESERVOIRS - ELECTRICITY	1,520	806	1,184	900	6585.303225	6585.303225	6585.303225	6585.303225
MAHANGA PIPELINES OPS & MTCE	8,054	8,287	8,198	10,000	100489.8165	100489.8165	100489.8165	100489.8165
MAHANGA SVCE CONN OPS & MTCE	189	240	25	2,000	13398.6422	13398.6422	13398.6422	13398.6422
MAHANGA RESERVOIRS OPS & MTCE	3,421	4,835	2,424	2,400	16078.37064	16078.37064	16078.37064	16078.37064
MAHANGA RESERVOIRS ELECTRICITY	2,729	1,503	2,423	0	10000	10000	10000	10000

OpEx TOTAL	1,170,602	1,705,143	1,689,289	1,336,783	7,384,565	7,384,565	7,384,565	7,384,565
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CHECK HYDRANTS/FLUSHING MAINS	9,927	2,437	2,571	5,900	25000	25000	25000	25000
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ManEx TOTAL	9,927	2,437	2,571	5,900	25000	25000	25000	25000
Total Revenue Costs	1,180,529	1,707,580	1,691,860	1,342,683	7,409,565	7,409,565	7,409,565	7,409,565
Total Revenue Activity Cost	1,001,607	1,538,223	1,531,187	952,116				
WAIROA PIPELINES RENEWALS		500,000	103,900	200,000	1,000,000	1,000,000	1,000,000	1,000,000
VALVE REPLACEMENTS		7,000	7,273	10,000	50,000	50,000	50,000	50,000
Renewals modelling					50,000	50,000	50,000	50,000
Condition reporting					50,000	50,000	50,000	50,000
Replacement Reservoir- professional services								
Replacement reservoir -construction								
Mahanga retic					25,000	25,000	25,000	25,000
Tuai retic					50,000	50,000	50,000	50,000
RenEx TOTAL			111,173	210,000	1,225,000	1,225,000	1,225,000	1,225,000
Asset Management Modelling Design				20,000				
Mahia Beach water supply feasibility								
Mahia beach water supply construction								
CapEx TOTAL			0	20,000				
TOTAL Capital Costs			111,173	230,000				
Funded By:								
Rates			0	0				
Depreciation Reserves			111,173	230,000				
Depreciation not Funded			0	0				
Loans			0	0				
Sale of Assets			0	0				
			111,173	230,000				
Ops and Maint					7,409,565	7,409,565	7,409,565	7,409,565
Renewals					1,225,000	1,225,000	1,225,000	1,225,000
CapEx					0	0	0	0
					8,634,565	8,634,565	8,634,565	8,634,565
Income					-1,921,630	-1,921,630	-1,921,630	-1,921,630
Depreciation Funds					6,712,935	6,712,935	6,712,935	6,712,935

PROJECTED 10 YEAR FINANCIAL SUMMARY - WASTEWATER

ANNUAL PLAN 2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Expenditure										
911,215	663,666	668,646	695,583	722,372	782,030	830,418	863,835	893,510	930,547	961,318
-	84,498	89,480	99,744	126,224	235,641	292,264	321,623	321,623	321,623	321,623
18,354	209,453	224,608	238,626	241,940	246,357	254,106	259,795	265,765	275,097	282,139
789,036	648,858	648,858	648,858	648,858	648,858	648,858	648,858	648,858	648,858	648,858
1,718,605	1,606,475	1,631,592	1,682,811	1,739,394	1,912,886	2,025,646	2,094,111	2,129,756	2,176,125	2,213,938
Total Operating Costs										
4,551,319	153,251	132,693	112,567	101,067	80,271	57,887	40,408	23,115	15,524	9,444
453,333	453,333	453,333	453,333	453,333	453,333	453,333	453,333	453,333	453,333	453,333
5,004,652	606,584	586,026	565,900	554,400	533,604	511,220	493,741	476,448	468,857	462,777
Activity Income - Service Charges										
Less depreciation not funded										
(3,286,047)	999,891	1,045,566	1,116,911	1,184,994	1,379,282	1,514,426	1,600,370	1,653,308	1,707,268	1,751,161
Net Cost of Service										
Capital Expenditure										
625,000	755,000	884,184	914,115	485,475	490,098	477,760	519,585	387,285	369,762	419,693
2,250,000	50,000	103,800	213,828	551,676	2,279,526	1,179,655	611,651	-	-	-
2,875,000	805,000	987,984	1,127,943	1,037,151	2,769,624	1,657,415	1,131,236	387,285	369,762	419,693
(411,047)	1,804,891	2,033,550	2,244,854	2,222,145	4,148,906	3,171,841	2,731,606	2,040,593	2,077,030	2,170,854
Funding Required										
Funded By:										
1,499,622	1,344,836	1,390,511	1,461,857	1,402,022	1,596,310	1,640,805	1,726,749	1,779,687	1,833,647	1,877,540
(2,785,669)	(344,945)	(344,945)	(344,945)	(217,028)	(217,028)	(126,379)	(126,379)	(126,379)	(126,379)	(126,379)
875,000	755,000	904,944	956,880	595,810	946,003	713,691	641,915	387,285	369,762	419,693
-	50,000	83,040	171,062	441,341	1,823,621	943,724	489,321	-	-	-
-	-	-	-	-	-	-	-	-	-	-
(411,047)	1,804,891	2,033,550	2,244,854	2,222,145	4,148,906	3,171,841	2,731,606	2,040,593	2,077,030	2,170,854
Total Funding										

	2011/12	2012/13	2013/14		2014/15	2025/2030	2030/35	2035/40	2040/45
	ACTUAL	ACTUAL	ACTUAL		BUDGET				
FEES CONNECTIONS	-4,939	-525	-1,958		-607	-10000	-10000	-10000	-10000
FEES DISPOSAL	-4,375	-4,130	-5,600		-4,305	-25000	-25000	-25000	-25000
Capital Contributions Mahia	0	0	0		-2,329,522				
Capital contributions Opoutama	0	0	0		-104,628				
SUNDRY INCOME	0	-391	-326		0	-2500	-2500	-2500	-2500
GRANTS/SUBSIDIES MAHIA SCHEME	-1,000,000	-2,500,000	0		-2,000,000				
Subsidy Opoutama Scheme	0	0	-1,387,000		0				
RESERVES	-491	0	0		0				
INTEREST RESERVE FUNDS WAIROA	0	0	0		-92,076	-460380	-460380	-460380	-460380
INTEREST RESERVE FUNDS TUAI	0	0	0		-20,181	-100905	-100905	-100905	-100905
INCOME TOTAL	-1,009,805	-2,505,046	-1,394,884		-4,551,319	-598785	-598785	-598785	-598785
GENERAL EXPENSES	0	0	0		0				
INSURANCE	5,755	75,299	73,521		80,000	425000	425000	425000	425000
INSURANCE WAIROA	34,222	22,872	23,398		0				
INSURANCE - TUAI	864	0	0		0				
INSURANCE TUAI	3,207	2,732	2,747		0				
INTEREST PUBLIC DEBT	0	0	0		0	1981600	1981600	1981600	1981600
Interest Mahia Scheme	0	0	166,970		55,062				
Interest Opotama Scheme	0	0	42,239		26,436				
Legal Fees	0	0	844		0				
RESOURCE CONSENT	360	0	0		0				
RES CONSENT MONITORING - TUAI	0	0	2,297		0	10000	10000	10000	10000
CONSULTANCY - WAIROA	0	0	0		0				
CONSULTANCY TUAI	0	0	0		0				
Consultancy Valuation	0	0	3,462		0	7000	3500	7000	7000
DATA/SYSTEM ANALYSIS	0	0	7,837		0	25000	25000	25000	25000
Depreciation	373,155	381,119	383,472		335,703	977625	977625	977625	977625
Depreciation Mahia Scheme	0	0	0		400,000	2000000	2000000	2000000	2000000
Depreciation Opoutama Scheme	0	0	0		53,333	266665	266665	266665	266665

