

Mahere Pae
Tawhiti
Long Term Plan

2018
-2028

HĀPĀTĪA

uplifting our community



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HE KARERE NŌ TE KAHIKA ME TE TUMU WHAKARAE - MESSAGE FROM THE MAYOR & CHIEF EXECUTIVE OFFICER



Mayor Craig Little and Wairoa District Council CEO Steven May.

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

Hāpaitia - Uplifting our community and planning for future generations - is the focus of the 2018-28 Long-Term Plan. Our vision for the next 10-years is around improving our environment, sustainability, pride and community involvement.

We will continue to focus on growing our population, transforming our district, and delivering a world-class service. We are all aware of the challenges we face; our rural isolation, our population and demographic profile, and our ageing infrastructure. Through this plan we are seeking to overcome these challenges in a prudent, affordable,

and creative way. Economic development remains a key priority while maintaining our levels of core services and infrastructure to provide a foundation for strong and resilient communities.

This year’s projected average rates increase is 4% and an indicative 3.4% over the ten years of the plan. We are excited about our district’s future. We have tagged some important issues that will strengthen our community, while trying our best to minimise rates increases and deliver the best services possible, both now and into the future.

This Long-Term Plan marks the launch of one of the most significant infrastructure projects Wairoa has seen in 30 years with \$6.5 million tagged for a waste water overhaul. A new Wairoa wastewater discharge consent application will be lodged with the Hawke’s Bay Regional Council this year. Expenditure will include renewals of the wastewater reticulation system, renewal works on the oxidation ponds and consent process development and works.

The application is a community-led best practicable package that involves modification of the existing wastewater facilities and an ongoing commitment to a river health partnership strategy.

Environmental sustainability will also see changes to the Wairoa landfill and recycling centre creating a cost-effective delivery whilst reducing the burden across all ratepayers and a greenwaste and recycling centre established at Mahia to improve the service.

Another significant change is around the roading differential to recognise the impact that forestry has on roading. Historically this has been picked up by the rural ratepayers. We have increased the forestry differential for properties 100 ha and over weighting from 1.54 per rating unit to 5.0. We believe this is the actual cost of keeping roads used by forestry maintained.

Other core service investments will see a bridge strengthening programme which will ensure the district's roading network meets Central Government requirements and provide resilience and economic benefits for current and future land use in the district. We commend this Council and staff for having the courage to tackle these issues head-on with the best of intentions. We also thank our community for providing feedback during the pre-engagement stage and through the submission process.

We know that we have to really consider the need to increase rates, but in order to maintain levels of service and if we are serious about investing in our future these increases are unavoidable. We will keep this as affordable as possible by not rating for some depreciation, spending investments wisely, and using borrowing to fund long-term infrastructure.

Council expects to incur accounting shortfalls from 2023 onwards and these are likely to continue for 10 years - its investment portfolio will be spent and borrowings will more than treble compared to the current level. Our Financial Strategy shows we will use less than 60% of available debt capacity, and this will continue for 30 years and beyond. As members of the Local Government Funding Agency and through our existing debenture trust deed we have access to competitive fixed borrowing rates for the long-term.

We know there are inevitable risks associated with this approach. If interest rates were to increase by 1%, this would mean a 1% increase in rates. If we had to borrow another \$1 million to reinstate some key infrastructure this would equate to 0.5% on rates.

However, we've done our sums and we have reviewed our asset management plans. If something goes wrong, or something unexpected happens, we have allowed sufficient capacity in our funding plans to allow for this. This is responsible and prudent planning that demonstrates we have considered all aspects - including risk management. Our key infrastructure assets are insured and we have support from key funding agencies such as NZTA and the Local Authority Protection Programme.

The award of long term operations and maintenance contracts gives us price certainty for periods of 3 – 5 years.

In terms of managing risk, our approach will be to reprioritise projects, or delay projects, or increase rates. Although the average rates increase over the first 4 years is 4.5%, it is only 2.6% over the 6 years that follow. Therefore we are confident that the council will be

able to respond to changes and any possible risk without increasing the burden on our ratepayers.

Thank you for taking the time to read this plan.



Craig Little
MAYOR
WAIROA DISTRICT COUNCIL



Steven May
CHIEF EXECUTIVE OFFICER
WAIROA DISTRICT COUNCIL

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MAHERE PAE TAWHITI - LONG TERM PLAN

KUPU ARATAKI

He mihi māhaki tēnei ki te katoa o te rohe whānui o Te Wairoa, mai i Pūtōrino ki te tonga ki Te Māhia ki te raki, ā, mai i te Waikaremoana hoki ki uta ki Te Wairoa Tapokorau ki te tai, kei te mihi. Haere tonu te mihi mahana ki ngā iwi kāinga, ngā kaihautū o tērā marae, o tērā marae puta noa i te rohe nei, tēnā koutou. Tēnā anō koutou katoa hei whakapau kaha ki te manaaki ki a mātau, nā reira, tēnā anō tātau.

Nā mātau ko te Kaunihera o Te Wairoa te waimārie kia tuku atu ai tā tātau Mahere Pae Tawhiti ki te taha o te hapori o Te Wairoa whānui. Nā koutou ko te hapori o Te Wairoa i tukua mai i āu tātau whakaaro hei hāpaitia te wawata o tō tātau rohe. Tēnā anō koutou mā tā koutou ārahitanga ki a mātau kia whāia te huarahi tika. Ko te ‘Hāpaitia’ te kupu kitenga mo te Mahere Pae Tawhiti nei, ā, he kupu akiaki anō hoki ki a tātau kia mahi tahi mō te oranga nui o te rohe whānui o Te Wairoa. Ko te hapori o Te Wairoa te tūāpapa o tō tātau rohe whānui. Me tā tātau hapori e ārahi mai i a mātau, ā, e pēnei ana te kōrero tohutohu.

‘Mā te kapua whakapipi o Te Wairoa whānui e hāpai ngā whakaaro rangatira, ngā whakaaro pai.’

Ka tūohu anō ā mātau rae ki a koutou, ngā mihi mahana ki te katoa.

OPENING ADDRESS

This is an acknowledgement to everyone from the Wairoa district, from Pūtōrino in the south to Te Māhia in the north, and from Waikaremoana inland to Te Wairoa Tapokorau on the coast. We extend our greeting to all the tribes and marae throughout this district. Thank you for your generosity.

The Wairoa District Council presents our Long Term Plan on behalf of the Wairoa district. The Wairoa community has presented its thoughts, in which to uplift the aspirations of our district. Thank you for your guidance on the right path to follow. ‘Hāpaitia’ is our vision for this Long Term Plan. It is also a word of encouragement for all of us to work collaboratively for the well-being of the Wairoa district. The Wairoa community is the foundation of our vast district. Let our community guide us.

‘May the protective cloud of the Wairoa district give rise to noble and thoughtful direction.’

We again offer a warm acknowledgement to everyone.

KUPU WHAKATAKI - INTRODUCTION

This document is the 2018-2028 Long-term Plan (LTP) for the Wairoa District Council. It takes account of the Local Government Act 2002, which is 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 Wairoa District Council (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 2018 until 30 June 2028 (with a review to take place in 2021).

WHAT IS A LONG TERM PLAN?

An LTP is a document that sets out the priorities of the Council and the community over the medium to longer term. It tells 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.

Prior to the next LTP review, two Annual Plans will also be completed for 2019-2020 and 2020-2021 to keep everyone informed of Council's work during those financial years. The full LTP includes this document, details of Council's activities and summaries of the Council's:

- Waste Management and Minimisation Variations.
- 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 the community. This policy is included in the policy section.

Relationship between the Long-term Plan and other documents:



WHAKATAKOTO MAHERE - PLAN STRUCTURE

The Local Government Act 2002 requires Council to have a Long-term Plan. Section 93(3) of the Act requires Council to adopt a Long-term Plan before the commencement of the first year to which it relates. Council has not met this requirement.

This LTP supersedes Council's previous Long-term Plan adopted on 5 August 2015. 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.

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 council wishes to achieve.

The Act recognises a need for all sectors, including central and local government, Māori, and non-governmental 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 addresses 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 link to community outcomes. It also includes 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.

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 which provide the basis upon which the forecast 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.

KAUPAPA NUNUI ME NGĀ WHAKAHĀNGAI - BIG ISSUES & PROJECT UPDATES

BIG ISSUES

There were a number of 'big issues' within the Consultation Document for this LTP that have been 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.

WASTEWATER CONSENT AND PIPE NETWORK REHABILITATION

Council agreed to the preferred option which includes the modification of the existing wastewater facilities such as: significantly increased treatment processes, transitioning to a land-based discharge, a network renewals commitment and an ongoing commitment to a river health partnership strategy.

The total cost of \$6.5 million was approved but will only have an effect on rates once the money is being spent. Council will spread the cost of the project over 6 years instead of 3 years as proposed. This does mean that, due to inflation assumptions, the overall cost is estimated to increase to \$8.15 million. The Wairoa discharge consent will expire in May 2019. However Council plans to lodge the new application 6 months prior, which will allow the status quo to continue until the new BPO is rolled out and key milestones are reached.

BRIDGE STRENGTHENING PROGRAMME

Council endorsed the bridge strengthening programme which will ensure the district's roading network meets Central Government requirements, including accommodating increased dimension heavy-production motor vehicles on our roads. The bridge strengthening programme will also provide resilience and economic benefits for current and future land use in the district. The total cost of \$320,000 per annum for four years, in addition to the existing \$120,000 per annum has a minimal impact on rates as work is subsidised by NZTA.

PIPING OPEN DRAINS AND NEW FOOTPATHS

Council chose the preferred option but, after securing confirmation from NZTA resolved to move all of the locally funded footpath budget for the duration of the plan, and in 2018/19 and 2019/20 \$75,000 of the open drain budget into the subsidised roading activity budget, and make the Kitchener St open drain a priority. The end result of moving these budgets is that there will be an additional \$500,000 to be spent in these areas.

AFFCO WATER SUPPLY AGREEMENT

Council increased the Uniform Annual General Charge (UAGC) in relation to this issue. When Council upgraded the Wairoa township water treatment system in the early 1980's they partnered with the predecessors of AFFCO which contributed significantly to the upgrade in return for a reduced cost for the supply of water. This agreement has now been reviewed and a new and increased water rate has been set. However, there still remains a difference between the new rate and the rate charged to other users of the scheme.

Council decided on its preferred option of adding the shortfall to the Uniform Annual General Charge in recognition of AFFCO being the biggest employer in the district and many people across our district receiving direct benefits from the local processing plant. The total cost will see an increase to rates by \$190,000 per annum with a UAGC increase of \$37 per rating unit.

CBD ENHANCEMENT PROJECT

Council opted to not invest \$1.5 million into the CBD enhancement but instead to carry-over and use the existing \$200,000 budget in the 2017/18 Annual Plan for some minor work. This decision was based on community feedback from people asking for the town to be tidied up rather than a total enhancement.

MAHIA GREENWASTE AND RECYCLING CENTRE

Council agreed to spend \$150,000 on the establishment of a greenwaste and recycling centre at Mahia to improve facilities and management of waste at Mahia.

WAIROA LANDFILL AND RECYCLING CENTRE

Council opted to implement all of the proposed changes to this service creating a cost-effective delivery whilst reducing the burden across all ratepayers without a major impact on level of service. Changes will see an increased minimum charge for general waste and greenwaste, increased fee per tonne by for general waste and for greenwaste, and landfill and recycling centre closed on one day during the week. This combination of change will see savings of about \$30,000 and an increase of \$70,000 in revenue and is a more user pays system.

DISPOSAL OF TRUCKED EFFLUENT CHARGE

Council agreed to replace the charge for disposal of trucked effluent with a targeted rate for properties not connected to the Tuai, Mahia, Opoutama and the Wairoa township schemes. This targeted rate has been set at \$30 a year per habitable dwelling (excluding shearing sheds). This reflects a fairer user pays system for septic tank waste disposal and the actual increased costs of processing solids as opposed to fluids.

DEVELOPMENT OF THE WAIROA I-SITE

Council was in favour of developing the i-Site over three years by investing \$200,000; however, the commencement of the project was moved to year 4 of the plan.

LIBRARY ENHANCEMENT

Extending and making alterations to the library based on a \$300,000 loan and \$600,000 external funding was supported but the project will now commence in year 4 of the plan rather than year 2, so the community can decide what exactly they would like to see as part of the enhancement.

PROJECT UPDATES

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

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 ten years. The Wairoa District Plan is currently under review.

Reviewing the District Plan is a significant project and must be undertaken by people skilled in policy formulation 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 formulation 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 several years). Council proposes to employ two Policy Planners to undertake the work required. These staff will be supported by subject matter experts where required.

PUBLIC SPACES

Enhancing our Parks and reserves facilities with a view to being a more attractive district for both residents and visitors has been an ongoing focus. Demand management studies have seen more funds budgeted for general maintenance of public toilets and reserves, stage two of the destination playground including new toilets and reconfiguration of the former arts centre building.

Funds have been set aside for Coronation square pavement and kerb renewals, work to the interior of the lighthouse, a contribution to the development of the mountain bike park area on Fraser Street and a new toilet proposed for Pilot Hill.

WASTE MANAGEMENT

The cost of waste management and recycling in particular has been increasing and additional funds have been set aside to manage operational costs. Increased demand at Mahia and Tuai, especially in the summer months, has seen costs rise and allowance has been made for this in the plan.

A budget has been set aside for an improved weighbridge system at the Wairoa landfill, as well as an upgraded recycling centre at Mahia.

WASTEWATER

A new Wairoa wastewater discharge consent application will be lodged with Hawke's Bay Regional Council in 2018. This will include the following proposed expenditure over the next 6 years:

- \$1.65M for renewals of the wastewater reticulation system
- \$1.5M for renewal works on the oxidation ponds
- \$1M for the consent process
- \$4M for proposed works associated with a new consent.

WATER SUPPLY

MAHANGA WATER SUPPLY

The current Mahanga water supply (a neighbourhood supply under the Health (Drinking-water) Amendment Act 2007) does not meet the current New Zealand Drinking-water Standards (NZDWS). A sum of \$235,000 has been allocated for a treatment upgrade to the Mahanga supply.

BLUE BAY WATER SUPPLY

The current supply at Blue Bay is unsuitable and Council are working on options to upgrade the system to meet the current New Zealand Drinking-water Standards. A budget of \$235,000 has also been included for this upgrade.

LAND TRANSPORT

(Refer to the 2018 Land Transport Asset Management Plan and the Council's Infrastructure Strategy for a more detailed outline of significant issues for the next thirty years). There are four key strategic areas that the transport department is focused on to operate and improve the network:

- Resilience: this includes a focus on susceptible areas of roading which have had ongoing flood damage or erosion issues. Drainage improvements is also a key part of the improvement strategy.
- Accessibility: A total of \$1.5M has been set aside over the next four years for structural renewals of various bridges around the district.
- Increasing demand: Forest harvesting predictions have been used to assist in the development of a forward works programme, which includes road strengthening and dust treatment.
- Mahia Connectivity: Future demand associated with Tourism and the rocket industry have been allowed for in this plan.

WAIROA AIRPORT

Refer to the 2018 Airport Asset Management Plan for a more detailed outline of significant issues for the next ten years. (<https://www.wairoadc.govt.nz/assets/Document-Library/Long-Term-Plan-2018-28/Asset-Management-Plans-2018-28/Airport-Asset-Management-Plan.pdf>)

Wairoa Airport is deemed to be a strategic asset that should be retained to serve the needs of the Wairoa community. In 2017 Council resolved that the runway be extended to enable medical evacuation direct to national trauma units, and an airport plan has been developed which outlines the future development of the facility.

The runway extension design has been completed and Council is awaiting efforts to secure additional funding to allow the project to proceed. A sum of \$500,000 was set aside in the 2017 Annual plan to commence this project, but this was not carried forward. The upgrade of runway lighting, navigation system and progress toward certification of the airport has been allowed for over the next three years.

RAUTAKI AHUPŪTEA - FINANCIAL STRATEGY

INTRODUCTION

This strategy sets out the financial mechanisms that Council will utilise, and the parameters within which it will operate, to achieve the community objectives contained in its Long-term Plan (LTP) 2018-28 and the corresponding 10 years of its infrastructure strategy.

Over the next 10 years Council forecasts a total of over \$280 million in operating costs and nearly \$87 million in capital expenditure will be required in order to meet these objectives.

There are some significant projects that Council must undertake in order to maintain levels of service for current and future generations. This means Council will need to spend its investments, accumulated through depreciation reserves, because renewals are overdue, and also increase its external borrowing to fund additional infrastructure to meet statutory and regulatory standards.

Council will endeavour to keep costs low so that we can maintain or improve our current levels of service until the community believe they can no longer afford these levels of service, if this happens then Council will have a conversation with the community about key levels of service and make adjustments in line with the community's priorities.

Council is presenting a lean budget in its Long-term Plan, which shows that accounting deficits are expected from 2022/23 onwards, because it will only fund what it believes is necessary. This is explained further in the sections below.

PURPOSE

Section 101A of the Local Government Act 2002 prescribes that the purpose of a financial strategy is to:

- a) facilitate prudent financial management by the local authority by providing a guide for the local authority to consider proposals for funding and expenditure against; and
- b) provide a context for consultation on the local authority's proposals for funding and expenditure by making transparent the overall effects of those proposals on the local authority's services, rates, debt, and investments.

Council is conscious of its responsibility to inform its community and stakeholders of the financial implications of the projects and activity plans contained in its LTP. It will seek to achieve an appropriate balance between desired service levels and affordability.

We will achieve this by maximising external revenue sources, employing user pays mechanisms where appropriate and through prudent treasury management and project funding, whilst continually striving for efficiencies and cost savings.

Council will use this strategy as a reference point to ensure that its ongoing approach to funding and financial management is prudent and delivers infrastructure and services at desired levels to the community in a financially sustainable manner.

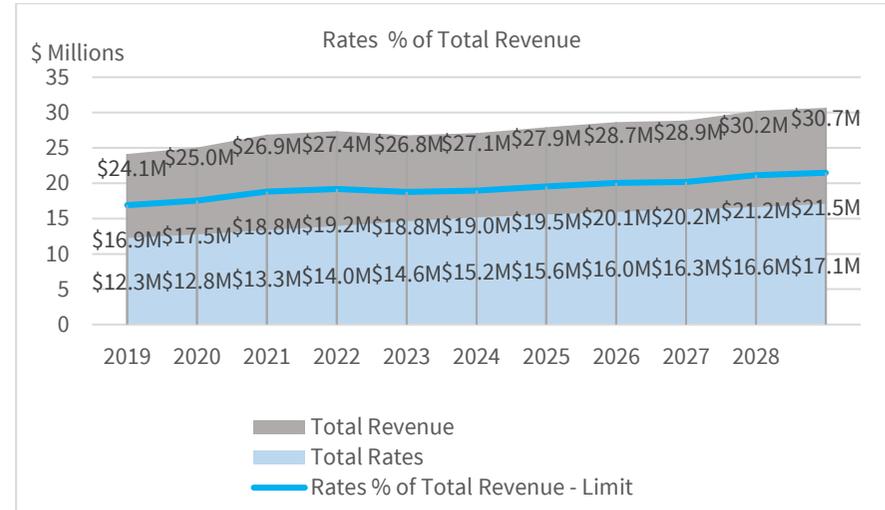
STRATEGIC FUNDING PRINCIPLES

Council has determined a range of parameters to guide its ongoing funding decisions. The financial forecasts for the 10 years of the LTP are assessed against these to ensure they are conducive to Council’s ability to provide and maintain existing levels of service and to meet additional demands for services.

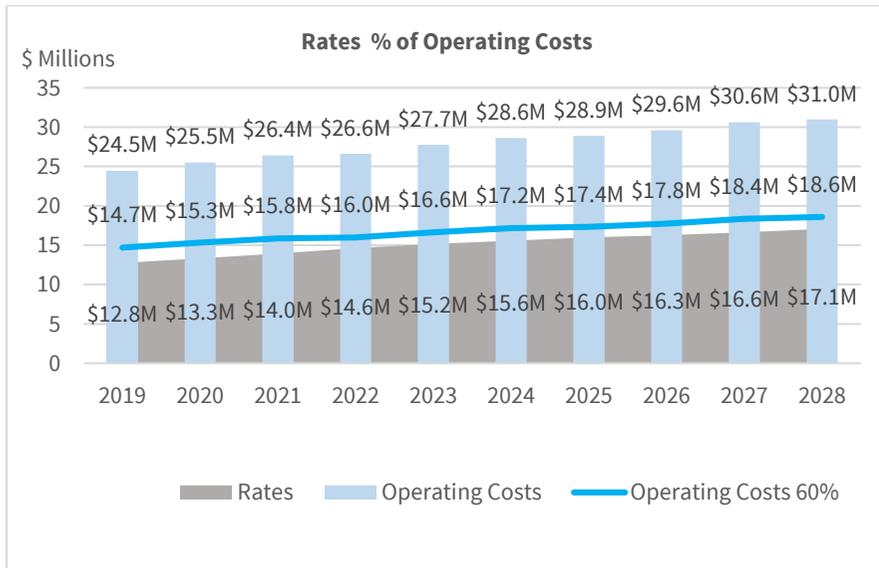
A. TOTAL RATES

There are two measures which Council considers appropriate. Total rates will not exceed 60% of operating costs, and total rates shall not exceed 70% of total cash revenue. This maintains a focus of delivering value for money to the community by securing alternative funding sources and emphasising user pays where practical.

These two measures also ensure that Council lives within its means each year, that it has a sustainable funding programme for the long term, and that sources of funding are applied to the areas for which they are intended.



Rates will remain within these limits throughout the period covered by the plan.



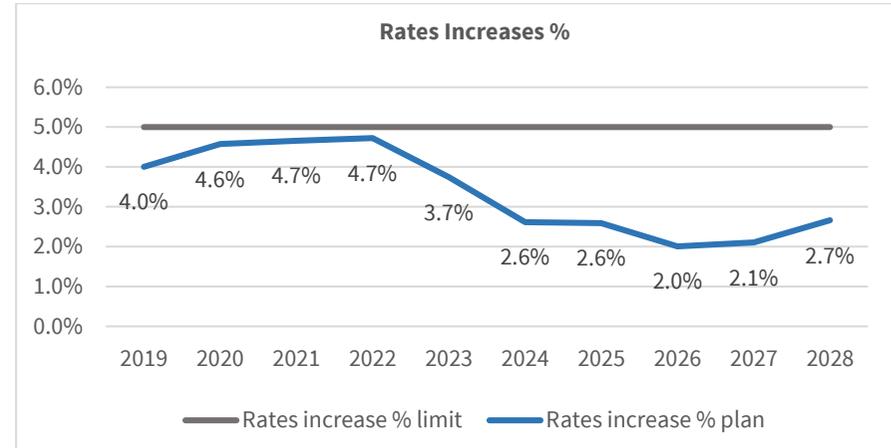
B. RATES INCREASES

The maximum annual total rates increase shall not exceed 5%. This is considered prudent because it allows for growth, increased demand or service levels and changes to legislation. The graph below indicates that rates increases will remain within this limit throughout the period of the LTP. To provide certainty and predictability, Council will rate for expenditure that occurs on alternate year, every three years, and so on, over the intervening periods.

For larger projects, particularly the Wairoa Wastewater Facility upgrade it will be necessary to spread the expenditure over a several years in order to maintain rates increases below this threshold. For the 3 year period when most of this expenditure will take place, rates increase will be only 1 or 2 basis points below the limit. The average increase over the 10 year period is 3.4%.

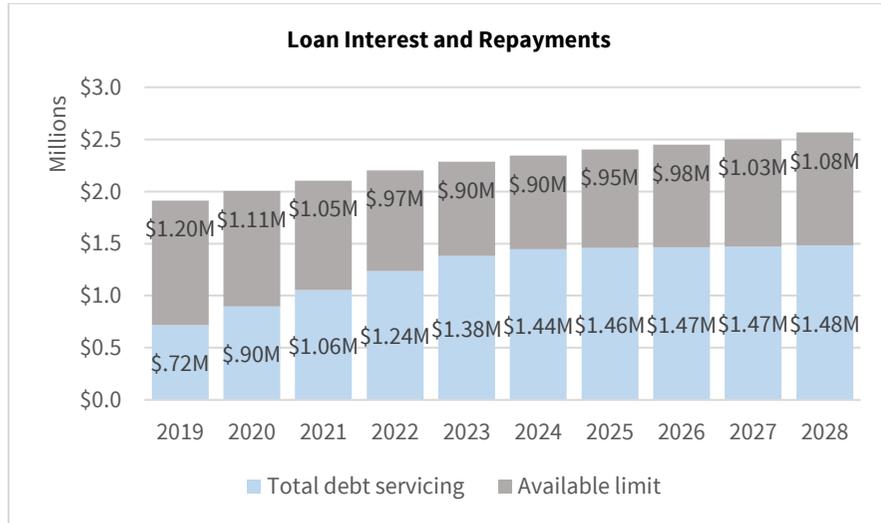
It should be noted that this relates to the total; individual ratepayers will be affected in different ways due to the application of differentials, valuation bases, uniform annual general charges and targeted rates. Council operates a complex rating system in order to achieve a reasonable distribution of rates, and so that everyone pays a 'fair share.'

The Local Government (Rating) Act 2002 imposes a maximum for rates that can be charged on a uniform basis. Beyond this it is not practical to set a limit for each rate type because the quantum of each is directly calculated from the funding requirements of different activities, which will vary from year to year.



C. DEBT

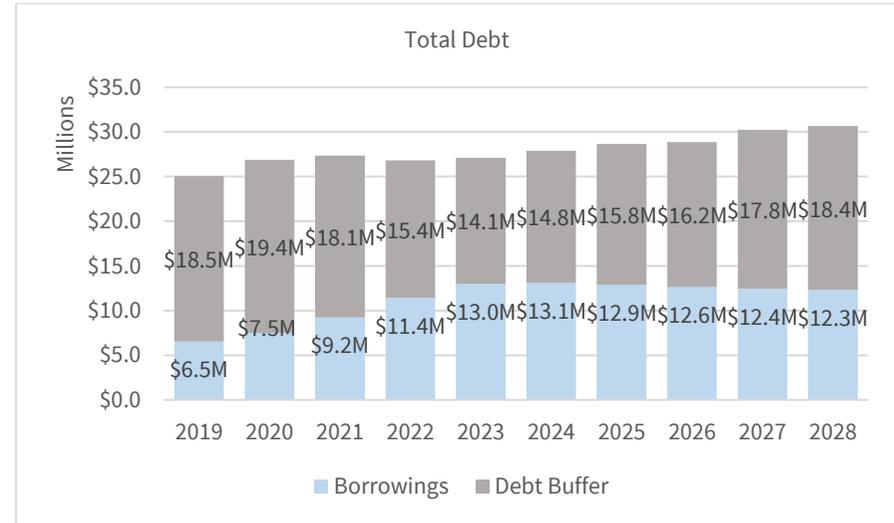
Borrowing limits have been set based on Council's capacity to service and repay debt, allowing for the regeneration of debt capacity to finance long-term projects and ensuring each generation pays its share. Annual interest costs and loan repayments (debt servicing) shall not exceed 15% of rates revenue.



Council primarily uses external debt for new infrastructure. This is because it is expected that this investment will deliver benefits to the community in the future and that future user should pay their share of the cost. However, Council will also need to borrow externally to fund its accelerated renewals programmes.

Debt will typically be repaid over a long period up to a maximum of the useful lives of the assets being loan funded, so Council’s borrowing will increase from its current level of \$5 million to \$16.2 million by 2028. This net balance is after repaying \$2.6 million of debt during the same period, which generates capacity for borrowing for when longer term tranches of investment are required.

To ensure that debt levels remain manageable, Council has set a limit such that total borrowings will not exceed annual revenue.



These limits are set following an assessment of the factors that will affect Council’s ability to sustainably fund its activities sufficiently to achieve its community outcomes for this LTP. These are examined in the following sections.

KEY FACTORS

Council’s financial forecasts are based on current knowledge and assumptions about various factors, some of which it can influence, and others that are external and over which Council’s influence is limited. In this strategy Council states its assumptions, considers associated risks and the likely impact on its ability to deliver its financial objectives.

POPULATION

Wairoa has a small population that was declining until 2016 and will likely only marginally increase over the period of the LTP. With a population of only 8,210, and just 6,813 rating units, half of the population is based in and around the Wairoa township, and the remainder dispersed over a land mass of over 4,000 km², Council must still provide equivalent infrastructure and services to those in more densely populated areas.

This is a critical mass challenge that brings inherent affordability issues for the community. Forecasts also indicate an ageing population, with an increasing number of residents on fixed incomes. Wairoa is by no means unique in this regard, but the effects may be more pronounced. Council must therefore carefully plan its financial commitments.

In order to better understand the prospects for population change, Council initially referred to data published by Statistics New Zealand and subsequently commissioned a more specific report that examined the detailed drivers that may have significant impact.¹

This report considers a number of factors that affect affordability and emphasises the need for financial prudence. Council will continuously strive to maximise external funding sources and co-funding options to deliver value to the community. However, this alone will not negate inflation, and the increasing costs associated with regulatory compliance and providing safe, fit for purpose infrastructure. For this reason, economic development remains an important objective for the district.

Council recognises that geographical spread is an important factor because it causes stresses between cost of provision and ability to pay. The table below illustrates the current spread within the district.

LOCATION	POPULATION	HOUSEHOLDS	BUSINESSES	EMPLOYMENT
Tuai	225	87	18	65
Frasertown	271	105	27	110
Ruakituri-Morere	693	271	180	410
Maungataniwha	312	121	84	90
Raupunga	652	257	135	195
Whakaki	772	296	87	940
Nuhaka	174	65	30	60
Mahia	872	348	90	195
Wairoa	4,239	1,660	279	1,290
TOTAL	8,210	3,210	930	3,355

Although these proportions are unlikely to change materially, relatively minor changes can have significant implications for Council infrastructure in the affected locations. There is one immediate specific case, being the provision of water utilities to the Blue Bay subdivision where development commenced in late 2017.

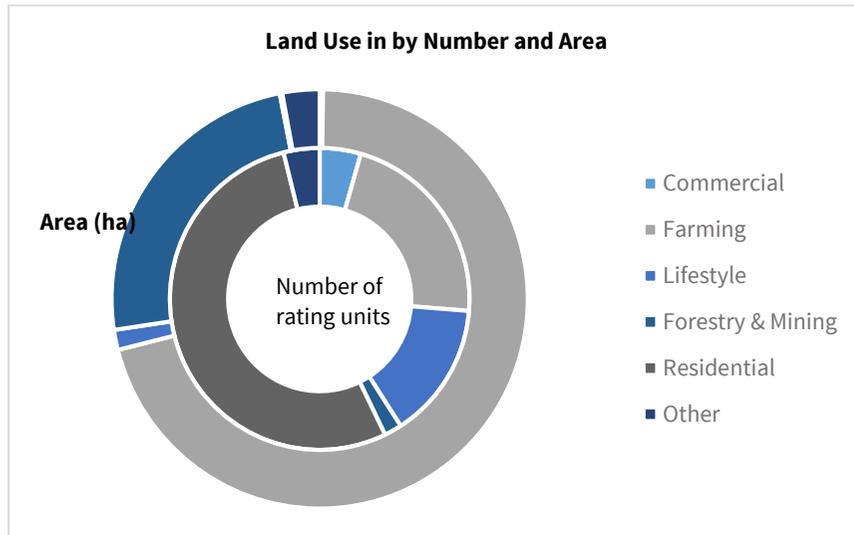
LAND USE

It is important to understand where changes are expected to occur, because this will have implications for Council's service delivery and infrastructure costs. For example, a key area of growth for the district is in the tourism sector, and with the presence of Rocket Lab and the rejuvenation of camping facilities, most growth will occur around Mahia, with inevitable demands on infrastructure.

These changes will also place additional demands on Council operations. For example, there is currently a spike in the demand for refuse management in Mahia during summer. As tourism grows this may increase but also spread across the year.

¹Wairoa District Council - Long Term District Planning - Demographic and Economic Growth Directions 2018-2048, Economic Solutions Ltd.

The chart below depicts the current proportions in the district by number of rating units and land area occupied.



Note: Residential and Commercial combined occupy less than 0.5% of rateable land.

Economic indicators are moderately positive for all sectors and all contribute to a healthy district. Changes across the sectors will occur at different rates at different times. This connectivity is important for Council to recognise because a change in one sector will have downstream implications for others. Council must consider the short and long-term effects on its funding requirements. Presently, as described above, Council anticipates growth in the tourism sector, and it is investigating a number of economic development initiatives. At this time though, it is not possible to assess the likely implications for land use in the district.

Similarly, it is too early to envisage the local implications of the Treaty of Waitangi settlements regarding Council services to the district, if any, or of any proposals from the new Government, although early indications is that the district will be able to secure financial support for certain initiatives via the Regional Growth Fund and we will continuously seek to leverage such facilities . Council's primary focus will be working with

what it knows; how it maintains infrastructure and core services as efficiently and economically as possible, assuming no significant changes to land use.

MAINTAINING LEVELS OF SERVICE

Council delivers much of its core services through infrastructure. As at 30 June 2017 Council owned assets valued at \$268 million, of which \$238 million was network assets, i.e. roads and water utilities. These assets have serviceable lives ranging from 10 years to 120 years. Council maintains asset management plans to ensure they achieve their service potential and are renewed or replaced at the optimum time. These assets are significant investments and the renewal expenditure tends to happen in large chunks. This requires prudent financial planning and funding principles.

Council rates for depreciation on assets that it expects to replace or renew in the future, where no preferable alternative funding source exists. This ensures that current users pay for their share of the consumption of assets. The money collected for depreciation accumulates in reserves that Council will use to fund the future renewals, and ensure that the assets are capable of delivering the same levels of service to the next generation. This creates intergenerational equity.

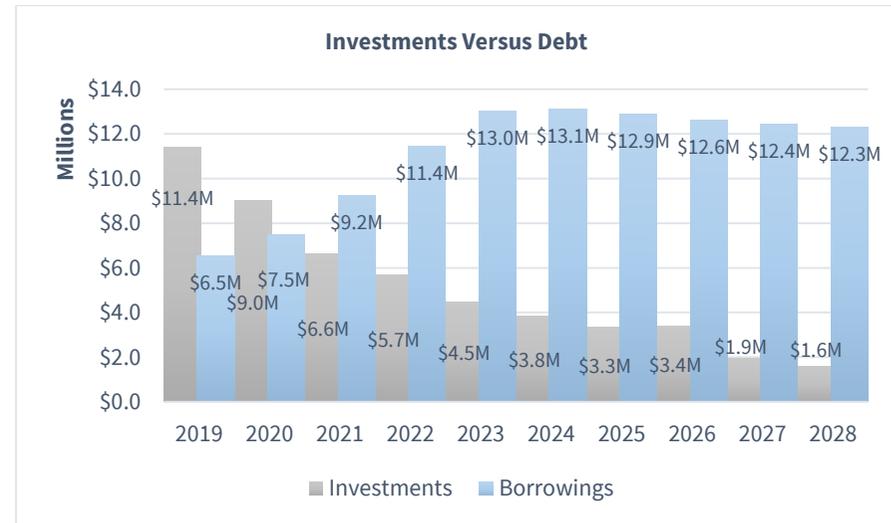
As at 30 June 2017, Council’s balance sheet included \$19 million of reserves held for future asset purchases and around \$16 million of this is for network assets. Of the total, investments and cash deposits represent \$15 million, with the remainder in the form of internal loans. Internal loans arise when future funds accumulated in one activity are used for a project in another; and subsequently recovered over time through rates applied through the relevant activity. This reduces the requirement for external debt and preserves stakeholder equity by ensuring that users pay for what they get, and get what they pay for.

FUNDING CHALLENGES

Council’s financial position at this time is healthy. It is a net investor with the value of financial investments double the balance of external debt. However, in the context of \$238 million in network assets, \$16 million is not a huge number – broadly speaking it would pay for a wastewater treatment plant, 3 – 5 years of locally funded roadworks plus about 20km of pipework. The Annual Plan 2017-18 contained \$10 million of capital renewals expenditure that is funded from these investments.

Council will also need to fund some of its renewals programme with debt. Its policy is to use depreciation reserves, invested in term deposits and bonds, to finance its

infrastructure renewals. The acceleration of some of this work means that these investments will be substantially depleted over the next 10 years and Council may use debt to finance some of its renewals. It is common for local authorities to be in a net borrowing position, and Council believes it is a prudent approach to maintaining levels of service through fit for purpose infrastructure.



Until 2018 Council has only loan funded the Mahia and Opoutama wastewater scheme (\$5 million). In order to achieve regulatory compliance and deliver planned levels of service and Council’s vision for the district, a number of assets and facilities (wastewater, bridges, water supply) are going to be upgraded rather than like for like renewal. This requires additional funding, in the form of borrowing. In the long-term this is likely to continue.

BALANCING THE BUDGET

Council must achieve a delicate balance between affordability and financial sustainability. This means living within its means but also ensuring there is sufficient funding available for its operating costs today and infrastructure for the future. From 2022/23 onwards Council expects to report deficits totalling \$3.5 million. This is detailed in the Statement of Comprehensive Revenue and Expense on Page 168, and explained below:

A. DEPRECIATION COSTS NOT RECOVERED

Council does not rate for depreciation on assets that it does not expect to replace in the future, or for those that were previously funded by borrowing and the loan interest and repayments are being rated instead of depreciation. In addition, Council does not rate for depreciation where external funding is available, in particular subsidies from NZTA for road renewals.

The total amount of depreciation that is not rated is \$36 million over the 10 years. Of this \$26 million relates to road works which is offset by NZTA subsidy. The remaining \$10 million relates to depreciation on assets that Council does not rate for, as explained in the balanced budget statement. By not rating for some depreciation costs it is reasonable to expect accounting deficits in most years. The early years of the LTP indicate surpluses due to an accelerated capital works programme on the road network and thus proportionately higher capital subsidy revenue from NZTA.

B. LANDFILL AFTERCARE PROVISION

Council maintains a provision on its balance sheet for the estimated cost of maintaining the landfill site after it is capped at the end of its useful life. This provision is adjusted annually and the adjustment is charged as an expense in Council's accounts. Since this a non cash adjustment and the ultimate outcome is remote and uncertain, this amount (\$250,000) is excluded from the rates calculation.

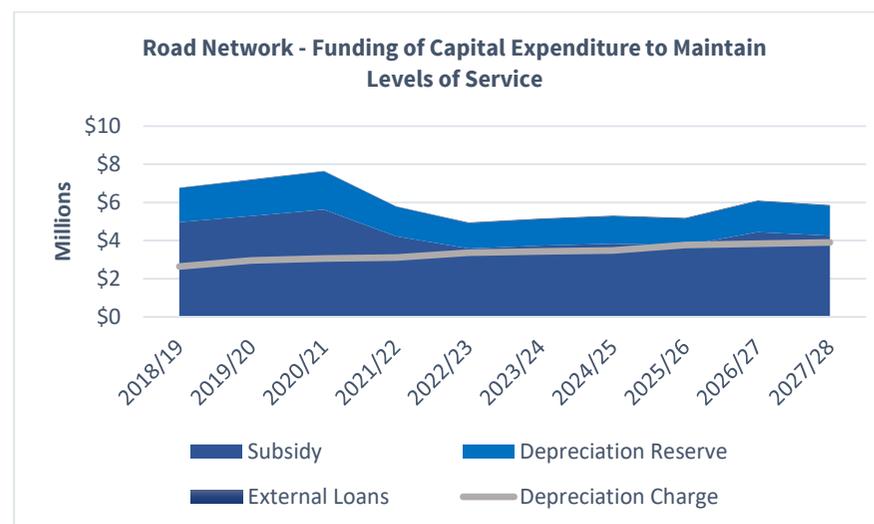
Taking these factors into account, sufficient revenue will be generated to maintain levels of service and Council therefore believes its funding approach is prudent.

FUNDING INFRASTRUCTURE

The following information examines the expenditure required on infrastructure to maintain existing levels of service, and how Council intends to fund these renewal programmes. It is a convention of prudence that depreciation is used as a benchmark to assess whether this expenditure is sufficient to maintain levels of service in the long-term. The charts that follow show the amount of capital expenditure required through the 10 years of the plan, and the funding sources that will be used.

ROADS

From 1 July 2018 the Funding Assistant Rate from NZTA increases from 71% to 75%. Council will utilise this increase to accelerate its road renewals programme including bridge strengthening. This work will include some piping of open drains and footpath extensions where this improves road safety. Total expenditure on renewals exceeds depreciation by \$5.20 million over the 10 years.



Conversely the subsidy received for renewals and maintenance on State Highway 38 will revert from 100% to the baseline rate. This will have little impact on the proportion of roadworks that is funded by subsidies, remaining at approximately 60% of total expenditure throughout the LTP.

Based on this analysis there is sufficient funding available for Council to maintain levels of service within its roading infrastructure..

3-WATERS

Council funds water services in the following locations:

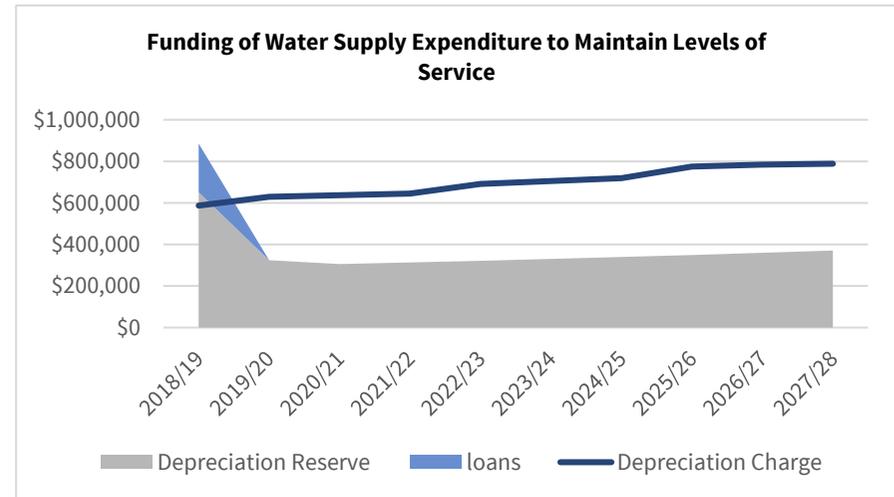
- Reticulated water supply in Wairoa, Tuai, Mahanga and Frasertown
- Wastewater reticulation in Wairoa, Mahia, Opoutama and Tuai
- Stormwater drainage systems in Mahia and Wairoa

The most significant item among these activities in the LTP is the renewal of the discharge consent for the Wairoa wastewater scheme in 2019. The estimated cost is \$6.5 million, over a period of 6 years and it will be funded by a combination of debt and depreciation reserves.

In addition:

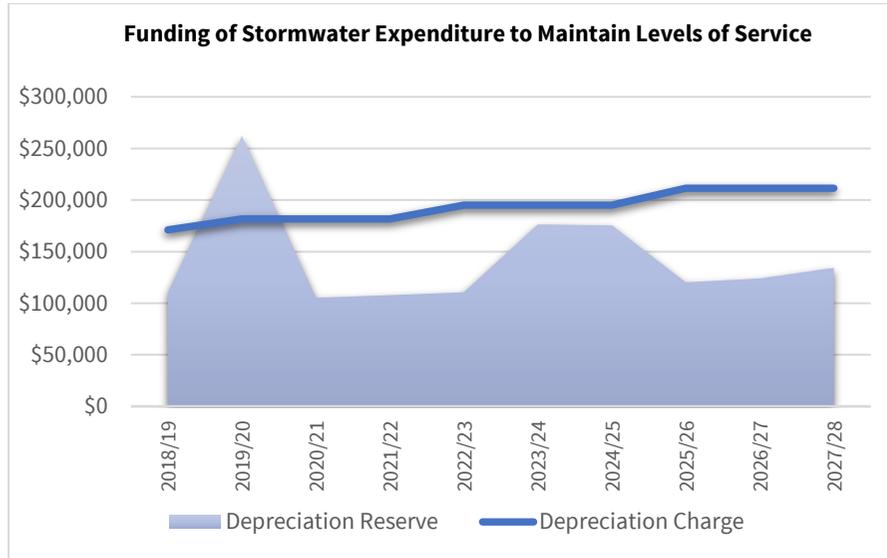
- During 2017 Council undertook a referendum on the future of the water supply in Mahanga. The outcome of this is that Council must plan to upgrade the treatment facility to meet NZ Drinking-water Standards.
- In November 2017 the 35 subdivision sections in Blue Bay were sold and development commenced. A legacy water supply exists but was never brought into operation and now requires a significant project to deliver a potable supply.
- It is commonly held that more stringent regulations will be introduced regarding the management of stormwater and the control of pollutants that enter the system. Council's immediate response is to continue and accelerate its programme of piping open drains.

The forecast expenditure to maintain service levels is illustrated in the following graphs.



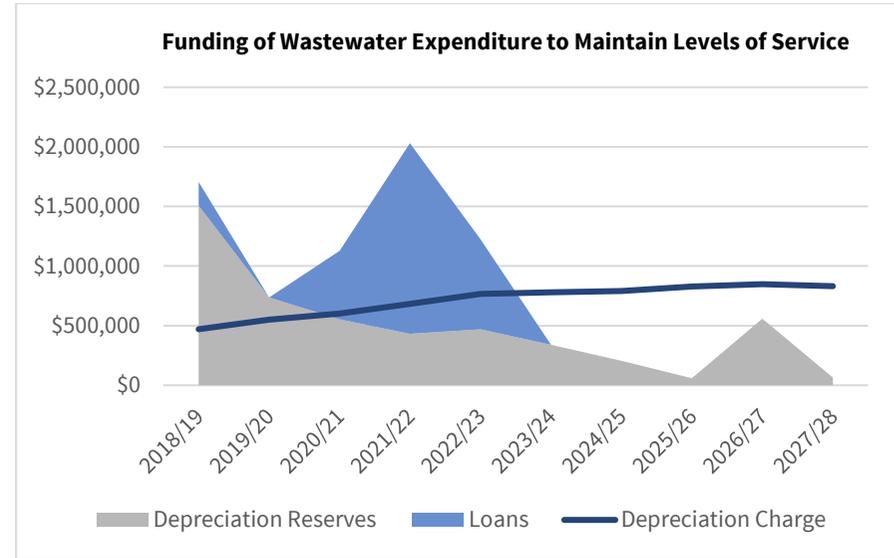
The initial spike for renewal expenditure relates to the Mahanga upgrade, along with sheet-pile protection and telemetry switchboard at the Wairoa facility. Council's asset management data indicates that the water supply network is performing well and that the current planned renewals programme is appropriate. In addition, for affordability reasons, Council must balance priorities across its key infrastructure, and the medium term priority is wastewater.

WAIROA



This programme includes the accelerated programme of piping open drains that Council has identified as a key project in this LTP pipe renewals in Wairoa and at Mahia Beach. For the longer term the proposed renewals programme is considered appropriate while the direction of future regulations for rainwater management remains uncertain.

In addition Council plans to spend \$100,000 on CCTV inspections of the network to complete condition assessments. The renewals programme will be reviewed after this work is complete.



The upgrade of the Wairoa wastewater treatment facility is financially the largest single item in the next 10 years, and also the primary reason why Council's borrowing requirement will significantly increase in the short term. Over the 10 years of the LTP Council expects to spend \$8 million to maintain levels of service in the wastewater activity, \$0.9 million more than the depreciation charge.

The renewals programmes are determined by Council's Asset Management Plans. Over the long term renewal expenditure will approximate to depreciation charges. The early years of the LTP show renewals expenditure in excess of what Council will recoup by rating for depreciation, for the reasons described above.

It is therefore prudent that Council undertakes a more conservative renewals programme in the later years, to allow depreciation reserves to be replenished. Over the course of the LTP Council will reinvest 80% of rates charged for depreciation of water assets in renewals of those assets. Council believes this is sufficient to maintain levels of service within sensible funding parameters.

A similar programme will continue over the 30 year period. This will enable Council to maintain levels of service and allow some flexibility as technology and legislation progress.

ACTIVITY	RENEWALS (\$)	DEPRECIATION (\$)	PERCENTAGE
WATER SUPPLY	3,896,050	6,963,490	56%
STORMWATER	1,426,015	2,158,758	66%
WASTEWATER	8,051,075	7,154,652	113%
TOTAL	13,373,140	16,276,899	

OTHER SIGNIFICANT FACTORS

CLIMATE CHANGE

The district's facilities and networks are exposed to the risks of slips, floods, inundation, drought, erosion, and so on. Council uses the following tools to manage these economically:

- enhanced NZTA subsidy for emergency reinstatements
- insurance
- holding sufficient liquid funds to ensure service continuity.

YEAR ENDING	% INCREASE ON PREVIOUS YEAR	
	LGCI	CPI
JUN-18	1.8	1.8
JUN-19	2.0	1.8
JUN-20	2.2	1.6
JUN-21	2.2	1.6
JUN-22	2.2	1.7
JUN-23	2.3	1.7
JUN-24	2.3	1.8
JUN-25	2.4	1.8
JUN-26	2.5	1.9
JUN-27	2.6	1.9
JUN-28	2.7	2.0

REGULATION AND LEGISLATION

The costs of compliance continues to increase. Council’s response to this is to be an active stakeholder with ministries and regulators, to drive efficiency within its operations, and to attempt to influence behaviour towards lower cost compliance via its regime for fees, charges and penalties.

ECONOMIC

In preparing its financial forecasts Council has used economic indicators contained in a report commissioned by the Society of Local Government Managers, specific to the circumstances of Local Government.² The assessment of macro-economic factors below utilises information contained in that report.

INFLATION

A common question asked by ratepayers is ‘why can’t rates just increase at the rate of inflation?’ At a basic level, with no changes to levels of service, they do, but Council activities are asset intensive and with a high investment in infrastructure, the cost pressures are often more akin to the construction industry. Rather than the Consumer Price Index (CPI), Council uses the Local Government Cost Index (LGCI) to forecast the effect of inflation.

The Reserve Bank of New Zealand’s current target is to keep the future annual CPI inflation at between 1 percent and 3 percent on average over the medium term, with a focus on keeping future average inflation near the 2 percent target midpoint. The following table compares the 10 year outlook for the LGCI to CPI.

This presents a challenge to the sustainability of Council’s funding. It suggests that even if household income consistently increases in line with inflation, rates will continue to be a progressively higher proportion of that income. Council is conscious of the impact on

ratepayers. It will continually seek to maximise external revenue sources and collaborative opportunities to deliver cost savings and efficiencies.

The LGCI also calculates separate inflation rates for distinct areas of Council operations and infrastructure. This is important because Council’s rating method is differentiated and contains targeted rates that approximates to a user pays approach. It helps Council recognise that increasing costs of providing services to the community will affect groups differently. The forecast annual % increases for the main categories are shown in the table below:

YEAR ENDING	PLANNING & REGULATION	ROADING	TRANSPORT	COMMUNITY ACTIVITIES	WATER & ENVIRONMENT
JUN-18	1.8	1.9	1.9	1.7	1.8
JUN-19	2.0	2.0	2.0	1.7	2.3
JUN-20	2.1	2.2	2.0	2.0	2.5
JUN-21	2.1	2.2	2.1	2.1	2.3
JUN-22	2.1	2.3	2.2	2.1	2.4
JUN-23	2.2	2.4	2.2	2.2	2.4
JUN-24	2.3	2.4	2.3	2.3	2.5
JUN-25	2.3	2.5	2.4	2.3	2.6
JUN-26	2.4	2.6	2.5	2.4	2.6
JUN-27	2.4	2.7	2.5	2.4	2.7
JUN-28	2.5	2.8	2.7	2.6	2.8

² Forecasts of Price Level Change Adjustors – 2017 Update, Business and Economic Research Ltd (BERL)

INTEREST RATES

Globally, interest rates have been comparatively low for several years and are forecast to remain stable until 2021, then start to rise.

Council has \$5 million in external debt, paying interest of 6.01%. This loan was drawn in October 2013 and used to fund the Mahia and Opoutama wastewater schemes. Council is recovering this from the connected ratepayers in the form of lump sum contributions and capital contribution rates. Since a number of these are subject to long-term repayment plans approximately \$4 million will be refinanced in September 2018. Through membership of the Local Government Funding Agency (LGFA) and its strong credit standing with commercial lenders Council expects to secure a considerably lower rate for its external debt and realise an annual saving of about \$80,000. This will be used to reduce the capital contribution rates for the wastewater schemes.

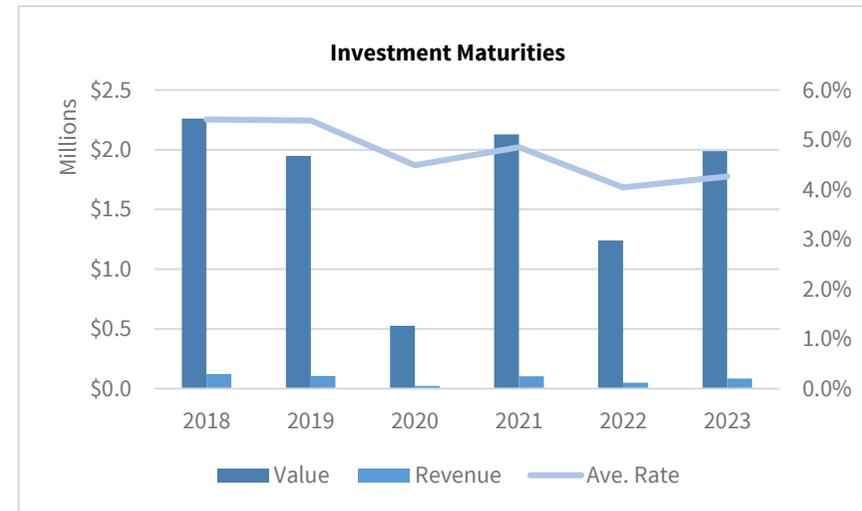
Conversely, as at 30 June 2017 Council held investments (bonds) worth \$10 million that deliver interest revenue of \$0.5 million per year. This revenue is offset against operating costs and reduces the rates requirement across all activities, with any surpluses used to supplement asset renewal reserves. Council purchased these investments when interest rates were higher and as they mature the returns available on new investments will be lower, which implies an increase in rates. This is already occurring as demonstrated by the maturity profile of the current portfolio shown below.

Council is currently able to obtain an average return of 3.25% on term deposits. Based on this, if Council retained its investment portfolio and increased external debt instead the maximum annual shortfall would be about \$160,000, which is about 1.25% of rates.

Council's response to this challenge is to:

- Continue to seek alternative revenue sources, particularly with regards to its property portfolio.
- Consider asset sales.
- Assess the risk / reward parameters contained within its investment policy.

In principle Council uses debt to finance new capital expenditure required to meet additional demand for services. As discussed in the sections above, investment funds can be used for internal borrowing. As continuous new investment is required it is likely that Council's investment portfolio will diminish and the need for external borrowing will

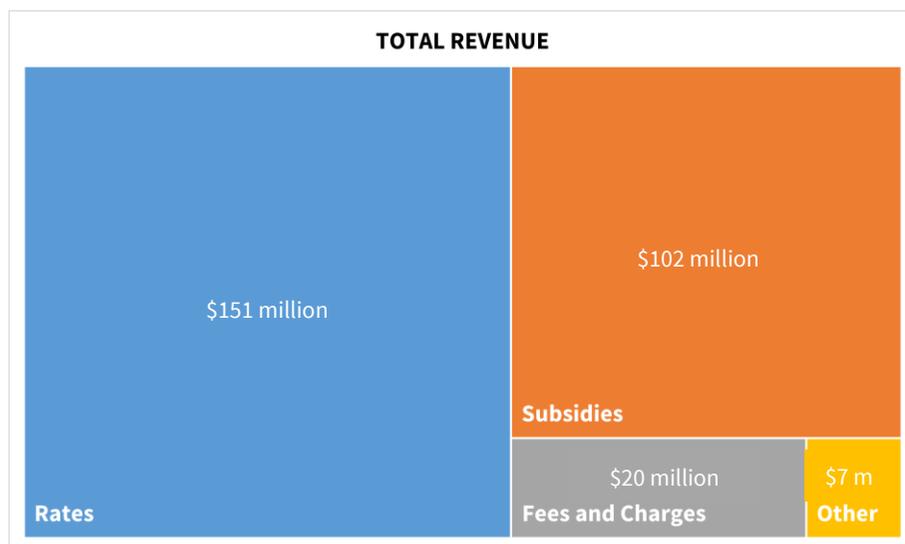


increase. We know there are inevitable risks associated with this approach. If interest rates were to increase by 1%, this would mean a 1% increase in rates. If we had to borrow another \$1 million to reinstate some key infrastructure this would equate to 0.5% on rates.

As members of the Local Government Funding Agency and through our existing debenture trust deed we have access to competitive fixed borrowing rates for the long-term. Council will seek to achieve a balance that delivers the most economical outcomes for the district. Council will only use its ability to set rates as security for borrowing.

REVENUE SOURCES

The revenue sources that fund Council's activities and how the costs, including rates, are distributed are determined by the Revenue and Financing Policy. Council forecasts that its revenue for the 10 years of the LTP will be represented as follows:



RATES

Rates are charged in a variety of ways, based on a number of factors.

RATES CALCULATED BY PROPERTY VALUES

These are used for activities that are available to the whole community and are calculated by dividing the total cost of the activities over the total value of rating units in the district. The amount applied to each rating unit is calculated upon its rateable value, some rates are assessed on land value and others on capital value. Differentials are used where

Council determines that particular land uses or locations should be liable for a different share of these rates.

UNIFORM ANNUAL GENERAL CHARGE (UAGC)

This is also applied for activities that are available to the whole community and are calculated by dividing the total cost of the activities over the total number of Separately Used or Inhabited Parts (SUIP) of rating units in the district. Every property pays the same amount. Legislation allows a maximum of 30% of total rates (excluding water services) to be charged on a uniform basis.

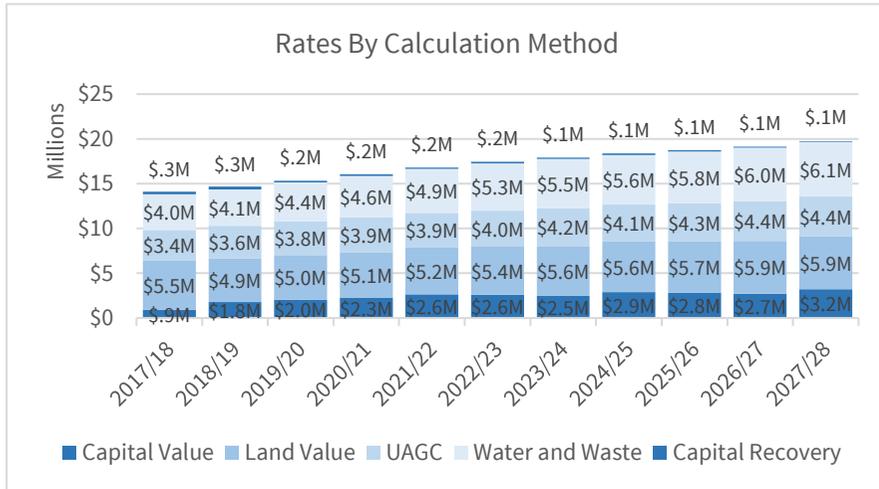
TARGETED RATES FOR ACCESS TO SERVICES

Council provides drinking-water, reticulated wastewater, drainage and solid waste management in specific locations around the district. Only the rating units that have access to these services are liable for the rates, which are calculated on a fixed amount per connection or unit, or by meters for high users of treated water.

CAPITAL RECOVERY RATES

For new infrastructure provided to specific user groups or locations Council may exercise the option of applying a targeted rate for the capital cost of the installation. Currently this only applies to the Mahia and Opoutama wastewater scheme, but from 2018-19, Council intends to utilise a similar approach to recover the cost of the Blue Bay water treatment facility.

The proportion of total rates that will be derived from these rate types is forecast to be as follows:



SUBSIDIES

Approximately 60% of the total budget for roads is funded by subsidies from NZTA. In addition some projects will qualify for government grants from the Ministry of Health or MBIE.

FEES AND CHARGES

Council is able to charge fees, fines and penalties where services are provided to, or violations committed by, specific individuals or groups. This coupled with the use of targeted rates as described above, emphasises a user pays approach wherever practicable.

OTHER SOURCES

These include a local share of petrol tax, interest and dividends, and property lease and rental income.

INVESTMENTS

Council will not speculate on the securities or other financial markets, but will invest where there is clear economic benefit to the district, where the risk is within the parameters of the investment policy and where such investment contributes to the achievement of community outcomes.

Council owns 100% of the equity in Quality Roading and Services (Wairoa) Ltd. The main purpose of this investment is to maintain and enhance competition for local infrastructure contracts issued by Council. QRS is a significant employer in the district and its presence in Wairoa also ensures resources are available to respond to emergencies. QRS distributes a percentage of its after-tax profit to Council as dividend. The targets for QRS are set out in the company’s Statement of Intent that is agreed with Council annually.

Council’s portfolio of bonds and other liquid investments is held to:

- provide emergency funds
- represent reserves accumulated for asset renewals
- earn a return on surpluses, windfalls and deposits.

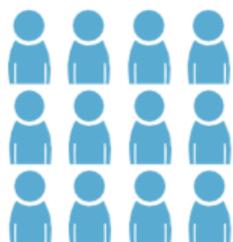
Council owns a minority shareholding in Civic Financial Services Ltd. The sole purpose of this is by virtue of Council’s membership of the mutual insurance funds that the company administers. No return is anticipated on this investment.

WĀHANGA TUATAHI - PART ONE

WAIROA

TĀ TĀTAU HAPORI, TĀ TĀTAU TAIAO, TĀ TĀTAU ŌHANGA - OUR COMMUNITY, OUR ENVIRONMENT, OUR ECONOMY

Wairoa District is home to 8,210 people (as of 4 December 2017). The following infographic outlines some of the key characteristics of our current population as well as where we are heading in the future. This year a Census is being undertaken so for our next Annual Plan we will have an updated infographic to share with our community.



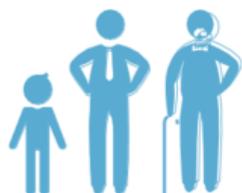
POPULATION
8,210
(estimated 4 Dec 2017)



POPULATION
5% of total Hawke's
Bay population



POPULATION
54% Māori
(estimated 4 Dec 2017)



MEDIAN AGE
38.7 years



HOUSEHOLDS
3,210



**AVERAGE
HOUSEHOLD
OCCUPANCY**
2.56 people

CENSUS AREA UNIT	POPULATION	HOUSEHOLDS	BUSINESSES	EMPLOYMENT
Tuai	225	87	18	65
Frasertown	271	105	27	110
Ruakituri-Mōrere	693	271	180	410
Maungataniwha	312	121	84	90
Raupunga	652	257	135	195
Whakakī	772	296	87	940
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Mahia	872	348	90	195
Wairoa	4,239	1,660	279	1,290
Total	8,210	3,210	930	3,355

PROJECTED HOUSEHOLD GROWTH 2018-2048

YEAR	LOW	MEDIUM	HIGH
2013	3,200	3,200	3,200
2017	3,210	3,210	3,210
2018	3,215	3,220	3,230
2023	3,190	3,300	3,360
2028	3,170	3,330	3,460
2033	3,150	3,355	3,570
2038	3,130	3,380	3,680
SNZ Projection 2038	2,300	2,800	3,300
2043	3,110	3,410	3,790
2048	3,085	3,435	3,910

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.

Some key features include:

- Lake Waikaremoana in Te Urewera, the ‘sea of rippling waters’, surrounded by native bush, spectacular views and remote beaches. Te Urewera is the largest natural feature in the district, managed by the Te Urewera Board to maintain the integrity of its indigenous ecological systems, biodiversity and its historical and cultural heritage.
- The Mahia Peninsula coastline provides an important recreational environment for the region.
- Coastal lagoons and a series of interconnected wetlands are important for providing refuge for wildlife and as a habitat for freshwater fishery, so scientific and ecological monitoring can occur.
- Department of Conservation land and private QEII land managed to protect our indigenous land for future generations.

CLIMATE CHANGE

Climate change will affect us all during our lifetimes. The impacts that we observe today are the result of historical emissions and the increase in emissions in recent decades will lead to significant change in the coming years. Action on climate change requires a comprehensive understanding of the opportunities and risks, innovation, and prioritised actions to achieve our vision for a prosperous community.

Summary of the potential future climate change impacts for our district:

- Increased coastal inundation and erosion, which at this stage is difficult to quantify due to the lack of study. Only Mahia has been looked into and the coastal erosion zones are based on out of date sea level projections, which need revising. Research is being planned for the coastline by Hawke’s Bay Regional Council and any plans regarding land use should remain flexible to this new information.
- Wairoa is prone to inland flooding from the Wairoa River. With the potential reduction in heavy rainfall there will be no new incentive to invest in inland flood defences. However as rainfall predictions are uncertain the district should make sure that any improved model projections are considered. Due to the potential for extended periods of drought, conditions for high run off in the event of heavy rainfall may persist. This may increase the likelihood of a large flood event regardless of any change in precipitation patterns.
- In the short to medium term the agricultural sector could benefit from longer growing seasons and increased summer precipitation. This may be offset however by the introduction of new pests and diseases, the correct response to which requires further research.
- The negative impacts of drought will become more commonplace over the coming century. Uncertainties in regional climatic predictions make long term planning difficult. A strategy will require consideration of a range of issues such as biodiversity, land degradation and water use.
- Conditions will become more favourable for wildfire, with an estimated 20-40 day increase in time where there is an extreme or very high fire risk. Fire danger is as much affected by changes in human behaviour or policies towards fire management as it is by changes in climatic drivers.

More information on climate change will become available during the District Plan Review process.

OUR ECONOMY

In the 2013 Census agriculture, forestry and fishing are the largest industries of employment in the district. The second largest is manufacturing, and the third largest is education and training. New district-level data will come out of the 2018 Census results.

The size of the 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 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 district in 2013 shows that there was a lower proportion in the labour force (60.6%) compared with New Zealand (63.8%). New district-level data will come out of the 2018 Census results.

AFFORDABILITY OF RATES

The Wairoa community is likely to face significant affordability/'ability to pay' challenges in the future. This is due in part to ageing infrastructure which will require replacing and upgrading to meet new legislative requirements, and to having a small rating base from which to fund these projects.

Council aims to keep rates increases as low as possible whilst delivering the level of service required by the community and legislation. If the level of rates increases start to become unacceptable to the community then Council will need to look at the level of service it provides and whether this will be affordable going into the future.

NGĀ WHAKATAUNGA E NGĀI MĀORI - 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, nō rātau nei te whenua, te ahikaa me te mana ki runga i ngā wāhi i whakatapua e o rātau tūpuna.

'Within the spirit of the Treaty of Waitangi, the Council must consult with Māori, who are the descendants 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 provide Māori with opportunities to contribute to local decision-making (s14(1)(d)). Through this consultation process, the aspirations of each area within the district will be realised in accordance with the Local Government Act 2002, and the principles of the Treaty of Waitangi 1840.

The Resource Management Act 1991 requires that tangata whenua should have a significant role in resource management, enabling them to take steps to protect tribal interests. Section 2 of the Act provides, under certain conditions, for the transfer of functions by a local authority to a recognised iwi authority:

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

POSITION STATEMENT

In the 2013 Census, the numbers of Māori living in the district were 59.4 per cent of the total population, compared to 22.9 per cent in the Hawke's Bay region, and 14.9 per cent 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 district's boundaries. Council consult iwi for the purposes 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, hapu apū 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. Council's Māori Standing Committee (the group that advise and support Council on things pertaining to Māori), advise Council on how to best manage the consultation process, and how to facilitate relationships between Council and iwi exercising mana whenua.

Council's Māori Policy, which was revised in 2017, outlines the relationship between Council and tangata whenua.

The Council continues to work collaboratively with several Māori organisations within the district, and 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, inform them 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 will continue to meet 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.

In 2017, the Council adopted a Te Reo Māori Policy, which recognises and promotes te reo Māori as the indigenous language of Aotearoa. It is also recognised as a taonga of iwi and Māori, and its use is encouraged through communication, hui and day to day operations of the Council.³

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 the Council consultation process.
- The attendance of elected representatives at meetings of the Māori Standing Committee.

³ See Māori Relationships section

MĀHI TAHI - COLLABORATION

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

NATIONAL PARTNERSHIPS LOCAL GOVERNMENT NEW ZEALAND (LGNZ)

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

LGNZ represents the national interests of councils in New Zealand to 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.

ROAD CONTROLLING AUTHORITIES FORUM (NEW ZEALAND) INCORPORATED (RCAF)

The Road Controlling Authorities Forum (New Zealand) Incorporated (RCAF) is a closed, non-political group, with representatives from the seventy-three 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.'

LIAISON MEETING WITH NEW ZEALAND TRANSPORT AGENCY (NZTA)

The NZTA is a Crown entity established on 1 August 2008, under the amended Land Transport Management Act 2003. NZTA brings 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. NZTA 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.

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

REGIONAL PARTNERSHIPS

HB LASS LIMITED

HB LASS Limited was established in December 2012 by the five local authorities in Hawke's Bay. The aim of the company is for the shareholding Councils to work collaboratively, to effectively investigate, develop and deliver shared services.

The company was rendered dormant by resolutions of the member councils in May 2018 and the activities continue via a Chief Executives Forum, a separately constituted unincorporated body.

SPORT HAWKE'S BAY

Sport Hawke's Bay is dedicated to achieving the regional vision of being the 'most active and successful region,' by 'leading and empowering Hawke's Bay through sport and active recreation.'

Sport Hawke's Bay is contracted by the 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 Hawke's Bay. The aim is to prepare both the Regional Land Transport Strategy and the Regional Land Transport Programme for approval by Council, and to consider other issues related to land transport, which have a regional impact.

ROAD SAFETY

This forum discusses road safety issues with all local councils, Road Safe Hawke's Bay, and the police, and informs members about how to address these issues. The aim of this forum is to reduce the frequency and severity of road crashes in the Hawke's Bay region.

HAWKE'S BAY CIVIL DEFENCE EMERGENCY MANAGEMENT GROUP JOINT COMMITTEE

The Civil Defence Emergency Management Act 2002 requires that all local authorities within a region 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.

HAWKE'S BAY DRINKING WATER GOVERNANCE JOINT COMMITTEE

The principal focus of this Committee is on drinking water, however drinking water cannot be considered in isolation from other fresh water management issues. The committee provide governance oversight for planning and decision making on regional drinking water matters, and consider and make recommendations where appropriate to decision-making bodies with responsibility for broader freshwater management issues or planning, or infrastructure issues that have implications for drinking water and/or drinking water safety.

LOCAL PARTNERSHIPS

WAIROA DISTRICT COUNCIL INTERNSHIP PROGRAMME

Council continues to establish key relationships with a number of national and international tertiary institutions, through the popular internship programme. The objective of the programme is to promote the district as a magnet for bright young minds. Wairoa is becoming recognised as an increasingly exciting destination for the incubation of positive ideas and Council's partnerships with institutions is enabling this to occur.

IWI AND MĀORI RELATIONSHIPS

(Refer Māori involvement in decision-making section and Māori relationships section). Council's relationships with local iwi are an important element in developing a whole community approach to seeing the Wairoa community thrive. As well as development opportunities, genuine engagement strengthens our ability to ensure Māori are actively involved in key decisions for the district. Current relationships include:

- Tātau Tātau o Te Wairoa Trust (Iwi and Hapū o Te Wairoa)
- Te Uru Taumatua (Tuhoe)
- Ngāti Pāhauwera Development Trust.

Council will continue to work with iwi throughout the district to strengthen and develop relationships, as and when appropriate, and when invited to by iwi.

WAIROA COMMUNITY PARTNERSHIPS GROUP

The Wairoa Community Partnerships Group provides united leadership for the people of the district, by allowing for joint community planning, and a whole community and government approach to decision-making. The goals of the groups include:

- A meeting point for decision-makers to come together and bring forward their respective priority areas. This also includes facilitating the development of a programme of work that supports and enables all whānau across the district to

thrive.

- Shifting to a single-oversight group that is well-informed about initiatives and services that engage with whānau. The group will know what is working well, where the gaps are and the possible barriers and opportunities to improved outcomes for whānau.
- To drive forward changes required in the health and social sector, necessary for improved outcomes for whānau of Wairoa.
- To de-clutter and reduce duplication of health and social services, and other various initiatives that engage with whānau across the district.
- To ensure all investment models and strategies that reference Wairoa are lead, informed and operationalised by the concept of 'Wairoa - one voice, our voice' - Te Wairoa – He Reo Ngātahi.
- To appraise all new regional and central government initiatives that come into the district to ensure these align with the overarching aspiration.

The Wairoa Community Partnerships Group is chaired by the Mayor, and is made up of central government agencies and key decision makers for the district.

NGĀ PUTANGA-A-HAPORI - COMMUNITY OUTCOMES

Community outcomes are the outcomes Council seeks for the 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 2015-2025 Long-term Plan, Council readopted nine community outcomes. In this plan the Council has amended the wording of two of these outcomes (number 2 and number 8).

The outcomes are aligned to Council services which will contribute to their achievement. 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



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 INFRASTRUCTURE

Safe and affordable infrastructure 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

Communities recognising, achieving and promoting their cultural goals, and acknowledging and protecting places of significance to pass on to future generations. Communities respecting and embracing the cultural environment of all represented cultures.