Loss On Disposal Of Assets	808	2,094	8,906	0				
TELEMETRY WAIROA	815	2,954	3,801	5,000	25000	25000	25000	25000
TELEMETRY TUAI	0	0	616	0				
Operating Costs - Mahia/Opoutama	0	0	0	0	900000	900000	900000	900000
TESTING TUAI	0	0	0	0				
RMA CONSENTS MONITORING WAIROA	8,991	0	4,264	10,000	25000	25000	25000	25000
TESTING WAIROA	15,049	21,062	20,160	15,000	100000	100000	100000	100000
RMA CONSENTS MONITORING TUAI	12,365	0	4,654	10,000	25000	25000	25000	25000
TEST RESULTS ANALYSIS	0	0	0	0				
Vehicle SG Pump Trailer Exp S797M	39	529	618	0	2500	2500	2500	2500
CORPORATE OVERHEADS	117,440	92,907	161,201	209,667	1011605	1011605	1011605	1011605
ENGINEERING OVERHEADS	56,747	54,296	57,004	49,707	389335	389335	389335	389335
RATES TREATMENT PLANT	478	553	905	447	25000	25000	25000	25000
WAIROA WWTP - OPS & MTCE	35,249	34,390	60,250	37,109	200000	200000	200000	200000
WAIROA WWTP - ELECTRICITY	20,173	20,860	17,771	20,000	100000	100000	100000	100000
WAIROA RETIC - OPS & MTCE	38,881	34,789	51,830	40,000	200000	200000	200000	200000
WAIROA RETIC - SMOKE TESTING	6	0	0	0				
CCTV INSPECTIONS	1,577	0	0	0				
WAIROA PUMP STNS - OPS & MTCE	121,858	117,852	103,152	120,000	600000	600000	600000	600000
WAIROA PUMP STNS - ELECTRICITY	56,885	45,273	39,182	55,000	225000	225000	225000	225000
TUAI - OPERATIONS & MTCE	43,731	40,011	55,721	40,000	225000	225000	225000	225000
TUAI - ELECTRICITY	3,077	2,957	3,326	2,500	15000	15000	15000	15000
SINKING FUND CONTRIB WAIROA	0	0	0	8,812	660530	660530	660530	660530
SINKING FUND CONTRIB MAHIA	0	0	0	18,354				

951,732

OpEx TOTAL	951,732	952,549	1,300,148	1,592,130	10,421,860	10,418,360	10,421,860	10,421,860
Opoutama Scheme Mtce	0	0	414	8,925	0	0	0	0
Mahia Beach Schene Mtce	0	0	0	104,550	0	0	0	0
WAIROA WWTP - MOWING	12,723	15,752	9,935	13,000	75000	75000	75000	75000
ManEx TOTAL	12,723	15,752	10,349	126,475	75,000	75,000	75,000	75,000
Total Revenue Costs	964,455	968,301	1,310,497	1,718,605	10,496,860	10,493,360	10,496,860	10,496,860
Total Revenue Activity Cost	-45,350	-1,536,745	-84,387	-2,832,714				

Funded By:

Rates	-500,378				
Reserves	-2,785,669				
Depreciation not Funded	453,333				
	<u>-2,832,714</u>				
DESLUDGE OXIDATION PONDS	0	80,000	90,000	100,000	120,000
SAND REPLACEMENT TUAI PLANT	0	75,000		120,000	
	0				
Tuai Sand Filters	80,000				
Shed for stand by Generator	0				
Road Reseal	0		25,000		
Step Filter	0	35,000		50,000	
Flow Meters	0				
Telemetry	0		50,000		
Fitzroy Plant	0	50,000		50,000	
Mahia/Opoutama ww scheme renewals	0	150,000	150,000	150,000	150,000
Wairoa Consent application-Consultation and legal costs	0			50,000	
CCTV Infiltration Investigation	50,000			350,000	
WAIROA RETICULATION - RENEWALS	55,000	500,000	500,000	500,000	500,000
Infiltration - resulting from Study	0				
TELEMETRY BASE SETS WAIROA	0				
FLOW TRANSDUCERS WAIROA WWTP	0				
PRIVATE WORKS PAT BUTLER	0				
FITZROY ST VARIABLE SPEED DRIVES	0				
KOPU RD PUMP STN OVERFLOW VALVE	0				
KOPU RD PUMP STN SHREDDER PUMP	0				
WAIROA STATIONS FLOW METERS	0				
Alexander Park Backflow Preventer	0				
TUAI REPLACEMENT SEPTIC TANK	0				
Swampfox Telemetry	30,000				
Magnaflux Transducers	40,000				
Larger Pumps North Clyde	30,000				
Replace Kopu Road Line	200,000				
WWTP Solids Filter	120,000				
Infiltration Study - Night Time Flow	20,000				
Data verification/condition reporting		150,000		150,000	
Consultancy for Wairoa ww consent					
Pump station renewals		50000		50000	
Reconsenting post 2019					250,000
MBCSS renewals		50,000	100,000	200,000	200,000
OCSS renewals		20,000	50,000	50,000	100,000

RenEx TOTAL	0	625,000	1,160,000	965,000	1,820,000	1,320,000
CONSULTANCY-OPOUTAMA S/SCHEME		20,000				
CONSULTANCY MAHIA SG SCHEME		200,000				
BUILDING CONSENTS MAHIA SG SCHEME		0				
WAIROA MOBILE GENERATOR		0				
Consent		25,000				
INFILTRATION INVESTIGATION		0				
Sewer Infiltration Test & Inspec		0				
TUAI - NEW CAPEX UV TREATMENT		5,000				
MAHIA BEACH SEWERAGE SYSTEM		2,000,000				
Construction of Plant for new Wairoa consent					500,000	250,000
Opoutama scheme upgrade						
CapEx TOTAL	0	2,250,000			500,000	250,000
TOTAL Capital Costs	0	2,875,000	1,160,000	965,000	2,320,000	1,570,000
Funded By:						
Rates	0	2,000,000				
Depreciation Reserves	0	875,000				
Depreciation not Funded	0	0				
Loans	0	0				
Sale of Assets	0	0				
	0	2,875,000				
Capital Costs within Revenue						
Interest Costs within Revenue						
Depreciation Costs within Revenue						
Rates		1,499,622				
Subsidies						
Subsidies - Capital		2,000,000				
Petrol Tax						
Fees and Charges	1,394,884	2,439,062				
Investment Income	0	112,257				
	1,394,884	4,551,319				

WAIROA DISTRICT COUNCIL
PROSPECTIVE FUNDING IMPACT STATEMENT - STORMWATER
LTP 2015-2025

ANNUAL PLAN 2014/15	BUDGET 2015/16	BUDGET 2016/17	BUDGET 2017/18	BUDGET 2018/19	BUDGET 2019/20	BUDGET 2020/21	BUDGET 2021/22	BUDGET 2022/23	BUDGET 2023/24	BUDGET 2024/25
Sources of Operating Funding										
General rates, uniform annual charges, rates										
- penalties	-	-	-	-	-	-	-	-	-	-
324,667 Targeted rates (other than a targeted rate for water supply)	360,843	393,085	417,600	426,888	479,129	504,555	523,222	567,968	591,750	615,846
- Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-
- Fees charges and targeted rates for water supply	-	-	-	-	-	-	-	-	-	-
115,670 Local authorities fuel tax, fines, infringement fees, and other receipts	81,717	73,860	65,333	66,578	45,635	34,052	28,556	22,875	15,342	6,815
440,337 Total Operating Funding	442,560	466,945	482,933	493,466	524,764	538,607	551,778	590,843	607,092	622,661
Applications of Operating Funding										
104,560 Payments to staff and suppliers	105,659	110,259	114,475	118,964	123,674	128,695	134,053	139,696	145,727	152,180
66,832 Finance costs	72,833	79,061	85,476	92,096	98,935	106,013	113,353	120,972	128,895	137,151
69,006 Internal charges and overheads applied	108,702	116,944	124,439	126,070	128,307	132,410	135,330	138,384	143,320	146,932
- Other operating funding applications	-	-	-	-	-	-	-	-	-	-
240,398 Total applications of operating funding	287,194	306,264	324,390	337,130	350,916	367,118	382,736	399,052	417,942	436,263
199,939 Surplus (Deficit) of operating funding	155,366	160,681	158,543	156,336	173,848	171,489	169,042	191,791	189,150	186,398
Sources of capital funding										
- Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-
- Development and financial contributions	-	-	-	-	-	-	-	-	-	-
114,290 Increase (decrease) in debt	100,000	103,800	106,914	110,335	113,976	117,965	122,330	126,979	132,058	137,604
- Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
- Lump sum contributions	-	-	-	-	-	-	-	-	-	-
114,290 Total sources of capital funding	100,000	103,800	106,914	110,335	113,976	117,965	122,330	126,979	132,058	137,604
Application of capital funding										
Capital expenditure										
- to meet additional demand	-	-	-	-	-	-	-	-	-	-
114,290 - to improve the level of service	100,000	103,800	106,914	110,335	113,976	117,965	122,330	126,979	132,058	137,604
- to replace existing assets	350,000	472,290	406,273	612,361	575,580	359,795	311,942	323,796	402,777	419,693
199,939 Increase (Decrease) in reserves	(194,634)	(311,609)	(247,730)	(456,025)	(401,732)	(188,306)	(142,900)	(132,005)	(213,627)	(233,295)
- Increase (Decrease) of investments	-	-	-	-	-	-	-	-	-	-
314,229 Total application of capital funding	255,366	264,481	265,457	266,671	287,824	289,454	291,372	318,770	321,208	324,002
(199,939) Surplus (Deficit) of capital funding	(155,366)	(160,681)	(158,543)	(156,336)	(173,848)	(171,489)	(169,042)	(191,791)	(189,150)	(186,398)
- Funding Balance	-	-	-	-	-	-	-	-	-	-
233,259 Group depreciation and amortisation	194,495	201,886	201,886	201,886	221,678	221,678	221,678	246,967	246,967	246,967

PROJECTED 10 YEAR FINANCIAL SUMMARY - STORMWATER

ANNUAL PLAN 2014/15		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Expenditure											
104,560	Operational Costs	105,659	110,259	114,475	118,964	123,674	128,695	134,053	139,696	145,727	152,180
66,832	Interest	72,833	79,061	85,476	92,096	98,935	106,013	113,353	120,972	128,895	137,151
69,006	Overhead Allocation	108,702	116,944	124,439	126,070	128,307	132,410	135,330	138,384	143,320	146,932
233,259	Depreciation	194,495	201,886	201,886	201,886	221,678	221,678	221,678	246,967	246,967	246,967
473,657	Total Operating Costs	481,689	508,150	526,276	539,016	572,594	588,796	604,414	646,019	664,909	683,230
115,670	Activity Income - Service Charges	81,717	73,860	65,333	66,578	45,635	34,052	28,556	22,875	15,342	6,815
33,320	Less depreciation not funded	39,129	41,205	43,343	45,550	47,830	50,189	52,636	55,176	57,817	60,569
148,990		120,846	115,065	108,676	112,128	93,465	84,241	81,192	78,051	73,159	67,384
324,667	Net Cost of Service	360,843	393,085	417,600	426,888	479,129	504,555	523,222	567,968	591,750	615,846
Capital Expenditure											
-	Renewals	350,000	472,290	406,273	612,361	575,580	359,795	311,942	323,796	402,777	419,693
114,290	New Capital	100,000	103,800	106,914	110,335	113,976	117,965	122,330	126,979	132,058	137,604
114,290		450,000	576,090	513,187	722,696	689,556	477,760	434,272	450,775	534,835	557,297
438,957	Funding Required	810,843	969,175	930,787	1,149,584	1,168,685	982,315	957,494	1,018,743	1,126,585	1,173,143
Funded By:											
324,667	Rate Income	360,843	393,085	417,600	426,888	479,129	504,555	523,222	567,968	591,750	615,846
-	Reserves - Operational Funding	-	-	-	-	-	-	-	-	-	-
-	Reserves - Capital Funding	350,000	472,290	406,273	612,361	575,580	359,795	311,942	323,796	402,777	419,693
114,290	Loans	100,000	103,800	106,914	110,335	113,976	117,965	122,330	126,979	132,058	137,604
-	Sale of Assets	-	-	-	-	-	-	-	-	-	-
438,957	Total Funding	810,843	969,175	930,787	1,149,584	1,168,685	982,315	957,494	1,018,743	1,126,585	1,173,143

	2011/12	2012/13	2013/14		2014/15	2025/2030	2030/35	2035/40	2040/45
	ACTUAL	ACTUAL	ACTUAL		BUDGET				
CUSTOMER CONTRIBUTIONS	0	0	0		0				
SUNDRY INCOME	-1,087	0	-1,130		0				
WHAKAKI RESERVE CONTRIBUTION	0	0	0		0				
Interest - Reserve Funds Wairoa	0	0	0		-115,012				
Interest - Reserve Funds Mahia	0	0	0		-658				
RESERVES	0	0	0		0				
INCOME TOTAL	-1,087	0	-1,130		-115,670	-578,350	-578,350	-578,350	-578,350
INSURANCE WAIROA	10,772	7,200	7,365		7,430	32150	32150	32150	32150
INSURANCE TUAI	0	0	0		0				
PUBLIC DEBT COSTS	0	0	0		66,832	368665	368665	368665	368665
STORMWATER DISCHARGE RESOURCE CONSENTS	11,503	16,073	929		10,000	50000	50000	50000	50000
Depreciation	247,531	250,738	252,817		0				
Depreciation Wairoa	0	0	0		233,259	972475	972475	972475	972475
Loss On Disposal Of Assets	2,419	11,815	297		0				
MAHIA BAR OPENINGS	800	0	0		0				
CORPORATE OVERHEADS	42,903	37,310	40,950		49,123	520850	520850	520850	520850
ENGINEERING OVERHEADS	22,705	21,718	22,802		19,883	118253.44	118253.44	118253.44	118253.44
DRAINAGE RATES	325	375	458		250	1250	1250	1250	1250
WAIROA RETIC - OPS & MTCE	39,177	42,735	8,638		40,000	200000	200000	200000	200000
WAIROA OPEN DRAINS OPS & MTCE	4,486	0	4,270		5,000	25000	25000	25000	25000
WAIROA PUMPS - OPS AND MTCE	0	0	0		0				
WAIROA PUMPS - ELECTRICITY	0	728	2,242		750	3750	3750	3750	3750
TUAI RETIC - OPS & MTCE	0	0	459		1,000	5000	5000	5000	5000
TUAI OPEN DRAINS - OPS & MTCE	0	0	0		0				
MAHIA BEACH RETIC - OPS & MTCE	0	73	0		0				
MAHIA OPEN DRAINS - OPS & MTCE	0	0	0		1,000	5000	5000	5000	5000
MAHIA OPEN DRAINS-BAR OPENINGS	0	0	0		1,000	5000	5000	5000	5000
RURAL OPEN DRAINS OPS & MTCE	0	0	0		1,000	5000	5000	5000	5000
RURAL STORMWATER CONTINGENCY	0	0	0		0				
SINKING FUND CONTRIB WAIROA	0	0	0		15,510	197145	197145	197145	197145
SINKING FUND CONTRIB MAHIA	0	0	0		21,620				
OpEx TOTAL	382,621	388,765	341,227		473,657	2,509,538	2,509,538	2,509,538	2,509,538

REPAIRS & MTCE OPEN DRAINS	0	0	0	0					
REPAIRS & MTCE PIPE DRAINS	0	0	0	0					
ManEx TOTAL	0	0	0	0	0				

Total Revenue Costs	382,621	388,765	341,227		473,657	2,509,538	2,509,538	2,509,538	2,509,538
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Total Revenue Activity Cost	381,534	388,765	340,097		357,987	1,931,188	1,931,188	1,931,188	1,931,188
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WAIROA PIPELINES RENEWALS					0	1250000	1250000	1250000	1250000
MAHIA BCH PIPELINES RENEWALS					0	50000	50000	50000	50000
Deterioration modelling						25000	25000	25000	25000
CCTV						150000	150000	150000	150000
Discharge consent									
Condition reporting						100000	150000	150000	150000