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 DISTINCT LEADERSHIP AND A SENSE OF BELONGING

Co-ordinated leadership to achieve the 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, EDUCATION AND WELL-BEING

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

WAIROA

ACTIVITY GROUP	ACTIVITY	ECONOMIC WELL-BEING		SOCIAL & CULTURAL WELL-BEING				ENVIRONMENTAL WELL-BEING		
		1: A strong prosperous and thriving economy	2: A safe and integrated infrastructure	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 distinct leadership and a sense of belonging	7: A safe and secure community	8: A lifetime of good health, education and well-being	9: An environment that is appreciated, protected and sustained for future generations
 WATER SERVICES	Water Supply	√				√		√	√	√
	Stormwater	√	√		√	√		√	√	√
	Wastewater	√		√		√		√	√	√
 WASTE MANAGEMENT	Waste Management	√	√	√	√	√		√		√
 TRANSPORT	Land Transport	√	√	√	√	√	√	√	√	√
	Airport	√	√	√	√	√		√	√	√
 COMMUNITY FACILITIES	Cemeteries			√	√	√				√
	Library			√	√	√			√	
	Parks & Reserves		√	√	√			√	√	√
	Community Support			√	√	√				
 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							√	√	√
 LEADERSHIP & GOVERNANCE	Community Representation	√	√	√	√	√	√	√	√	√
	Māori Relationships			√						
	Economic Development	√								
	Property	√		√	√	√		√	√	√
	Corporate & Funds Management	√	√	√	√	√	√	√	√	√

WHAKAUKAUKA - SUSTAINABILITY

OUR COMMITMENT

The Council, in partnership with the Hawke's Bay Regional Council, our 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 working in our community.

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

- the social, economic, and cultural interests of people and communities
- the need to maintain and enhance the quality of the environment
- 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, working in partnership with members of the community will be key to implementing the policy.

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 Senior Leadership Team are personally committed to its success.

The Senior Leadership Team and their respective 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 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

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 obligation 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 standards
- meet and strive to surpass the 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 practices
- 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 organization
- 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.

WĀHANGA TUARUA - PART TWO

TE TŌHAU NUI TUATAHI NGĀ RATONGA WAI - ACTIVITY GROUP ONE WATER SERVICES

- Puna Wai
- Wai Āwhā
- Wai Paru
- Water Supply
- Stormwater
- Wastewater

PUNA WAI - WATER SUPPLY

WHAT THE COUNCIL DOES

Council owns and operates water supply systems in Wairoa, Frasertown, Tuai, Blue Bay and Mahanga.⁴ The Wairoa and Frasertown reticulation comprises treated water from the Water Treatment Plant in Frasertown. The raw water is sourced from the Waiau 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.⁵

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

⁴ Section 5.2

⁵ Section 1.4

⁶ Section 1.2

⁷ Section 1.2

- develop and implement the most cost-effective strategies for operating
- develop 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
- increased customer satisfaction
- transparency in decision making
- sustainability.

There is also a statutory basis for Council's involvement in the water supply activity.⁶ 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
- Local Government (Rating) Act 2002.

Council is required to maintain water supply services under section 130 of the Local Government Act 2002.⁷

For more details:

Please refer to the relevant section of the 3 Waters Activity Management Plan. Alternatively contact Council's Asset Management Department on (06) 838 7309 or visit our offices to discuss any queries you may have. The water supply webpage can be accessed through the Wairoa District Council website www.wairoadc.govt.nz.

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 with a focus on the previously adopted community outcomes. Table WS1 shows the community outcomes of the water supply activity (please refer to page 28 for a full list of community outcomes).

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.⁸

Reticulated networks are generally in fair to good condition. However, the 6.7km trunk main from Frasertown to Wairoa is over fifty years old (2.5km replaced in 2011) and is considered a critical asset.⁹ Council plans to spend \$200,000 every year for 30 years on renewals to the Wairoa pipelines to safeguard the network's continued service capability.

A reactive maintenance regime in the past has generally meant that any performance issues have been dealt with effectively and efficiently. However, a move to 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.¹⁰

HOW PEOPLE CAN JUDGE THE COUNCIL

Council's goal for the water supply activity is: 'To comply with the New Zealand Drinking Water Standards.'¹¹

Council intends to monitor customer water supply needs through the level of service and performance measure framework. This framework utilises the customer service request (CSR) system, annual surveys and submission service.¹²

Table WS2 details what the Council will deliver as a level of service statement. The community outcomes that the specific statement contributes to are also included. How Council will monitor progress is then detailed as performance measures, with associated yearly targets.¹³

⁸ Section 5.2

⁹ Section 5.2

¹⁰ Section 6.7

¹¹ Section 1.6

¹² Section 2.5

¹³ Section 2.5

MAJOR ISSUES AND PROJECTS IN THE NEXT THIRTY YEARS

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

- changes in legislation and government direction
- provision of adequate storage (note. 24 hours of storage is now in place for Wairoa)
- changes in technology
- delivering a sensible renewals profile to maintain levels of service
- natural disaster preparation.

COMPLIANCE WITH THE NEW ZEALAND DRINKING WATER STANDARDS

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

RETICULATION RENEWALS

An annual allocation of \$230,000 per year 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 \$215,000 for Blue Bay bore rehabilitation and plant renewals in 2018/19 and \$300,000 over 30 years for Tuai reticulation renewals.

CAPITAL WORKS

A sum of \$285,000 has been allocated for a treatment upgrade to the Mahanga supply before 2018/19. This is to upgrade the supply to meet the New Zealand Drinking-water standards.

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 and deliver what the ratepayer wants in a cost-effective way.

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.¹⁴

¹⁴ Section 8.2

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Table WS1: Relevant community outcomes.

WATER SUPPLY ACTIVITY					
COMMUNITY OUTCOMES	<i>Outcome 1: A strong, prosperous and thriving economy.</i>	<i>Outcome 5: Supportive, caring and valued communities.</i>	<i>Outcome 7: A safe and secure community.</i>	<i>Outcome 8: A lifetime of good health, education and well-being.</i>	<i>Outcome 9: An environment that is appreciated, protected and sustained for future generations.</i>
WATER SUPPLY CONTRIBUTION	Water is considered to be an integral part of being prosperous.	The provision made for communities to have a say in how their water is supplied via the level of service and performance measure framework.	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.

Table WS2: Level of service with associated performance measures.

LEVEL OF SERVICE STATEMENT	COMMUNITY OUTCOME	PERFORMANCE MEASURE	TARGET 2018 - 2020
<i>Council will own, operate and maintain reliable drinking water systems serving Wairoa, Frasertown, Tuai and Mahanga, protecting public health.</i>	1, 2, 5, 7 & 8	All domestic households and non-domestic premises connected to the water supply systems will be provided with a service that delivers a reliable supply of drinking-water.	<p>The method of measurement for this performance measure is the percentage of respondents who indicate they are 'very satisfied' or 'fairly satisfied' with the Water Supply expressed as a percentage excluding 'don't know' respondents.</p> <p>The annual target is for the sum of 'very satisfied' and 'fairly satisfied' to be no less than 80%.</p>
<i>Council will comply with current standards, legislation and Council bylaws.</i>	7, 8 & 9	Council shall meet the requirements of the New Zealand Drinking-water Standards Council and all legislative requirements.	<p>The method of measurement for this performance measure is the extent to which the drinking water supply complies with:</p> <p>(a) Part 4 of the Drinking-water Standards (bacteria compliance criteria), and (b) Part 5 of the Drinking-water Standards (protozoal compliance criteria).</p> <p>The annual target for this measure is 100% compliant.</p>

Council will maintain water supplies to ensure long-term sustainability.

7, 8 & 9	Percentage of water loss from the reticulation systems through leakage, shall reduce with time.	The method of measurement for this performance measure is the percentage of real water loss from the local authority's networked reticulation system (calculated using minimum night flow). The annual target for this measure for percentage of water loss being 46%, 44% and 42% for each of the years.
	The average consumption of drinking water per day, per resident shall reduce with time.	The annual target for this measure is 550 litres per person per day, in 2018/19, reducing to 540 in 2019/20 and 530 in 2020/21.

Customers will receive a prompt and efficient service.

7	Complaints received annually shall not exceed stated limits:	The method of measurement for this performance measure is analysis of the CSR database to identify the number of complaints related to each of the water supply complaint categories. The target is to receive no more than the following number of complaints per 1000 connections: <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.
	Council shall respond to faults/interruptions in the network reticulation.	The method of measurement for this performance measure is analysis of the CSR database to identify the number of call-outs in response to a fault or unplanned interruption to the networked reticulation system, the following median response times will be measured: <ol style="list-style-type: none"> (a) attendance for urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site (b) resolution of urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption (c) attendance for non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site

(d) resolution of non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption.

The target for this performance measure is: (a) 1 hour for Wairoa/Frasertown and 2 hours for other areas; (b) 4 hours from Wairoa/Frasertown and 5 hours for other areas. Priority Work in Contract: (c) 2 days and (d) 3 working days. Note these measures correspond to the 3 Waters maintenance contract response times for emergency works and priority works.

Council will implement systems/processes to ensure continued service delivery in emergency events.

7 Contingency plans shall be implemented for emergency events such as earthquake, tsunami and fire which result in the inability to provide the service. The method of measurement for this performance measure is that the contingency plans have been reviewed and presented to a civil defence team meeting each year.

2017/18 ANNUAL PLAN	2018/19 BUDGET	2019/20 BUDGET	2020/21 BUDGET	2021/22 BUDGET	2022/23 BUDGET	2023/24 BUDGET	2024/25 BUDGET	2025/26 BUDGET	2026/27 BUDGET	2027/28 BUDGET
INCOME										
- Capital Subsidy	-	-	-	-	-	-	-	-	-	-
560,797 Fees and Charges	400,500	416,812	426,912	437,416	448,728	460,848	473,776	487,512	502,056	517,812
49,824 Investment Income	64,686	65,492	73,283	75,816	75,960	73,703	73,954	72,088	70,160	71,182
- Reserves	-	-	-	-	-	-	-	-	-	-
610,621 TOTAL INCOME	465,186	482,304	500,195	513,232	524,688	534,551	547,730	559,600	572,216	588,994
EXPENDITURE										
28,950 Employee Benefit Expenses	219,648	229,178	233,584	243,443	248,157	258,323	263,361	273,858	279,238	290,093
521,786 Depreciation and Amortisation	587,083	629,886	637,522	645,344	691,552	705,480	718,632	775,295	784,277	788,419
14,443 Finance Costs	1,183	2,332	2,297	2,263	2,229	2,195	2,161	2,126	2,092	2,058
1,675,292 Other Operating Expense	1,630,853	1,684,137	1,745,805	1,773,365	1,843,272	1,882,226	1,909,754	1,968,011	2,038,840	2,110,067
(490,925) Internal Recoveries	(400,000)	(411,200)	(421,200)	(431,600)	(442,800)	(454,800)	(467,600)	(481,200)	(495,600)	(511,200)
1,749,546 TOTAL EXPENDITURE	2,038,767	2,134,332	2,198,008	2,232,816	2,342,411	2,393,424	2,426,307	2,538,090	2,608,846	2,679,436
(1,138,925) NET SURPLUS/(DEFICIT) FROM OPERATIONS	(1,573,581)	(1,652,028)	(1,697,813)	(1,719,584)	(1,817,723)	(1,858,873)	(1,878,577)	(1,978,490)	(2,036,630)	(2,090,442)

**PROSPECTIVE FUNDING IMPACT STATEMENT
WATER SUPPLY**

2017/18 ANNUAL PLAN		2018/19 BUDGET	2019/20 BUDGET	2020/21 BUDGET	2021/22 BUDGET	2022/23 BUDGET	2023/24 BUDGET	2024/25 BUDGET	2025/26 BUDGET	2026/27 BUDGET	2027/28 BUDGET
Total Sources of Operating Funding											
Source of Operating Funding											
1,061,693	Uniform, General and Targeted Rates	1,520,785	1,614,025	1,659,810	1,729,797	1,825,347	1,877,567	1,896,271	1,996,184	2,054,324	2,140,086
1,051,722	Fees charges and targeted rates for water supply	800,500	828,012	848,112	869,016	891,528	915,648	941,376	968,712	997,656	1,029,012
49,824	Interest and Dividends from Investments	64,686	65,492	73,283	75,816	75,960	73,703	73,954	72,088	70,160	71,182
2,163,239	Total Source of Operating Funding	2,385,971	2,507,529	2,581,205	2,674,629	2,792,835	2,866,918	2,911,601	3,036,984	3,122,140	3,240,280
Application of Operating Funding											
1,409,326	Payments to staff and suppliers	1,501,609	1,557,155	1,598,069	1,648,259	1,711,568	1,738,652	1,785,353	1,840,117	1,892,367	1,985,949
14,443	Finance costs	1,183	2,332	2,297	2,263	2,229	2,195	2,161	2,126	2,092	2,058
294,916	Internal Charges and Overheads applied	348,892	356,159	381,320	368,549	379,861	401,897	387,762	401,752	425,710	414,211
1,718,685	Total Application of Operating Funding	1,851,684	1,915,646	1,981,686	2,019,071	2,093,658	2,142,744	2,175,276	2,243,996	2,320,170	2,402,218
444,554	Surplus (Deficit) from Operating Funding	534,287	591,883	599,519	655,557	699,177	724,174	736,326	792,988	801,971	838,062
Total Sources of capital funding											
Source of Capital Funding											
-	Increase in Debt	268,500	-	-	-	-	-	-	-	-	-
-	Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-
-	Total Source of Capital Funding	268,500	-								
Application of Capital Funding											
-	Decrease in Debt	-	8,072	8,072	8,072	8,072	8,072	7,072	7,072	7,072	7,072
70,000	Capital expenditure - to improve the level of service	315,000	11,135	11,385	11,645	11,925	40,650	35,925	12,885	13,245	45,585
1,053,208	Capital expenditure - to replace existing assets	885,380	323,820	305,370	312,910	321,030	329,730	339,010	348,870	359,310	370,620
(678,655)	(Increase) Decrease in reserves	(397,593)	248,856	274,692	322,930	358,150	345,722	354,319	424,161	422,344	414,785
444,554	Total Application of Capital Funding	802,787	591,883	599,519	655,557	699,177	724,174	736,326	792,988	801,971	838,062
(444,554)	Surplus (Deficit) from Capital Funding	(534,287)	(591,883)	(599,519)	(655,557)	(699,177)	(724,174)	(736,326)	(792,988)	(801,971)	(838,062)
-	Funding Balance	-									

WAI ĀWHĀ – STORMWATER

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.¹⁵

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.¹⁶

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
- develop 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
- increased customer satisfaction
- transparency in decision-making
- sustainability.

There is also a statutory basis for Council’s involvement in this activity.¹⁷ 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 deliver the services currently provided and to continue to focus on the previously adopted community outcomes.

For more details:

Please refer to the relevant section of the 3 Waters Activity Management Plan. Alternatively contact Council’s Asset Management Department on (06) 838 7309 or visit our offices to discuss any queries you may have. Stormwater information can be accessed through the Wairoa District Council website www.wairoadc.govt.nz

¹⁵ Section 5.4

¹⁶ Section 1.4

¹⁷ Section 1.2

COMMUNITY OUTCOMES AND HOW THE STORMWATER 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 with a focus on the previously adopted community outcomes. Table SW1 shows the community outcomes of the stormwater activity (please refer to page 28 for a full list of community outcomes).

ASSET CONDITION AND PERFORMANCE

Council has insufficient information to fully determine the material or condition of the older water pipes although they are generally considered to be in acceptable condition. Much of the network is older than fifty 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 have been 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.¹⁸

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.'*¹⁹

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 measurement framework. This framework utilises the customer service request system, annual surveys and submission service.²⁰

Table SW2 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 included as performance measures, with associated yearly targets.²¹

MAJOR ISSUES AND PROJECTS IN THE NEXT THIRTY YEARS

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

- stagnant and ageing population with associated funding problems
- changes in legislation and government direction
- ageing infrastructure
- natural disaster preparation.

PIPING OF OPEN DRAINS

Council will continue to pipe open drains to the value of around \$170,000 per year. This equates to approximately 300m of open drain each year. There are over 22kms of open drains in the Wairoa township.²²

¹⁸ Section 6.6

¹⁹ Section 1.6

²⁰ Section 2.5

²¹ Section 2.5

²² Section 6.8

STORMWATER RENEWALS

A sum of \$1.22 million has been made available for reactive and programmed pipe renewals in Wairoa for the next ten years, together with a provision of \$50,000 in 2018/19 to obtain a global discharge consent.

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, delivering what the ratepayer wants in a cost-effective way.

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.²³

²³ Section 8.2

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Table SW1: Relevant community outcomes.

		STORMWATER ACTIVITY						
COMMUNITY OUTCOMES	<i>Outcome 1: A strong, prosperous and thriving economy.</i>	<i>Outcome 2: A safe and integrated infrastructure.</i>	<i>Outcome 4: Safe and accessible recreational facilities.</i>	<i>Outcome 5: Supportive, caring and valued communities.</i>	<i>Outcome 7: A safe and secure community.</i>	<i>Outcome 8: A lifetime of good health, education and well-being.</i>	<i>Outcome 9: An environment that is appreciated, protected and sustained for future generations.</i>	
STORMWATER CONTRIBUTION	The stormwater infrastructure can support the economy by ensuring flooding has a minimal effect on business operations.	Stormwater infrastructure outside of Wairoa, Tuai and Mahia is considered a roading asset.	Ensures recreation facilities are free from minor flooding and safety hazards.	Inclusion in the strategic direction of the activity through the LTP submission process.	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.	

Table SW2: Level of service with associated performance measures.

LEVEL OF SERVICE STATEMENT	COMMUNITY OUTCOME	PERFORMANCE MEASURE	TARGET 2018 - 2020
<i>Council will comply with current legislation and Council bylaws.</i>	1, 2, 4, 7 & 9	Council shall comply with conditions of consent for any systems.	<p>The method of measurement for this performance measure is compliance with the resource consents for discharge from the stormwater system, measured by the number of:</p> <ul style="list-style-type: none"> (a) abatement notices (b) infringement notices (c) enforcement orders (d) convictions <p>received in relation to those discharges.</p> <p>The annual target for (a) to (d) is zero.</p>
<i>Council will maintain stormwater systems to ensure long-term sustainability.</i>	1, 2, 4, 5, 7, 8 & 9	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.	<p>The method of measurement of this performance measure is :</p> <ul style="list-style-type: none"> (a) The number of flooding events that occur in the district. (b) For each flooding event, the number of habitable floors affected <p>(Expressed per 1000 properties connected to the district's stormwater system).</p> <p>The annual target is that (b) will not exceed 50 inhabitable floors per 1000 properties affected by a flooding event.</p>
<i>Customers will receive a prompt and efficient service.</i>	5	<p>Level of customer satisfaction through annual survey indicates 'fairly good', 'very good' or better minimum 80% approval rating</p> <p>Council shall respond to flooding events.</p>	<p>The annual target for this measure is 80% of respondents indicate they are 'very satisfied' or 'fairly satisfied' with stormwater, expressed as a percentage excluding 'don't know' respondents.</p> <p>The method of measurement for this performance measure is the median response time to attend a flooding event, measured from the time that the Council receives notification to the time that service personnel reach the site.</p> <p>The annual target for emergency work is 1 hour and urgent work 2 hours. Emergency work and urgent work are as defined in the 3 Waters Contract.</p>

The total number of complaints received shall not exceed 50 per 1000 connections.

The method of measurement for this performance measure is the number of complaints received by Council about the performance of its stormwater system, expressed per 1000 properties connected to the stormwater system.

The annual target is 50 or less.

Council will implement systems/processes to ensure continued service delivery in emergency events.

1, 2, 4 & 7

Contingency plans shall be implemented for emergency events such as flooding, earthquake, tsunami or fire which result in the inability to provide the service.

The method of measurement for this performance measure is the contingency plans have been reviewed and presented to a civil defence team meeting each year.

PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENDITURE STORMWATER DRAINAGE

2017/18 ANNUAL PLAN		2018/19 BUDGET	2019/20 BUDGET	2020/21 BUDGET	2021/22 BUDGET	2022/23 BUDGET	2023/24 BUDGET	2024/25 BUDGET	2025/26 BUDGET	2026/27 BUDGET	2027/28 BUDGET
	INCOME										
	- Fees and Charges	-	-	-	-	-	-	-	-	-	-
18,850	Investment Income	34,125	38,740	38,082	38,054	37,046	35,017	33,769	31,958	30,858	31,124
	- Reserves	-	-	-	-	-	-	-	-	-	-
18,850	TOTAL INCOME	34,125	38,740	38,082	38,054	37,046	35,017	33,769	31,958	30,858	31,124
	EXPENDITURE										
194,114	Depreciation and Amortisation	181,110	199,967	203,866	207,963	225,606	241,784	258,245	279,717	285,067	290,387
18,415	Finance Costs	56,581	69,713	73,286	77,079	81,094	85,352	89,896	94,770	100,003	105,319
257,626	Other Operating Expense	198,959	203,608	215,426	211,611	217,904	228,721	224,754	232,499	244,477	242,031
470,155	TOTAL EXPENDITURE	436,650	473,288	492,578	496,653	524,604	555,857	572,895	606,986	629,547	637,737
(451,305)	NET SURPLUS/(DEFICIT) FROM OPERATIONS	(402,525)	(434,548)	(454,496)	(458,599)	(487,558)	(520,840)	(539,126)	(575,028)	(598,689)	(606,613)

**PROSPECTIVE FUNDING IMPACT STATEMENT
STORMWATER DRAINAGE**

2017/18 ANNUAL PLAN		2018/19 BUDGET	2019/20 BUDGET	2020/21 BUDGET	2021/22 BUDGET	2022/23 BUDGET	2023/24 BUDGET	2024/25 BUDGET	2025/26 BUDGET	2026/27 BUDGET	2027/28 BUDGET
	Total Sources of Operating Funding										
	Source of Operating Funding										
451,305	Uniform, General and Targeted Rates	393,875	428,065	450,056	455,851	485,617	518,715	536,793	572,458	595,864	603,669
18,850	Interest and Dividends from Investments	34,125	38,740	38,082	38,054	37,046	35,017	33,769	31,958	30,858	31,124
470,155	Total Source of Operating Funding	428,000	466,805	488,138	493,905	522,663	553,732	570,562	604,416	626,722	634,793
	Application of Operating Funding										
131,708	Payments to staff and suppliers	64,050	65,843	67,445	69,110	70,903	72,825	74,874	77,052	79,358	81,856
18,415	Finance costs	56,581	69,713	73,286	77,079	81,094	85,352	89,896	94,770	100,003	105,319
125,918	Internal Charges and Overheads applied	134,909	137,765	147,981	142,501	147,000	155,896	149,879	155,447	165,119	160,175
276,041	Total Application of Operating Funding	255,540	273,321	288,712	288,690	298,997	314,073	314,649	327,269	344,480	347,350
194,114	Surplus (Deficit) from Operating Funding	172,460	193,484	199,427	205,215	223,666	239,659	255,913	277,147	282,242	287,443
	Total Sources of capital funding										
	Source of Capital Funding										
-	Increase in Debt	275,000	231,300	129,168	137,387	145,886	155,084	165,507	177,304	190,097	196,081
-	Total Source of Capital Funding	275,000	231,300	129,168	137,387	145,886	155,084	165,507	177,304	190,097	196,081
	Application of Capital Funding										
-	Decrease in Debt	-	6,500	11,126	13,709	16,457	19,375	22,477	25,787	29,333	33,135
306,914	Capital expenditure - to improve the level of service	275,000	231,300	129,168	137,387	145,886	155,084	165,507	177,304	190,097	196,081
429,732	Capital expenditure - to replace existing assets	110,000	262,140	105,300	107,900	110,700	176,235	175,350	120,300	123,900	134,190
(542,532)	Increase/(Decrease) in reserves	62,460	(75,156)	83,001	83,606	96,509	44,049	58,086	131,060	129,009	120,118
736,646	Total Application of Capital Funding	447,460	424,784	328,595	342,602	369,552	394,743	421,420	454,451	472,339	483,524
(194,114)	Surplus (Deficit) from Capital Funding	(172,460)	(193,484)	(199,427)	(205,215)	(223,666)	(239,659)	(255,913)	(277,147)	(282,242)	(287,443)
-	Funding Balance	-	-	-	-	-	-	-	-	-	-

WAI PARU - WASTEWATER

WHAT THE COUNCIL DOES

Council owns and operates wastewater systems in Wairoa, Tuai, Mahia and Opoutama.²⁴ 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 into 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 into 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.²⁵

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
- develop 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
- increased customer satisfaction
- transparency in decision-making
- sustainability.

For more details:

Please refer to the relevant section of the 3 Waters Activity Management Plan. Alternatively contact Council's Asset Management Department on (06) 838 7309 or visit our offices to discuss any queries you may have.

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

²⁴ Section 5.3

²⁵ Section 1.4

There is also a statutory basis for Council's involvement in the wastewater activity.²⁶ 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 with a focus on the previously adopted community outcomes. Table WW1 shows the community outcomes of the wastewater activity (please refer to page 28 for a full list of community outcomes).

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 fifty 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.²⁷

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.²⁸

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.²⁹

HOW PEOPLE CAN JUDGE THE COUNCIL

Council's goal for this activity is: *'Reliable and safe collection and disposal of sewage.'*³⁰ 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 (CSR) system, annual surveys and submission service.³¹

²⁶ Section 1.2

²⁷ Section 5.3

²⁸ Section 5.3

²⁹ Section 6.6

³⁰ Section 1.6

³¹ Section 2.5

Table WW2 details what the Council will deliver as a level of service statement. The community outcomes that the statement contributes to are also detailed. How Council will monitor progress is included as performance measures, with associated yearly targets.³²

MAJOR ISSUES AND PROJECTS IN THE NEXT THIRTY YEARS

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

- stagnant and ageing population with associated funding problems
- changes in legislation and government direction
- ageing infrastructure and inflow and infiltration issues
- the Wairoa treatment plant discharge consent expires in 2019.³³

WASTEWATER RENEWALS

A provision of \$1.96 million over the next ten years has been made for reactive and programmed pipe renewals in Wairoa. The Wairoa renewals programme will primarily be determined from the inflow and infiltration investigations being undertaken for the sewerage system.

There is a provision for 4 pump station renewals at \$25,000 every other year, between 2018/19 and 2024/25.

WAIROA TREATMENT PLANT

The current discharge consent for the Wairoa wastewater system expires in 2019. Discharge of 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. Council conducted extensive consultation through the stake holder group over a 12 month period resulting in WDC being nominated for a nationally recognised award. Preparation of an interim consent application will progress in late 2018 to enable Council to continue to operate its wastewater treatment facility under current conditions while the project progresses.

Provision has been made for \$6.5 million of expenditure to develop and implement a new system. There is the inclusion of \$600,000 to provide standby generators for all the pump stations in Wairoa and \$1.25 million for upgrading the Wairoa rising main.

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, and deliver what the ratepayer wants in a cost-effective way.

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 implementation³⁴

³² Section 8.2

³³ Section 6

³⁴ Section 2.5

WAIROA

Table WW1: Relevant community outcomes.

	WASTEWATER ACTIVITY					
COMMUNITY OUTCOMES	<i>Outcome 1: A strong, prosperous and thriving economy.</i>	<i>Outcome 3: A community that values and promotes its culture and heritage.</i>	<i>Outcome 5: Supportive, caring and valued communities.</i>	<i>Outcome 7: A safe and secure community.</i>	<i>Outcome 8: A lifetime of good health, education and well-being.</i>	<i>Outcome 9: An environment that is appreciated, protected and sustained for future generations.</i>
WASTEWATER CONTRIBUTION	Provision is made for the ability to create business growth around the disposal of wastewater.	Development of wastewater plans takes into account cultural values.	Development of wastewater plans takes into account cultural values.	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.

Table WW2: Level of service with associated performance measures.

LEVEL OF SERVICE STATEMENT	COMMUNITY OUTCOMES	PERFORMANCE MEASURE	TARGET 2018 - 2020
<i>Council will comply with current legislation and Council bylaws.</i>	7 & 9	Council shall comply with conditions of consent for all systems.	<p>The method of measurement for this performance measure is compliance with the resource consents for discharge from the wastewater system, measured by the number of:</p> <ul style="list-style-type: none"> (a) abatement notices (b) infringement notices (c) enforcement orders (d) convictions <p>received in relation to those discharges.</p> <p>The annual target for (a) to (d) is zero.</p>

1, 7, 8 & 9 There shall be no dry weather sewage overflows.

The method of measurement for this performance measure is the number of dry weather sewage overflows from the sewage system, expressed per 1000 connections to the system.

The annual target is that instances will not exceed 16 per 1000 connections - this is over the 4 networks.

Customers will receive a prompt and efficient service.

7, 8 & 9 Council shall respond to sewage overflows resulting from a blockage or other fault in the sewerage system.

The method of measurement for this performance measure is analysis of the CSR database to identify the number of requests relating to sewage overflows resulting from a blockage or other faults in the sewerage system, with the following median response times measured:

(a) attendance time: from the time that the Council receives notification to the time that service personnel reach the site

(b) resolution time: from the time that the Council receives notification to the time that service personnel confirm resolution of the blockage or other fault.

The target for this performance measure is (a) 1 hour for Wairoa and 2 hours for Tuai areas; (b) 4 hours for Wairoa and 5 hours for Tuai areas. Priority Work in Contract: (c) 2 days and (d) 5 working days. Note these measures correspond to the 3 Waters maintenance contract response times for emergency works and priority works.

The total number of complaints received shall not exceed the stated limit.

The method of measurement for this performance measure is analysis of the CRS database to identify the number of complaints related to each of the wastewater complaint categories.

The target for this performance measure is complaints received annually shall not exceed:

- 20 for sewage odour
- 20 for sewerage system faults

Council will implement systems/processes to ensure continued service delivery in emergency events.

7 & 9

Contingency plans shall be implemented for emergency events such as flooding, earthquake, tsunami or fire which result in the inability to provide the service.

- 20 for sewerage system blockages
- 20 for responses to issues with sewerage system per annum and expressed per 1000 connections.

The method of measurement for this performance measure is the contingency plans have been reviewed and presented to a civil defence team meeting each year.

**PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENDITURE
WASTEWATER**

2017/18 ANNUAL PLAN		2018/19 BUDGET	2019/20 BUDGET	2020/21 BUDGET	2021/22 BUDGET	2022/23 BUDGET	2023/24 BUDGET	2024/25 BUDGET	2025/26 BUDGET	2026/27 BUDGET	2027/28 BUDGET
	INCOME										
	- Capital Subsidy	-	-	-	-	-	-	-	-	-	-
2,526	Fees and Charges	200,000	202,800	205,300	207,900	210,700	213,700	216,900	220,300	223,900	227,800
57,621	Investment Income	79,831	64,293	63,130	62,459	62,998	61,054	63,593	65,847	68,744	68,367
	- Reserves	-	-	-	-	-	-	-	-	-	-
60,147	TOTAL INCOME	279,831	267,093	268,430	270,359	273,698	274,754	280,493	286,147	292,644	296,167
	EXPENDITURE										
426,546	Depreciation and Amortisation	470,251	549,359	603,138	684,133	766,381	780,736	791,453	829,283	848,022	831,895
315,246	Finance Costs	60,947	71,927	112,621	198,693	249,647	254,982	246,673	238,365	230,056	221,747
1,010,526	Other Operating Expense	865,995	888,276	932,315	928,401	953,655	999,308	997,129	1,027,980	1,079,674	1,082,612
1,752,318	TOTAL EXPENDITURE	1,397,193	1,509,562	1,648,074	1,811,226	1,969,683	2,035,026	2,035,256	2,095,628	2,157,752	2,136,255
(1,692,171)	NET SURPLUS/(DEFICIT) FROM OPERATIONS	(1,117,362)	(1,242,469)	(1,379,644)	(1,540,867)	(1,695,985)	(1,760,272)	(1,754,763)	(1,809,481)	(1,865,108)	(1,840,088)

**PROSPECTIVE FUNDING IMPACT STATEMENT
WASTEWATER**

2017/18 ANNUAL PLAN		2018/19 BUDGET	2019/20 BUDGET	2020/21 BUDGET	2021/22 BUDGET	2022/23 BUDGET	2023/24 BUDGET	2024/25 BUDGET	2025/26 BUDGET	2026/27 BUDGET	2027/28 BUDGET
	Total Sources of Operating Funding										
	Source of Operating Funding										
1,077,958	Uniform, General and Targeted Rates	897,684	1,018,585	1,128,639	1,309,588	1,498,703	1,582,955	1,597,344	1,636,692	1,680,949	1,667,639
2,526	Fees charges and targeted rates for water supply	100,000	102,800	105,300	107,900	110,700	113,700	116,900	120,300	123,900	127,800
57,621	Interest and Dividends from Investments	79,831	64,293	63,130	62,459	62,998	61,054	63,593	65,847	68,744	68,367
1,138,105	Total Source of Operating Funding	1,077,515	1,185,678	1,297,069	1,479,947	1,672,401	1,757,709	1,777,837	1,822,839	1,873,593	1,863,806
	Application of Operating Funding										
637,983	Payments to staff and suppliers	600,350	617,160	642,699	647,778	664,587	693,968	701,809	722,221	756,224	767,247
315,246	Finance costs	60,947	71,927	112,621	198,693	249,647	254,982	246,673	238,365	230,056	221,747
372,543	Internal Charges and Overheads applied	265,645	271,116	289,616	280,623	289,067	305,340	295,320	305,759	323,450	315,365
1,325,772	Total Application of Operating Funding	926,942	960,203	1,044,936	1,127,094	1,203,301	1,254,290	1,243,802	1,266,345	1,309,730	1,304,359
(187,667)	Surplus (Deficit) from Operating Funding	150,573	225,476	252,133	352,854	469,100	503,419	534,035	556,494	563,863	559,446
	Total Sources of capital funding										
	Source of Capital Funding										
289,052	Targeted Capital Rates - Wastewater Scheme	255,227	154,876	146,255	136,668	125,874	113,550	114,649	102,082	87,198	69,145
-	Increase in Debt	200,000	154,200	364,000	897,650	310,700	-	116,900	-	185,850	-
-	Lump sum contributions	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
289,052	Total Source of Capital Funding	555,227	409,076	610,255	1,134,318	536,574	213,550	331,549	202,082	373,048	169,145
	Application of Capital Funding										
	Decrease in Debt	-	12,692	26,056	66,541	131,578	171,440	179,968	179,968	179,968	179,968
413,084	Capital expenditure - to improve the level of service	140,380	164,480	537,030	712,140	719,550	341,100	-	-	-	-
1,518,573	Capital expenditure - to replace existing assets	1,705,000	736,800	1,074,775	2,095,340	1,223,975	341,100	204,575	60,150	557,550	63,900
(1,830,272)	Increase/(Decrease) in reserves	(1,139,580)	(279,421)	(775,472)	(1,386,849)	(1,069,429)	(136,671)	481,041	518,457	199,393	484,724
101,385	Total Application of Capital Funding	705,800	634,551	862,389	1,487,172	1,005,674	716,969	865,584	758,575	936,911	728,592
187,667	Surplus (Deficit) from Capital Funding	(150,573)	(225,476)	(252,133)	(352,854)	(469,100)	(503,419)	(534,035)	(556,494)	(563,863)	(559,446)
	Funding Balance	-									

WAIROA

NGĀ RATONGA WAI - WATER SERVICES COMBINED ACTIVITY STATEMENTS

PROSPECTIVE ACTIVITY STATEMENT WATER SERVICES

2017/18 ANNUAL PLAN	2018/19 BUDGET	2019/20 BUDGET	2020/21 BUDGET	2021/22 BUDGET	2022/23 BUDGET	2023/24 BUDGET	2024/25 BUDGET	2025/26 BUDGET	2026/27 BUDGET	2027/28 BUDGET
INCOME										
- Capital Subsidy	-	-	-	-	-	-	-	-	-	-
563,323 Fees and Charges	600,500	619,612	632,212	645,316	659,428	674,548	690,676	707,812	725,956	745,612
126,295 Investment Income	178,642	168,525	174,495	176,329	176,004	169,774	171,316	169,893	169,762	170,673
- Reserves	-	-	-	-	-	-	-	-	-	-
689,618 TOTAL INCOME	779,142	788,137	806,707	821,645	835,432	844,322	861,992	877,705	895,718	916,285
EXPENDITURE										
28,950 Employee Benefit Expenses	219,648	229,178	233,584	243,443	248,157	258,323	263,361	273,858	279,238	290,093
1,142,446 Depreciation and Amortisation	1,238,444	1,379,212	1,444,526	1,537,440	1,683,540	1,728,001	1,768,331	1,884,294	1,917,365	1,910,700
348,104 Finance Costs	118,711	143,972	188,205	278,034	332,970	342,529	338,730	335,261	332,152	329,125
2,943,444 Other Operating Expense	2,695,807	2,776,021	2,893,545	2,913,377	3,014,831	3,110,255	3,131,637	3,228,490	3,362,991	3,434,711
(490,925) Internal Recoveries	(400,000)	(411,200)	(421,200)	(431,600)	(442,800)	(454,800)	(467,600)	(481,200)	(495,600)	(511,200)
3,972,019 TOTAL EXPENDITURE	3,872,610	4,117,182	4,338,660	4,540,694	4,836,698	4,984,307	5,034,458	5,240,703	5,396,145	5,453,428
(3,282,401) NET SURPLUS/(DEFICIT)	(3,093,468)	(3,329,045)	(3,531,953)	(3,719,049)	(4,001,266)	(4,139,985)	(4,172,466)	(4,362,998)	(4,500,427)	(4,537,143)

WAIROA

PROSPECTIVE FUNDING IMPACT STATEMENT WATER SERVICES

2017/18 ANNUAL PLAN		2018/19 BUDGET	2019/20 BUDGET	2020/21 BUDGET	2021/22 BUDGET	2022/23 BUDGET	2023/24 BUDGET	2024/25 BUDGET	2025/26 BUDGET	2026/27 BUDGET	2027/28 BUDGET
Total Sources of Operating Funding											
Source of Operating Funding											
3,122,266	Uniform, General and Targeted Rates	2,812,344	3,060,676	3,238,506	3,495,236	3,809,667	3,979,237	4,030,409	4,205,334	4,331,137	4,411,394
1,054,248	Fees charges and targeted rates for water sup	900,500	930,812	953,412	976,916	1,002,228	1,029,348	1,058,276	1,089,012	1,121,556	1,156,812
126,295	Interest and Dividends from Investments	178,642	168,525	174,495	176,329	176,004	169,774	171,316	169,893	169,762	170,673
4,302,809	Total Source of Operating Funding	3,891,486	4,160,013	4,366,413	4,648,481	4,987,899	5,178,359	5,260,001	5,464,239	5,622,455	5,738,879
Application of Operating Funding											
2,179,017	Payments to staff and suppliers	2,166,009	2,240,158	2,308,212	2,365,146	2,447,059	2,505,445	2,562,037	2,639,391	2,727,949	2,835,052
348,104	Finance costs	118,711	143,972	188,205	278,034	332,970	342,529	338,730	335,261	332,152	329,125
793,377	Internal Charges and Overheads applied	749,446	765,040	818,917	791,674	815,929	863,132	832,961	862,957	914,279	889,751
3,320,498	Total Application of Operating Funding	3,034,166	3,149,170	3,315,334	3,434,854	3,595,958	3,711,106	3,733,728	3,837,609	3,974,380	4,053,928
982,311	Surplus (Deficit) from Operating Funding	857,320	1,010,843	1,051,079	1,213,627	1,391,941	1,467,253	1,526,273	1,626,630	1,648,075	1,684,951
Total Sources of capital funding											
Source of Capital Funding											
289,052	Target Capital Rate	255,227	154,876	146,255	136,668	125,874	113,550	114,649	102,082	87,198	69,145
-	Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-
-	Increase in Debt	743,500	385,500	493,168	1,035,037	456,586	155,084	282,407	177,304	375,947	196,081
-	Lump sum contributions	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
289,052	Total Source of Capital Funding	1,098,727	640,376	739,423	1,271,705	682,460	368,634	497,056	379,386	563,145	365,226
Application of Capital Funding											
789,998	Capital expenditure - to improve the level of s	730,380	434,179	722,837	949,494	1,033,468	735,721	410,949	403,016	419,715	461,841
3,001,513	Capital expenditure - to replace existing asset	2,700,380	1,322,760	1,485,445	2,516,150	1,655,705	847,065	718,935	529,320	1,040,760	568,710
(2,520,147)	Increase (Decrease) in reserves	1,474,713	105,721	417,780	980,312	614,772	253,101	893,444	1,073,680	750,745	1,019,626
1,271,364	Total Application of Capital Funding	1,956,047	1,651,218	1,790,502	2,485,332	2,074,401	1,835,887	2,023,328	2,006,016	2,211,220	2,050,177
(982,311)	Surplus (Deficit) from Capital Funding	(857,320)	(1,010,843)	(1,051,079)	(1,213,627)	(1,391,941)	(1,467,253)	(1,526,273)	(1,626,630)	(1,648,075)	(1,684,951)
-	Funding Balance (General Rates)	-	-	-	-	-	-	-	-	-	-

NGĀ WHAKAREKĒ AROMATAWAI O TE WAI ME NGĀ TIKANGA AKUAKU - WATER & SANITARY SERVICES ASSESSMENT VARIATIONS

LEGISLATION

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

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 the Long-term Plan (LTP).