RenEx TOTAL			0		0	1,575,000	1,625,000	1,625,000	1,625,000
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WAIROA PIPELINES - NEW									
MAHIA BEACH PIPELINES - NEW									
MAHIA BEACH OPEN DRAINS - NEW									
PIPING OPEN DRAINS - WAIROA					114,290	575000	575000	575000	575000
Discharge Consent									

CapEx TOTAL			0		114,290	575,000	575,000	575,000	575,000
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TOTAL Capital Costs			0		114,290	2,150,000	2,200,000	2,200,000	2,200,000
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Funded By:

Rates			0		0				
Depreciation Reserves			0		0				
Depreciation not Funded			0		0				
Loans			0		114,290				
Sale of Assets			0		0				
			0		114,290				

Costs					4,659,538	4,709,538	4,709,538	4,709,538	4,709,538
Total					4,081,188	4,131,188	4,131,188	4,131,188	4,131,188

**WAIROA DISTRICT COUNCIL
PROSPECTIVE FUNDING IMPACT STATEMENT - TRANSPORT
LTP 2015-2025**

ANNUAL PLAN 2014/15		BUDGET 2015/16	BUDGET 2016/17	BUDGET 2017/18	BUDGET 2018/19	BUDGET 2019/20	BUDGET 2020/21	BUDGET 2021/22	BUDGET 2022/23	BUDGET 2023/24	BUDGET 2024/25
Sources of Operating Funding											
58,045	General rates, uniform annual charges, rates penalties	57,340	58,417	60,336	61,486	63,445	64,452	65,538	68,121	69,353	70,264
3,356,595	Targeted rates (other than a targeted rate for water supply)	3,466,038	3,544,985	3,623,566	4,030,034	4,141,952	4,152,115	4,196,526	4,266,590	4,380,088	4,518,377
3,642,500	Subsidies and grants for operating purposes	5,109,450	4,936,619	5,008,197	4,523,371	4,750,215	4,966,878	5,307,235	5,582,884	5,760,160	6,023,561
837,836	Fees charges and targeted rates for water supply	826,883	850,468	875,520	892,387	911,307	934,014	956,093	979,740	1,007,398	1,034,652
-	Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-	-	-	-	-	-
7,894,976	Total Operating Funding	9,459,711	9,390,489	9,567,619	9,507,278	9,866,919	10,117,459	10,525,392	10,897,335	11,216,999	11,646,854
Applications of Operating Funding											
5,683,724	Payments to staff and suppliers	7,337,108	7,340,765	7,437,260	7,383,671	7,638,280	7,874,893	8,279,129	8,585,789	8,856,558	9,248,860
-	Finance costs	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
1,061,166	Internal charges and overheads applied	1,108,561	1,187,768	1,260,726	1,278,806	1,302,547	1,343,110	1,373,448	1,405,339	1,454,234	1,491,786
-	Other operating funding applications	-	-	-	-	-	-	-	-	-	-
6,744,890	Total applications of operating funding	8,448,669	8,531,533	8,700,986	8,665,477	8,943,827	9,221,003	9,655,577	9,994,128	10,313,792	10,743,646
1,150,086	Surplus (Deficit) of operating funding	1,011,042	858,956	866,633	841,801	923,092	896,456	869,815	903,207	903,207	903,208
Sources of capital funding											
4,706,542	Subsidies and grants for capital expenditure	4,628,000	4,726,913	4,846,294	3,922,384	4,135,034	4,402,847	4,613,058	4,810,767	4,959,901	5,170,817
-	Development and financial contributions	-	-	-	-	-	-	-	-	-	-
-	Increase (decrease) in debt	50,000	-	-	-	-	-	-	-	-	-
-	Gross proceeds from sale of assets	10,000	10,000	10,000	-	-	10,000	10,000	10,000	-	-
-	Lump sum contributions	-	-	-	-	-	-	-	-	-	-
4,706,542	Total sources of capital funding	4,688,000	4,736,913	4,856,294	3,922,384	4,135,034	4,412,847	4,623,058	4,820,767	4,959,901	5,170,817
Application of capital funding											
-	Capital expenditure	-	-	-	-	-	-	-	-	-	-
-	- to meet additional demand	-	-	-	-	-	-	-	-	-	-
2,715,722	- to improve the level of service	550,000	534,982	385,898	168,098	185,422	204,031	208,862	210,301	217,452	225,280
3,747,349	- to replace existing assets	6,053,715	6,294,153	6,069,903	5,776,073	5,464,203	5,787,407	5,987,369	6,161,579	6,343,822	6,607,045
(606,443)	Increase (Decrease) in reserves	(904,673)	(1,233,266)	(732,874)	(1,179,986)	(591,499)	(682,135)	(703,358)	(647,906)	(698,166)	(758,300)
-	Increase (Decrease) of investments	-	-	-	-	-	-	-	-	-	-
5,856,628	Total application of capital funding	5,699,042	5,595,869	5,722,927	4,764,185	5,058,126	5,309,303	5,492,873	5,723,974	5,863,108	6,074,025
(1,150,086)	Surplus (Deficit) of capital funding	(1,011,042)	(858,956)	(866,633)	(841,801)	(923,092)	(896,456)	(869,815)	(903,207)	(903,207)	(903,208)
Funding Balance											
-		-	-	-	-	-	-	-	-	-	-
3,017,066	Group depreciation and amortisation	2,604,566	2,639,108	2,639,108	2,639,108	2,821,022	2,821,022	2,821,022	3,055,721	3,055,721	3,055,721

PROJECTED 10 YEAR FINANCIAL SUMMARY - TRANSPORT

ANNUAL PLAN 2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Expenditure										
5,688,695	7,337,108	7,340,765	7,437,260	7,383,671	7,638,280	7,874,893	8,279,129	8,585,789	8,856,558	9,248,860
-	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
1,056,195	1,108,561	1,187,766	1,260,726	1,278,806	1,302,547	1,343,111	1,373,450	1,405,341	1,454,235	1,491,787
3,017,066	2,604,566	2,639,108	2,639,108	2,639,108	2,821,022	2,821,022	2,821,022	3,055,721	3,055,721	3,055,721
9,761,956	11,053,235	11,170,639	11,340,094	11,304,585	11,764,848	12,042,025	12,476,600	13,049,850	13,369,513	13,799,367
9,186,878	10,564,333	10,513,999	10,730,011	9,338,142	9,796,555	10,303,739	10,876,387	11,373,392	11,727,459	12,229,030
1,866,980	1,593,524	1,715,134	1,739,967	1,764,800	1,919,602	1,946,240	1,972,878	2,174,186	2,174,186	2,174,186
11,053,858	12,157,857	12,229,133	12,469,978	11,102,942	11,716,157	12,249,979	12,849,265	13,547,578	13,901,645	14,403,216
(1,291,902)	(1,104,622)	(1,058,494)	(1,129,884)	201,643	48,691	(207,954)	(372,665)	(497,728)	(532,132)	(603,849)
Capital Expenditure										
6,182,349	6,053,715	6,294,153	6,069,903	5,776,073	5,464,203	5,787,407	5,987,369	6,161,579	6,343,822	6,607,045
280,722	550,000	534,982	385,898	168,098	185,422	204,031	208,862	210,301	217,452	225,280
6,463,071	6,603,715	6,829,135	6,455,801	5,944,171	5,649,625	5,991,438	6,196,231	6,371,880	6,561,274	6,832,325
5,171,169	5,499,093	5,770,641	5,325,917	6,145,814	5,698,316	5,783,484	5,823,566	5,874,152	6,029,142	6,228,476
Funded By:										
3,414,640	3,523,378	3,603,402	3,683,902	4,091,520	4,205,397	4,216,567	4,262,064	4,334,711	4,449,441	4,588,641
-	-	65,017	32,508	32,508	(21,672)	(21,672)	(21,672)	(21,672)	(21,672)	(21,673)
1,756,529	1,915,715	2,092,222	1,599,507	2,021,786	1,514,591	1,578,589	1,573,174	1,551,113	1,601,373	1,661,508
-	50,000	-	-	-	-	-	-	-	-	-
-	10,000	10,000	10,000	-	-	10,000	10,000	10,000	-	-
5,171,169	5,499,093	5,770,641	5,325,917	6,145,814	5,698,316	5,783,484	5,823,566	5,874,152	6,029,142	6,228,476