COUNCIL'S WATER & SANITARY SERVICES ASSESSMENT

The purpose of the Assessment is 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 reviewed and updated the Assessment in 2015 and a further review is scheduled in light of the Mahanga water supply referendum. As part of that review, it is important to assess any significant variations to the 2015 proposals. Council reports the following:

WATER SUPPLY: Options to upgrade the Mahanga water supply are being investigated following a referendum in 2017, which resulted in 70% of the community wanting Council to retain the supply. The supply will be upgraded to meet the Drinking-Water Standards New Zealand (DWSNZ) 2005 revised 2008. Options to upgrade the Blue Bay supply are also underway to service the Blue Bay subdivision. Resilience issues in Wairoa have been addressed through increased storage of treated water and investigations for an alternative Wairoa source are planned, as well as investigations into the need to service other communities.

WASTEWATER TREATMENT: Public wastewater treatment systems are now fully operational in Mahia Beach and Opoutama. Investigations and consultation on options to upgrade the Wairoa wastewater treatment plant are well underway with construction planned to commence 2020. As an interim measure Council will lodge an application with Hawke's Bay Regional Council 6 months before the current consent expires, which will allow the status quo to continue until the new BPO is rolled out and key milestones are reached.

WASTEWATER & STORMWATER RETICULATION: Effective renewals programmes for wastewater and stormwater reticulation are being developed and implemented for Wairoa following an inflow and infiltration study and ongoing condition assessments. Piping of open stormwater drains is an ongoing programme of works.

CEMETERIES: 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 2018-28 LTP for capital works projects to include a new facility in the Wairoa CBD. Recent works include a new facility at the Whangawehi boat ramp and upgrade of the public toilet at Blacks Beach.

WASTE MANAGEMENT: This is addressed through the Waste Management and Minimisation Plan (2017). Proposals under the 2015 Water and Sanitary Services Assessment are generally in line with the relevant Asset Management Plans and the 2018-28 LTP. Key areas are:

WATER SUPPLY: Upgrade of the Mahanga water supply to meet DWSNZ and an upgrade of the Blue Bay supply.

WASTEWATER & STORMWATER RETICULATION: Continuation of renewals and upgrades to address inflow and infiltration.

WASTEWATER TREATMENT: New/upgraded Wairoa wastewater treatment plant in line with expiry of the current resource consent in 2019.

In summary, there are no significant variations between the proposed 2018-28 Long-term Plan and Council's 2015 Water and Sanitary Services Assessment.

TE TŌHAU NUI TUARUA WHAKAHAERE PARA - ACTIVITY GROUP TWO WASTE MANAGEMENT

- Whakahaere Para me Ngā Whakarerekē Iti Noa
- Waste Management & Minimisation Variations

WHAKAHAERE PARA - WASTE MANAGEMENT

WHAT THE COUNCIL DOES

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.

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

- Landfill
- recycling centre.

The activity also includes the service-based functions of:

- litter collection
- domestic refuse collection
- kerbside recycling.

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.

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

- develop 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
- increased customer satisfaction
- transparency in decision making
- sustainability.

There is also a statutory basis for Council's involvement in the waste management 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 waste management activity include:

- Health Act 1956
- Hazardous Substances and New Organisms Act 1996
- Local Government Act 2002
- Resource Management Act 1991
- Litter Act 1979
- Waste Minimisation Act 2008.

For more details:

Please refer to the relevant section of the Waste Management Activity 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.

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

COMMUNITY OUTCOMES AND 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 with a focus on the previously adopted community outcomes. Table WM1 shows the community outcomes of the waste management activity (please refer to Section One for a full list of community outcomes).

ASSET CONDITION AND PERFORMANCE

Assets at the landfill include:

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

Based on current usage, the landfill site has capacity for more than a hundred years with a new cell required in approximately thirty years. The condition of sealed areas is good, and is considered to be adequate for the next ten to fifteen years. 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. 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.

HOW PEOPLE CAN JUDGE THE COUNCIL

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

Table WM2 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 included as performance measures, with associated yearly targets.

MAJOR ISSUES AND PROJECTS IN THE NEXT THIRTY YEARS

Affordability and sustainability in a declining population base are key factors to consider. Specific issues over the next thirty 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: the Wairoa landfill consent expires in 2031.

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. Discussions are underway with Gisborne District Council, with both councils committed to exploring the option of GDC waste entering WDC landfill.

MAJOR PROJECTS

The extent of renewals and capital works over the next ten 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 access ways (\$90,000 included in the roading budget)
- upgrade and renewals of landfill/recycling centre buildings (\$20,000 per year over 10 years)
- renewal of handstand areas (\$30,000 in 2018/19 and again in 2028/29)
(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, and deliver what the ratepayer wants in a cost-effective way.

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.

WAIROA

Table WM1: Relevant community outcomes.

	WASTE MANAGEMENT						
COMMUNITY OUTCOMES	<i>Outcome 1: A strong, prosperous and thriving economy.</i>	<i>Outcome 2: A safe and integrated infrastructure.</i>	<i>Outcome 3: A community that values and promotes its culture and heritage.</i>	<i>Outcome 4: Safe and accessible recreational facilities.</i>	<i>Outcome 5: Supportive, caring and valued communities.</i>	<i>Outcome 7: A safe and secure community.</i>	<i>Outcome 9: An environment that is appreciated, protected and sustained for future generations.</i>
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.	Council is developing a waste management model with local hapū and iwi.	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 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.

Table WM2: Level of service table with associated performance measures.

LEVEL OF SERVICE STATEMENT	COMMUNITY OUTCOME	PERFORMANCE MEASURE	TARGET 2018 - 2020
<i>Council will continue to own and deliver the waste management activity to ensure protection of public health and the environment.</i>	2, 7 & 9	Council will operate and maintain the Wairoa landfill for the disposal of domestic and commercial refuse, being open for the public at least: · 5 hours per day · 300 days per year.	Achieve measure.
<i>Customers will receive a prompt and efficient service.</i>	5	Council shall continue to provide for the community-run waste disposal and recycling service in Waikaremoana and Raupunga. Missed household refuse service requests responded to by 12 pm the next day (on validation).	Achieve measure.
<i>Provide safe and reliable refuse and recycling kerbside collection services and rural waste services.</i>	5, 7 & 9	Minimum frequency of kerbside refuse and recycling service in Wairoa & Frasertown - fortnightly. Minimum frequency of collection from specified dropoff points from Mahia, Nuhaka and Mohaka – twice a month. No health and safety breaches by waste services contractors.	Achieve measure.
<i>effects on the natural environment are minimised</i>	9	Zero significant non-compliance events with the resource consent conditions for the Wairoa Landfill	Achieve measure.
<i>Council facilitates waste minimisation practices and promotes reduction of the amount of waste going to landfill</i>	9	Zero significant non-compliance events with the resource consent conditions for the closed landfill sites The amount of material diverted from landfill by the Wairoa community increases from 75 tonnes (note target excludes green waste)	Achieve measure.

WAIROA

PROSPECTIVE ACTIVITY STATEMENT WASTE MANAGEMENT

2017/18 ANNUAL PLAN		2018/19 BUDGET	2019/20 BUDGET	2020/21 BUDGET	2021/22 BUDGET	2022/23 BUDGET	2023/24 BUDGET	2024/25 BUDGET	2025/26 BUDGET	2026/27 BUDGET	2027/28 BUDGET
	INCOME										
362,000	Fees and Charges	485,000	494,700	504,400	515,070	526,710	538,835	550,960	564,055	578,120	592,670
-	- Investment Income	-	-	-	-	-	-	-	-	-	-
-	- Reserves	-	-	-	-	-	-	-	-	-	-
362,000	TOTAL INCOME	485,000	494,700	504,400	515,070	526,710	538,835	550,960	564,055	578,120	592,670
	EXPENDITURE										
-	- Employee Benefit Expenses	45,285	46,146	47,022	47,916	48,827	49,755	50,700	51,663	52,644	53,644
98,893	Depreciation and Amortisation	103,117	104,945	105,467	106,149	106,695	107,253	107,825	108,412	109,209	110,027
5,700	Finance Costs	50,892	55,659	55,500	55,590	55,461	55,351	55,264	55,197	55,461	55,747
1,066,292	Other Operating Expense	1,176,917	1,172,541	1,220,425	1,227,556	1,256,883	1,315,203	1,309,534	1,343,218	1,402,100	1,407,020
-											
1,170,885	TOTAL EXPENDITURE	1,376,211	1,379,290	1,428,413	1,437,211	1,467,866	1,527,562	1,523,322	1,558,490	1,619,414	1,626,438
(808,885)	NET SURPLUS/(DEFICIT)	(891,211)	(884,590)	(924,013)	(922,141)	(941,156)	(988,727)	(972,362)	(994,435)	(1,041,294)	(1,033,768)

**PROSPECTIVE FUNDING IMPACT STATEMENT
WASTE MANAGEMENT**

2017/18 ANNUAL PLAN		2018/19 BUDGET	2019/20 BUDGET	2020/21 BUDGET	2021/22 BUDGET	2022/23 BUDGET	2023/24 BUDGET	2024/25 BUDGET	2025/26 BUDGET	2026/27 BUDGET	2027/28 BUDGET
	Total Sources of Operating Funding										
	Source of Operating Funding										
808,885	Uniform, General and Targeted Rates	836,920	851,767	881,781	886,753	905,344	929,945	935,026	956,302	979,923	992,320
362,000	Fees charges and targeted rates for water sup	485,000	494,700	504,400	515,070	526,710	538,835	550,960	564,055	578,120	592,670
1,170,885	Total Source of Operating Funding	1,321,920	1,346,467	1,386,181	1,401,823	1,432,054	1,468,780	1,485,986	1,520,357	1,558,043	1,584,990
	Application of Operating Funding										
901,017	Payments to staff and suppliers	1,028,785	1,021,266	1,056,342	1,071,153	1,095,188	1,142,424	1,145,236	1,172,214	1,219,016	1,231,041
5,700	Finance costs	50,892	55,659	55,500	55,590	55,461	55,351	55,264	55,197	55,461	55,747
165,275	Internal Charges and Overheads applied	193,417	197,421	211,105	204,319	210,522	222,535	214,998	222,668	235,728	229,623
1,071,992	Total Application of Operating Funding	1,273,094	1,274,346	1,322,947	1,331,062	1,361,171	1,420,310	1,415,498	1,450,079	1,510,205	1,516,411
98,893	Surplus (Deficit) from Operating Funding	48,826	72,121	63,234	70,761	70,883	48,470	70,488	70,278	47,838	68,579
	Total Sources of capital funding										
	Source of Capital Funding										
-	Increase in Debt	-	-	-	-	-	-	-	-	-	-
-	Total Source of Capital Funding	-	-	-	-	-	-	-	-	-	-
	Application of Capital Funding										
228,100	Capital expenditure - to improve the level of s	150,000	76,683	27,812	34,723	29,976	31,022	32,121	33,273	42,289	43,908
(129,207)	Increase (Decrease) in reserves	101,174	4,562	35,422	36,038	40,907	17,448	38,367	37,005	5,549	24,671
98,893	Total Application of Capital Funding	48,826	72,121	63,234	70,761	70,883	48,470	70,488	70,278	47,838	68,579
(98,893)	Surplus (Deficit) from Capital Funding	(48,826)	(72,121)	(63,234)	(70,761)	(70,883)	(48,470)	(70,488)	(70,278)	(47,838)	(68,579)
-	Funding Balance (General Rates)	-	-	-	-	-	-	-	-	-	-

WHAKAHAERE PARA ME NGĀ WHAKAREKĒ ITI NOA - WASTE MANAGEMENT AND MINIMISATION VARIATIONS

LEGISLATION

In 2012, Council prepared a Waste Management and Minimisation Plan (WMMP) as required under section 43 of the Waste Minimisation Act 2008. The WMMP is required to be updated every six years. This has been done to coincide with this Long-term Plan (LTP). Schedule 10 of the Local Government Act 2002 requires Council to identify any significant variations between the WMMP and the proposals contained in the LTP.

There are no significant variations between the proposed 2018-28 Long-term Plan and Council's Waste Management and Minimisation Plan prepared in 2012.

COUNCIL'S WASTE MANAGEMENT AND MINIMISATION PLAN

Council is required under the Waste Management Act 2008 to produce a WMMP that shows how it plans to manage waste in the district. Since the 2012-22 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 a 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.
- Reduce waste generation and likely increasing costs to operate the landfill, by investigating the sustainability of the waste service through a regional landfill initiative now being proposed through this LTP.
- Deliver a comprehensive education programme through various means.
- Augment rural waste disposal and recycling services to the Mahia area.
- Monitor waste streams primarily through the Waste Management Contract.

TE TŌHAU NUI TUATORU RANGA - ACTIVITY GROUP THREE TRANSPORT

- Ranga Whenua
- Papa Rererangi
- Land Transport
- Airport

RANGA WHENUA - LAND TRANSPORT

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, including motor vehicles, cycles and pedestrians, for a population of 8,210 people.

Council delivers agreed levels of service to the existing and future residents in the most cost-effective way possible, this includes policy to ensure an appropriate level of asset management is delivered.³⁵

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.

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 2010.³⁶

HOW LAND TRANSPORT IS FUNDED

Ratepayer contributions provide 25% of the direct funding towards the land transport system with 75% Government subsidy financial assistance rate.

For more details:

Refer to the relevant section of the Land Transport Asset Management Plan. Alternatively contact Council's Transport Asset Manager on (06) 838 7309 or visit our offices to discuss any queries you may have. Land transport information can be accessed through the Wairoa District Council website www.wairoadc.govt.nz

³⁵ Section 1

³⁶ Section 2

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 with a focus on the previously adopted community outcomes. Table LT1 shows the community outcomes of the land transport activity (please refer to page 28 for a full list of community outcomes).

ASSET CONDITION AND PERFORMANCE

The overall network is in fair to good condition due to fit-for-purpose maintenance strategies and low traffic volumes.³⁷

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 attempt to manage 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.

³⁷ Section 5

³⁸ Section 2

³⁹ Section 2.4

HOW PEOPLE CAN JUDGE THE COUNCIL

Council's goal 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.'*³⁸

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 measurement 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.

MAJOR ISSUES AND PROJECTS IN THE NEXT THIRTY YEARS³⁹

RESILIENCE & IMPACT FROM FLOODING EVENTS

Wairoa has a history of storm events causing flooding, slips and dropouts on the road network. This is impacted by the geology and poor soils in some areas of the network, resulting in erosion and sediment risks. The investment in erosion protection, such as bank stabilisation and improved drainage facilities, requires increased investment to ensure the district remains economically viable and safe.

INCREASING DEMAND

The current and future demand of heavy commercial vehicles (HCV) is proportionally high due to the rural commercial sector of our community on otherwise low volume roads.

Studies completed on forestry harvesting project tonnages from the Wairoa area alone would result in an almost fourfold increase to the current tonnage. The current introduction of the VDAM rule and 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, which Council is working on, in collaboration with other local authorities with similar concerns.

ADDRESSING THE DISTRICT'S ECONOMICAL POTENTIAL & 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, 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 & 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.

UNSEALED ROAD TRACTION DIFFICULTIES & 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.

SUBSIDISED ROADING PROJECTS

(Subject to NZTA subsidy approval)

Structural bridge strengthening	Over 10 Years	\$4.2M
Lucknow/Lahore Street intersection safety improvements	(2018/19)	\$500,000
River erosion protection	(per annum)	\$90,000
Mahia connectivity improvements	(per annum)	\$125,000
Black Beach resilience	over 3 years	\$825,000
Safety improvements – low volume roads	(per annum)	\$100,000
Footpath safety improvements	(per annum)	\$310,000
Nuhaka-Opoutama Road – Blow Hole repair	(2018/19)	\$1.6M
Total:		\$7.75M

NON-SUBSIDISED ROADING PROJECTS

Footpath renewals	(per annum)	\$100,000
New footpaths	(per annum)	\$100,000
New streetlights	(per annum)	\$10,000
Total:		\$210,000

CAR PARKING PROJECTS

Remark car parks	(2020/2021)	\$11,484
Whakamahi carpark development	(2018/2019)	\$25,000
Total:		\$36,484

Table LT1: Relevant community outcomes.

		LAND TRANSPORT ACTIVITY							
COMMUNITY OUTCOMES	<i>Outcome 1: A strong, prosperous and thriving economy.</i>	<i>Outcome 2: A safe and integrated infrastructure.</i>	<i>Outcome 3: A community that values and promotes its culture and heritage.</i>	<i>Outcome 4: Safe and accessible recreational facilities.</i>	<i>Outcome 5: Supportive, caring and valued communities.</i>	<i>Outcome 6: Strong distinct leadership and a sense of belonging.</i>	<i>Outcome 7: A safe and secure community.</i>	<i>Outcome 8: A lifetime of good health, education and well-being.</i>	<i>Outcome 9: An environment that is appreciated, protected and sustained for future generations.</i>
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.	By providing and maintaining the local roads that form a significant part of the regional transport system, and provision for local procurement options.	The land transport network will be protected, and all potential negative cultural and social effects will be identified and properly managed	By progressively and proactively improving safety features on the land transport network.	The whole land transport system and its management will be properly integrated and consulted on.	Council will lead initiatives to ensure communities are connected through its land transport network.	By progressively and proactively improving safety features on the land transport network.		The planning of the land transport activity is sustainable into the future.

Table LT2: Level of service with associated performance measures.

LEVEL OF SERVICE STATEMENT	COMMUNITY OUTCOME	PERFORMANCE MEASURE	TARGET 2018 - 2020
<i>Council will manage the land transport system in a sustainable manner, sufficient to meet the current and projected demand</i>	1, 2, 3, 4, 5 & 9	<p>The percentage of the sealed local road network that is resurfaced, expressed as a number (<i>new mandatory performance measure</i>)</p> <p>All bridges on key industry transport routes meet HCV class 1 requirements. To ensure the network is accessible to the industries for the efficient movement of freight</p>	<p>The percentage of the sealed local road network that is resurfaced, expressed as a number.</p> <p>Year on year improvement</p>
<i>Customers will receive a prompt and efficient service</i>	1, 3, 5, 6, 7 & 9	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
<i>When using the network, all road users will experience a "fair" ride quality on a well-maintained and managed asset (qualified to the extent that it has to be appreciated that over 66% of the network is unsealed)</i>	2, 3, 4, 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

PAPA RERERANGI - AIRPORT

WHAT THE COUNCIL DOES

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

- runway (includes lighting)
- taxiway
- buildings.

The airport provides a service for light aircraft and charter operations. Council is the controlling authority of the airport, 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.⁴⁰

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.⁴¹

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:

- provide a defined level of service and monitoring performance
- manage the impact of growth through demand management and asset development
- take a life cycle approach to development costs through effective management strategies
- identify, assess and appropriately control risks
- have a long-term financial plan which identifies required expenditure, and how it will be funded, seeking to achieve the lowest overall whole-of-life costs.

For more details:

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

More information on the airport activity can be accessed through the Wairoa District Council website www.wairoadc.govt.nz

⁴⁰ Section 4.1

⁴¹ Section 1

The benefits of understanding the asset/service environment are:

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

There is also a statutory basis for Council's involvement in the airport activity.⁴² 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.

COMMUNITY OUTCOMES AND 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 with a focus on the previously adopted community outcomes. Table AP1 shows the community outcomes of the airport activity (please refer to page 28 for a full list of community outcomes).

⁴² Section 2.1

⁴³ Section 4.5

⁴⁴ Section 4.5

⁴⁵ Section 6.4

⁴⁶ Section 1.2

ASSET CONDITION AND PERFORMANCE

Council owns the following assets:

- Land
- operational airstrip
- sealed runway
- edge lighting
- 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.⁴³

Other than minor maintenance, the buildings are expected to have a remaining life in excess of ten years.⁴⁴

A reactive maintenance regime in the past has generally meant that any performance issues have been 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.⁴⁵

HOW PEOPLE CAN JUDGE THE COUNCIL

Council's goal for this activity is: *'To provide a safe and cost-effective facility to meet current needs.'*⁴⁶ 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 (CSR) system, annual surveys and submission service.⁴⁷

Table AP2 below details what Council will deliver as a level of service statement. The community outcomes that the specific statement contributes to are also included. How Council will monitor progress is then detailed as performance measures, with associated yearly targets.⁴⁸

MAJOR ISSUES AND PROJECTS IN THE NEXT TEN YEARS

Whilst it is recognised that the population is stagnant, the level of service required for the airport activity has increased. The arrival of Rocket Lab to the region has significantly boosted tourism opportunities for Wairoa and the airport will become a key gateway for future tourism and growth. The already important air ambulance service has welcomed a new jet engine aeroplane that offers considerable time and medical benefits, if the airport can be improved to accommodate the aircraft. For these reasons, Council has determined that the airport is a strategic asset that should be retained, and improved, to serve the needs of the Wairoa community.

As a result the following has been allocated to ensure the current and future demand is managed:

- \$60,000 has been allocated to the continued certification of the airport over 10 years.
- \$10,000 will be required for building renewals per annum over the next ten years.

(Costs are based on current day rates).

AIRPORT SURFACES/RUNWAY

The condition of the airport surfaces/runway was recently assessed, and this includes:

- The runway is cracking and showing signs of wear due to age. The margins are showing signs of chip loss. A provision of \$411,300 in 2018/19 and \$198,000 in 2019/20 has been allocated to resurfacing works.
- \$150,000 has been allocated for the renewal of runway lighting in 2018/19.

(Costs are based on current day rates).

RUNWAY EXTENSION

In order for the Wairoa Airport to service jet engines, a 300m runway extension has been proposed. The extension is expected to cost \$1m. Council will seek external funding for this and thus has excluded it from its financial forecasts.

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, delivering what the ratepayer wants in a cost-effective way.

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.⁴⁹

⁴⁷ Sections 2.2 and 2.3

⁴⁸ Section 2.5

⁴⁹ Section 8.2

Table AP1: Relevant community outcomes.

	AIRPORT ACTIVITY						
COMMUNITY OUTCOMES	<i>Outcome 1: A strong, prosperous and thriving economy.</i>	<i>Outcome 2: A safe and integrated infrastructure.</i>	<i>Outcome 3: A community that values and promotes its culture and heritage.</i>	<i>Outcome 4: Safe and accessible recreational facilities.</i>	<i>Outcome 7: A safe and secure community.</i>	<i>Outcome 8: A lifetime of good health, education and well-being.</i>	<i>Outcome 9: An environment that is appreciated, protected and sustained for future generations.</i>
AIRPORT CONTRIBUTION	The airport contributes to the economy by providing a means for agricultural spraying.	The airport is a means of transport. Correct management will ensure a safe and effective service.	The recreational use of the airport encourages the culture of the district.	The airport is used for recreational activities. Correct management ensures safe facilities.	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.

Table AP2: Level of service with associated performance measures.

LEVEL OF SERVICE STATEMENT	COMMUNITY OUTCOME	PERFORMANCE MEASURE	TARGET 2018 - 2020
Council will maintain the airport and associated facilities to ensure long term sustainability	1,4, 7 & 8	Maintenance, capital and renewal works are carried out in accordance with the plan	Works undertaken are in line with milestones outlined in airport plan (see the weblink on page 12)
Customers will receive a prompt and efficient service	2, 3, 4 & 9	Percentage of respondents 'very satisfied' or 'fairly satisfied' with airport service	80% achievement

WAIROA

PROSPECTIVE ACTIVITY STATEMENT TRANSPORT

2017/18 ANNUAL PLAN		2018/19 BUDGET	2019/20 BUDGET	2020/21 BUDGET	2021/22 BUDGET	2022/23 BUDGET	2023/24 BUDGET	2024/25 BUDGET	2025/26 BUDGET	2026/27 BUDGET	2027/28 BUDGET
	INCOME										
4,480,774	Subsidies	4,804,571	5,170,206	5,332,708	5,406,788	5,682,717	5,972,333	6,162,108	6,041,891	6,395,080	6,546,164
4,036,715	Capital Subsidy	4,701,620	5,080,699	5,474,305	4,173,116	3,586,469	3,737,880	3,844,434	3,754,421	4,438,350	4,251,972
581,537	Fees and Charges	40,000	40,809	41,618	42,512	43,476	44,481	45,494	46,588	47,761	48,979
-	Reserves	-	-	-	-	-	-	-	-	-	-
9,099,026	TOTAL INCOME	9,546,191	10,291,714	10,848,631	9,622,416	9,312,662	9,754,693	10,052,036	9,842,899	10,881,191	10,847,115
	EXPENDITURE										
360,440	Employee Benefit Expenses	418,713	427,248	435,975	444,490	453,161	462,037	471,452	481,081	490,585	500,308
2,676,022	Depreciation and Amortisation	2,771,871	3,001,972	3,105,774	3,164,605	3,420,642	3,479,380	3,539,926	3,839,341	3,921,621	3,987,848
75,272	Finance Costs	3,679	7,713	12,744	12,787	12,852	12,944	13,065	13,221	13,417	13,611
7,189,802	Other Operating Expense	6,971,312	7,365,164	7,530,129	7,563,625	7,827,097	8,245,526	8,463,716	8,293,516	8,749,256	8,868,315
-											
10,301,536	TOTAL EXPENDITURE	10,165,576	10,802,097	11,084,622	11,185,506	11,713,753	12,199,886	12,488,159	12,627,160	13,174,879	13,370,081
(1,202,510)	NET SURPLUS/(DEFICIT)	(619,385)	(510,383)	(235,991)	(1,563,091)	(2,401,091)	(2,445,193)	(2,436,123)	(2,784,260)	(2,293,688)	(2,522,966)

PROSPECTIVE FUNDING IMPACT STATEMENT TRANSPORT

2017/18 ANNUAL PLAN		2018/19 BUDGET	2019/20 BUDGET	2020/21 BUDGET	2021/22 BUDGET	2022/23 BUDGET	2023/24 BUDGET	2024/25 BUDGET	2025/26 BUDGET	2026/27 BUDGET	2027/28 BUDGET
Total Sources of Operating Funding											
Source of Operating Funding											
3,751,812	Uniform, General and Targeted Rates	3,184,937	3,206,885	3,247,925	3,306,783	3,411,741	3,556,811	3,599,575	3,636,860	3,766,948	3,741,975
4,480,774	Subsidies and grants for operating purposes	4,804,571	5,170,206	5,332,708	5,406,788	5,682,717	5,972,333	6,162,108	6,041,891	6,395,080	6,546,164
581,537	Fees charges and targeted rates for water supply	40,000	40,809	41,618	42,512	43,476	44,481	45,494	46,588	47,761	48,979
5,062,311	Total Source of Operating Funding	8,029,508	8,417,900	8,622,251	8,756,083	9,137,934	9,573,625	9,807,177	9,725,339	10,209,789	10,337,118
Application of Operating Funding											
6,059,429	Payments to staff and suppliers	5,964,297	6,337,772	6,416,990	6,501,914	6,729,973	7,073,647	7,349,585	7,134,545	7,508,877	7,676,136
75,272	Finance costs	3,679	7,713	12,744	12,787	12,852	12,944	13,065	13,221	13,417	13,611
1,485,631	Internal Charges and Overheads applied	1,425,729	1,454,640	1,549,114	1,506,200	1,550,285	1,633,915	1,585,583	1,640,053	1,730,964	1,692,486
7,620,332	Total Application of Operating Funding	7,393,705	7,800,125	7,978,848	8,020,901	8,293,110	8,720,506	8,948,233	8,787,819	9,253,258	9,382,233
1,193,791	Surplus (Deficit) from Operating Funding	635,803	617,775	643,403	735,182	844,824	853,119	858,944	937,520	956,531	954,885
Total Sources of capital funding											
Source of Capital Funding											
-	Increase in Debt	-	-	-	-	-	-	-	-	-	-
4,036,715	Subsidies and grants for capital expenditure	4,701,620	5,080,699	5,474,305	4,173,116	3,586,469	3,737,880	3,844,434	3,754,421	4,438,350	4,251,972
4,036,715	Total Source of Capital Funding	4,701,620	5,080,699	5,474,305	4,173,116	3,586,469	3,737,880	3,844,434	3,754,421	4,438,350	4,251,972
Application of Capital Funding											
2,842,384	Capital expenditure - to improve the level of service	802,000	603,234	755,885	643,080	673,120	677,144	705,076	709,923	745,403	824,318
5,250,112	Capital expenditure - to replace existing asset	6,238,500	6,861,937	7,108,592	5,308,327	4,364,577	4,597,338	4,687,910	4,555,859	5,557,036	5,208,403
(2,861,990)	Increase (Decrease) in reserves	(1,703,077)	(1,766,697)	(1,746,769)	(1,043,109)	(606,404)	(683,483)	(689,608)	(573,841)	(907,558)	(825,864)
5,230,506	Total Application of Capital Funding	5,337,423	5,698,474	6,117,708	4,908,298	4,431,293	4,590,999	4,703,378	4,691,941	5,394,881	5,206,857
(1,193,791)	Surplus (Deficit) from Capital Funding	- 635,803	- 617,775	- 643,403	- 735,182	- 844,824	- 853,119	- 858,944	- 937,520	- 956,531	- 954,885
-	Funding Balance (General Rates)	-									

TE TŌHAU NUI TUAWHĀ NGĀ TAPUTAPU HAPORI - ACTIVITY GROUP FOUR COMMUNITY FACILITIES

- Ngā Urupā
- Papa Tākaro me Whenua Tāpui
- Pātaka Pukapuka
- Taituarā Hapori
- Cemeteries
- Park & Reserves
- Library
- Community Support

NGĀ URUPĀ - CEMETERIES

WHAT THE COUNCIL DOES

The cemeteries are an asset and service-based activity that relies 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
- Mōre.

There are also private cemeteries and urupā across the district which do not form part of this activity. Council develops and implements an Open Spaces Activity 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.

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 develop 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
- increased customer satisfaction
- transparency in decision making
- sustainability.

There is also 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 cemeteries activity include:

- Burial and Cremation Act 1964.

For more details:

Please refer to the relevant section of the Open Spaces Activity Management Plan.

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

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

COMMUNITY OUTCOMES AND HOW THE CEMETERY 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 with a focus on the previously adopted community outcomes. Table CE1 shows the community outcomes of the cemetery activity (please refer to page 28 for a full list of community outcomes).

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)
- concrete beams on burial plots.

Cemetery assets are generally considered to be in good condition. 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.

HOW PEOPLE CAN JUDGE THE COUNCIL

Council's strategic result for this activity is: *'Reliable and safe management and operation of public cemeteries.'* Council wants to know what customers need to better deliver the cemeteries service as an effective solution. Council intends to monitor this through the performance measurement framework. This framework utilises the annual survey process

and customer feedback. Table CE2 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 included as performance measures, with associated yearly targets.

MAJOR ISSUES AND PROJECTS IN THE NEXT TEN YEARS

Affordability and sustainability in an ageing 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 ten years include:

- additional burial plot beams (\$15,000 every four years commencing 2018/19)
- stormwater drainage upgrade (\$5,000 in 2018/19).
(Costs are based on current day rates).

OPTION FOR A PUBLIC CEMETERY IN MAHIA

The option of a new public cemetery in Mahia has been discussed in the past. This will be considered in the next ten years, subject to the identification of a suitable location and the acceptance of the community.

ACHIEVEMENT OF CORE LEVEL ASSET MANAGEMENT

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, to deliver what the ratepayer wants in a cost-effective way. 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.

WAIROA

Table CE1: Relevant community outcomes.

CEMETERIES ACTIVITY				
COMMUNITY OUTCOMES	<i>Outcome 3: A community that values and promotes its culture and heritage.</i>	<i>Outcome 4: Safe and accessible recreational facilities.</i>	<i>Outcome 5: Supportive, caring and valued communities.</i>	<i>Outcome 9: An environment that is appreciated, protected and sustained for future generations.</i>
CEMETERIES CONTRIBUTION	The cemeteries service encourages communities to value the district through provision of family/community resting places.	The cemeteries are considered accessible and safe.	Unique relationships with communities and church organisations create inclusive communities.	Sustainable management of this activity ensures a sustained environment going into the future.

Table CE2: Level of service with associated performance measures.

LEVEL OF SERVICE STATEMENT	COMMUNITY OUTCOME	PERFORMANCE MEASURE	TARGET 2018-2020
<i>Customers will receive a prompt and efficient service.</i>	5	Level of customer satisfaction through annual survey indicates a 'fairly good', 'very good' or better minimum 80% approval rating. How the service is delivered to the community will be monitored through the CSR system.	80% satisfaction rating.

PAPA TĀKARO ME WHENUA TĀPUI - PARKS & RESERVES

WHAT THE COUNCIL DOES

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.

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.

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.

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
- develop 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
- increased customer satisfaction
- transparency in decision-making
- sustainability.

There is also 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 parks and reserves activity include:

- Forest and Rural Fires Act 1977
- Reserves Act 1977
- Litter Act 1979
- Building Act 1992.

For more details:

Please refer to the relevant section of the Open Spaces Activity Management Plan. Alternatively contact Council's Asset Management Department on (06) 838 7309 or visit our offices to discuss any queries you may have.

COMMUNITY OUTCOMES AND 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. Table PR1 shows the community outcomes of the parks and reserves activity (please refer to page 28 for a full list of community outcomes).

ASSET CONDITION AND PERFORMANCE

The majority of Council's parks and reserves' assets are considered to be fit for purpose, are in an acceptable to good condition, and are adequate 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.

HOW PEOPLE CAN JUDGE THE COUNCIL

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

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 (CSR) system, annual surveys and submission service.

Table PR2 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 included as performance measures, with associated yearly targets.

MAJOR ISSUES AND PROJECTS IN THE NEXT TEN YEARS

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

MAJOR PROJECTS

Major projects proposed for the next ten years include:

- public toilet renewals (\$400,000)
 - playground renewals (\$300,000)
 - new public toilets (\$125,000)
- (Costs are based on current day rates).*

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.

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, to deliver what the ratepayer wants in a cost-effective way.

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.

Table PR1: Relevant community outcomes.

PARKS AND RESERVE ACTIVITY						
COMMUNITY OUTCOMES	<i>Outcome 2: A safe and integrated infrastructure.</i>	<i>Outcome 4: Safe and accessible recreational facilities.</i>	<i>Outcome 6: Strong distinct leadership and a sense of belonging.</i>	<i>Outcome 7: A safe and secure community.</i>	<i>Outcome 8: A lifetime of good health, education and well-being.</i>	<i>Outcome 9: An environment that is appreciated, protected and sustained for future generations.</i>
PARKS AND RESERVES CONTRIBUTION	Correct management of property ensures safe and secure infrastructure.	Compliance with RMA and legislative requirements ensures a protected environment.	Good management of open spaces encourages local use and ownership.	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.	Future planning of the activity ensures a sustainable service over time.

Table PR2: Level of service with associated performance measures.

LEVEL OF SERVICE STATEMENT	COMMUNITY OUTCOME	PERFORMANCE MEASURE	TARGET 2018-2020
<i>Customers will receive a prompt and efficient service.</i>	9	Level of customer satisfaction through annual survey indicates a 'fairly good', 'very good' or better minimum 80% approval rating.	Achieve measure at 80% or higher.
<i>Provide playgrounds in line with standards and legislative requirements.</i>	2, 4 & 7	Record of inspection schedules as method of maintaining safety standards. Percentage of playground assets complying with safety standards.	Achieve measure at 85% or higher.
<i>Provide public toilets that are well maintained.</i>	2 & 7	Percentage of public toilets inspected and cleaned twice daily in all areas, to ensure faults and maintenance issues are recorded and dealt with promptly.	Achieve measure not less than 95%.
<i>Parks and reserve assets that are well maintained.</i>	2,4 & 7	Percentage of parks assets in satisfactory condition (condition grades 1, 2 or 3), to ensure faults and maintenance issues are recorded and dealt with promptly. Percentage of playgrounds maintained in a safe and clean condition weekly (minimum) in all areas, to ensure faults and maintenance issues are recorded and dealt with promptly.	Achieve measure not less than 95%. Achieve measure at 85% or higher.
<i>Provide prompt responses for service.</i>	9	Single response performance measure covering cemetery interment requests, public toilet, playground and parks related urgent customer enquiries. Percentage of open space requests responded to within 24 hours.	Achieve measure at 85% or higher.

PĀTAKA PUKAPUKA – 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 Library provides many services, including:

- access to a range of information resources, both paper and electronic
- loan of materials from a collection of more than 30,000 items to over 3,000 members
- inter-library loan of materials from other libraries
- Aotearoa People’s Network Kaharoa (APNK) computers and Wi-Fi giving free broadband internet access, scanning and cost recovery printing
- collecting and preserving, or providing access to material about the district, its culture and heritage
- programmes and events for all ages
- library and information professionals to assist customers with enquiries
- a community facility for reading, studying and relaxing.

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, there is a charge for newer items

in the bestseller collection, 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 businesses, 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 government’s wider Digital Content Strategy to unlock the nation’s stock of content and build opportunities for New Zealanders to access it.

WHY THE COUNCIL DOES THIS

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. In the long 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.

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.

For more details:

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

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.

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 goals and principal objectives identified form the basis of our level of service statements, which are detailed below. There is a cost associated with delivering the levels of service described and those costs are presented in the ten-year budget that follows. 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 AND HOW THE LIBRARY 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 with a focus on the previously adopted community outcomes. Table LI1 shows the community outcomes of the library activity (please refer to page 28 for a full list of community outcomes).

HOW PEOPLE CAN JUDGE THE COUNCIL

The purpose of the activity is to ensure basic library services are available to all people within the district, complemented by 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, to cater to the needs of the Wairoa

community, both current and for the 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.

MAJOR ISSUES AND PROJECTS IN THE NEXT TEN YEARS

Council consulted on a significant upgrade to the library building. Following consultation the work is planned for 2022/23. The total cost is forecast to be close to \$1 million and is contingent in securing 2/3 of the funding via external contributions. There is a risk that the project will not proceed without this, but it's deferral to the middle phase of the LTP provides sufficient time to explore all avenues.

REVIEW OF COMMUNITY NEEDS

The last ten years has seen constant change in what communities are looking for from their public libraries. In 2016, Public Libraries of New Zealand (PLNZ) hired policy and regulatory specialists Allen + Clarke to do some research. "The purpose of this research was to help PLNZ understand community expectations and needs in relation to library service provision in New Zealand. This information seeks to support PLNZ in ensuring that service delivery is aligned with community expectations and demands."¹

While none of the focus groups matched the demographic of our community, the overall findings resonated with what the Library staff were being asked for and are a solid platform for some local research in our community.

The needs identified by the Allen + Clarke research were:

- develop social connections
- build a strong sense of community pride
- enable a central information hub
- engage community members, particularly those "at risk"
- foster lifelong learning
- foster well-being

- ensure the availability of resources that enhance health and well-being
- support financial well-being
- build economic-focussed connections
- build awareness of library services
- ensure accessibility.

The need for some local research is also supported by the Digital New Zealanders research: The Pulse of our Nation. They identified that, “Libraries are increasingly re-inventing themselves for the digital world.”²

“Libraries provide a natural ‘home’ for developing the digital skills of communities. Most now offer free Wi-Fi connectivity as well as access to internet-connected computers. Librarians are increasingly being asked for support around the use of technologies in the library, as well as the use of personal devices that people bring into the library to access the internet.”³

REVIEW OF USE OF PHYSICAL SPACES

Graham Linwood Architects Ltd undertook a review of the library. The brief for the review was: “The objective of this project is to maximise the library to cope with the current needs of the community and allow flexibility to be able to adapt to the changing needs for a public library.”

Council sees that one of the major continuing changes is the digital world. Many local residents are now reliant on the library’s internet services to access online data and many of these people require assistance from library staff.

When combined, the need for traditional library services alongside the new digital platforms, challenges are created. More space is required for small meetings and where people can quietly download information or reading material.”⁴

“A good library layout that meets multiple community needs could include multiple-use areas, preferably in sufficient quantity that the differing needs of various groups can be simultaneously met. For example, quiet spaces as well as spaces where more noise is anticipated and acceptable; spaces for concentrated study as well as spaces for entertainment or recreational activities; spaces where children are welcomed and spaces where people can experience privacy.”⁵

CAPITAL EXPENDITURE AND RENEWALS

Apart from the upgrade to the building discussed on Page 97, Council will continuously update its library collection and has included an amount of \$35,000 per year in its budget.

Table LI2 details what the Council will deliver as a level of service statement. The community outcomes that the specific statement contributes to are also included. How Council will monitor progress is then detailed as performance measures, with associated yearly targets.

1. Research to support Public Library Services for PLNZ (Public Libraries of New Zealand), 1 April 2016 Final Report Allen + Clarke, p1
2. Digital New Zealanders: The Pulse of our Nation: A report to MBIE and DIA, May 2017, p3
3. Digital New Zealanders: The Pulse of our Nation: A report to MBIE and DIA, May 2017, p58
4. Council, Wairoa Centennial Library Proposed Extensions / Alterations Graham Linwood Architects Ltd, 3rd November 2016, p3
5. Research to support Public Library Services for PLNZ, 1 April 2016 Final Report Allen + Clarke, p7

WAIROA

LIBRARY ACTIVITY

COMMUNITY OUTCOMES	<i>Outcome 3: A community that values and promotes its culture and heritage.</i>	<i>Outcome 4: Safe and accessible recreational facilities.</i>	<i>Outcome 5: Supportive, caring and valued communities.</i>	<i>Outcome 8: A lifetime of good health, education and well-being.</i>
LIBRARY CONTRIBUTION	<p>By the continual development of local history and Māori collections.</p> <p>By maintaining access to a modern collection of literature reflecting the interests and needs of the Wairoa community.</p>	<p>By providing a facility where people may read, study, relax and become informed.</p> <p>By providing a professional standard of library service that meets the needs of, and is accessible to, all residents of the district.</p>	<p>By forming partnerships and sharing resources with other providers.</p> <p>By supporting the social, cultural, recreational and educational needs of people, free from prejudice.</p>	<p>By providing access to books and electronic resources which assist residents in promoting good health and well-being.</p> <p>By the participation of people in lifelong learning experiences.</p> <p>By improving literacy levels with easy access to information. Encouraging the concept that regular reading is 'fun'.</p>

Table LI1: Relevant community outcomes.

Table LI2: Level of service with associated performance measures.

LEVEL OF SERVICE STATEMENT

DEMAND & CAPACITY:

Council will continue to provide library services for the district through the Wairoa Centennial Library.

CUSTOMER SERVICE & SATISFACTION:

Council will respond to all enquiries, requests, complaints, and identified issues in a timely manner.

COMMUNITY OUTCOME	PERFORMANCE MEASURE	TARGET 2018-2020
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3, 4, 5 and 8	One new initiative put in place in response to community needs for library services.	One new initiative annually.
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.

TAITUARĀ HAPORI - 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 for 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.

There is public expectation for Council to contribute to the recreational and social aspects of the district. The Council provides funding to:

- Wairoa Community Centre
- Wairoa District Heritage & Museum Trust
- Sport Hawke's Bay
- Wairoa Mobility Bus
- RoadSafe Hawke's Bay
- Yroa Ynot!

Applications from other organisations engaged in the management of community facilities/events are currently considered on a case-by-case basis. Council is continuously working with regional partners to develop regional strategies.

COMMUNITY OUTCOMES AND HOW THE COMMUNITY SUPPORT ACTIVITY CONTRIBUTES

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.' 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. Table CS1 shows the community outcomes of the community support activity (please refer to page 28 for a full list of community outcomes).

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, Council will:

- Ensure that 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 to measure progress towards the district's vision and community outcomes.
- Enter into partnerships for the provision of community facilities and services, to enhance the well-being of the district, as well as meet community outcomes.

Table CS2 details what the Council will deliver as a level of service statement. The community outcomes that the specific statement contributes to are also included. How Council will monitor progress is then detailed as performance measures, with associated yearly targets.

MAJOR ISSUES AND PROJECTS IN THE NEXT TEN 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.

Table CS1: Relevant community outcomes.

COMMUNITY OUTCOMES	COMMUNITY SUPPORT ACTIVITY		
	<i>Outcome 3: A community that values and promotes its culture and heritage.</i>	<i>Outcome 4: Safe and accessible recreational facilities.</i>	<i>Outcome 5: Supportive, caring and valued communities.</i>
COMMUNITY SUPPORT CONTRIBUTION	By ensuring the community has access to, and a means to express cultural values and experiences.	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.

Table CS2: Level of service with associated performance measures.

LEVEL OF SERVICE STATEMENT	COMMUNITY OUTCOME	PERFORMANCE MEASURE	TARGET 2018-2020
<p>DEMAND: <i>Council will assist in the provision of healthy, accessible and enjoyable community facilities and encourage community participation.</i></p>	3, 4 & 5	Community facilities are user focused, reviewed, and improved/changed in direct response to feedback from the local community through: consultation needs analysis surveys	<p>.</p> <p>The numbers of customers visiting the Wairoa Community Centre and Wairoa Museum are the same or better than that of the previous year.</p>
<p>QUALITY: <i>Community facilities will provide a valuable resource for the creation of local communities of interest as meeting places and for passive and physical leisure.</i></p>	3, 4 & 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 by the Council.</p> <p>Reports are received from the Wairoa Community Sports Centre, Wairoa Museum and Sport Hawke's Bay in accordance with funding contracts/agreements.</p> <p>Monthly reports are received from the Visitor Information Centre.</p>
<p>COSTS & FUNDING: <i>Funds are provided for community facilities and initiatives in accordance with Council's community outcomes.</i></p>	3, 4 & 5	<p>Council grants to funded organisations are paid in accordance with funding contracts/agreements.</p> <p>.</p> <p>Residents are satisfied with value for money through rates on supporting community facilities and organisations. Community organisations are assisted to build capabilities, resources and structures.</p> <p>Funding contract/agreements are reviewed annually/triennially in accordance with existing funding contract specifications</p>	<p>Funding is made available for distribution to community facilities and organisations within allocated timeframes</p> <p>Approval rating of not less than 80%</p> <p>Funded organisations achieve/exceed agreed service provision targets as specified in funding contracts/agreements.</p> <p>Council to review and approve the annual/triennial renewal of existing contracts/agreements.</p>

WAIROA

PROSPECTIVE ACTIVITY STATEMENT COMMUNITY FACILITIES

2017/18 ANNUAL PLAN		2018/19 BUDGET	2019/20 BUDGET	2020/21 BUDGET	2021/22 BUDGET	2022/23 BUDGET	2023/24 BUDGET	2024/25 BUDGET	2025/26 BUDGET	2026/27 BUDGET	2027/28 BUDGET
	INCOME										
64,068	Subsidies	60,068	61,269	62,471	63,792	65,234	66,736	68,237	69,859	71,601	73,403
100,000	Capital Subsidy	-	-	-	-	651,600	-	-	-	-	-
146,566	Fees and Charges	65,110	61,356	67,821	69,280	76,330	78,082	91,339	93,585	107,928	110,683
-	Reserves	-	-	-	-	-	-	-	-	-	-
310,634	TOTAL INCOME	125,178	122,625	130,292	133,073	793,164	144,818	159,576	163,444	179,529	184,086
	EXPENDITURE										
276,908	Employee Benefit Expenses	284,679	290,153	295,746	303,621	309,506	315,525	323,893	330,592	337,062	345,823
188,198	Depreciation and Amortisation	256,435	271,450	280,431	292,575	293,890	310,747	324,879	334,924	347,476	358,327
62,700	Finance Costs	26,327	42,152	41,398	41,761	53,944	52,409	52,334	50,442	49,273	47,939
1,695,050	Other Operating Expense	1,691,123	1,721,098	1,760,321	1,829,712	1,874,184	1,936,765	1,959,957	2,011,751	2,082,533	2,111,218
-											
2,222,856	TOTAL EXPENDITURE	2,258,564	2,324,853	2,377,896	2,467,669	2,531,525	2,615,446	2,661,062	2,727,710	2,816,343	2,863,307
(1,912,222)	NET SURPLUS/(DEFICIT)	(2,133,386)	(2,202,228)	(2,247,604)	(2,334,597)	(1,738,361)	(2,470,628)	(2,501,486)	(2,564,266)	(2,636,813)	(2,679,221)

**PROSPECTIVE FUNDING IMPACT STATEMENT
COMMUNITY FACILITIES**

2017/18 ANNUAL PLAN		2018/19 BUDGET	2019/20 BUDGET	2020/21 BUDGET	2021/22 BUDGET	2022/23 BUDGET	2023/24 BUDGET	2024/25 BUDGET	2025/26 BUDGET	2026/27 BUDGET	2027/28 BUDGET
	Total Sources of Operating Funding										
	Source of Operating Funding										
1,930,729	Uniform, General and Targeted Rates	2,111,617	2,178,481	2,220,091	2,334,460	2,394,210	2,473,197	2,491,797	2,555,255	2,621,884	2,660,513
164,068	Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-
146,566	Fees charges and targeted rates for water supply	65,110	61,356	67,821	69,280	76,330	78,082	91,339	93,585	107,928	110,683
2,241,363	Total Source of Operating Funding	2,176,727	2,239,837	2,287,912	2,403,740	2,470,540	2,551,279	2,583,136	2,648,840	2,729,812	2,771,196
	Application of Operating Funding										
1,635,751	Payments to staff and suppliers	1,722,403	1,752,451	1,777,687	1,865,680	1,907,486	1,959,078	2,002,379	2,050,290	2,109,045	2,156,176
67,650	Finance costs	25,979	29,922	29,481	30,021	29,941	29,044	29,609	28,356	27,827	27,132
336,207	Internal Charges and Overheads applied	253,399	258,800	278,380	267,653	276,204	293,212	281,471	292,054	310,549	300,865
-	Other operating funding applications	-	-	-	-	-	-	-	-	-	-
2,039,608	Total Application of Operating Funding	2,001,781	2,041,173	2,085,548	2,163,354	2,213,631	2,281,334	2,313,459	2,370,700	2,447,421	2,484,173
201,755	Surplus (Deficit) from Operating Funding	174,946	198,664	202,365	240,387	256,909	269,945	269,677	278,140	282,392	287,023
	Total Sources of capital funding										
	Source of Capital Funding										
-	Subsidies and grants for capital expenditure	-	-	-	-	651,600	-	-	-	-	-
-	Increase in Debt	195,000	61,320	-	29,646	18,204	-	43,161	-	22,728	23,315
-	Total Source of Capital Funding	195,000	61,320	-	29,646	669,804	-	43,161	-	22,728	23,315
	Application of Capital Funding										
1,260,000	Capital expenditure - to improve the level of service	251,000	73,335	77,264	121,612	1,084,179	94,759	142,401	108,229	135,776	143,617
235,000	Capital expenditure - to replace existing assets	225,000	132,860	62,664	64,043	65,467	167,447	68,413	69,956	71,527	73,146
(1,293,245)	Increase (Decrease) in reserves	(106,054)	53,789	62,437	84,378	(222,933)	7,739	102,024	99,955	97,817	93,575
201,755	Total Application of Capital Funding	263,892	313,774	264,801	354,410	703,780	277,684	414,862	378,094	402,937	403,912
(201,755)	Surplus (Deficit) from Capital Funding	(174,946)	(198,664)	(202,365)	(240,387)	(256,909)	(269,945)	(269,677)	(278,140)	(282,392)	(287,023)
-	Funding Balance	-									

TE TŌHAU NUI TUARIMA MAHERE ME WAETURE - ACTIVITY GROUP FIVE PLANNING & REGULATORY

- Kaupapa Here Rauemi
- Oranga Taiao
- Whakararata Waihanga
- Whakararata Waipiro
- Pāero
 - Whakararata Kuri
 - Whakararata Kararehe
 - Whakauruhi Pāero
- Te Rākau Whakamarumarū
- Resource Planning
- Environmental Health
- Building Control
- Liquor Control
- Bylaw Compliance
 - Dog Control
 - Livestock Control
 - General Bylaw Enforcement
- Emergency Management

KAUPAPA HERE RAUEMI - 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 district. Council is required to review the District Plan every ten years – the review of the current District Plan started in 2015.

The District Planner is primarily responsible for administration and implementation of the District Plan which includes processing resource consents (land use and subdivision) and other regulatory approvals.

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 (RMA) 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 issues, 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, social and cultural well-being of the district and its residents. Such effects are taken into consideration in policy formulation and implementation.

COMMUNITY OUTCOMES AND HOW THE RESOURCE PLANNING 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. Table RE1 shows the community outcomes of the resource planning activity (please refer to page 28 for a full list of community outcomes).

These objectives will be met by having a robust District Plan, which provides guidelines 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 performance measures with associated yearly targets.

For more details:

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

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, so Council meets its requirements.
- To have a District Plan that meets the needs of the community, provides some certainty to developers and meets the requirements of the RMA.
- To process and assess 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, review 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.

MAJOR ISSUES AND PROJECTS IN THE NEXT TEN YEARS

DISTRICT PLAN REVIEW

Section 73(1) of the 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 ten years. The Wairoa District Plan is now under review.

Reviewing the District Plan is a significant project and must be undertaken by people skilled in policy formulation 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 formulation 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 several years).

Council proposes to employ two policy planners to undertake the work required. These staff will be supported by subject matter experts where required.

Table RE1: Relevant community outcomes.

COMMUNITY OUTCOMES	RESOURCE PLANNING ACTIVITY		
	<i>Outcome 3: A community that values and promotes its culture and heritage.</i>	<i>Outcome 8: A lifetime of good health, education and well-being.</i>	<i>Outcome 9: An environment that is appreciated, protected and sustained for future generations.</i>
RESOURCE PLANNING CONTRIBUTION	Council requires the obtaining of a resource consent when proposing earthworks on heritage sites listed in the District Plan, or when any modification of a heritage site is proposed.	Resource management and planning via the Operative Wairoa District Plan 2005 and statutory planning via the Resource Management Act 1991 (& amendments). Council requires resource and subdivision consents for specified proposed land use activities, and the development of policies and strategies relating to the district's future development.	

Table RE2: Level of service with associated performance measures.

LEVEL OF SERVICE STATEMENT	COMMUNITY OUTCOME	PERFORMANCE MEASURE	TARGET 2018-2020
<p>Legislative Obligations:</p> <p>a) <i>As required by the Resource Management Act 1991, the Council will maintain an Operative District Plan to guide the future development of the district.</i></p> <p><i>The present District Plan became operative in June 2005. A review of the District Plan began in 2015.</i></p> <p><i>The Council will also formulate development policies and strategies.</i></p> <p>b) <i>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.</i></p>	3, 8 & 9	Council is committed to processing all applications within the statutory timeframes as set under the Resource Management Act.	Achieve measure.

ORANGA TAIAO - 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.

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

HOW ENVIRONMENTAL HEALTH IS MANAGED

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

- Registration, auditing and reporting on food premises registered under the Food Act 2014.
- 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.

The Council provides an after-hours noise control service to deal with noise complaints and during office hours the Environmental Health Officer (EHO) deals with any noise complaints.

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, funeral directors, noise and litter control etc.

For more details:

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

COMMUNITY OUTCOMES AND HOW THE ENVIRONMENTAL HEALTH 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. Table EH1 shows the community outcomes of the environmental health activity (please refer to page 28 for a full list of community outcomes).

HOW PEOPLE CAN JUDGE THE COUNCIL

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.

Table EH2 details what the Council will deliver as a level of service statement. The community outcomes that the specific statement contributes to are also included. How Council will monitor progress is then detailed as performance measures, with associated yearly targets.

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.
- Ensure that all premises registered in terms of the Health Act are inspected on a regular basis, hygienic practices promoted, and that food for human consumption is safe, wholesome and free from adulteration.
- Provide efficient customer service, investigating and resolving complaints.
- Utilise and monitor external contractors to deliver key environmental services which the Council is not able to carry out.
- Fulfil an environmental health role within Council's structure in the event that

emergencies or other unusual circumstances arise.

- Undertake the activities required under the Food Act 2014 to optimise the provisions of safe, commercially produced food for customers.
- Minimise adverse effects on public health in the community.
- Ensure all functions are carried out within timeframe and budget.

MAJOR ISSUES AND PROJECTS IN THE NEXT TEN 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 ending 2019. 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 and programmes.' 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 has increased and will continue to be a major component of food regulations in the district.

CHANGES TO HAZARDOUS SUBSTANCES AND NEW ORGANISMS ACT (1990)

The Hazardous Substances and New Organisms Act 1990 (HSNO) 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.

The EHO is required to assist Fire and Emergency New Zealand in emergency events and is available to assist in the event of an emergency occurring which has implications for public health.

These roles are likely to remain the responsibility of the local authority under the HSNO Act and other legislation, including: the Health and Safety at Work Act 2015 and Work Safe New Zealand Act 2013. 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).

Table EH1: Relevant community outcomes.

ENVIRONMENTAL ACTIVITY			
COMMUNITY OUTCOMES	<i>Outcome 5: Supportive, caring and valued communities.</i>	<i>Outcome 7: A safe and secure community.</i>	<i>Outcome 8: A lifetime of good health, education and well-being.</i>
ENVIRONMENTAL HEALTH CONTRIBUTION	<p>Local communities working together to reduce the risk of hazards and providing for their own safety and well-being.</p> <p>Partnerships and co-ordination provide for effective responses.</p>	<p>Licensing, education, enforcement, complaint resolution and monitoring activity to avoid and mitigate adverse effect on public health.</p> <p>Provides a uniform system of control to promote the sale of food which is safe.</p>	

Table EH2: Level of service with associated performance measures.

LEVEL OF SERVICE STATEMENT	COMMUNITY OUTCOME	PERFORMANCE MEASURE	TARGET 2018-2020
<p>Legislative Obligations:</p> <p><i>(a) The Council will ensure all premises that are required to be registered under the Health Act 1956, the Food Act 2014, and the Food Hygiene Regulations 1974, comply with the relevant legislation, e.g.: food premises; hairdressers; funeral directors; and camping grounds.</i></p> <p><i>And it will take steps to ensure that all food workers are aware of their obligations.</i></p> <p><i>(b) It will also:</i></p> <ul style="list-style-type: none"> <i>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; and</i> <i>ii) maintain a general overview of the public health of the district and respond to public health complaints.</i> 	5, 7 & 8.	<p>100% of premises registrations during the financial year have been completed.</p> <p>100% of all complaints about unreasonable noise are responded to in accordance with legislation, regulations and Council policy.</p>	<p>Achieve measure.</p> <p>Achieve measure.</p>

WHAKARARATA WAIHANGA - BUILDING CONTROL

WHAT THE COUNCIL DOES

Council undertakes a wide range of building-related functions including:

- administering the Building Act 2004 including its amendments and regulations
- ensuring compliance with the Building Code and regulations
- processing applications for building consents for compliance with the New Zealand Building Code within prescribed time frames
- issuing project information memoranda
- issuing code compliance certificates
- processing applications for a certificate of acceptance
- processing applications for a certificate of public use
- issuing notices to fix for illegal and non-compliant building work
- 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
- 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 and its amendments.

WHY THE COUNCIL DOES THIS

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*
- (b) buildings have attributes that contribute appropriately to the health, physical independence, and well-being of the people who use them*
- (c) people who use a building can escape from the building if it is on fire*
- (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.

Council has chosen to register as a BCA and to complete the requirements for being accredited. 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.

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

For more details:

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

Council's responsibilities also 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, affected, and insanitary buildings.
- Ensuring that every swimming pool in the district is inspected every three years in accordance with the Building (Pools) Amendment Act 2016.
- Any other duties required under the Building Act 2004 or other legislation which impacts on building work in the district.

COMMUNITY OUTCOMES AND HOW THE BUILDING CONTROL 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 with a focus on the previously adopted community outcomes. Table BC1 shows the community outcomes of the building control activity (please refer to page 28 for a full list of community outcomes).

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.'*

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

- To ensure that relevant legislation, regulations and bylaws are monitored and enforced such that Council meets its requirements.
- To ensure new and existing buildings within the district comply with the appropriate standards and codes.
- To ensure statutory deadlines are met for processing building consents under the Building Act 2004.
- To 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.
- To maintain a register of swimming pools within the district and ensure fences are checked three yearly.
- To ensure policies and procedures are 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.
- To ensure adequate qualified staff are employed to complete all of the above.
- To ensure staff receive adequate training to enable them to complete work to an acceptable standard.
- To ensure that Council's role as a BCA is maintained by meeting the standards outlined in the Building (Accreditation of Consent Authorities) Regulations 2007.

Table BC2 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 included as performance measures, with associated yearly targets.

MAJOR ISSUES AND PROJECTS IN THE NEXT TEN YEARS

BUILDING (EARTHQUAKE-PRONE BUILDINGS) AMENDMENT ACT 2016

New Zealand is extremely prone to seismic activity and ensuring the safety of people is paramount. Buildings need to be safe for occupants and users. The Building (Earthquake-prone Buildings) Amendment Act 2016 introduced major changes to the way earthquake-prone buildings are identified and managed under the Building Act. It uses knowledge learned from previous earthquakes in New Zealand and overseas.

The system is consistent across the country and focuses on the most vulnerable buildings in terms of people's safety. It categorises New Zealand into three seismic risk areas and sets time frames for identifying and taking action to strengthen or remove earthquake-prone buildings. It provides more information for people using buildings, such as nationally consistent notices with ratings for earthquake-prone buildings and a public earthquake-prone buildings register.

BUILDING (POOLS) AMENDMENT ACT 2016

The Building Act 2004 (the Act) requires residential pools to have barriers that restrict access by unsupervised children under five years of age. This guidance describes the residential pool provisions of the Act that took effect on 1 January 2017, and aims to help Councils to enforce the barrier requirement for residential pools. Residential pools that are filled or partly filled with water must have physical barriers that restrict access by unsupervised children under five years of age. This requirement applies to pools that can be filled with water to a depth of 400mm or more.

Key changes include:

- A new requirement for mandatory inspections of swimming pools every three years.
- Allowing safety covers to be used as barriers for spa pools and hot tubs.
- Introducing additional enforcement tools for Councils, including notices to fix.

These changes took effect from 1 January 2017, but require resourcing to enforce appropriately.

Table BC1: Relevant community outcomes.

		BUILDING CONTROL ACTIVITY				
COMMUNITY OUTCOMES		<i>Outcome 1: A strong, prosperous and thriving economy.</i>	<i>Outcome 4: Safe and accessible recreational facilities.</i>	<i>Outcome 5: Supportive, caring and valued communities.</i>	<i>Outcome 7: A safe and secure community.</i>	<i>Outcome 9: An environment that is appreciated, protected and sustained for future generations.</i>
BUILDING CONTROL CONTRIBUTIONS	Streamlined building consents and full advantage taken of technology in processing and inspecting applications. Using drones for roofing and hard to access inspections.	To prevent accidental drowning, ensuring that all known swimming pools are fenced and checked every three years.	By providing help and guidance on the requirements of the Building Act.	By ensuring buildings in the district are constructed to be safe for occupants to use and built to be compliant with Building Code requirements.	Protecting current and future owners from the negative effects of poor building and plumbing practice.	

Table BC2: Level of service with performance measures.

LEVEL OF SERVICE STATEMENT	COMMUNITY OUTCOME	PERFORMANCE MEASURE	TARGET 2018 - 2020	
Legislative Obligations:	1, 4, 7 & 9	100% of building consents are processed within statutory time frames.	Achieve measure.	
(a) Council will monitor and exercise control over all building work that is undertaken in the District in accordance with its role as a BCA.				
(b) Council processing, inspection and certification of buildings meets the requirements of the Building Act 2004.			100% of certificates of acceptance are processed within statutory time frames.	Achieve measure.
(c) Ensure that all building work is monitored and addressed to an 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 2016.				
(e) All applications for consent or other information will be processed within statutory time frames.				

WHAKARARATA WAIPIRO - LIQUOR CONTROL

WHAT THE COUNCIL DOES

This activity is responsible for the licensing control and administration of liquor. 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 aim of this Act is that:

- (a) the sale, supply, and consumption of alcohol should be undertaken safely and responsibly
- (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 through the District Licensing Committee. All licensing requirements for the district are processed by the Liquor Control Section within the Regulatory Department of Council. Council also 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 form. All liquor licences and managers certificates are processed by Council's District Licensing Committee.

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 LIQUOR CONTROL 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 deliver the services currently provided and to continue to focus on the previously adopted community outcomes. Table LC1 shows the community outcomes of the liquor control activity (please refer to page 28 for a full list of community outcomes).

HOW PEOPLE CAN JUDGE THE COUNCIL

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

Council's 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

For more details:

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

community as a whole, by working in conjunction with other agencies.

- To ensure appropriate resources are available to meet the legislative requirements of the activity.
- To monitor activity to ensure interventions result in the maintenance/improvement of a safe community.
- To ensure 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.

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, which includes monitoring and enforcement. Council does not have the legislative mandate to alter these fees. As a consequence, the balance can only be recovered from rates.

Table LC2 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 included as performance measures, with associated yearly targets.

MAJOR ISSUES AND PROJECTS IN THE NEXT TEN YEARS

ALCOHOL REFORM

The introduction of a Local Alcohol Policy under the Sale and Supply of Alcohol Act 2012 will introduce a “local component” designed to best serve the local community.

Table LC1: Relevant community outcomes.

LIQUOR CONTROL ACTIVITY			
COMMUNITY OUTCOMES	<i>Outcome 4: Safe and accessible recreation facilities.</i>	<i>Outcome 7: A safe and secure community.</i>	<i>Outcome 8: A lifetime of good health, education and well-being.</i>
LIQUOR CONTROL CONTRIBUTIONS	Liquor ban areas are developed to minimise public drinking around sensitive facilities.	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.	

Table LC2: Level of service and associated performance measures.

LEVEL OF SERVICE STATEMENT	COMMUNITY OUTCOME	PERFORMANCE MEASURE	TARGET 2018 - 2020
Legislative Obligations:	4, 7 & 8	100% of management licences processed within 30 days in accordance with the legislation.	Achieve measure.
<i>The District Licensing Committee will issue 'on, off and club' licences that allow the sale and supply of liquor. Inspections will be carried out as required.</i>		100% of renewal and new licences processed within statutory time frames.	Achieve measure.
<i>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).</i>			

PĀERO - BYLAW COMPLIANCE

WHAKARARATA KŪRI - DOG CONTROL WHAKARARATA KARAREHE - LIVESTOCK CONTROL WHAKAURUHI PĀERO - 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
- regulation of freedom camping
- 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 Council Dog Control Bylaw and Dog Control Policy. The Dog Control Act requires dogs within the 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 Roading & Services depot in Kaimoana Road, Wairoa.

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 Council's 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 community well-being through this involvement.

For more details:

The dog control webpage can be accessed through Council's website www.wairoadc.govt.nz.

A copy of the bylaws can be accessed through Council's website www.wairoadc.govt.nz.

GENERAL BYLAW 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 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 Wastewater Bylaw.

WHY THE COUNCIL DOES THIS

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

COMMUNITY OUTCOMES AND HOW THE BYLAW 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 deliver the services currently provided and to continue to focus on the previously adopted community outcomes. Table BL1 shows the community outcomes of the bylaw activity (please refer to page 28 for a full list of community outcomes).

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 objectives for dog control as an overall measure of the activities within the bylaw compliance activity group.

Table BL2 details what the Council will deliver as a level of service statement. The community outcomes that the specific statement contributes to are also included. How Council will monitor progress is then detailed as performance measures, with associated yearly targets.

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 owners' obligations and the Act's requirements.
- To ensure that dogs are controlled so there is no threat to people or property.
- To ensure that complaints relating to dogs are responded to and suitable solutions found
- To ensure that dog owners are aware of the obligations of dog ownership.
- All statutory dog control functions are carried out within time frames and budgets.

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 is 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 ensure that Council-owned stock paddocks are maintained to an appropriate standard.
- All statutory livestock control functions are carried out within time frames and budgets.

GENERAL BYLAW ENFORCEMENT

Council enforces bylaws to ensure that appropriate action is taken by residents and others in order to maintain a safe living environment.

MAJOR ISSUES AND PROJECTS IN THE NEXT TEN YEARS

DOG CONTROL

No significant future variations in dog ownership and/or dog numbers are expected during the term of this plan.

Council has committed to upgrading the dog pound facilities to allow for an outdoor exercise area.

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 has a freedom camping bylaw in line with the Freedom Camping Act 2011. This bylaw is enforced nightly over the summer holiday season and periodically in other seasons.

Table BL1: Relevant community outcomes.

COMMUNITY OUTCOMES	BYLAW ACTIVITY		
	<i>Outcome 7: A safe and secure community.</i>	<i>Outcome 8: A lifetime of good health, education and well-being.</i>	<i>Outcome 9: An environment that is appreciated, protected and sustained for future generations.</i>
DOG CONTROL CONTRIBUTION	Ensuring immediate action is taken whenever problems relating to dangerous and menacing dogs come to Council’s notice. Imposing obligations on dog owners to ensure 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 the return or impoundment of wandering stock, to ensure that the animals do not endanger the safety of motorists and others.		
GENERAL BYLAWS CONTRIBUTION	Council formulating and maintaining up-to-date bylaws, to enable it to enforce appropriate action by residents and others whenever the requirements of any particular bylaw are not being adhered to.		