PROJECTED 10 YEAR FINANCIAL SUMMARY - ROADING (TRANSFUND ASSISTED)

ANNUAL PLAN 2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Expenditure										
4,880,500	6,590,500	6,578,761	6,658,206	6,583,483	6,818,227	7,031,363	7,411,404	7,692,887	7,937,464	8,300,177
-	-	-	-	-	-	-	-	-	-	-
748,827	784,507	841,024	893,090	905,700	922,377	951,242	972,637	995,106	1,029,885	1,056,366
2,771,500	2,449,010	2,483,286	2,483,286	2,483,286	2,663,799	2,663,799	2,663,799	2,896,691	2,896,691	2,896,691
8,400,827	9,824,017	9,903,071	10,034,582	9,972,469	10,404,403	10,646,404	11,047,840	11,584,684	11,864,040	12,253,234
8,354,202	9,742,450	9,668,774	9,859,870	8,451,279	8,890,933	9,375,580	9,926,330	10,399,887	10,726,509	11,201,058
1,801,475	1,591,857	1,713,467	1,738,300	1,763,133	1,917,935	1,944,573	1,971,211	2,172,519	2,172,519	2,172,519
10,155,677	11,334,307	11,382,241	11,598,170	10,214,412	10,808,868	11,320,153	11,897,541	12,572,406	12,899,028	13,373,577
(1,754,850)	(1,510,290)	(1,479,170)	(1,563,588)	(241,943)	(404,465)	(673,749)	(849,701)	(987,722)	(1,034,988)	(1,120,343)
Capital Expenditure										
5,936,849	5,760,000	5,769,660	5,855,140	5,067,132	5,280,827	5,563,044	5,759,001	5,931,771	6,115,656	6,380,459
-	315,000	319,410	98,449	-	-	-	-	-	-	-
5,936,849	6,075,000	6,089,070	5,953,589	5,067,132	5,280,827	5,563,044	5,759,001	5,931,771	6,115,656	6,380,459
4,181,999	4,564,710	4,609,900	4,390,001	4,825,189	4,876,362	4,889,295	4,909,300	4,944,049	5,080,668	5,260,116
Funded By:										
2,951,692	3,117,710	3,182,726	3,250,198	3,647,934	3,752,241	3,750,771	3,785,028	3,844,717	3,946,585	4,072,147
	-	65,017	32,508	32,508	(21,672)	(21,672)	(21,672)	(21,672)	(21,672)	(21,673)
1,230,307	1,447,000	1,362,157	1,107,295	1,144,747	1,145,793	1,160,196	1,145,944	1,121,004	1,155,755	1,209,642
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
4,181,999	4,564,710	4,609,900	4,390,001	4,825,189	4,876,362	4,889,295	4,909,300	4,944,049	5,080,668	5,260,116

PROJECTED 10 YEAR FINANCIAL SUMMARY - ROADING (DISTRICT FUNDED)

ANNUAL PLAN 2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Expenditure										
194,000	166,000	171,688	176,151	183,068	188,377	196,317	203,583	210,911	218,082	227,239
-	-	-	-	-	-	-	-	-	-	-
114,569	108,328	115,671	122,424	124,352	126,779	130,605	133,636	136,839	141,463	145,215
165,504	79,000	79,000	79,000	79,000	79,000	79,000	79,000	79,000	79,000	79,000
474,073	353,328	366,359	377,575	386,420	394,156	405,922	416,219	426,750	438,545	451,454
5,000	5,000	4,100	4,207	4,320	4,445	4,579	4,721	4,877	5,042	5,224
65,505	-	-	-	-	-	-	-	-	-	-
70,505	5,000	4,100	4,207	4,320	4,445	4,579	4,721	4,877	5,042	5,224
403,568	348,328	362,259	373,368	382,100	389,711	401,343	411,498	421,873	433,503	446,230
Capital Expenditure										
180,500	163,000	167,588	171,945	172,807	172,262	177,430	187,061	193,234	199,803	206,996
280,000	185,000	215,572	287,449	168,098	185,422	204,031	208,862	210,301	217,452	225,280
460,500	348,000	383,160	459,394	340,905	357,684	381,461	395,923	403,535	417,255	432,276
864,068	696,328	745,419	832,762	723,005	747,395	782,804	807,421	825,408	850,758	878,506
Funded By:										
403,568	348,328	362,259	373,368	382,100	389,711	401,344	411,498	421,873	433,503	446,230
-	-	-	-	-	-	-	-	-	-	-
460,500	348,000	383,160	459,394	340,905	357,684	381,460	395,923	403,535	417,255	432,276
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
864,068	696,328	745,419	832,762	723,005	747,395	782,804	807,421	825,408	850,758	878,506

PROJECTED 10 YEAR FINANCIAL SUMMARY - PARKING

ANNUAL PLAN 2014/15		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Expenditure											
7,300	Operational Costs	11,467	11,712	11,973	13,007	13,336	13,685	14,411	14,832	15,279	15,768
-	Interest	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
12,844	Overhead Allocation	15,619	16,658	17,656	17,921	18,263	18,823	19,254	19,708	20,384	20,917
24,000	Depreciation	19,000	19,266	19,266	19,266	20,666	20,666	20,666	22,473	22,473	22,473
44,144	Total Operating Costs	49,086	50,636	51,895	53,194	55,265	56,174	57,331	60,013	61,136	62,158
	- Activity Income - Service Charges	-	-	-	-	-	-	-	-	-	-
	- Less depreciation not funded	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667
	-	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667
44,144	Net Cost of Service	47,419	48,969	50,228	51,527	53,598	54,507	55,664	58,346	59,469	60,491
Capital Expenditure											
55,000	Renewals	10,715	121,155	11,268	255,323	-	12,592	-	-	15,757	-
-	New Capital	50,000	-	-	-	-	-	-	-	-	-
55,000		60,715	121,155	11,268	255,323	-	12,592	-	-	15,757	-
99,144	Funding Required	108,134	170,124	61,496	306,850	53,598	67,099	55,664	58,346	75,226	60,491
Funded By:											
44,144	Rate Income	47,419	48,969	50,228	51,527	53,598	54,507	55,664	58,346	59,469	60,491
	Reserves - Operational Funding	-	-	-	-	-	-	-	-	-	-
55,000	Reserves - Capital Funding	10,715	121,155	11,268	255,323	-	12,592	-	-	15,757	-
-	Loans	50,000	-	-	-	-	-	-	-	-	-
	Sale of Assets	-	-	-	-	-	-	-	-	-	-
99,144	Total Funding	108,134	170,124	61,496	306,850	53,598	67,099	55,664	58,346	75,226	60,491

PROJECTED 10 YEAR FINANCIAL SUMMARY - IBU

ANNUAL PLAN 2014/15		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Expenditure											
563,117	Operational Costs	540,372	550,311	561,865	574,222	587,539	601,755	616,919	633,207	650,563	669,178
-	Interest	-	-	-	-	-	-	-	-	-	-
174,707	Overhead Allocation	183,627	196,829	208,910	211,911	215,848	222,567	227,596	232,884	240,982	247,208
47,341	Depreciation	48,835	48,835	48,835	48,835	48,835	48,835	48,835	48,835	48,835	48,835
785,165	Total Operating Costs	772,834	795,975	819,610	834,968	852,222	873,157	893,350	914,926	940,380	965,221
783,627	Activity Income - Service Charges	772,834	795,975	819,610	834,968	852,222	873,157	893,350	914,926	940,380	965,221
-	Less depreciation not funded	-	-	-	-	-	-	-	-	-	-
783,627		772,834	795,975	819,610	834,968	852,222	873,157	893,350	914,926	940,380	965,221
1,538	Net Cost of Service	-	-	-	-	-	-	-	-	-	-
Capital Expenditure											
-	Renewals	55,000	30,750	31,550	10,800	-	34,341	41,307	36,574	12,606	6,530
722	New Capital	-	-	-	-	-	-	-	-	-	-
722		55,000	30,750	31,550	10,800	-	34,341	41,307	36,574	12,606	6,530
2,260	Funding Required	55,000	30,750	31,550	10,800	-	34,341	41,307	36,574	12,606	6,530
Funded By:											
1,538	Rate Income	-	-	-	-	-	-	-	-	-	-
	Reserves - Operational Funding	-	-	-	-	-	-	-	-	-	-
722	Reserves - Capital Funding	45,000	20,750	21,550	10,800	-	24,341	31,307	26,574	12,606	6,530
-	Loans	-	-	-	-	-	-	-	-	-	-
	Sale of Assets	10,000	10,000	10,000	-	-	10,000	10,000	10,000	-	-
2,260	Total Funding	55,000	30,750	31,550	10,800	-	34,341	41,307	36,574	12,606	6,530