Table BL2: Level of service with associated performance measures.

LEVEL OF SERVICE STATEMENT	COMMUNITY OUTCOME	PERFORMANCE MEASURE	TARGET 2018 - 2020
<p>Legislative Obligations – DOG CONTROL:</p> <p><i>Council will exercise its responsibilities under the Dog Control Act 1996 and its amendments, including:</i></p> <ul style="list-style-type: none"> • <i>the maintenance and regular review of a Dog Control Policy and of a Dog Control Bylaw;</i> • <i>the maintenance of a register of all known dogs in the district and the National Dog Database;</i> • <i>the promotion of responsible dog ownership;</i> • <i>impounding (and, if not claimed, destroying) stray dogs; and</i> • <i>responding to complaints about dangerous stray/barking/nuisance dogs etc.</i> <p><i>Council will issue a public report annually about the administration of its policy and dog control practices, including information relating to:</i></p> <ul style="list-style-type: none"> • <i>the number of registered dogs in the district;</i> • <i>the number of probationary owners and disqualified owners within the district;</i> • <i>the number of dogs classified as dangerous and menacing;</i> • <i>the number of infringement notices issued; and</i> • <i>the number of complaints received, and the number of prosecutions taken.</i> 	7, 8 & 9	<p>75% of all known dogs registered by 30 June each year.</p> <p>Annual Report about the administration of Council’s policy and dog control practices adopted by 30 August each year.</p>	<p>Achieve measure.</p> <p>Achieve measure.</p>

TE RĀKAU WHAKAMARUMARU - EMERGENCY MANAGEMENT

CIVIL DEFENCE

The Council is a member of the Hawke's Bay Civil Defence Emergency Management Group, which administers civil defence emergency functions in Hawke's Bay. The group is administered and funded by the Hawke's Bay Regional Council. The Hawke's Bay Regional Council's Long-term Plan contains information on the cost and implementation of civil defence in the district.

RURAL FIRE

Rural fire activities are managed by Fire and Emergency New Zealand.

HAZARDOUS SUBSTANCES

Council has a minor legislative responsibility requiring the management of hazardous substances. This responsibility is in relation to residential use of hazardous substances. Commercial and industrial uses of hazardous substances are managed by WorkSafe New Zealand and discharges are managed by the Hawke's Bay Regional Council. Please refer to the Hazardous Substances and New Organisms Act.

For more details:

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

WAIROA

PROSPECTIVE ACTIVITY STATEMENT PLANNING AND REGULATORY

2017/18 ANNUAL PLAN	2018/19 BUDGET	2019/20 BUDGET	2020/21 BUDGET	2021/22 BUDGET	2022/23 BUDGET	2023/24 BUDGET	2024/25 BUDGET	2025/26 BUDGET	2026/27 BUDGET	2027/28 BUDGET
INCOME										
- Subsidies	-	-	-	-	-	-	-	-	-	-
559,161 Fees and Charges	421,530	429,961	438,391	447,665	457,782	468,320	478,858	490,239	502,464	515,110
- Investment Income	-	-	-	-	-	-	-	-	-	-
- Reserves	-	-	-	-	-	-	-	-	-	-
559,161 TOTAL INCOME	421,530	429,961	438,391	447,665	457,782	468,320	478,858	490,239	502,464	515,110
EXPENDITURE										
814,921 Employee Benefit Expenses	815,717	923,209	946,105	963,562	980,870	998,962	1,016,943	1,036,017	1,055,031	1,074,065
73,139 Depreciation and Amortisation	106,826	109,012	125,652	162,291	162,291	148,067	186,691	170,633	158,275	199,823
17,900 Finance Costs	22,496	22,746	22,915	23,455	23,775	24,111	24,722	25,094	25,502	26,219
1,367,137 Other Operating Expense	1,244,264	1,080,567	1,091,386	908,592	903,070	798,056	766,343	817,129	819,217	851,603
-	-	-	-	-	-	-	-	-	-	-
2,273,097 TOTAL EXPENDITURE	2,189,303	2,135,534	2,186,057	2,057,900	2,070,006	1,969,197	1,994,699	2,048,873	2,058,024	2,151,710
(1,713,936) NET SURPLUS/(DEFICIT)	(1,767,773)	(1,705,573)	(1,747,666)	(1,610,235)	(1,612,225)	(1,500,877)	(1,515,841)	(1,558,634)	(1,555,560)	(1,636,600)

PROSPECTIVE FUNDING IMPACT STATEMENT PLANNING AND REGULATORY

2017/18 ANNUAL PLAN		2018/19 BUDGET	2019/20 BUDGET	2020/21 BUDGET	2021/22 BUDGET	2022/23 BUDGET	2023/24 BUDGET	2024/25 BUDGET	2025/26 BUDGET	2026/27 BUDGET	2027/28 BUDGET
	Total Sources of Operating Funding										
	Source of Operating Funding										
731,888	Uniform, General and Targeted Rates	1,221,261	1,333,691	1,370,970	1,447,611	1,457,273	1,494,381	1,521,855	1,549,528	1,559,403	1,619,927
559,161	Fees charges and targeted rates for water sup	421,530	429,961	438,391	447,665	457,782	468,320	478,858	490,239	502,464	515,110
-	Interest and Dividends from Investments	-	-	-	-	-	-	-	-	-	-
1,291,049	Total Source of Operating Funding	1,642,791	1,763,652	1,809,361	1,895,276	1,915,055	1,962,701	2,000,713	2,039,767	2,061,867	2,135,037
	Application of Operating Funding										
1,711,494	Payments to staff and suppliers	1,676,773	1,612,330	1,621,934	1,466,905	1,466,848	1,358,698	1,355,951	1,411,708	1,409,752	1,469,665
17,900	Finance costs	22,496	22,746	22,915	23,455	23,775	24,111	24,722	25,094	25,502	26,219
470,564	Internal Charges and Overheads applied	383,208	391,446	415,556	405,249	417,092	438,321	427,336	441,438	464,495	456,003
2,199,958	Total Application of Operating Funding	2,082,477	2,026,522	2,060,405	1,895,609	1,907,715	1,821,130	1,808,009	1,878,240	1,899,749	1,951,887
(908,909)	Surplus (Deficit) from Operating Funding	(439,686)	(262,870)	(251,044)	(333)	7,340	141,571	192,704	161,527	162,118	183,150
	Total Sources of capital funding										
	Source of Capital Funding										
-	Increase in Debt	6,000	-	-	6,372	-	-	6,816	-	-	7,332
-	Total Source of Capital Funding	6,000	-	-	6,372	-	-	6,816	-	-	7,332
	Application of Capital Funding										
65,000	Capital expenditure - to improve the level of s	141,000	17,300	4,186	92,332	2,186	2,186	94,202	4,512	20,066	98,982
60,000	Capital expenditure - to replace existing asset	85,000	-	83,200	90,270	-	88,880	96,560	-	95,360	103,870
(1,033,909)	Increase (Decrease) in reserves	(659,686)	(280,170)	(338,430)	(176,563)	5,154	50,505	8,758	157,015	46,692	(12,370)
(908,909)	Total Application of Capital Funding	(433,686)	(262,870)	(251,044)	6,039	7,340	141,571	199,520	161,527	162,118	190,482
908,909	Surplus (Deficit) from Capital Funding	439,686	262,870	251,044	333	(7,340)	(141,571)	(192,704)	(161,527)	(162,118)	(183,150)
-	Funding Balance (General Rates)	-									

TE TŌHAU NUI TUAONO MANA WHAKATIPU ME KĀWANATANGA - ACTIVITY GROUP SIX LEADERSHIP & GOVERNANCE

- Whakahuahua Hapori
- Hononga Māori
- Whanake Ōhanga
- Community Representation
- Māori Relationships
- Economic Development

WHAKAHUAHUA HAPORI - COMMUNITY REPRESENTATION

WHAT THE COUNCIL DOES

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 members' 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 district is currently represented, following the 2016 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. This is being conducted in and will be finalised in August 2018.

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, are critical outcomes to be achieved.

WHY THE COUNCIL DOES THIS

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

For more details:

For detailed information on Council's roles and responsibilities and a detailed overview, refer to the Council's:

- Local Governance Statement
- Code of Conduct
- Significance and Engagement Policy.

The above documents are available on Council's website www.wairoadc.govt.nz or on request from the Council office in Wairoa.

- 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 contracts with service providers.

COMMUNITY OUTCOMES AND HOW THE COMMUNITY REPRESENTATION 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 with a focus on the previously adopted community outcomes. Table CR1 shows the community outcomes of the community representation activity (please refer to page 28 for a full list of community outcomes).

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 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.

MAJOR ISSUES AND PROJECTS IN THE NEXT TEN 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.

A poll was held during the 2016 local body elections on the establishment of Māori wards. The result of this poll was to establish a Māori ward for the 2019 and 2021 elections.

Council representation is required to be reviewed every six years. This review includes the number of wards and boundaries, number of members to be elected for each ward and communities of interest.

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.

Table CR1: Relevant community outcomes

	COMMUNITY REPRESENTATION ACTIVITY								
COMMUNITY OUTCOMES	<i>Outcome 1: A strong, prosperous and thriving economy.</i>	<i>Outcome 2: A safe and integrated infrastructure.</i>	Outcome 3: A community that values and promotes its culture and heritage.	Outcome 4: Safe and accessible recreational facilities.	Outcome 5: Supportive, caring and valued communities.	Outcome 6: Strong distinct leadership and a sense of belonging.	Outcome 7: A safe and secure community.	Outcome 8: A lifetime of good health, education and well-being.	Outcome 9: An environment that is appreciated, protected and sustained for future generations.
COMMUNITY REPRESENTATION CONTRIBUTION	<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>								

Table CR2: Level of service with associated performance measures.

LEVEL OF SERVICE STATEMENT	COMMUNITY OUTCOME	PERFORMANCE MEASURE	TARGET 2018 - 2020
<p>ACCESSIBILITY</p> <p><i>The community has access to and knows how to access their elected representatives.</i></p>	All	More than 85% of respondents would know how to make contact with elected members and would do so	85% of the Communitrak survey respondents know how to make contact with elected members and would do so.
<p>CUSTOMER SERVICE & SATISFACTION</p> <p><i>Council will respond to all enquiries, requests, complaints, and customers are happy with the Mayor and Councillors.</i></p>	All	Mayor and Councillors 'not very good or poor' rating in annual survey is less than 10%.	Achieve measure

HONONGA MĀORI - MĀORI RELATIONSHIPS

WHAT THE COUNCIL DOES

Council employs a full-time Māori Relationships Manager, who provides advice to and liaison between Council, committee members and the community, in regards to Council's relationship with, and impact on, tangata whenua. This is achieved through liaison with Council's Māori Standing Committee and a variety of administration support.

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 district.

The purpose of this policy is to:

- Provide a framework to develop relationships between Council and tangata whenua, to achieve mutually beneficial outcomes for the community of Wairoa.
- Ensure the provision of processes and procedures that facilitate effective communication between Council and tangata whenua.
- Enable Māori views to be incorporated into local government decision-making, policies and procedures.
- Promote and facilitate Māori participation in Council activities.

The Council is committed to the Māori Policy for the following reasons:

- In recognition of the principles of the Treaty of Waitangi 1840, which provided the Crown with governance/kāwanatanga 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 Local Government Act 2002 and the Resource Management Act 1991, which requires consultation to be undertaken by those exercising responsibilities under the Act.

TE REO MĀORI POLICY

The purpose of the Te Reo Māori Policy is to recognise the Council's commitment to promoting te reo Māori as the indigenous language of Aotearoa and as a taonga of Iwi and Māori. Council endeavours to encourage te reo Māori in communications, hui and day to day operations.

The purpose of this policy is to:

- Develop and promote the use of te reo Māori throughout the Council.
- Increase the opportunities to use te reo Māori by increasing the number of situations where it can be used.
- Foster positive attitudes and positive values about te reo Māori amongst staff so that the use of it becomes a valued part of the Council.
- Empower staff to use te reo Māori by providing access to tools and resources.

This policy will ensure that Council recognises tangata whenua preferences for place names within our district and will be included in our policies and planning documents. The Council will ensure that when Māori is used in official publications, letters, on the Council's official website, emails or reports, it is of a consistently high standard.

The Council will also refer to orthographic conventions for te reo Māori set out by Te Taura Whiri i te Reo Māori (Māori Language Commission), and local language preferences. The Council will promote and encourage Māori culture and values through the use of te reo Māori.

For more details:

The Māori Standing Committee webpage can be accessed through the Wairoa District Council website

www.wairoadc.govt.nz

The Council is committed to the Te Reo Māori Policy for the following reasons:

- the Te Ture mō Te Reo Māori 2016 / Māori Language Act 2016 reaffirms the status of te reo Māori as an official language of Aotearoa/New Zealand
- to strengthen the use of te reo Māori
- to recognise and value te reo Māori
- to demonstrate community leadership for the use of te reo Māori
- to promote the use of te reo Māori within the Council and, as far as practicable, support activities, events and training opportunities.

WHY THE COUNCIL DOES THIS

The long-term aim of Council is to enhance the capacity of the Māori community to participate in decision-making. 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 Manager's activity funding is sourced from the uniform annual general charge which is described more fully below.

The provision of Māori Relationships Manager's 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 Manager's activities are an integral part of achieving the following specified outcome, 'a community that values and promotes its culture and heritage.'

HOW PEOPLE CAN JUDGE THE COUNCIL

The principle goal of Māori Relationships is to provide qualified strategic and social policy advice to Council and management, on matters that impact tangata whenua and the wider Māori Community, to make well-informed 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
- decisions reference 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 internally and publicly regarding matters that impact on tangata whenua and the Māori community.

Table MR2 details what the Council will deliver as a level of service statement. The community outcomes that the specific statement contributes to are also included. How Council will monitor progress is then detailed as performance measures, with associated yearly targets.

COMMUNITY OUTCOMES AND HOW THE MĀORI RELATIONSHIP 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. Table MR1 shows the community outcomes of the Māori relationships activity (please refer to page 28 for a full list of community outcomes).

MAJOR ISSUES AND PROJECTS IN THE NEXT TEN YEARS

CONTINUAL SERVICE 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 the Māori Relationships Manager’s time and resources.
- The treaty claims process in the district is advancing and may require more time and resources for this activity.
- The frequency of 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.

Table MR1: Relevant community outcomes.

MĀORI RELATIONSHIPS

COMMUNITY OUTCOMES

MĀORI RELATIONSHIPS CONTRIBUTION

Outcome 3: A lifetime of good health and well-being

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.

WAIROA

Table MR2: Level of service with associated performance measures.

LEVEL OF SERVICE STATEMENT	COMMUNITY OUTCOME	PERFORMANCE MEASURE	TARGET 2018-2020
<p>DEMAND: Council will ensure effective representation is maintained.</p>	3	The required number of nominations 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.
<p>ACCESS: Opportunities are provided for Māori to address Council on policy, report, submissions, and any other Council related business.</p>	3	No less than bi-monthly meetings of the Māori Standing Committee are scheduled, advertised, and conducted on the advertised day.	Achieve measure.
<p>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.</p>	3	Māori Standing Committee meetings, public meetings and special consultation 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.
<p>COSTS & FUNDING: Council will manage Māori relationships activities in a financially viable manner.</p>	3	Agreed levels of service are achieved within budget.	Achieve measure. Budgets clearly defined and accounted for.

WHANAKE ŌHANGA - ECONOMIC DEVELOPMENT

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 the current stationary 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. Increased business and employment opportunities will create a stronger and more varied local economy, while promoting a vibrant living environment.

In December 2017 Council adopted an Economic Development Plan which identified eight key outcomes. How Council responds to these challenging outcomes will influence economic development in the district.

DISTRICT PROMOTION

The aim of district promotion is for potential residents, businesses, domestic and international tourists, to see Wairoa 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 strong working relationships with Hawke's Bay Tourism and Activate Tairāwhiti.

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

Wairoa i-SITE 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.

WHY THE COUNCIL DOES THIS

Economic development and district promotion are the two activities that Wairoa communities believe the Council should do. Communitrak surveys repeatedly indicate that this is an area where people would like Council to do more.

For more details:

Council manages the Wairoa Visitor Information Centre (Wairoa i-SITE) which can be accessed through the website www.visitwairoa.co.nz

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

COMMUNITY OUTCOMES AND HOW THE ECONOMIC 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. Table ED1 shows the community outcomes of the economic activity (please refer to page 28 for a full list of community outcomes).

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, which enhances the community's values, resources, environment, and lifestyle. The Wairoa Economic Development Plan is aligned to Matariki REDS (the Hawke's Bay Regional Economic Development Strategy), which details how Council contributes to this activity under seven key outcomes:

- Population decline is halted or reversed:
 - Population decline is a significant challenge to economic development in regional communities. Council will work collaboratively to implement strategies to increase the district's population as this is a priority for Council.
- Increase our share of the national tourism GDP:
 - Council will explore the opportunities to utilise the abundant natural environment resources available in the district, as well as initiatives like rocket launch tourism to promote and develop a robust and sustainable visitor industry within the district.
- Increase the district's Māori Economy:
 - Council will seek to partner with local iwi, marae, communities and other interested organisations to increase the value of the local Māori economy.

- Support existing business and community organisations:
 - Council will continue to work with local businesses and community organisations, to offer appropriate and relevant support services.
- Regional collaboration to achieve better outcomes for our district:
 - Council will continue to be an active participant in Matariki REDS and will also work alongside the Tairāwhiti Economic Action Plan to achieve good outcomes for the district.
- Decrease in the percentage of our working population that are unemployed:
 - Council will work with relevant agencies (central government), regional and local organisations and businesses, to support opportunities for employment creation in the district. Council is a lead agency in the Wairoa Community Partnerships Group, and will also work with education and training organisations, and local businesses, to develop cadetships and apprenticeships to support employment pathways.
- Increase our share of the National GDP:
 - Council will continue to work locally, regionally and nationally in a collaborative way, to secure opportunities to increase our share of the national GDP. Council will also work with interested agencies, businesses and organisations, to attract, retain and support business in the Wairoa District.
- Provision of sustainable, high quality infrastructure to meet our current and future needs:
 - 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 district.

Table ED2 details what the Council will deliver as a level of service statement. The community outcomes that the specific statement contributes to are also included. How Council will monitor progress is then detailed as performance measures, with associated yearly targets.

MAJOR ISSUES AND PROJECTS IN THE NEXT TEN YEARS

Please refer to the Project Updates section of this plan for details relating to economic development projects.

The next ten 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.

The 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.

Table ED1: Relevant community outcomes.

ECONOMIC ACTIVITY

COMMUNITY OUTCOMES

Outcome 1: A strong prosperous and thriving economy.

ECONOMIC CONTRIBUTIONS

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.

Table ED2: Level of service with associated performance measure

LEVEL OF SERVICE STATEMENT	COMMUNITY OUTCOME	PERFORMANCE MEASURE	TARGET 2018 - 2020		
STRATEGY PLANNING AND POLICY	1	Number of actions completed in the Economic Development Plan and Action Plan.	40% of actions completed	60% of actions completed	80% of actions completed
<i>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.</i>	1	The cost related to this activity did not exceed the approved budget.	Achieve measure		

WAIROA

PROSPECTIVE ACTIVITY STATEMENT LEADERSHIP AND GOVERNANCE

2017/18 ANNUAL PLAN	2018/19 BUDGET	2019/20 BUDGET	2020/21 BUDGET	2021/22 BUDGET	2022/23 BUDGET	2023/24 BUDGET	2024/25 BUDGET	2025/26 BUDGET	2026/27 BUDGET	2027/28 BUDGET
INCOME										
- Subsidies	-	-	-	-	-	-	-	-	-	-
(14,530) Fees and Charges	35,334	61,541	36,747	37,525	65,523	39,256	40,139	70,168	42,118	43,178
- Investment Income	-	-	-	-	-	-	-	-	-	-
- Reserves	-	-	-	-	-	-	-	-	-	-
(14,530) TOTAL INCOME	35,334	61,541	36,747	37,525	65,523	39,256	40,139	70,168	42,118	43,178
EXPENDITURE										
810,033 Employee Benefit Expenses	821,541	841,490	851,628	865,597	883,020	890,011	902,651	921,256	929,272	942,814
18,070 Depreciation and Amortisation	25,587	27,887	33,087	33,087	26,682	27,037	27,037	29,218	29,623	29,623
5,835 Finance Costs	6,398	6,245	6,092	5,946	5,807	5,672	5,536	5,408	5,287	5,169
1,860,010 Other Operating Expense	1,757,501	1,839,178	1,926,968	1,853,792	1,963,627	2,044,383	1,955,928	2,082,696	2,159,130	2,098,681
-										
2,693,948 TOTAL EXPENDITURE	2,611,027	2,714,799	2,817,775	2,758,422	2,879,136	2,967,103	2,891,152	3,038,577	3,123,312	3,076,286
(2,708,478) NET SURPLUS/(DEFICIT)	(2,575,693)	(2,653,259)	(2,781,027)	(2,720,897)	(2,813,613)	(2,927,847)	(2,851,013)	(2,968,408)	(3,081,193)	(3,033,108)

WAIROA

PROSPECTIVE FUNDING IMPACT STATEMENT LEADERSHIP AND GOVERNANCE

2017/18 ANNUAL PLAN		2018/19 BUDGET	2019/20 BUDGET	2020/21 BUDGET	2021/22 BUDGET	2022/23 BUDGET	2023/24 BUDGET	2024/25 BUDGET	2025/26 BUDGET	2026/27 BUDGET	2027/28 BUDGET
	Total Sources of Operating Funding										
	Source of Operating Funding										
2,706,498	Uniform, General and Targeted Rates	2,555,722	2,634,448	2,762,016	2,710,277	2,807,285	2,921,269	2,844,185	2,961,310	3,073,805	3,025,420
14,530	Fees charges and targeted rates for water sup	35,334	61,541	36,747	37,525	65,523	39,256	40,139	70,168	42,118	43,178
2,691,968	Total Source of Operating Funding	2,591,056	2,695,989	2,798,763	2,747,802	2,872,808	2,960,525	2,884,324	3,031,478	3,115,923	3,068,598
	Application of Operating Funding										
1,317,321	Payments to staff and suppliers	1,307,936	1,379,959	1,352,945	1,377,243	1,454,752	1,436,631	1,449,920	1,533,559	1,502,833	1,531,774
885	Finance costs	6,398	6,245	6,092	5,946	5,807	5,672	5,536	5,408	5,287	5,169
1,352,722	Internal Charges and Overheads applied	1,271,106	1,300,709	1,425,651	1,342,146	1,391,895	1,497,763	1,408,659	1,470,393	1,585,568	1,509,721
2,670,928	Total Application of Operating Funding	2,585,440	2,686,913	2,784,688	2,725,335	2,852,454	2,940,066	2,864,115	3,009,360	3,093,688	3,046,664
21,040	Surplus (Deficit) from Operating Funding	5,616	9,076	14,075	22,467	20,354	20,459	20,209	22,119	22,235	21,934
	- Total Source of Capital Funding	-	-	-	-	-	-	-	-	-	-
	Application of Capital Funding										
-	Finance costs	-	-	-	-	-	-	-	-	-	-
135,500	Capital expenditure - to improve the level of s	-	7,650	26,000	-	8,145	27,775	-	8,723	29,800	-
-	Capital expenditure - to replace existing asset -	-	-	-	-	-	-	-	-	-	-
(114,460)	Increase (Decrease) in reserves	5,616	1,426	(11,925)	22,467	12,209	(7,316)	20,209	13,396	(7,565)	21,934
21,040	Total Application of Capital Funding	5,616	9,076	14,075	22,467	20,354	20,459	20,209	22,119	22,235	21,934
(21,040)	Surplus (Deficit) from Capital Funding	(5,616)	(9,076)	(14,075)	(22,467)	(20,354)	(20,459)	(20,209)	(22,119)	(22,235)	(21,934)
	- Funding Balance (General Rates)	-	-	-	-	-	-	-	-	-	-

TE TŌHAU NUI TUAWHITU RANGAPŪ - ACTIVITY GROUP SEVEN CORPORATE FUNCTIONS

- Āhuatanga Ōkiko
- Whakahaere Rangapū me Pūtea
- Whakahaere-a-Kaunihera
- Property
- Corporate & Funds Management
- Council-controlled Organisation

ĀHUATANGA ŌKIKO – PROPERTY

WHAT THE COUNCIL DOES

Council provides a range of services within the Property activity:

- Campground
- Visitor Information Centre
- corporate property such as Council’s offices
- community halls
- pensioner and staff housing
- commercial property
- land investments (not part of the property AMP)
- Wairoa Community Centre
- Wairoa Library.

An arrangement with Sport Hawke’s Bay and Council has been developed to deliver the community centre service. Council has created a Built Spaces Activity 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.

The aim is to provide our tenants/lessees with a single point of contact and communication. The Property Manager is effectively the ‘landlord’ on behalf of Council and 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 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
- develop 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
- increased customer satisfaction
- transparency in decision-making
- sustainability.

There is also 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 property activity include:

- Building Act 2004
- Plumber, Gas Fitters and Drainlayers Act 1976
- Health Act 1956
- Fencing Act 1978
- Fencing of Swimming Pools Act 1987
- Property Law Act 2007
- Residential Tenancies Act 1986.

For more details:
Please refer to the relevant section of the Built Spaces Activity Management Plan. Alternatively contact Council’s Asset Management Department on (06) 838 7309 or visit our offices to discuss any queries you may have.

COMMUNITY OUTCOMES AND HOW THE BUILT SPACES 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 deliver the services currently provided and to continue to focus on the previously adopted community outcomes. Table PY1 shows the community outcomes of the property activity (please refer to page 28 for a full list of community outcomes).

HOW PEOPLE CAN JUDGE THE COUNCIL

Council's goal for this activity is: *'Reliable, cost-effective, sustainable and safe provision of property assets.'* 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.

Table PY2 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 included as performance measures, with associated yearly targets.

ASSET CONDITION AND PERFORMANCE

The Built Spaces AMP provides details of the facilities and Council holds an inventory of all assets within those facilities. The majority of Council's property assets are considered to be fit for purpose, in acceptable to good condition and adequate 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.

MAJOR ISSUES AND PROJECTS IN THE NEXT TEN YEARS

Affordability and sustainability in a stationary population base are key factors to consider, as well as the projected changes in demographics.

OTHER WORKS

Other specific works that have been identified over the next ten years for property facilities include:

- exterior painting of pensioner housing (\$50,000)
 - various renewals and upgrade works at the community centre both on the building and the pool (\$700,000), continuing work from LTP 2015-25
 - development of new archives facility (\$1 million), continuing work from LTP 2015-25
- (Costs are based on current day rates).*

ACHIEVEMENT OF CORE LEVEL ASSET MANAGEMENT PRACTICE

A core level of asset management will ensure that the property assets are managed in the most effective and efficient way to give optimum solutions, to deliver what the ratepayer wants in a cost-effective way.

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.

Table PY1: Relevant community outcomes.

COMMUNITY OUTCOMES	PROPERTY ACTIVITY						
	<i>Outcome 1: A strong, prosperous and thriving economy.</i>	<i>Outcome 2: A safe and integrated infrastructure.</i>	<i>Outcome 3: A community that values and promotes its culture and heritage.</i>	<i>Outcome 5: Supportive, caring and valued communities.</i>	<i>Outcome 7: A safe and secure community.</i>	<i>Outcome 8: A lifetime of good health, education and well-being.</i>	<i>Outcome 9: An environment that is appreciated, protected and sustained for future generations.</i>
PROPERTY CONTRIBUTION	Provision is made for property services at less than market rates.	Future planning of the activity ensures a sustainable service over time.	Community halls managed and operated by local groups encourages unique culture at a community level.	Community halls managed and operated by local groups encourages an inclusive community.	Correct management of property ensures safe and secure communities.	Correct management of the community centre ensures a safe facility for the public.	Compliance with RMA and legislative requirements ensures a protected environment.

Table PY2: Level of service with associated performance measures.

LEVEL OF SERVICE STATEMENT	COMMUNITY OUTCOMES	PERFORMANCE MEASURE	TARGET 2018 - 2020
<i>To provide Council buildings that are compliant with legislative requirements.</i>	2 & 3	Full compliance with legislative requirements through annual building warrant of fitness (BWOFF). Full compliance with legislative requirements when undertaking repairs, refurbishment or demolition of buildings including asbestos material. Safety defect requests attended and made safe at building within 4 hours. All pensioner housing units are inspected six monthly.	Achieve measure.
<i>To provide a well-resourced swimming pool facility.</i>	2 & 3	Compliance with ACC pool safe accreditation.	100% compliance with pool safe requirements.
<i>To provide Council buildings that are well maintained.</i>	2 & 3	Percentage of Council buildings in satisfactory condition (condition grades 1, 2 or 3).	80%.
<i>To provide prompt responses for service.</i>	5	Percentage of requests responded to within 3 days (excluding safety defects).	80%.

WAIROA

PROSPECTIVE ACTIVITY STATEMENT PROPERTY

2017/18 ANNUAL PLAN		2018/19 BUDGET	2019/20 BUDGET	2020/21 BUDGET	2021/22 BUDGET	2022/23 BUDGET	2023/24 BUDGET	2024/25 BUDGET	2025/26 BUDGET	2026/27 BUDGET	2027/28 BUDGET
	INCOME										
-	Capital Subsidy	-	-	-	-	-	-	-	-	-	-
90,000	Fees and Charges	90,000	91,800	93,600	95,580	97,740	99,990	102,240	104,670	107,280	109,980
39,003	Investment Income	47,607	48,576	49,546	50,602	51,753	52,943	54,150	55,453	56,834	58,270
129,003	TOTAL INCOME	137,607	140,376	143,146	146,182	149,493	152,933	156,390	160,123	164,114	168,250
	EXPENDITURE										
2,084	Employee Benefit Expenses	10,000	10,220	10,440	10,670	10,920	11,170	11,440	11,730	12,020	12,330
479,432	Depreciation and Amortisation	516,122	525,806	530,490	536,073	566,822	576,226	581,076	585,732	598,318	601,856
9,303	Finance Costs	56,042	53,675	49,007	47,118	45,229	43,340	41,451	39,561	37,672	35,783
347,830	Other Operating Expense	373,570	355,836	354,711	359,912	368,547	378,573	384,694	394,620	406,089	413,946
(171,734)	Internal Recoveries	(148,678)	(151,805)	(150,970)	(153,006)	(155,011)	(161,143)	(163,551)	(166,144)	(168,738)	(177,021)
666,915	TOTAL EXPENDITURE	807,056	793,731	793,678	800,767	836,507	848,166	855,111	865,498	885,362	886,894
(537,912)	NET SURPLUS/(DEFICIT)	(669,449)	(653,355)	(650,533)	(654,586)	(687,014)	(695,233)	(698,720)	(705,375)	(721,248)	(718,644)

**PROSPECTIVE FUNDING IMPACT STATEMENT
PROPERTY**

2017/18 ANNUAL PLAN		2018/19 BUDGET	2019/20 BUDGET	2020/21 BUDGET	2021/22 BUDGET	2022/23 BUDGET	2023/24 BUDGET	2024/25 BUDGET	2025/26 BUDGET	2026/27 BUDGET	2027/28 BUDGET
	Total Sources of Operating Funding										
	Source of Operating Funding										
129,003	Fees charges and targeted rates for water supply	364,678	375,747	381,638	397,942	425,744	444,019	448,930	457,823	475,555	478,622
129,003	Total Source of Operating Funding	364,678	375,747	381,638	397,942	425,744	444,019	448,930	457,823	475,555	478,622
	Application of Operating Funding										
329,159	Payments to staff and suppliers	383,570	366,055	365,144	370,572	379,453	389,730	396,121	406,338	418,098	426,265
9,303	Finance costs	56,390	65,905	60,924	58,859	69,232	66,704	64,176	61,647	59,118	56,590
150,979	Internal Charges and Overheads applied	148,678	151,805	150,970	153,006	155,011	161,143	163,551	166,144	168,738	177,021
187,483	Total Application of Operating Funding	291,282	280,155	275,098	276,425	293,674	295,291	296,746	301,841	308,478	305,834
(58,480)	Surplus (Deficit) from Operating Funding	73,396	95,592	106,540	121,516	132,070	148,728	152,184	155,982	167,077	172,788
	Total Sources of capital funding										
	Source of Capital Funding										
-	Increase in Debt	120,000	-	-	-	-	-	-	-	-	-
-	Total Source of Capital Funding	120,000	-								
	Application of Capital Funding										
265,000	Capital expenditure - to improve the level of service	222,200	12,250	19,750	73,100	101,738	111,677	27,902	27,902	27,902	27,902
397,484	Capital expenditure - to replace existing assets	372,984	112,420	57,420	53,350	60,060	94,945	62,920	58,650	138,230	117,135
(720,964)	Increase (Decrease) in reserves	(401,788)	(29,078)	29,370	(4,934)	(29,728)	(57,894)	61,362	69,430	945	27,751
(58,480)	Total Application of Capital Funding	193,396	95,592	106,540	121,516	132,070	148,728	152,184	155,982	167,077	172,788
58,480	Surplus (Deficit) from Capital Funding	(73,396)	(95,592)	(106,540)	(121,516)	(132,070)	(148,728)	(152,184)	(155,982)	(167,077)	(172,788)
-	Funding Balance	-	-	-	-	-	-	-	-	-	-

WHAKAHAERE RANGAPŪ ME PŪTEA - 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 interest revenue for Council that can be used to offset expenditure associated with day-to-day operations. These investments represent accumulated surpluses and depreciation reserves to be used to fund future projects that will provide sustainable infrastructure and services into the future. When there are excess balances in Special Funds, Council may authorise an internal advance to particular Council capital projects.

The management of Council's investment funds is guided by its Investment Policy, Revenue and Financing Policy and Financial Strategy.

WHY THE COUNCIL DOES THIS

Council's holds investments in order to provide:

- lower cost secure funding for capital projects
- immediate funds in the event of civil defence emergencies
- a source of regular revenue to contribute to its operating costs and reduce the rates requirement.

HOW PEOPLE CAN JUDGE THE COUNCIL

In its treasury investment activity, Council's primary objective when investing is the protection of its investment. Accordingly, the Investment Policy prescribes the level of risk that Council deems acceptable.

COMMUNITY OUTCOMES AND HOW THE CORPORATE & FUNDS 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 with a focus on the previously adopted community outcomes. Table CF1 shows the community outcomes of the corporate and funds activity (please refer to page 28 for a full list of community outcomes).

Table CF1: Relevant community outcomes.

CORPORATE & FUNDS MANAGEMENT ACTIVITY

COMMUNITY OUTCOMES

<i>Outcome 1:</i> <i>A strong, prosperous and thriving economy.</i>	<i>Outcome 2:</i> <i>A safe and integrated infrastructure.</i>	<i>Outcome 3:</i> <i>A community that values and promotes its culture and heritage.</i>	<i>Outcome 4:</i> <i>Safe and accessible recreational facilities.</i>	<i>Outcome 5:</i> <i>Supportive, caring and valued communities.</i>	<i>Outcome 6:</i> <i>Strong distinct leadership and a sense of belonging.</i>	<i>Outcome 7:</i> <i>A safe and secure community.</i>	<i>Outcome 8:</i> <i>A lifetime of good health, education and well-being.</i>	<i>Outcome 9:</i> <i>An environment that is appreciated, protected and sustained for future generations.</i>
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CORPORATE & FUNDS MANAGEMENT CONTRIBUTION

By monitoring economic trends and markets, and by exercising prudence, this activity provides Council with financial security and all of its activities that support these community outcomes with certainty of funding and therefore sustainability.

Through careful investment management Council earns a return that contributes to the cost effective delivery of these outcomes.