SUBSIDISED ROADING PROJECTS

(SUBJECT TO NZTA SUBSIDY APPROVAL)

New Road Formation at Ratau Street	(2015/16)	\$95,000
Cycleway/Walkway Pilot Hill – Whakamahi (Limestone)	(2015/16)	\$110,000
Cycleway/Walkway Marine Parade Playground – Ski Club (concrete)	(2015/16)	\$110,000
Cycleway/Walkway Wairoa Township Loop (concrete Kitchener St.)	(2016/17)	\$315,000
New Road Formation at Pohutukawa Reserve	(2017/18)	\$95,000

Total \$725,000



NON-SUBSIDISED ROADING PROJECTS

Mahia Beach Drainage – Pipi Cres. and Tamure Cres. run-off control	(2015/16)	\$35,000
Mahanga Beach – Village drainage outlet through Happy Jacks Road	(2016/17)	\$40,000
Nuhaka-Opoutama Rd. Drainage – Blacks No1 and 2 open drain treatment	(2017/18)	\$58,000
Mahia Beach Drainage – Fortesque, Terakihi, Newcastle to beach outlet	(2017/18)	\$35,000

Total \$168,000



CAR PARKING PROJECTS

Remark car parks	(2015/16)	\$10,715
Reseal car parks	(2016/17)	\$59,100
Reseal Wairoa Power	(2016/17)	\$118,200
Hotmix Clyde Court	(2017/18)	\$236,400

Total \$424,415



PROJECTED 10 YEAR FINANCIAL SUMMARY - WAIROA AIRPORT

ANNUAL PLAN 2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	
Expenditure											
43,778	Operational Costs	28,769	28,293	29,065	29,891	30,801	31,773	32,812	33,952	35,170	36,498
-	- Interest	-	-	-	-	-	-	-	-	-	-
5,248	Overhead Allocation	16,480	17,584	18,646	18,922	19,280	19,874	20,327	20,804	21,521	22,081
8,721	Depreciation	8,721	8,721	8,721	8,721	8,721	8,721	8,721	8,721	8,721	8,721
57,747	Total Operating Costs	53,970	54,598	56,432	57,534	58,802	60,368	61,860	63,477	65,412	67,300
44,049	Activity Income - Service Charges	44,049	45,150	46,324	47,575	48,955	50,423	51,986	53,702	55,528	57,527
-	- Less depreciation not funded	-	-	-	-	-	-	-	-	-	-
44,049		44,049	45,150	46,324	47,575	48,955	50,423	51,986	53,702	55,528	57,527
13,698	Net Cost of Service	9,921	9,448	10,108	9,959	9,847	9,945	9,874	9,775	9,884	9,773
Capital Expenditure											
10,000	Renewals	65,000	205,000	-	270,011	11,114	-	-	-	-	13,060
-	- New Capital	-	-	-	-	-	-	-	-	-	-
10,000		65,000	205,000	-	270,011	11,114	-	-	-	-	13,060
23,698	Funding Required	74,921	214,448	10,108	279,970	20,961	9,945	9,874	9,775	9,884	22,833
Funded By:											
13,698	Rate Income	9,921	9,448	10,108	9,959	9,847	9,945	9,874	9,775	9,884	9,773
	Reserves - Operational Funding	-	-	-	-	-	-	-	-	-	-
10,000	Reserves - Capital Funding	65,000	205,000	-	270,011	11,114	-	-	-	-	13,060
-	- Loans	-	-	-	-	-	-	-	-	-	-
-	Sale of Assets	-	-	-	-	-	-	-	-	-	-
23,698	Total Funding	74,921	214,448	10,108	279,970	20,961	9,945	9,874	9,775	9,884	22,833

WAIROA DISTRICT COUNCIL - Land Transport AMP 2015 - Appendix 1
Budgets post Council meeting 17 March 2015

LTP	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
2015/16	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET

Roading Subsidised -

INCOME

RS0008	SUNDRY INCOME	-5,000	-5,243	-5,379	-5,524	-5,685	-5,855	-6,037	-6,236	-6,448	-6,680
RS0100	Subsidy NZTA Roding (68% yr1 + 1%/annum to 75% max)	-5,109,450	-4,936,618	-5,008,197	-4,523,370	-4,750,214	-4,966,877	-5,307,236	-5,582,884	-5,760,161	-6,023,561
INCOME TOTAL		-5,114,450	-4,941,861	-5,013,576	-4,528,895	-4,755,899	-4,972,733	-5,313,272	-5,589,120	-5,766,609	-6,030,241

OpEx

RS1540	INTEREST	0	0	0	0	0	0	0	0	0	0
RS2000	CONSULTANCY - MAINTENANCE	700,000	811,200	725,416	742,826	870,167	781,954	861,266	946,245	975,578	1,007,772
RS2030	Depreciation Bridges	570,400	577,980	577,980	577,980	619,994	619,994	619,994	674,199	674,199	674,199
RS20301	Depreciation Roding	1,878,610	1,905,306	1,905,306	1,905,306	2,043,805	2,043,805	2,043,805	2,222,492	2,222,492	2,222,492
RS20305	Loss On Disposal Bridge Assets	0	0	0	0	0	0	0	0	0	0
RS203051	Loss On Disposal Roding Assets	0	0	0	0	0	0	0	0	0	0
RS2200	CONSULTANCY - TRAFFIC SERVICES	10,000	10,140	10,363	10,612	10,877	11,171	11,484	11,828	12,195	12,597
RS2300	CONSULTANCY - MINOR IMPROVEMENTS	30,000	30,420	31,089	31,835	38,070	33,512	34,451	41,398	36,584	37,791
RS2600	CONSULTANCY - OTHER SERVICES	100,000	101,400	103,631	106,118	108,771	111,708	114,836	118,281	121,947	125,972
RS2620	ROAD 38 - CONSULTANCY RADING DESIGN	50,000	20,280	20,726	21,224	21,754	22,342	22,967	23,656	24,389	25,194
RS2700	RAMM MANAGEMENT	40,000	40,560	41,452	42,447	43,508	44,683	45,934	47,312	48,779	50,389
RS2800	dTIMS MANAGEMENT	8,000	9,126	25,908	10,612	10,877	27,927	11,484	11,828	30,487	12,597
RS2900	ROAD LEGALISATION	20,000	20,280	41,452	42,447	43,508	44,683	45,934	47,312	48,779	50,389
RS39051	CORPORATE OVERHEADS	550,000	594,478	635,907	642,615	652,899	674,938	689,052	703,659	730,057	747,514
RS39052	ENGINEERING OVERHEADS	234,507	246,546	257,183	263,085	269,478	276,304	283,585	291,447	299,828	308,852
RS6000	ROAD 38 - CONSULTANCY MTCE	40,000	45,630	51,815	53,059	43,508	44,683	45,934	47,312	48,779	50,389
RS6100	ROAD 38 - ROAD LEGALISATION	185,000	187,590	19,172	15,918	16,316	16,756	17,225	17,742	18,292	18,896
RS6200	ROAD 38 - CONS TRAFFIC SERVICES	4,000	3,042	3,109	3,184	3,263	3,351	3,445	3,548	3,658	3,779
RS6300	ROAD 38 - CONS MINOR IMPROVEMENT	25,000	25,350	25,908	26,529	27,193	27,927	28,709	29,570	30,487	31,493
RS6600	ROAD 38 - CONS RAMM MANAGEMENT	10,000	10,140	10,363	10,612	10,877	11,171	11,484	11,828	12,195	12,597