WAIROA

PROSPECTIVE ACTIVITY STATEMENT FUNDS MANAGEMENT

2017/18 ANNUAL PLAN		2018/19 BUDGET	2019/20 BUDGET	2020/21 BUDGET	2021/22 BUDGET	2022/23 BUDGET	2023/24 BUDGET	2024/25 BUDGET	2025/26 BUDGET	2026/27 BUDGET	2027/28 BUDGET
	INCOME										
12,509,912	Rates	12,073,378	12,659,613	13,273,508	13,904,533	14,414,857	14,785,034	15,161,936	15,457,810	15,776,017	16,188,259
68,000	Petrol Tax	85,000	86,700	88,400	90,270	92,310	94,435	96,560	98,855	101,320	103,870
	- Fees and Charges	-	-	-	-	-	-	-	-	-	-
856,171	Investment Income	646,917	502,289	394,805	349,866	333,925	291,048	277,568	285,539	231,212	224,236
	- Other Income	-	-	-	-	-	-	-	-	-	-
13,434,083	TOTAL INCOME	12,805,295	13,248,602	13,756,713	14,344,670	14,841,092	15,170,517	15,536,063	15,842,204	16,108,550	16,516,365
	EXPENDITURE										
	- Employee Benefit Expenses	12,057	9,634	12,686	11,221	9,830	12,760	13,763	12,239	(32,609)	3,374
	- Depreciation and Amortisation	-	-	-	-	-	-	-	-	-	-
512,358	Finance Costs	383,959	383,412	399,389	411,531	419,629	419,614	427,479	431,122	436,440	444,303
90,000	Other Operating Expense	20,000	20,400	83,200	21,240	21,720	88,880	22,720	23,260	95,360	24,440
	-										
602,358	TOTAL EXPENDITURE	416,016	413,446	495,275	443,992	451,179	521,254	463,962	466,621	499,191	472,117
12,831,725	NET SURPLUS/(DEFICIT)	12,389,279	12,835,156	13,261,438	13,900,678	14,389,914	14,649,262	15,072,101	15,375,583	15,609,359	16,044,248

WAIROA

PROSPECTIVE FUNDING IMPACT STATEMENT PROPERTY

2017/18 ANNUAL PLAN		2018/19 BUDGET	2019/20 BUDGET	2020/21 BUDGET	2021/22 BUDGET	2022/23 BUDGET	2023/24 BUDGET	2024/25 BUDGET	2025/26 BUDGET	2026/27 BUDGET	2027/28 BUDGET
Total Sources of Operating Funding											
Source of Operating Funding											
129,003	Fees charges and targeted rates for water sup	364,678	375,747	381,638	397,942	425,744	444,019	448,930	457,823	475,555	478,622
129,003	Total Source of Operating Funding	364,678	375,747	381,638	397,942	425,744	444,019	448,930	457,823	475,555	478,622
Application of Operating Funding											
329,159	Payments to staff and suppliers	383,570	366,055	365,144	370,572	379,453	389,730	396,121	406,338	418,098	426,265
9,303	Finance costs	56,390	65,905	60,924	58,859	69,232	66,704	64,176	61,647	59,118	56,590
150,979	Internal Charges and Overheads applied	148,678	151,805	150,970	153,006	155,011	161,143	163,551	166,144	168,738	177,021
187,483	Total Application of Operating Funding	291,282	280,155	275,098	276,425	293,674	295,291	296,746	301,841	308,478	305,834
(58,480)	Surplus (Deficit) from Operating Funding	73,396	95,592	106,540	121,516	132,070	148,728	152,184	155,982	167,077	172,788
Total Sources of capital funding											
Source of Capital Funding											
-	Increase in Debt	120,000	-	-	-	-	-	-	-	-	-
-	Total Source of Capital Funding	120,000	-								
Application of Capital Funding											
265,000	Capital expenditure - to improve the level of s	222,200	12,250	19,750	83,720	1,079,138	111,677	27,902	27,902	27,902	27,902
397,484	Capital expenditure - to replace existing asset	372,984	112,420	57,420	53,350	60,060	94,945	62,920	58,650	138,230	117,135
(720,964)	Increase (Decrease) in reserves	(401,788)	(29,078)	29,370	(15,554)	(1,007,128)	(57,894)	61,362	69,430	945	27,751
(58,480)	Total Application of Capital Funding	193,396	95,592	106,540	121,516	132,070	148,728	152,184	155,982	167,077	172,788
58,480	Surplus (Deficit) from Capital Funding	(73,396)	(95,592)	(106,540)	(121,516)	(132,070)	(148,728)	(152,184)	(155,982)	(167,077)	(172,788)
-	Funding Balance (General Rates)	-									

WAIROA

HAKAHAERE RANGAPŪ ME PŪTEA - CORPORATE SUPPORT SERVICES

PROSPECTIVE ACTIVITY STATEMENT SUPPORT SERVICES

2017/18 ANNUAL PLAN		2018/19 BUDGET	2019/20 BUDGET	2020/21 BUDGET	2021/22 BUDGET	2022/23 BUDGET	2023/24 BUDGET	2024/25 BUDGET	2025/26 BUDGET	2026/27 BUDGET	2027/28 BUDGET
	INCOME										
12,129	Fees and Charges	11,100	11,322	11,544	11,788	12,055	12,332	12,610	12,909	13,231	13,564
-	Reserves	-	-	-	-	-	-	-	-	-	-
12,129	TOTAL INCOME	11,100	11,322	11,544	11,788	12,055	12,332	12,610	12,909	13,231	13,564
	EXPENDITURE										
2,630,052	Employee Benefit Expenses	2,844,409	2,901,322	2,961,632	3,020,337	3,121,129	3,139,298	3,200,560	3,263,468	3,327,507	3,439,091
226,614	Depreciation and Amortisation	219,213	235,199	282,394	287,492	260,138	258,995	260,131	255,054	257,326	258,548
82,862	Finance Costs	38,941	55,762	79,907	79,772	79,709	79,681	79,654	79,699	79,815	79,968
1,776,415	Other Operating Expense	381,543	381,259	579,914	312,226	367,317	624,771	346,032	450,711	681,220	388,261
(4,624,532)	Internal Recoveries	(3,363,161)	(3,440,799)	(3,757,820)	(3,551,745)	(3,680,219)	(3,949,643)	(3,729,764)	(3,888,593)	(4,181,666)	(3,995,358)
91,411	TOTAL EXPENDITURE	120,945	132,743	146,027	148,083	148,074	153,103	156,614	160,339	164,203	170,510
(79,282)	NET SURPLUS/(DEFICIT)	(109,845)	(121,421)	(134,483)	(136,294)	(136,019)	(140,771)	(144,004)	(147,430)	(150,972)	(156,946)

WAIROA

PROSPECTIVE FUNDING IMPACT STATEMENT SUPPORT SERVICES

2017/18 ANNUAL PLAN		2018/19 BUDGET	2019/20 BUDGET	2020/21 BUDGET	2021/22 BUDGET	2022/23 BUDGET	2023/24 BUDGET	2024/25 BUDGET	2025/26 BUDGET	2026/27 BUDGET	2027/28 BUDGET
Total Sources of Operating Funding											
Source of Operating Funding											
12,129	Fees charges and targeted rates for water sup	11,100	11,322	11,544	11,788	12,055	12,332	12,610	12,909	13,231	13,564
12,129	Total Source of Operating Funding	11,100	11,322	11,544	11,788	12,055	12,332	12,610	12,909	13,231	13,564
Application of Operating Funding											
4,343,368	Payments to staff and suppliers	4,165,897	4,237,262	4,512,507	4,326,358	4,499,502	4,794,884	4,597,536	4,786,150	5,102,077	4,942,274
82,862	Finance costs	38,941	55,762	79,907	79,772	79,709	79,681	79,654	79,699	79,815	79,968
4,624,532	Internal Charges and Overheads applied	3,363,161	3,440,703	3,756,924	3,550,551	3,678,613	3,948,036	3,728,158	3,887,227	4,180,300	3,993,992
63,099	Other operating funding applications	939,945	954,681	970,962	993,794	1,011,056	1,030,815	1,050,943	1,071,971	1,093,349	1,114,922
135,203	Total Application of Operating Funding	98,268	102,360	135,472	138,215	110,458	104,286	101,911	93,349	91,757	86,672
147,332	Surplus (Deficit) from Operating Funding	109,368	113,682	147,016	150,004	122,512	116,619	114,521	106,258	104,988	100,237
Total Sources of capital funding											
Source of Capital Funding											
-	Increase in Debt	-	419,020	626,400	-	-	-	-	-	-	-
-	Total Source of Capital Funding	-	419,020	626,400	-	-	-	-	-	-	-
Application of Capital Funding											
227,000	Capital expenditure - to improve the level of s	115,000	-	49,980	20,908	20,908	65,348	20,908	20,908	68,588	20,908
488,073	Capital expenditure - to replace existing asset	40,000	453,020	726,400	24,000	34,000	34,000	34,000	34,000	34,000	34,000
(567,741)	Increase (Decrease) in reserves	(45,632)	79,682	(2,964)	105,096	67,604	17,271	59,613	51,350	2,400	45,329
147,332	Total Application of Capital Funding	109,368	532,702	773,416	150,004	122,512	116,619	114,521	106,258	104,988	100,237
(147,332)	Surplus (Deficit) from Capital Funding	(109,368)	(113,682)	(147,016)	(150,004)	(122,512)	(116,619)	(114,521)	(106,258)	(104,988)	(100,237)
-	Funding Balance (General Rates)	-	-	-	-	-	-	-	-	-	-

WHAKAHAERE-A-KAUNIHERA - COUNCIL CONTROLLED ORGANISATIONS



QUALITY ROADING SERVICES (WAIROA) LTD

Quality Roding and Services (Wairoa) or QRS is a Council-controlled organisation 100% owned by Council.

COUNCIL-CONTROLLED ORGANISATIONS (CCOS)

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 fifty per cent shareholding, or the ability to appoint more than fifty per cent of the directors.

There are trading and non-trading CCOs. Council-controlled trading organisations (CCTOs) operate as or like a company, undertaking trading for the purpose of making a profit. QRS is a CCO, and also classified as a CCTO.

REASONS FOR OWNING A CCO

Council believes it's important to maintain expertise in construction, roading and maintenance in the district, balanced with an intent to reduce ratepayer costs by providing effective competition. Providing community support is also a primary reason for Council owning QRS. Not only is QRS one of the biggest employers in the district offering many employment opportunities with low barriers of entry, it also supports a number of community initiatives.

QRS gets in behind many sports, and is a strategic sponsor of the Wairoa A&P Show. It also donates services in kind such as site preparation, mowing and earthworks around the district to ensure community events are a success. While staying well out of the spotlight QRS has also quietly supported Wairoa's Gaiety Cinema and Theatre to the tune of thousands of dollars since 2015.

ACCOUNTABILITY

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, to the extent that they deliver community outcomes in the most cost efficient way.

Each year the CCO is required to agree to a publicly available Statement of Corporate Intent with Council. It 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 the CCO must report on its performance against the Statement.

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. The following section summarises information derived from QRS' Statement of Corporate Intent 2017-2018.

NATURE AND SCOPE OF ACTIVITIES

QRS' specialities are roading maintenance, civil construction, and quarrying. It offers a full range of civil engineering skills, experience and equipment. Principal activities are:

- roading maintenance and associated construction
- civil construction
- quarrying
- heavy transport
- reserves maintenance
- waste management.

Surplus profits generated by QRS are provided to Council (a hundred per cent shareholder) by way of dividends and community support. More information is available at www.qrs.co.nz.

OWNERSHIP POLICY AND OBJECTIVES

Council does not intend to change the ownership or control of QRS over the term of this plan. Council's objectives for QRS 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.

	2018/ 19	2019/ 20	2020/ 21
Net profit pre-tax as a percentage of opening shareholder funds	6%	6%	6%
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%

WĀHANGA TUATORU - PART THREE

MATAPAE WHAI TIKANGA ME NGĀ TŪRARU - SIGNIFICANT FORECASTING ASSUMPTIONS & 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.

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.

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

FORECASTING ASSUMPTIONS	RISK	LIKELIHOOD OF OCCURANCE	FINANCIAL MATERIALITY	REASONS & 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.

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FORECASTING ASSUMPTIONS	RISK	LIKELIHOOD OF OCCURANCE	FINANCIAL MATERIALITY	REASONS & FINANCIAL EFFECT OF UNCERTAINTY
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Table 1: LGCI, annual average % change

LABEL	LGCI		
	OPEX	CAPEX	TOTAL
Jun 17	1.5	1.5	1.5
Jun 18	1.8	1.8	1.8
Jun 19	2.0	2.0	2.0
Jun 20	2.2	2.2	2.2
Jun 21	2.2	2.2	2.2
Jun 22	2.2	2.2	2.2
Jun 23	2.3	2.3	2.3
Jun 24	2.3	2.4	2.3
Jun 25	2.4	2.4	2.4
Jun 26	2.5	2.5	2.5
Jun 27	2.5	2.6	2.6
Jun 28	2.6	2.7	2.7
20 year ave % pa	2.4	2.5	2.4

20-year average calculated using 2007 to 2027 actuals and forecasts

Source: BERL

Table 2 : Forecast % per annum change by category

YEAR ENDING	ADJUSTORS				
	PLANNING & REGULATION	ROADING	TRANSPORT	COMMUNITY ACTIVITIES	WATER & ENVIRONMENTAL
Jun 15	1.5	2.3	1.6	1.8	3.2
Jun 16	0.8	1.4	1.1	1.6	2.1
Jun 17	1.4	2.6	1.6	1.8	1.2
Jun 18	1.8	1.9	1.9	1.7	1.8
Jun 19	2.0	2.0	2.0	1.7	2.3
Jun 20	2.1	2.2	2.0	2.0	2.5
Jun 21	2.1	2.2	2.1	2.1	2.3
Jun 22	2.1	2.3	2.2	2.1	2.4
Jun 23	2.2	2.4	2.2	2.2	2.4
Jun 24	2.3	2.4	2.3	2.3	2.5
Jun 25	2.3	2.5	2.4	2.3	2.6
Jun 26	2.4	2.6	2.5	2.4	2.6
Jun 27	2.4	2.7	2.5	2.4	2.7
Jun 28	2.5	2.8	2.7	2.6	2.8
20 year ave % pa	2.3	2.5	2.4	2.3	2.6

20-year average calculated using 2007 to 2027 actuals and forecasts

Source: BERL

FORECASTING ASSUMPTIONS	RISK	LIKELIHOOD OF OCCURANCE	FINANCIAL MATERIALITY	REASONS & FINANCIAL EFFECT OF UNCERTAINTY
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 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 revenue sources may not be achievable.	Low	Low	Council has undertaken a review of its revenue and financing policy and the rationales for its funding allocations. NZTA funding assistance rate is confirmed for 5 years. Fees and charges are based on levels regularly achieved, and adjusted for specific initiatives or conditions. Rates are consulted upon and controlled by prudent thresholds.
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 continue.
RETURN ON INVESTMENT – Council has included a projection of dividends from Quality Roading 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. Overall QRS has a reliable track record in achieving dividend payments. The estimates included within the LTP are aligned with the company’s projections.
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. As a member of the Local Government Funding Agency, Council has an alternative source of debt funding. In addition, Council has the ability to set rates at a level sufficient to cover its costs.

FORECASTING ASSUMPTIONS	RISK	LIKELIHOOD OF OCCURANCE	FINANCIAL MATERIALITY	REASONS & FINANCIAL EFFECT OF UNCERTAINTY
RATING DIFFERENTIALS – The bases for calculating and allocating rates will be appropriate throughout the life of the Long-term Plan.	That groups of ratepayers are significantly affected by rating revaluations or changes to Council activities.	Medium	Medium	Property values could change significantly, and only in certain areas of the district. Differentials are sometimes applied, adjusted or removed to manage the effects. When Council reviewed its revenue and financing policy it consulted with the community on the most appropriate rating methodology.
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.	Medium	Medium	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 & RELATED ASSET VALUES – It has been assumed that exchange rates will not fluctuate significantly during the ten-year period.	That Council’s costs are adversely affected by foreign exchange movements.	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 authorise 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. The renewal of the wastewater consent is specifically addressed in this LTP.
REVALUATION – These projections include a three-yearly estimate to reflect the change in asset valuations.	Infrastructure assets are to be revalued for 2019-20, 2022-23 and 2025-26, 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, however the inflation indices referred to above are applied to the forecast valuation adjustments and hence the depreciation expense.
DEPRECIATION ON PLANNED ASSET ACQUISITIONS – Council has used depreciation rates for planned asset acquisitions.	That more detailed analysis of planned capital works once complete may alter the depreciation expense.	Low	Medium	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 and the inflation adjusted rates for the corresponding years are applied.

FORECASTING ASSUMPTIONS	RISK	LIKELIHOOD OF OCCURANCE	FINANCIAL MATERIALITY	REASONS & FINANCIAL EFFECT OF UNCERTAINTY
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’s 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	Medium	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 & 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 & EXPECTED INTEREST RATES - We will continue to loan fund at varying rates of interest. Forecast base interest rates are outlined in Table 3.	In the future, interest rates may be higher than forecast.	Medium	Medium	The Council has a Liability Management Policy which contains strategies to protect ratepayers against significant fluctuations. Council can achieve a natural hedge by holding a portfolio of investments and debt instruments.

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FORECASTING ASSUMPTIONS	RISK	LIKELIHOOD OF OCCURANCE	FINANCIAL MATERIALITY	REASONS & FINANCIAL EFFECT OF UNCERTAINTY																								
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Source: BERL																												
ROADING																												
NEW ZEALAND TRANSPORT AGENCY (NZTA) – Ratepayer contributions provide 25% of the funding towards the land transport system with 75% Government subsidythe financial assistance rate.	Changes in subsidy rate and variation in criteria for inclusion in subsidised works programme.	Low Years (1-3) Medium Years (4-10)	Medium Medium	NZTA funding priorities may change as a result of the Land Transport Management Act 2003. The funding assistance rate is confirmed until 2022.																								
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.	Medium	Medium	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.																								
DEMOGRAPHIC AND POLITICAL																												
POPULATION CHANGE – The population of the district will moderately increase during the period of the plan. <i>Source: Wairoa District Council - Long Term District Planning - Demographic and Economic Growth Directions 2018- 2048; Economic Solutions Ltd.</i>	That population change will be higher than projected, putting increased pressure on Council to provide additional infrastructure	Low	Low/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.																								

FORECASTING ASSUMPTIONS	RISK	LIKELIHOOD OF OCCURANCE	FINANCIAL MATERIALITY	REASONS & FINANCIAL EFFECT OF UNCERTAINTY
	and services, or decline, increasing the residual burden on ratepayers.			A decline in population may not necessarily reduce the cost of delivering Council activities, although if it results in extended asset lives, the annual depreciation expense would be lower.
AGEING POPULATION – The population of the district aged 55 and over is expected to increase during the period of the plan. <i>Source: Wairoa District Council - Long Term District Planning - Demographic and Economic Growth Directions 2018- 2048; Economic Solutions Ltd.</i>	There will be a decline in the ability to pay, with more people on fixed incomes.	High	Medium	Without intervention it is inevitable that increasing costs of Council activities will become an increasing proportion of fixed household income. Council's economic development initiatives will seek to alleviate this.
APPROACH TO POTENTIAL SOCIETAL CHANGES – Council has prepared the Long-term 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.	Low	Medium	Changes of this nature tend to be gradual and incremental. It is considered unlikely that there will be any significant changes that will cause deviations from the LTP.
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 change from that adopted for the 2019 elections, with the introduction of Māori wards. There are no other anticipated changes at this time, although a representation review could result in further changes to the governance structure.	There will be applications made to Council for representation reviews.	High	Low	Council is required to complete the review of the number of elected members by August 2018.

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FORECASTING ASSUMPTIONS	RISK	LIKELIHOOD OF OCCURANCE	FINANCIAL MATERIALITY	REASONS & FINANCIAL EFFECT OF UNCERTAINTY
<p>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.</p>	<p>There is a significant variation in price from re-tendering contracts and renewal of service level agreements.</p>	<p>Medium (Years 1-3)</p> <p>High (Years 4-10)</p>	<p>Medium</p> <p>High</p>	<p>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.</p>
<p>EXTERNAL FACTORS – There will be no unexpected changes to legislation or other external factors that alter the nature of services provided by Council.</p>	<p>There are unexpected changes that alter the services provided by Council.</p>	<p>Medium</p>	<p>Low</p>	<p>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.</p>

MATAPAE PŪTEA - FINANCIAL FORECAST STATEMENTS

- **MATAPAE PŪTEA WHIWHI ME UTU WHAKAHAERE**
Prospective Statement of Comprehensive Revenue and Expense
- **MATAPAE TINI MANA TAURITE**
Prospective Statement of Changes in Equity
- **MATAPAE TŪ PŪTEA**
Prospective Statement of Financial Position
- **MATAPAE KAPEWHITI**
Prospective Cash Flow Statement
- **MATAPAE PŪTEA PENAPENA**
Prospective Movement of Reserves Statement
- **MATAPAE WHAKAPAUNGA UTU**
Prospective Capital & Project Expenditure
- **NGĀ KAUPAPA HERE MŌ TE KAUTE**
Statement of Accounting Policies
- **MATAPAE PŪTEA**
Financial Prudence Benchmark

MATAPAE PŪTEA WHIWHI ME UTU WHAKAHAERE - PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENDITURE
WHOLE OF COUNCIL

2017/18 ANNUAL PLAN		2018/19 BUDGET	2019/20 BUDGET	2020/21 BUDGET	2021/22 BUDGET	2022/23 BUDGET	2023/24 BUDGET	2024/25 BUDGET	2025/26 BUDGET	2026/27 BUDGET	2027/28 BUDGET
	INCOME										
12,509,912	Rates	12,754,751	13,338,131	13,959,192	14,618,592	15,165,826	15,562,705	15,966,268	16,286,556	16,629,032	17,071,025
4,544,842	Subsidies	4,864,639	5,231,475	5,395,179	5,470,580	5,747,951	6,039,068	6,230,345	6,111,750	6,466,681	6,619,567
4,136,715	Capital Subsidy	4,701,620	5,080,699	5,474,305	4,173,116	4,238,069	3,737,880	3,844,434	3,754,421	4,438,350	4,251,972
68,000	Petrol Tax	85,000	86,700	88,400	90,270	92,310	94,435	96,560	98,855	101,320	103,870
2,300,186	Fees and Charges	1,748,574	1,811,100	1,826,334	1,864,736	1,939,043	1,955,844	2,012,316	2,090,027	2,124,858	2,179,776
895,174	Investment Income	873,166	719,391	618,846	576,797	561,682	513,765	503,034	510,885	457,808	453,180
-	Reserves	-	-	-	-	-	-	-	-	-	-
-	Other Income	-	-	-	-	-	-	-	-	-	-
24,454,829	TOTAL INCOME	25,027,750	26,267,495	27,362,255	26,794,090	27,744,880	27,903,697	28,652,957	28,852,493	30,218,049	30,679,390
	EXPENDITURE										
4,923,388	Employee Benefit Expenses	5,472,049	5,678,600	5,794,817	5,910,857	6,065,421	6,137,841	6,254,762	6,381,905	6,450,749	6,661,541
4,902,814	Depreciation and Amortisation	5,237,615	5,655,483	5,907,821	6,119,712	6,520,700	6,635,706	6,795,896	7,207,608	7,339,213	7,456,752
993,739	Finance Costs	707,449	770,800	854,210	954,939	1,028,443	1,034,805	1,037,469	1,034,356	1,034,463	1,037,407
13,048,789	Other Operating Expense	13,081,303	13,420,514	13,856,030	13,634,315	14,129,101	14,807,875	14,832,246	14,979,156	15,799,882	15,826,208
23,868,730	TOTAL EXPENDITURE	24,498,416	25,525,397	26,412,878	26,619,823	27,743,665	28,616,227	28,920,373	29,603,025	30,624,308	30,981,907
586,099	NET SURPLUS/(DEFICIT) FROM OPERATIONS	529,334	742,098	949,377	174,268	1,215	(712,531)	(267,416)	(750,532)	(406,259)	(302,517)
	PLUS OTHER COMPREHENSIVE INCOME										
-	Revaluation of Property Plant and Equipment	-	15,288,105	-	-	19,267,412	-	-	22,703,214	-	-
586,099	TOTAL COMPREHENSIVE REVENUE	529,334	16,030,203	949,377	174,268	19,268,627	(712,531)	(267,416)	21,952,682	(406,259)	(302,517)

MATAPAE TINI MANA TAURITE - PROSPECTIVE STATEMENT OF CHANGES IN EQUITY

2017/18 ANN PLAN		2018/19 PROJECTED	2019/20 PROJECTED	2020/21 PROJECTED	2021/22 PROJECTED	2022/23 PROJECTED	2023/24 PROJECTED	2024/25 PROJECTED	2025/26 PROJECTED	2026/27 PROJECTED	2027/28 PROJECTED
308,651,303	Opening Equity	272,846,436	273,375,770	289,405,974	290,355,351	290,529,618	309,798,245	309,085,714	308,818,298	330,770,980	330,364,722
586,099	Net Surplus/(Deficit) for period	529,334	742,098	949,377	174,268	1,215	(712,531)	(267,416)	(750,532)	(406,259)	(302,517)
-	Other Comprehensive Income	-	15,288,105	-	-	19,267,412	-	-	22,703,214	-	-
586,099	Total Comprehensive Income	529,334	16,030,203	949,377	174,268	19,268,627	(712,531)	(267,416)	21,952,682	(406,259)	(302,517)
309,237,402	Closing Equity	273,375,770	289,405,974	290,355,351	290,529,618	309,798,245	309,085,714	308,818,298	330,770,980	330,364,722	330,062,205
	Components of Equity										
131,256,009	Ratepayers Equity at the beginning of the year	141,802,222	144,083,888	144,737,372	145,111,661	143,365,797	140,848,549	138,170,818	135,132,820	131,079,111	128,610,693
586,099	Net surplus/(deficit) for period	529,334	742,098	949,377	174,268	1,215	(712,531)	(267,416)	(750,532)	(406,259)	(302,517)
-	Fair Value Asset Adjustments	-	-	-	-	-	-	-	-	-	-
8,091,760	Transfers from restricted reserves	5,425,195	3,914,168	3,628,283	2,392,963	1,959,353	2,638,232	1,964,620	1,660,629	3,048,651	2,015,946
(2,645,031)	Transfers to restricted reserves	(3,672,864)	(4,002,782)	(4,203,371)	(4,313,094)	(4,477,816)	(4,603,432)	(4,735,201)	(4,963,807)	(5,110,810)	(5,196,470)
	Transfer from revaluation reserve on disposal										
137,288,837	Ratepayers Equity at 30 June	144,083,888	144,737,372	145,111,661	143,365,797	140,848,549	138,170,818	135,132,820	131,079,111	128,610,693	125,127,653
20,231,715	Special Funds at the beginning of the year	19,131,214	17,378,883	17,467,497	18,042,585	19,962,717	22,481,180	24,446,381	27,216,962	30,520,139	32,582,298
2,645,031	Transfer from ratepayers equity	3,672,864	4,002,782	4,203,371	4,313,094	4,477,816	4,603,432	4,735,201	4,963,807	5,110,810	5,196,470
(8,091,760)	Transfer to ratepayers equity	(5,425,195)	(3,914,168)	(3,628,283)	(2,392,963)	(1,959,353)	(2,638,232)	(1,964,620)	(1,660,629)	(3,048,651)	(2,015,946)
14,784,986	Special Funds at 30 June	17,378,883	17,467,497	18,042,585	19,962,717	22,481,180	24,446,381	27,216,962	30,520,139	32,582,298	35,762,822
157,163,579	Revaluation reserve infrastructural at the beginning of the year	111,913,000	111,913,000	127,201,105	127,201,105	127,201,105	146,468,516	146,468,516	146,468,516	169,171,730	169,171,730
-	Net transfer from revaluation reserve on disposal	-	-	-	-	-	-	-	-	-	-
	Transfer to revaluation	-	15,288,105	-	-	19,267,412	-	-	22,703,214	-	-
157,163,579	Revaluation reserve infrastructural at 30 June	111,913,000	127,201,105	127,201,105	127,201,105	146,468,516	146,468,516	146,468,516	169,171,730	169,171,730	169,171,730
309,237,402	Total Closing Equity at 30 June	273,375,770	289,405,974	290,355,351	290,529,618	309,798,245	309,085,714	308,818,298	330,770,980	330,364,722	330,062,205

MATAPAE TŪ PŪTEA - PROSPECTIVE STATEMENT OF FINANCIAL POSITION

2017/18 ANN PLAN		2018/19 PROJECTED	2019/20 PROJECTED	2020/21 PROJECTED	2021/22 PROJECTED	2022/23 PROJECTED	2023/24 PROJECTED	2024/25 PROJECTED	2025/26 PROJECTED	2026/27 PROJECTED	2027/28 PROJECTED
	Assets										
	Current Assets										
438,072	Cash and Cash Equivalents	2,286,580	1,136,924	1,276,806	974,162	216,712	641,756	528,140	591,766	444,959	360,011
3,921	Inventories	58,323	58,323	58,323	58,323	58,323	58,323	58,323	58,323	58,323	58,323
2,254,306	Trade and Other Receivables	3,138,154	3,601,969	3,638,062	3,320,762	3,291,154	2,832,270	2,950,788	2,949,597	3,253,846	3,297,294
2,696,299	Total Current Assets	5,483,057	4,797,215	4,973,190	4,353,247	3,566,188	3,532,348	3,537,251	3,599,685	3,757,128	3,715,628
	Non Current Assets										
-	Reserves	-	-	-	-	-	-	-	-	-	-
294,887,035	Property Plant and Equipment	261,026,448	282,703,749	286,846,696	291,839,151	314,397,468	316,643,334	317,113,679	339,392,573	338,287,454	338,919,815
15,239,982	Work in Progress	12,073,444	10,033,605	11,095,004	9,807,106	8,877,072	7,261,740	6,778,788	6,229,594	8,084,613	7,377,088
60,247	Loans and Other Receivables	247	247	247	247	247	247	247	247	247	247
277,000	Investment Property	-	-	-	-	-	-	-	-	-	-
150,380	Biological Assets	260,000	260,000	260,000	260,000	260,000	260,000	260,000	260,000	260,000	260,000
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
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
147,109	Intangible Assets	187,930	216,695	199,532	182,369	177,869	173,369	168,869	164,369	159,869	155,369
5,330,701	Financial Assets at Fair Value	9,122,259	7,872,259	5,372,259	4,697,259	4,247,259	3,197,259	2,797,259	2,797,259	1,497,259	1,247,259
317,365,446	Total Non Current Assets	283,943,320	302,359,546	305,046,729	308,059,123	329,232,906	328,808,941	328,391,833	350,117,034	349,562,434	349,232,770
320,061,745	Total Assets	289,426,376	307,156,762	310,019,920	312,412,370	332,799,095	332,341,289	331,929,084	353,716,719	353,319,562	352,948,398
	Liabilities										
	Current Liabilities										
-	Trust Funds and Deposits	250,327	250,327	250,327	250,327	250,327	250,327	250,327	250,327	250,327	250,327
5,225,116	Trade Payables	7,407,801	7,500,931	7,629,458	7,601,930	7,729,009	7,858,730	7,872,675	7,916,799	8,119,416	8,147,038
-	Employee Benefit Liabilities	399,735	407,029	414,462	422,036	429,754	437,619	445,633	453,800	462,122	470,602
-	Contract Retentions	614,852	627,149	639,692	652,486	665,536	678,846	692,423	706,272	720,397	734,805
5,225,116	Total Current Liabilities	8,672,715	8,785,436	8,933,940	8,926,779	9,074,626	9,225,523	9,261,059	9,327,199	9,552,263	9,602,773

WAIROA

2017/18 ANN PLAN		2018/19 PROJECTED	2019/20 PROJECTED	2020/21 PROJECTED	2021/22 PROJECTED	2022/23 PROJECTED	2023/24 PROJECTED	2024/25 PROJECTED	2025/26 PROJECTED	2026/27 PROJECTED	2027/28 PROJECTED
	Non Current Liabilities										
121,063	Employee Benefit Liabilities	112,368	114,708	119,961	123,608	125,720	130,615	136,364	140,436	99,505	94,399
5,000,000	Borrowings	6,535,594	7,498,119	9,234,871	11,432,600	13,027,656	13,101,167	12,888,911	12,626,686	12,423,882	12,281,229
478,126	Landfill Aftercare	729,928	752,524	775,796	799,764	824,448	849,870	876,053	903,018	930,790	959,392
5,599,189	Total Non Current Liabilities	7,377,891	8,365,352	10,130,629	12,355,972	13,977,824	14,081,652	13,901,328	13,670,140	13,454,177	13,335,020
10,824,305	Total Liabilities	16,050,606	17,150,788	19,064,569	21,282,751	23,052,450	23,307,175	23,162,387	22,997,339	23,006,440	22,937,793
	Equity										
	Retained earnings										
293,866,321	Unrestricted Reserves	141,802,222	144,083,888	145,337,372	145,711,661	143,965,797	140,796,949	138,119,218	135,081,220	131,027,511	128,559,093
586,099	Surplus/(Deficit) for the Year	529,334	1,342,098	949,377	174,268	(650,385)	(712,531)	(267,416)	(750,532)	(406,259)	(302,517)
-	Transfers to/From Special Reserves	1,752,331	(88,614)	(575,088)	(1,920,132)	(2,518,463)	(1,965,201)	(2,770,581)	(3,303,177)	(2,062,159)	(3,180,524)
294,452,420	Total Retained earnings	144,083,888	145,337,372	145,711,661	143,965,797	140,796,949	138,119,218	135,081,220	131,027,511	128,559,093	125,076,053
	Other Reserves										
-	Revaluation Reserves	111,913,000	127,201,105	127,201,105	127,201,105	146,468,516	146,468,516	146,468,516	169,171,730	169,171,730	169,171,730
14,785,020	Special Funds	17,378,883	17,467,497	18,042,585	19,962,717	22,481,180	24,446,381	27,216,962	30,520,139	32,582,298	35,762,822
14,785,020	Total Other Reserves	129,291,883	144,668,602	145,243,690	147,163,822	168,949,696	170,914,897	173,685,478	199,691,869	201,754,029	204,934,552
309,237,440	Total Equity	273,375,770	290,005,974	290,955,351	291,129,618	309,746,645	309,034,114	308,766,698	330,719,380	330,313,122	330,010,605
320,061,745	Total Equity and Liabilities	289,426,376	307,156,762	310,019,920	312,412,370	332,799,096	332,341,290	331,929,085	353,716,719	353,319,562	352,948,398

PROJECTED STATEMENT OF FINANCIAL POSITION (SUMMARY) - NET TANGIBLE ASSETS

2017/18 ANN PLAN		2018/19 PROJECTED	2019/20 PROJECTED	2020/21 PROJECTED	2021/22 PROJECTED	2022/23 PROJECTED	2023/24 PROJECTED	2024/25 PROJECTED	2025/26 PROJECTED	2026/27 PROJECTED	2027/28 PROJECTED
	Working Capital										
2,696,299	Total Current Assets	5,483,057	4,797,215	4,973,190	4,353,247	3,566,188	3,532,348	3,537,251	3,599,685	3,757,128	3,715,628
(5,225,116)	Total Current Liabilities	(8,672,715)	(8,785,436)	(8,933,940)	(8,926,779)	(9,074,626)	(9,225,523)	(9,261,059)	(9,327,199)	(9,552,263)	(9,602,773)
(2,528,817)	Net Working Capital	(3,189,658)	(3,988,221)	(3,960,750)	(4,573,532)	(5,508,438)	(5,693,175)	(5,723,808)	(5,727,513)	(5,795,135)	(5,887,145)
	Plus/(Less) Non-Current Items										
317,365,446	Total Non-Current Assets	283,943,320	302,359,546	305,046,729	308,059,123	329,232,906	328,808,941	328,391,833	350,117,034	349,562,434	349,232,770
(5,599,189)	Total Non-Current Liabilities	(7,377,891)	(8,365,352)	(10,130,629)	(12,355,972)	(13,977,824)	(14,081,652)	(13,901,328)	(13,670,140)	(13,454,177)	(13,335,020)
309,237,440	Total Net Tangible Assets	273,375,770	290,005,974	290,955,351	291,129,618	309,746,644	309,034,114	308,766,697	330,719,380	330,313,121	330,010,604
309,237,440	Total Equity	273,375,770	290,005,974	290,955,351	291,129,618	309,746,645	309,034,114	308,766,698	330,719,380	330,313,122	330,010,605