RS20302	Depreciation of Bridges (Highway 38 unsealed portion)	60,000	14,357	14,673	15,025	15,401	15,817	16,260	16,747	17,267	17,836
RS6010	Highway 38 - Cons.Maint.	20,000	20,280	20,726	21,224	21,754	22,342	22,967	23,656	24,389	25,194
RS6610	Highway 38 - Consultancy RAMM Management	8,000	8,112	8,290	8,489	8,702	8,937	9,187	9,462	9,756	10,078
RS20303	Depreciation of Highway38	60,000	243,635	248,995	254,971	261,345	268,401	275,916	284,194	293,004	302,673

Roading Subsidised -

OpEx TOTAL		4,603,517	4,925,852	4,779,464	4,806,117	5,142,067	5,112,405	5,215,918	5,583,718	5,683,142	5,748,694
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ManEx

RS2400	CONSULTANCY EMERG WORKS - DIST	0	0	0	0	0	0	0	0	0	0
RS3000	SEALED PAVEMENT MAINTENANCE	750,000	735,150	829,046	689,767	761,396	781,954	861,266	887,104	914,605	944,787
RS3100	UNSEALED PAVEMENT MAINTENANCE	1,050,000	1,166,100	1,217,662	1,246,886	1,278,058	1,318,151	1,355,059	1,401,625	1,445,075	1,511,658

WAIROA DISTRICT COUNCIL - Land Transport AMP 2015 - Appendix 1
Budgets post Council meeting 17 March 2015

		LTP									
		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
RS3200	UNSEALED ROAD METALLING	350,000	415,740	435,249	445,695	456,838	502,685	516,760	532,263	548,763	566,872
RS3300	ROUTINE DRAINAGE MAINTENANCE	350,000	507,000	466,339	477,531	543,854	502,685	574,178	591,403	609,736	629,858
RS3400	STRUCTURES MAINTENANCE	60,000	60,840	62,178	63,671	65,263	67,025	68,901	70,968	73,168	125,972
RS3500	TRAFFIC SERVICES MAINTENANCE	300,000	283,920	373,071	424,472	304,558	446,831	459,342	473,122	487,789	503,886
RS3550	RIVER WALKWAY/CYCLEWAY MTCE	7,000	7,605	10,363	10,612	10,877	16,756	11,484	11,828	12,195	12,597
RS3600	ENVIRONMENTAL MAINTENANCE	400,000	608,400	621,785	689,767	707,011	726,100	803,849	827,964	853,631	944,787
RS3700	LEVEL CROSSING WARNING DEVICES	7,500	7,605	10,363	10,612	10,877	16,756	11,484	11,828	12,195	12,597
RS5000	EMERGENCY WORKS - DISTRICT	550,000	557,700	569,969	583,649	598,240	614,392	631,595	650,543	670,710	692,843
RS7000	ROAD 38 - SEALED PAVEMENT MTCE	10,000	20,280	25,908	15,918	16,316	16,756	17,225	17,742	18,292	18,896
RS7100	ROAD 38 - UNSEALED PAVEMENT MTCE	180,000	101,400	103,631	106,118	108,771	111,708	114,836	118,281	121,947	125,972
RS7200	ROAD 38 - ROUTINE DRAINAGE MTCE	50,000	55,770	46,634	33,427	32,631	46,917	36,173	37,258	38,413	39,681
RS7300	ROAD 38 - STRUCTURES MTCE	15,000	25,350	51,815	21,224	22,842	22,342	22,967	23,656	30,487	31,493
RS7400	ROAD 38 - ENVIRONMENTAL MTCE	45,000	55,770	67,360	47,753	48,947	50,268	51,676	53,226	54,876	56,687
RS7500	ROAD 38 - TRAFFIC SERVICES MGMT	25,000	30,420	36,271	11,673	11,965	12,288	12,632	13,011	13,414	13,857
RS7600	ROAD 38 - MINOR IMPROVEMENTS	740,000	0	0	0	0	0	0	0	0	0
RS9000	ROAD 38 - EMERGENCY WORKS	100,000	101,400	103,631	63,671	65,263	67,025	68,901	70,968	73,168	75,583
			0	0	0	0	0	0	0	0	0
RS7010	Highway 38 - Sealed pavement maintenance	0	2,535	5,182	10,612	10,877	11,171	17,225	17,742	18,292	18,896
RS7110	Highway 38 - Unsealed Pavement maintenance	130,000	131,820	113,994	106,118	97,894	89,366	80,385	70,968	60,974	50,389
RS7210	Highway 38 - Routine Drainage maintenance	15,000	15,210	15,545	15,918	16,316	16,756	17,225	17,742	18,292	18,896
RS7310	Highway 38 - Structures Components Maintenance	25,000	25,350	25,908	26,529	27,193	27,927	28,709	29,570	30,487	31,493
RS7410	Highway 38 - Environmental maintenance	50,000	50,700	51,815	53,059	54,385	55,854	57,418	59,140	60,974	62,986
RS7510	Highway 38 - Traffic Services Management	11,000	11,154	11,399	11,673	11,965	12,288	12,632	13,011	13,414	13,857
Roading Subsidised -											
ManEx TOTAL		5,220,500	4,977,219	5,255,118	5,166,352	5,262,336	5,534,000	5,831,922	6,000,965	6,180,898	6,504,541
Total Revenue Costs		9,824,017	9,903,071	10,034,582	9,972,469	10,404,403	10,646,404	11,047,840	11,584,684	11,864,040	12,253,234
Total Revenue Activity Cost		4,709,567	4,961,210	5,021,006	5,443,574	5,648,504	5,673,671	5,734,568	5,995,564	6,097,431	6,222,993
Funded By:											
Rates		3,117,710	3,247,742	3,282,706	3,680,441	3,730,569	3,729,098	3,763,356	3,823,045	3,924,912	4,050,474
Reserves											
Depreciation not Funded		1,591,857	1,713,467	1,738,300	1,763,133	1,917,935	1,944,573	1,971,211	2,172,519	2,172,519	2,172,519
		4,709,567	4,961,210	5,021,006	5,443,574	5,648,504	5,673,671	5,734,568	5,995,564	6,097,431	6,222,993
CAPITAL BUDGET			0.69	0.70	0.71	0.72	0.73	0.74	0.75	0.75	0.75
RenEx											
RS0102	Subsidy NZTA Emergency Works (at Base FAR + 20%)	-1,320,000	-1,353,690	-1,399,016	-1,477,480	-1,531,059	-1,589,489	-1,651,564	-1,719,208	-1,772,504	-1,830,996
RS0103	Subsidy NZTA Renewals (68% yr1 + 1%/annum to 75% max)	-3,308,000	-3,373,223	-3,447,279	-2,444,904	-2,603,975	-2,813,358	-2,961,493	-3,091,559	-3,187,397	-3,339,820
Renewal Expenditure District Roads - Emergency											
RS5100	Emergency Reinst. - Renewal	1,000,000	1,014,000	1,036,308	1,061,179	1,087,709	1,117,077	1,148,355	1,182,806	1,219,473	1,259,715
RS5200	Emergency Reinst. - New	500,000	507,000	518,154	530,590	543,854	558,539	574,178	591,403	609,736	629,858

WAIROA DISTRICT COUNCIL - Land Transport AMP 2015 - Appendix 1
Budgets post Council meeting 17 March 2015

		LTP									
		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
Depreciation not Funded		0	0	0	0	0	0	0	0	0	0
		359,581	374,605	386,575	395,445	403,270	415,360	425,809	436,488	448,665	461,755
Roading Non Subsidised											
CAPITAL BUDGET											
RenEx											
RN40702	FOOTPATH RENEWALS	80,000	82,000	84,132	108,004	111,137	114,471	118,019	121,914	126,059	130,597
RN40502	NEW STREETLIGHTS	10,000	10,250	10,517	10,800	11,114	11,447	11,802	12,191	12,606	13,060
RN4031	UPGRADE CROSSINGS	2,500	2,563	2,629	3,780	3,890	4,006	5,901	6,096	6,303	6,530
RN4041	Upgrade Road Stormwater outlets	32,500	35,875	36,808	27,001	22,227	22,894	23,604	24,383	25,212	26,119
RN4013	NEWCASTLE ST WALKWAY/CYCLE	8,000	8,200	8,413	10,800	11,114	11,447	11,802	12,191	12,606	13,060
RN4033	BLACKS BEACH SITE INVESTIGATION	0	0	0	0	0	0	0	0	0	0
RN4034	MAHIA EAST COAST SITE INVESTIGATION	0	0	0	0	0	0	0	0	0	0
RN40703	TUAI FOOTPATH UPGRADE (DDF)	25,000	25,625	26,291	8,640	8,891	9,158	11,802	12,191	12,606	13,060
RN40704	TUAI FENCE UPGRADE (DDF)	0	0	0	0	0	0	0	0	0	0
RN40707	Walkway James Carroll Expenses	5,000	3,075	3,155	3,780	3,890	4,006	4,131	4,267	4,412	4,571
RenEx TOTAL		163,000	167,588	171,945	172,807	172,262	177,430	187,061	193,234	199,803	206,996
CapEx											
RN4012	NEW FOOTPATHS	110,000	133,572	147,580	143,797	160,416	178,275	182,308	182,871	189,088	195,896
RN40121	Marine Parade Developments	0	0	0	0	0	0	0	0	0	0
RN40705	Urewera Rainforest Route Upgrade Feasibility	20,000	20,500	21,033	2,700	2,778	2,862	2,950	3,048	3,151	3,265
RN40706	Walkway/Cycleway Loop Design - feasibility	20,000	20,500	21,033	21,601	22,227	22,894	23,604	24,383	25,212	26,119
NON-SUBSIDISED ROADING PROJECTS											
Piping of Open Drains – Kitchener St (SH2 to Hospital rear access) (2015/18)		150,000	307,500	368,078	0	0	0	0	0	0	0
Mahia Beach Drainage – Pipi Cres and Tamure Cres run-off control (2015/16)		35,000	0	0	0	0	0	0	0	0	0
Mahanga Beach – Village drainage outlet through Happy Jacks Rd (2016/17)		0	41,000	0	0	0	0	0	0	0	0
Nuhaka-Opoutama Rd Drainage – Blacks No1 and 2 open drain treatment (2017/18)		0	0	60,996	0	0	0	0	0	0	0
Mahia Beach Drainage – Fortesque, Terakihi, Newcastle to beach outlet (2017/18)		0	0	36,808	0	0	0	0	0	0	0
Piping of Open Drains – Kitchener St (Hospital rear access to Clyde Rd) (2018/22)		0	0	0	216,009	222,273	114,471	0	0	0	0
CapEx TOTAL		335,000	523,072	655,527	384,107	407,695	318,501	208,862	210,301	217,452	225,280
TOTAL Capital Costs		498,000	690,660	827,472	556,914	579,957	495,931	395,923	403,535	417,255	432,276
Roading Non Subsidised											
Funded By:											
Rates											
Depreciation Reserves		498,000	690,660	827,472	556,914	579,957	495,931	395,923	403,535	417,255	432,276
Depreciation not Funded											
Loans											
Sale of Assets											
		498,000	690,660	827,472	556,914	579,957	495,931	395,923	403,535	417,255	432,276

WAIROA DISTRICT COUNCIL - Land Transport AMP 2015 - Appendix 1
 Budgets post Council meeting 17 March 2015

LTP	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
2015/16	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET

Parking

INCOME

PA0008	SUNDRY INCOME	0	0	0	0	0	0	0	0	0
INCOME TOTAL		0	0	0	0	0	0	0	0	0

OpEx

PA1035	GENERAL EXPENSES	0								
PA2025	CONSULTANCY	0								
PA2030	Depreciation	19,000	19,266	19,266	19,266	20,666	20,666	20,666	22,473	22,473
PA20305	Loss On Disposal Of Assets	0								
PA20306	Depreciation Recovery	0								
PA39051	CORPORATE OVERHEADS	14,560	15,742	16,839	17,016	17,289	17,872	18,246	18,633	19,332
PA39052	ENGINEERING OVERHEADS	5,863	6,164	6,430	6,577	6,737	6,908	7,090	7,286	7,496
PA39053	ASSET MANAGEMENT SYSTEM	500	513	526	1,080	1,111	1,145	1,180	1,219	1,261
PA3910	RATES	300	307	315	323	332	342	352	363	375
	Interests	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
	Capital Costs	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333
OpEx TOTAL		49,556	51,325	52,709	53,595	55,469	56,266	56,868	59,308	60,270

ManEx

PA20501	REPAIRS & MTCE FRONTAGES	2,000	2,050	2,103	2,376	2,445	2,518	2,950	3,048	3,151
PA20502	REPAIRS & MTCE GENERAL	5,000	5,125	5,258	5,400	5,557	5,724	5,901	6,096	6,303
PA20503	REPAIRS & MTCE SEALED AREAS	2,000	2,050	2,103	2,160	2,223	2,289	2,360	2,438	2,521
PA20504	CLYDE COURT SURFACING	0	0	0	0	0	0	0	0	0
ManEx TOTAL		9,000	9,225	9,465	9,936	10,225	10,531	11,212	11,582	11,976

Total Revenue Costs	58,556	60,550	62,174	63,532	65,694	66,797	68,079	70,890	72,246	73,422
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Total Revenue Activity Cost	58,556	60,550	62,174	63,532	65,694	66,797	68,079	70,890	72,246	73,422
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Funded By:										
Rates	55,223	57,217	58,841	60,199	62,361	63,464	64,746	67,557	68,913	70,089
Reserves										
Depreciation not Funded	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333
	58,556	60,550	62,174	63,532	65,694	66,797	68,079	70,890	72,246	73,422

CAPITAL BUDGET

RenEx

PA4006	Renewals of Carparks (Resealing)	0	0	0	255,323	0	0	0	0	0
PA4012	REMARK CARPARKS	10,715	0	11,268	0	0	12,592	0	0	15,757
tba	RESEAL WAIROA POWER	0	121,155	0	0	0	0	0	0	0

Parking

RenEx TOTAL	10,715	121,155	11,268	255,323	0	12,592	0	0	15,757	0
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TO THE READER:

INDEPENDENT AUDITOR'S REPORT ON THE WAIROA DISTRICT COUNCIL'S 2015/25 LONG-TERM PLAN

I am the Auditor-General's appointed auditor for the Wairoa 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). I have carried out this audit using the staff and resources of Ernst & Young. We completed the audit on 5 August 2015.

Opinion

In my opinion:

- the plan provides a reasonable basis for:
 - long-term, integrated decision-making and coordination of the Council's resources; and
 - accountability of the Council to the community;
- the information and assumptions underlying the forecast information in the plan are reasonable; and
- the disclosures on pages 232 to 237 represent a complete list of the disclosures required by Part 2 of the Local Government (Financial Reporting and Prudence) Regulations 2014 and accurately reflect the information drawn from the Council's audited information.

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 complete accuracy of the information in the plan.

Breach of the Local Government Act 2002

Without modifying our opinion we draw your attention to the fact that, as disclosed on page 1 of the plan, the Council failed to adopt the plan before the commencement of the first year to which it relates. This is a breach of section 93(3) of the Local Government Act 2002.

In drawing your attention to this issue, we are not commenting on the merits of the policy content that they reflect. We consider the disclosures in the plan to be adequate.

Basis of Opinion

We carried out our work in accordance with the Auditor-General's Auditing Standards, relevant international standards and the ethical requirements in those standards.

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 audit procedures, we assessed the risk of material misstatement and the Council's systems and processes applying to the preparation of the plan.

Our audit 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 over the next 30 years;
- the information in the plan is based on materially complete and reliable asset and activity information;
- the Council's key plans and policies have been consistently applied in the development of the forecast information;
- the assumptions set out within the plan are based on the best information currently available to the Council and provide a reasonable and supportable basis for the preparation of 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 within 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.

The Council is also responsible for the publication of the long term plan, whether in printed or electronic form.

I am responsible for expressing an independent opinion on aspects of the plan, 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

We have followed the independence requirements of the Auditor-General, which incorporate those of the External Reporting Board. Other than our work in carrying out all legally required external audits, we have no relationship with or interests in the Council or its subsidiary.



Grant Taylor, Ernst & Young
On behalf of the Auditor-General, Wellington, New Zealand