WAIROA

MATAPAE KAPEWHITI - PROSPECTIVE CASH FLOW STATEMENT

2017/18 ANN PLAN		2018/19 PROJECTED	2019/20 PROJECTED	2020/21 PROJECTED	2021/22 PROJECTED	2022/23 PROJECTED	2023/24 PROJECTED	2024/25 PROJECTED	2025/26 PROJECTED	2026/27 PROJECTED	2027/28 PROJECTED
	CASHFLOW FROM OPERATING ACTIVITIES										
	<i>Cash will be provided from:</i>										
11,237,540	Rates	12,327,229	12,162,059	13,177,678	14,155,258	14,385,579	15,190,540	14,995,151	15,418,045	15,436,793	16,115,984
14,223,440	Other Revenue	11,399,833	12,209,974	12,784,218	11,598,702	12,017,372	11,827,227	12,183,655	12,055,053	13,131,209	13,155,186
-	Investment Income	694,524	550,866	444,351	400,468	385,678	343,991	331,718	340,992	288,046	282,507
25,460,980	Total Inflows from Operations	24,421,586	24,922,899	26,406,247	26,154,428	26,788,630	27,361,758	27,510,524	27,814,090	28,856,048	29,553,676
	<i>Cash will be applied to:</i>										
(19,648,223)	Payments to Suppliers and Employees	(14,197,398)	(18,249,201)	(18,728,397)	(18,744,085)	(19,210,024)	(19,933,454)	(20,166,942)	(20,394,182)	(21,150,736)	(21,502,150)
(548,210)	Interest Paid	(528,807)	(602,275)	(679,715)	(778,610)	(852,439)	(865,031)	(866,153)	(864,463)	(864,701)	(866,734)
(20,196,433)	Total Outflows from Operations	(14,726,206)	(18,851,475)	(19,408,113)	(19,522,695)	(20,062,463)	(20,798,485)	(21,033,095)	(21,258,645)	(22,015,437)	(22,368,884)
5,264,547	NET CASH FLOW FROM OPERATIONS	9,695,380	6,071,423	6,998,134	6,631,733	6,726,166	6,563,273	6,477,428	6,555,445	6,840,611	7,184,793
	INVESTING ACTIVITIES										
	<i>Cash will be provided from:</i>										
9,546,838	Sale of Investments	-	1,250,000	2,500,000	675,000	450,000	1,050,000	400,000	-	1,300,000	250,000
9,546,838	Total Inflows from Investing Activities	-	1,250,000	2,500,000	675,000	450,000	1,050,000	400,000	-	1,300,000	250,000
	<i>Cash will be applied to:</i>										
(14,676,717)	Asset purchases and construction	(12,073,444)	(10,033,605)	(11,095,004)	(9,807,106)	(8,877,072)	(7,261,740)	(6,778,788)	(6,229,594)	(8,084,613)	(7,377,088)
-	Investments purchased	(1,975,000)	-	-	-	-	-	-	-	-	-
(14,676,717)	Total Outflows from Investing	(14,048,444)	(10,033,605)	(11,095,004)	(9,807,106)	(8,877,072)	(7,261,740)	(6,778,788)	(6,229,594)	(8,084,613)	(7,377,088)
(5,129,879)	NET CASH FLOWS FROM INVESTING	(14,048,444)	(8,783,605)	(8,595,004)	(9,132,106)	(8,427,072)	(6,211,740)	(6,378,788)	(6,229,594)	(6,784,613)	(7,127,088)
	FINANCING ACTIVITIES										
	<i>Cash will be provided from:</i>										
-	Loans Raised in Year	1,535,594	1,037,228	1,853,183	2,383,500	1,854,437	390,852	115,877	77,994	145,563	214,547
	<i>Cash will be applied to:</i>										
-	Loans Repaid in Year	-	(74,703)	(116,431)	(185,771)	(259,381)	(317,341)	(328,133)	(340,219)	(348,367)	(357,200)
-	NET CASH FLOW FROM FINANCING	1,535,594	962,525	1,736,752	2,197,729	1,595,056	73,511	(212,256)	(262,225)	(202,804)	(142,653)
134,668	Net Increase/(Decrease)	(2,817,470)	(1,749,657)	139,882	(302,644)	(105,850)	425,044	(113,616)	63,626	(146,807)	(84,948)
104,826	Plus Opening Bank Balance	5,104,050	2,286,580	536,924	676,806	374,162	268,312	693,356	579,740	643,366	496,560
239,494	Bank Balance at end of year	2,286,580	536,924	676,806	374,162	268,312	693,356	579,740	643,366	496,560	411,611

MATAPAE PŪTEA PENAPENA - PROSPECTIVE MOVEMENT IN RESERVES STATEMENT

2017/18 ANN PLAN		2018/19 PROJECTED	2019/20 PROJECTED	2020/21 PROJECTED	2021/22 PROJECTED	2022/23 PROJECTED	2023/24 PROJECTED	2024/25 PROJECTED	2025/26 PROJECTED	2026/27 PROJECTED	2027/28 PROJECTED
Reserves held for Emergency Purposes											
713,435	Opening Balance	594,399	607,096	620,896	634,938	648,188	660,410	671,320	681,517	690,813	699,214
10,246	Transfers to Reserves	12,697	13,800	14,042	13,250	12,222	10,910	10,197	9,296	8,401	7,964
-	Transfers from Reserves	-	-	-	-	-	-	-	-	-	-
723,681	Closing balance	607,096	620,896	634,938	648,188	660,410	671,320	681,517	690,813	699,214	707,178
Reserves held for future Asset Purchases											
16,087,126	Opening Balance	15,750,455	13,670,679	13,520,124	13,859,682	15,555,856	17,865,348	19,640,745	22,223,684	25,356,672	27,268,838
2,489,516	Transfers to Reserves	3,301,169	3,678,488	3,864,096	4,414,695	4,596,463	4,411,332	4,978,552	5,091,385	4,974,134	5,513,692
(8,155,054)	Transfers from Reserves	(5,380,944)	(3,829,043)	(3,524,538)	(2,718,522)	(2,286,971)	(2,635,935)	(2,395,614)	(1,958,397)	(3,061,968)	(2,462,837)
10,421,588	Closing balance	13,670,679	13,520,124	13,859,682	15,555,856	17,865,348	19,640,745	22,223,684	25,356,672	27,268,838	30,319,693
Reserves held for future Operational Costs											
3,012,596	Opening Balance	1,184,885	1,210,195	1,237,705	1,265,697	1,292,110	1,316,474	1,338,223	1,358,549	1,377,078	1,393,825
43,264	Transfers to Reserves	25,310	27,510	27,992	26,413	24,364	21,749	20,326	18,529	16,747	15,877
(63,000)	Transfers from Reserves	-	-	-	-	-	-	-	-	-	-
2,992,860	Closing balance	1,210,195	1,237,705	1,265,697	1,292,110	1,316,474	1,338,223	1,358,549	1,377,078	1,393,825	1,409,702
Reserves held for repayment of maturing debt											
418,557	Opening Balance	1,601,475	1,890,912	2,088,772	2,282,268	2,466,564	2,638,948	2,796,092	2,953,212	3,095,576	3,220,421
228,300	Transfers to Reserves	289,437	197,860	193,496	184,295	172,384	157,145	157,120	142,364	124,845	105,827
-	Transfers from Reserves	-	-	-	-	-	-	-	-	-	-
646,857	Closing balance	1,890,912	2,088,772	2,282,268	2,466,564	2,638,948	2,796,092	2,953,212	3,095,576	3,220,421	3,326,249
14,784,986	Total Reserve Funds	17,378,883	17,467,497	18,042,585	19,962,717	22,481,180	24,446,381	27,216,962	30,520,139	32,582,298	35,762,822

EMERGENCY FUNDS

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. A detailed schedule of all reserves funds, containing forecast movements and balances is shown on the next page.

RESERVES FUNDS

Type	Name	Balance as at 1 July 2018	Total Deposits	Total Withdrawals	Balance at 30 June 2028
Emergency	Disaster Recovery Reserve	(594,398.64)	(112,779.00)	-	(707,177.64)
Asset	District Development Fund	(202,860.85)	(38,489.00)	-	(241,349.85)
Asset	Asset and Vehicle Depreciation Reserve	(803,882.73)	(7,068,050.80)	2,354,579.00	(5,517,354.53)
Asset	Information Systems Renewal Reserve	(262,588.83)	(3,165,005.00)	437,000.00	(2,990,593.83)
Asset	Water Production Depreciation Reserve	(1,235,367.58)	(2,892,622.82)	1,126,750.00	(3,001,240.40)
Asset	Water Reticulation Depreciation Reserve Wairoa	(1,582,158.47)	(4,724,589.97)	2,867,485.00	(3,439,263.44)
Asset	Water Reticulation Depreciation Reserve Peri Urban	(112,758.64)	(21,396.00)	-	(134,154.64)
Asset	Water Reticulation Depreciation Reserve Tuai	(45,701.96)	(8,672.00)	-	(54,373.96)
Asset	Water Reticulation Depreciation Reserve Frasertown	(39,726.41)	(7,539.00)	-	(47,265.41)
Asset	Water Reticulation Depreciation Reserve Mahanga	(12,471.15)	(2,366.00)	-	(14,837.15)
Asset	Sewerage System Depreciation Reserve Wairoa	(3,443,706.14)	(7,959,921.72)	4,923,975.00	(6,479,652.86)
Asset	Sewerage System Depreciation Reserve Tuai	(293,410.97)	(55,671.00)	-	(349,081.97)
Asset	Stormwater Reticulation Depreciation Reserve Wairoa	(1,586,802.56)	(2,749,338.66)	1,426,015.00	(2,910,126.22)
Asset	Stormwater Reticulation Depreciation Reserve Mahia	(10,669.86)	(2,025.00)	-	(12,694.86)
Asset	Parking Area Depreciation Reserve	(422,277.95)	(412,272.00)	25,484.00	(809,065.95)
Asset	Bridges Depreciation Reserve	(3,861,427.52)	3,754,402.10	1,208,341.36	1,101,315.94
Asset	Landfill/RTS Depreciation Reserve	(316,627.85)	(1,049,780.00)	-	(1,366,407.85)
Asset	Airport Runway Depreciation Reserve	(5,849.81)	(27,985.00)	596,618.00	562,783.19
Asset	Roading Depreciation Reserve	0.12	(14,275,877.96)	14,225,877.96	(49,999.88)
Asset	Footpaths Depreciation Reserve	(718,242.43)	(136,280.00)	-	(854,522.43)
Asset	Library Book Stocks Depreciation Reserve	(170,607.18)	(660,199.00)	-	(830,806.18)
Asset	Pensioner Housing Depreciation Reserve	(97,726.49)	(370,638.00)	72,120.00	(396,244.49)
Asset	Parks and Reserves Depreciation Reserve	(31,225.03)	(2,624,857.00)	990,523.00	(1,665,559.03)
Asset	General Purpose Fund	(494,364.38)	(324,833.00)	-	(819,197.38)
Operational	Wairoa Urban Fund	(212,308.82)	(40,284.00)	-	(252,592.82)

WAIROA

Type	Name	Balance as at 1 July 2018	Total Deposits	Total Withdrawals	Balance at 30 June 2028
Operational	Retirement and Restructuring Reserve	(117,462.32)	(22,286.00)	-	(139,748.32)
Operational	Tuai Village Reserve	(177,004.34)	(33,586.00)	-	(210,590.34)
Operational	Water Production Reserve	(338,474.33)	(64,221.00)	-	(402,695.33)
Operational	Water Reticulation Reserve - Wairoa	(44,711.96)	(8,483.00)	-	(53,194.96)
Operational	Water Reticulation Reserve - Wairoa Peri Urban	(261,359.91)	(49,589.00)	-	(310,948.91)
Operational	Water Reticulation Reserve - Frasertown	(33,563.17)	(6,368.00)	-	(39,931.17)
Operational	Water Reticulation Reserve - Mahanga	(0.50)	-	-	(0.50)
Debt	Loan Repayment Reserve	(848,414.96)	(1,581,887.18)	-	(2,430,302.14)
Debt	Loan Repayment Reserve - Internal Loans	(753,060.39)	(142,886.00)	-	(895,946.39)

MATAPAE WHAKAPAUNGA UTU - PROSPECTIVE CAPITAL & PROJECT EXPENDITURE

2017/18 ANNUAL PLAN	PROJECT DESCRIPTION	2018/19 BUDGET	2019/20 BUDGET	2020/21 BUDGET	2021/22 BUDGET	2022/23 BUDGET	2023/24 BUDGET	2024/25 BUDGET	2025/26 BUDGET	2026/27 BUDGET	2027/28 BUDGET
	Water Services										
	Water Reticulation System										
	Capital expenditure - to improve the level of service										
10,000	WR40193. New Tawhara Reservoir	-	-	-	-	-	-	-	-	-	-
20,000	WR4082. Asset Management Modelling Design	25,000	-	-	-	-	-	-	-	-	-
-	WR42013. New Water Bore Blue Bay & Supply Line	35,000	-	-	-	-	-	-	-	-	-
30,000	Total Capital expenditure - to improve the level of service	60,000	-	-	-	-	-	-	-	-	-
	Capital expenditure - to replace existing assets										
350,000	WR4000. WAIROA PIPELINES RENEWALS	200,000	205,600	210,600	215,800	221,400	227,400	233,800	240,600	247,800	255,600
21,071	WR40191. VALVE REPLACEMENTS	-	10,280	10,530	10,790	11,070	11,370	11,690	12,030	12,390	12,780
100,000	WR4030. WAIROA RESERVOIRS - RENEWALS	20,000	-	-	-	-	-	-	-	-	-
52,679	WR4083. Renewals Modelling	25,000	25,700	10,530	10,790	11,070	11,370	11,690	12,030	12,390	12,780
21,383	WR4084. Conditioning Report	20,000	20,560	10,530	10,790	11,070	11,370	11,690	12,030	12,390	12,780
-	WR4086. Replacement Reservoir Construction	10,000	-	-	-	-	-	-	-	-	-
10,536	WR4087. Mahanga Reticulation	25,000	5,140	5,265	5,395	5,535	5,685	5,845	6,015	6,195	6,390
21,071	WR4088. Tuai Reticulation	20,000	10,280	10,530	10,790	11,070	11,370	11,690	12,030	12,390	12,780
10,000	WR4230. TUAI RESERVOIRS - RENEWALS	-	-	-	-	-	-	-	-	-	-
586,740	Total Capital expenditure - to replace existing assets	320,000	277,560	257,985	264,355	271,215	278,565	286,405	294,735	303,555	313,110
616,740	Total Water Reticulation System	380,000	277,560	257,985	264,355	271,215	278,565	286,405	294,735	303,555	313,110
	Water Treatment Plant										
	Capital expenditure - to improve the level of service										
-	WT40022. Install Intake WAN	8,000	-	-	-	-	-	-	-	-	-
-	WT4052. HP ProBook Laptop	5,000	-	-	-	-	-	-	-	-	-
-	WT4061. Purchase Vehicle	-	-	-	-	-	28,425	23,380	-	-	31,950
20,000	WT4075. Investigate Alternative Water Supply	-	-	-	-	-	-	-	-	-	-
-	WT4078. Resilience Earthquake Valves & Bore Investign	25,000	-	-	-	-	-	-	-	-	-
20,000	WT4098. Blue Bay Bore Rehabilitation	50,000	-	-	-	-	-	-	-	-	-
-	WT4100. Chlorine Analyser	8,500	10,280	10,530	10,790	11,070	11,370	11,690	12,030	12,390	12,780
-	WT4103. Install Chlorine Gas Leak Wind Socks WTP Tawhara	3,500	-	-	-	-	-	-	-	-	-
-	WT4104. Blue Bay Telemetry SCADA Upgrade	30,000	-	-	-	-	-	-	-	-	-
-	WT4105. Blue Bay WT Upgrade include WSP & Consent	100,000	-	-	-	-	-	-	-	-	-

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-	WT4106. Install Chlorination & Monitoring Tuai Water Supply	25,000	-	-	-	-	-	-	-	-	-
40,000	Total Capital expenditure - to improve the level of service	255,000	10,280	10,530	10,790	11,070	39,795	35,070	12,030	12,390	44,730
	Capital expenditure - to replace existing assets										
37,420	WT4022. RENEWAL EXPENDITURE	25,000	25,700	26,325	26,975	27,675	28,425	29,225	30,075	30,975	31,950
-	WT4047. RENEW BACKWASH VALVES & CONTROL	25,000	-	-	-	-	-	-	-	-	-
3,843	WT40522. Purchase Apple iPad Air Wi-Fi	-	-	-	-	-	-	-	-	-	-
10,691	WT4067. Boundary Valves Pump Station	10,000	-	-	-	-	-	-	-	-	-
-	WT4069. Safety Improvement	10,000	10,280	10,530	10,790	11,070	11,370	11,690	12,030	12,390	12,780
-	WT4070. Cleaning Inspection Reservoir	15,000	-	-	-	-	-	-	-	-	-
-	WT4086. Conditioning Sampling	10,380	10,280	10,530	10,790	11,070	11,370	11,690	12,030	12,390	12,780
-	WT4088. Paint Building	5,000	-	-	-	-	-	-	-	-	-
158,814	WT4089. Mahanga Water Chlorine Equipment	-	-	-	-	-	-	-	-	-	-
51,900	WT40891. Install Mahanga Telemetry	235,000	-	-	-	-	-	-	-	-	-
103,800	WT4095. Sheetpile Protection of Intake	100,000	-	-	-	-	-	-	-	-	-
100,000	WT4096. Replacement Switchboard	100,000	-	-	-	-	-	-	-	-	-
-	WT4101. Replace Vinyl Flooring WTP	25,000	-	-	-	-	-	-	-	-	-
-	WT4102. Re Roof Boundary Generator Room	5,000	-	-	-	-	-	-	-	-	-
466,468	Total Capital expenditure - to replace existing assets	565,380	46,260	47,385	48,555	49,815	51,165	52,605	54,135	55,755	57,510
506,468	Total Water Treatment Plant	820,380	56,540	57,915	59,345	60,885	90,960	87,675	66,165	68,145	102,240
	Stormwater Drainage										
	Capital expenditure - to improve the level of service										
-	SD4008. CONSULTANCY MAHIA STORMWATER	50,000	-	-	-	-	-	-	-	-	-
306,914	SD4600. PIPING OPEN DRAINS - WAIROA	225,000	231,300	129,168	137,387	145,886	155,084	165,507	177,304	190,097	196,081
306,914	Total Capital expenditure - to improve the level of service	275,000	231,300	129,168	137,387	145,886	155,084	165,507	177,304	190,097	196,081
	Capital expenditure - to replace existing assets										
267,285	SD4000. WAIROA PIPELINE RENEWALS	75,000	102,800	105,300	107,900	110,700	113,700	116,900	120,300	123,900	127,800
5,190	SD4051. Deterioration Modelling	5,000	5,140	-	-	-	5,685	-	-	-	6,390
105,357	SD4052. CCTV	-	-	-	-	-	56,850	58,450	-	-	-
51,900	SD4084. Conditioning Report	-	-	-	-	-	-	-	-	-	-
-	SD4200. MAHIA BCH PIPELINES RENEWALS	30,000	154,200	-	-	-	-	-	-	-	-
429,732	Total Capital expenditure - to replace existing assets	110,000	262,140	105,300	107,900	110,700	176,235	175,350	120,300	123,900	134,190
736,646	Total Stormwater Drainage	385,000	493,440	234,468	245,287	256,586	331,319	340,857	297,604	313,997	330,271
	Wastewater										
	Capital expenditure - to improve the level of service										
60,076	SG4007. DESLUDGE OXIDATION PONDS	60,000	102,800	210,600	107,900	-	-	-	-	-	-

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25,000	SG4014. TELEMETRY BASE SETS WAIROA	20,000	10,280	10,530	10,790	-	-	-	-	-	-
-	SG4025. Infiltration - resulting from Study	50,000	51,400	52,650	53,950	55,350	56,850	-	-	-	-
317,628	SG4036. Constructiom Of Plant for new Wairoa Consent	-	-	-	269,750	553,500	284,250	-	-	-	-
10,380	SG4105. Purchase Flow Meters	10,380	-	-	-	-	-	-	-	-	-
-	SG4106. Fitzroy Plant Repl Dischge Valves	-	-	263,250	269,750	110,700	-	-	-	-	-
413,084	Total Capital expenditure - to improve the level of service	140,380	164,480	537,030	712,140	719,550	341,100	-	-	-	-
	Capital expenditure - to replace existing assets										
-	SG402611. 01 - Project Management – Technical Coordination	-	-	210,600	-	-	-	-	-	-	-
-	SG402654. Outfall - Lowe Environmental	-	-	-	539,500	-	-	-	-	-	-
-	SG402655. Storage - Lowe Environmental	-	-	-	269,750	553,500	-	-	-	-	-
-	SG402656. Catchment - Lowe Environmental	100,000	51,400	52,650	53,950	55,350	56,850	58,450	60,150	61,950	63,900
40,000	SG4028. Magnaflux Transducers	5,000	-	-	-	-	-	-	-	-	-
30,000	SG4029. Larger Pumps North Clyde	-	-	-	-	-	-	-	-	-	-
177,000	SG4030. Replace Kopu Road Line	-	-	-	-	-	-	-	-	-	-
106,915	SG4031. CCTV Infiltration Investigation	120,000	120,000	157,950	-	-	-	-	-	-	-
125,355	SG4033. Infiltration Tests	50,000	-	-	-	-	-	-	-	-	-
157,255	SG4034. Data verification/condition reporting	25,000	-	-	-	-	-	-	-	-	-
80,185	SG4035. Consultancy for Wairoa WW Consent	750,000	102,800	52,650	-	-	-	-	-	-	-
105,355	SG4038. Wairoa Consent Application Consultatiom Legal Costs	100,000	51,400	-	-	-	-	-	-	-	-
30,038	SG4039. Step Filter	10,000	-	-	-	-	-	-	-	-	-
51,900	SG4040. Renewal Pump Stations	25,000	-	26,325	-	27,675	-	29,225	-	-	-
80,000	SG4102. Tuai Sand Filters	20,000	-	-	-	-	-	-	-	-	-
-	SG4351. Dedicated Generators each Pump Stations	-	154,200	-	107,900	110,700	-	116,900	-	185,850	-
-	SG4352. Rising Mains North Clyde & Alexander Park	200,000	-	-	-	-	-	-	-	-	-
-	SG4353. Rising Main Kopu Road to Pilot Hill	-	-	364,000	789,750	200,000	-	-	-	-	-
534,570	SG7000. WAIROA RETICULATION - RENEWALS	300,000	257,000	263,250	269,750	276,750	284,250	-	-	309,750	-
1,518,573	Total Capital expenditure - to replace existing assets	1,705,000	736,800	1,127,425	2,030,600	1,223,975	341,100	204,575	60,150	557,550	63,900
1,931,657	Total Wastewater	1,845,380	901,280	1,664,455	2,742,740	1,943,525	682,200	204,575	60,150	557,550	63,900
3,791,511	Total Water Services	3,430,760	1,728,820	2,214,823	3,311,727	2,532,211	1,383,044	919,512	718,654	1,243,247	809,521
	Waste Management										
	Waste Management										
	Capital expenditure - to improve the level of service										
20,000	WM4001. LANDFILL ROAD SEALING	30,000	-	-	-	-	-	-	-	-	-
20,000	WM4002. RTS LANDSCAPING/TREES	-	-	-	5,929	-	-	-	-	7,849	8,051
52,585	WM4012. RECYCLING CENTRE UPGRADE	20,000	20,440	20,880	21,340	21,840	22,340	22,880	23,460	24,040	24,660
50,000	WM4015. LANDFILL DIVERSION INFRASTRUCTURE	-	-	-	-	-	-	-	-	-	-

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10,515	WM4022. Effluent System	-	-	-	-	-	-	-	-	-	-
75,000	WM4024. Recycling Centre Mahia	100,000	51,100	-	-	-	-	-	-	-	-
228,100	Total Capital expenditure - to improve the level of service	150,000	71,540	20,880	27,269	21,840	22,340	22,880	23,460	31,889	32,711
228,100	Total Waste Management	150,000	71,540	20,880	27,269	21,840	22,340	22,880	23,460	31,889	32,711
	Transport										
	Wairoa Airport										
	Capital expenditure - to improve the level of service										
200,000	WA4001. RUNWAY LIGHTS/CABLING REPAIRS	150,000	-	-	-	-	-	-	-	-	-
40,000	WA4002. RUNWAY SAFETY MARGINS	-	-	-	-	-	-	-	-	-	-
20,000	WA4007. Certification	20,000	-	10,440	-	10,920	-	11,440	-	12,020	-
1,000,000	WA4009. Runway Extension	-	-	-	-	-	-	-	-	-	-
40,000	WA4010. Airport Facilities Security Improvement	-	-	-	-	-	-	-	-	-	-
77,140	WA40101. Security Installation (Gate & Fence)	-	-	-	-	-	-	-	-	-	-
100,000	WA4011. Fuel Farm Development	-	-	-	-	-	-	-	-	-	-
35,000	WA4012. Airport Kitchen Upgrade	-	-	-	-	-	-	-	-	-	-
-	WA4999. Future Capital Requirements	-	-	120,000	-	-	-	-	-	-	-
1,512,140	Total Capital expenditure - to improve the level of service	170,000	-	130,440	-	10,920	-	11,440	-	12,020	-
	Capital expenditure - to replace existing assets										
20,000	WA4003. PAINT BUILDING	-	-	-	-	-	-	-	-	-	-
10,000	WA4006. Building Renewals	10,000	10,220	10,440	10,670	10,920	11,170	11,440	11,730	12,020	12,330
411,000	WA4008. Resurfacing Runway	-	-	-	-	-	-	-	-	-	-
-	WA40081. Re surfacing Aprons	-	198,881	-	-	-	-	-	-	-	-
-	WA40082. Re surfacing Taxiways (Area A&D)	-	-	-	76,824	-	-	-	-	-	-
-	WA40083. Re surfacing Taxiways (Area E)	-	-	-	-	-	26,808	-	-	-	-
-	WA40084. Re surfacing Runway Edges	-	-	-	-	-	-	-	-	86,544	-
20,000	WA4013. Airport Interior Mens Toilets	-	-	-	-	-	-	-	-	15,698	16,103
461,000	Total Capital expenditure - to replace existing assets	10,000	209,101	10,440	87,494	10,920	37,978	11,440	11,730	114,262	28,433
1,973,140	Total Wairoa Airport	180,000	209,101	140,880	87,494	21,840	37,978	22,880	11,730	126,282	28,433
	Roading Subsidised										
	Capital expenditure - to improve the level of service										
207,260	RS4500. ASSOCIATED IMPROVEMENTS	-	-	-	-	-	-	-	-	-	-
25,910	RS4550. COASTAL PROTECTION RESOURCE CONSENT	-	-	-	-	-	-	-	-	-	-
518,154	RS5200. 2013-14 Emergency New Flood Damage	520,000	531,440	542,880	555,880	568,880	582,400	596,960	612,560	629,200	646,880
51,815	RS9100. ROAD 38 EMERGENCY REINST - NEW	-	-	-	-	-	-	-	-	-	-
5,182	RS9300. DSH38 Sealed Pavement Maintenance	-	-	-	-	-	-	-	-	-	-
808,321	Total Capital expenditure - to improve the level of service	520,000	531,440	542,880	555,880	568,880	582,400	596,960	612,560	629,200	646,880

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	Capital expenditure - to replace existing assets										
-	RS4000. PAVEMENT REHABILITATION	310,000	470,120	757,944	-	-	269,920	-	-	398,090	277,412
98,450	RS4048. Blacks Beach Erosion Protect Stage 2	-	-	-	-	-	-	-	-	-	-
-	RS4100. SEALED ROAD RESURFACING	884,000	790,006	1,085,760	801,750	806,278	667,520	1,003,352	813,998	1,249,930	1,039,984
853,404	RS4200. DRAINAGE RENEWALS	375,000	337,260	364,356	374,150	382,900	392,000	401,800	412,300	423,500	435,400
1,347,200	RS4300. STRUCTURES COMPONENT REPLACE	499,000	509,978	520,956	411,565	421,190	431,200	441,980	453,530	465,850	478,940
151,815	RS4400. TRAFFIC SERVICES RENEWALS	69,000	75,628	84,564	69,485	71,110	72,800	74,620	76,570	78,650	80,860
259,075	RS4600. MINOR IMPROVEMENTS RENEWALS	2,965,000	3,342,094	3,142,588	2,426,516	1,531,600	1,568,000	1,607,200	1,636,936	1,672,580	1,709,820
1,036,308	RS5100. 2013-14 Emergency Renewal Flood Damage	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
124,355	RS8000. ROAD 38 UNSEALED RD METALLING	-	-	-	-	-	-	-	-	-	-
113,995	RS8100. ROAD 38 DRAINAGE RENEWALS	-	-	-	-	-	-	-	-	-	-
41,450	RS8200. ROAD 38-TRAFFIC SVCES RENEWAL	-	-	-	-	-	-	-	-	-	-
51,815	RS8300. ROAD 38 - RENEWAL STRUCTURES	-	-	-	-	-	-	-	-	-	-
263,000	RS8400. ROAD 38 STRUCTURES COPONENTS RENEWALS	-	-	-	-	-	-	-	-	-	-
18,000	RS8500. ROAD 38 MINOR IMPROVEMENTS	-	-	-	-	-	-	-	-	-	-
207,260	RS8600. ROAD 38 ASSOCIATED IMPROVEMENTS	-	-	-	-	-	-	-	-	-	-
4,566,127	Total Capital expenditure - to replace existing assets	6,102,000	6,525,086	6,956,168	5,083,466	4,213,078	4,401,440	4,528,952	4,393,334	5,288,600	5,022,416
5,374,448	Total Roothing Subsidised	6,622,000	7,056,526	7,499,048	5,639,346	4,781,958	4,983,840	5,125,912	5,005,894	5,917,800	5,669,296
	Roothing Non Subsidised										
	Capital expenditure - to improve the level of service										
280,000	RN4012. NEW FOOTPATH	-	-	-	-	-	-	-	-	-	-
10,000	RN40121. MARINE PARADE UPGRADE	-	-	-	-	-	-	-	-	-	-
34,615	RN4013. NEWCASTLE ST WALKWAY/CYCLE	-	-	-	-	-	-	-	-	-	-
25,000	RN40705. Urewera Rainforest Route Upgrade Feasibility	21,000	21,496	22,551	23,761	25,046	26,436	27,992	29,700	31,604	32,492
40,500	RN40706. Walkway Loop Design - feasibility	-	-	5,220	-	-	-	-	-	-	-
35,000	RN40708. Mahia Beach Drainage Pipi Cres Tamure Cres	-	-	-	-	-	-	-	-	-	-
36,808	RN40710. Mahanga Beach Drainage Happy Jack Rd	-	-	-	-	-	-	-	-	-	-
461,923	Total Capital expenditure - to improve the level of service	21,000	21,496	27,771	23,761	25,046	26,436	27,992	29,700	31,604	32,492
	Capital expenditure - to replace existing assets										
5,000	RN4031. UPGRADE PRAM/MOBILITY CROSSINGS	5,000	3,577	3,654	5,345	5,470	5,600	5,740	5,868	5,999	6,131
15,000	RN4041. UPGRADE ROAD STORMWATER RUNOOF OUTLETS	-	-	-	-	-	-	-	-	-	-
10,000	RN40502. C/WAY LIGHTING - REPLACE/NEW	10,000	10,220	10,440	10,690	10,940	11,200	11,480	11,735	11,998	12,261
100,000	RN40702. FOOTPATH UPGRADE	100,000	102,200	104,400	106,900	109,400	112,000	114,800	117,350	119,980	122,610
51,915	RN40703. TUAI FOOTPATH UPGRADE (DDF)	8,000	8,176	8,352	10,690	10,940	11,200	11,480	11,735	11,998	12,261
4,800	RN40707. Walkway James Carroll Expenses	3,500	3,577	3,654	3,742	3,829	3,920	4,018	4,107	4,199	4,291
186,715	Total Capital expenditure - to replace existing assets	126,500	127,750	130,500	137,367	140,579	143,920	147,518	150,795	154,174	157,554
648,638	Total Roothing Non Subsidised	147,500	149,246	158,271	161,128	165,625	170,356	175,510	180,495	185,778	190,046

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2017/18 ANNUAL PLAN	PROJECT DESCRIPTION	2018/19 BUDGET	2019/20 BUDGET	2020/21 BUDGET	2021/22 BUDGET	2022/23 BUDGET	2023/24 BUDGET	2024/25 BUDGET	2025/26 BUDGET	2026/27 BUDGET	2027/28 BUDGET
	Infrastructural Business Unit										
	Capital expenditure - to improve the level of service										
5,000	BU4000. PURCHASE OF SURVEYING EQUIPMENT	30,000	-	-	-	-	-	-	-	-	73,320
30,000	BU4001. PURCHASE OF VEHICLES	30,000	30,600	31,200	31,860	32,580	33,330	34,080	34,890	35,760	36,660
-	BU4002. PURCHASE OFFICE FURNITURE	1,000	1,020	1,040	1,062	1,086	1,111	1,136	1,163	1,192	1,222
-	BU4003. PURCHASE COMPUTER EQUIPMENT	5,000	2,550	5,200	2,655	5,430	2,778	5,680	2,908	5,960	3,055
35,000	Total Capital expenditure - to improve the level of service	66,000	34,170	37,440	35,577	39,096	37,219	40,896	38,961	42,912	114,257
35,000	Total Infrastructural Business Unit	66,000	34,170	37,440	35,577	39,096	37,219	40,896	38,961	42,912	114,257
	Parking										
	Capital expenditure - to improve the level of service										
25,000	PA4013. Whakamahi Devel Project Car Parks	25,000	-	-	-	-	-	-	-	-	-
25,000	Total Capital expenditure - to improve the level of service	25,000	-								
	Capital expenditure - to replace existing assets										
25,000	PA4006. RENEWAL MAINTENANCE	-	-	-	-	-	-	-	-	-	-
11,270	PA4012. REMARK CARPARKS	-	-	11,484	-	-	14,000	-	-	-	-
36,270	Total Capital expenditure - to replace existing assets	-	-	11,484	-	-	14,000	-	-	-	-
61,270	Total Parking	25,000	-	11,484	-	-	14,000	-	-	-	-
8,092,496	Total Transport	7,040,500	7,449,043	7,847,123	5,923,545	5,008,519	5,243,393	5,365,198	5,237,080	6,272,772	6,002,032
	Community Facilities										
	Parks and Reserves										
	Capital expenditure - to improve the level of service										
30,000	PR4001. DEMOLISH ORMOND RES TOILETS	-	-	-	-	-	-	-	-	-	-
20,000	PR4003. NEW PUBLIC TOILETS : TUAI	-	-	-	-	-	-	-	-	-	-
20,000	PR4004. RIVERBANK PLANTING	-	-	-	-	-	-	-	-	-	-
20,000	PR4006. TOILETS MAHANGA	-	-	-	-	-	-	-	-	-	-
200,000	PR40121. Wairoa CBD Upgrade	-	-	-	-	-	-	-	-	-	-
20,000	PR40122. Marine Parade Christmas Decorations	-	-	-	-	-	-	-	-	-	-
200,000	PR40123. Tourism Infrastructure	-	-	-	-	-	-	-	-	-	-
5,000	PR4016. NEW TOILET - NTH CLYDE	-	-	-	-	-	-	-	-	-	-
10,000	PR4018. PUBLIC SPACE ENHANCEMENT	-	-	-	-	-	-	-	-	-	-
25,000	PR4026. PICNIC TABLES	10,000	10,220	10,440	10,670	10,920	11,170	11,440	11,730	12,020	12,330
10,000	PR4028. KOPI RD BANK PROTECTION SK DDF	-	-	-	-	-	-	-	-	-	-
35,000	PR4030. ORAKA TOILETS SAFETY BOLLARDS	-	-	-	-	-	-	-	-	-	-
20,000	PR4039. NUHAKA DOMAIN TREE REMOVAL	-	-	-	-	-	-	-	-	-	-
40,000	PR4045. PLAYGROUND FENCE	-	-	-	-	-	-	-	-	-	-
25,000	PR4046. SKATE PARK UPGRADE	10,000	-	-	-	-	-	-	-	-	-

WAIROA

2017/18 ANNUAL PLAN	PROJECT DESCRIPTION	2018/19 BUDGET	2019/20 BUDGET	2020/21 BUDGET	2021/22 BUDGET	2022/23 BUDGET	2023/24 BUDGET	2024/25 BUDGET	2025/26 BUDGET	2026/27 BUDGET	2027/28 BUDGET
20,000	PR4047. IMPLEMENT OPOUTAMA RMP	20,000	-	-	-	-	-	-	-	-	-
15,000	PR4048. New Picnic Tables	16,000	16,352	16,704	17,072	17,472	17,872	18,304	18,768	19,232	19,728
25,000	PR40551. Mahia Beach Toilet Improvement	-	-	-	-	-	-	-	-	-	-
60,000	PR40552. Whangawehi Toilets	15,000	-	-	-	-	-	-	-	-	-
-	PR4058. Whakamahi Beach Project	-	-	-	-	-	-	43,161	-	-	-
250,000	PR4059. Main Street Toilets Project	100,000	-	-	-	-	-	-	-	-	-
100,000	PR4062. New Playground Equipment	-	-	-	-	-	-	-	-	-	-
10,000	PR4063. CCTV Camera Installation	25,000	-	-	29,646	-	-	-	-	-	-
20,000	PR4064. Implement Rangihoua RMP	-	-	-	-	-	-	-	-	-	-
30,000	PR40652. Permanent Norfolk Pine Installations	-	-	-	-	-	-	-	-	-	-
1,210,000	Total Capital expenditure - to improve the level of service	196,000	26,572	27,144	57,388	28,392	29,042	87,292	30,498	31,252	32,058
	Capital expenditure - to replace existing assets										
25,000	PR40021. Upgrade Nuhaka Toilets	-	-	-	-	-	-	-	-	-	-
5,000	PR4010. RESEALING NETBALL COURTS	-	-	-	-	-	-	-	-	-	-
-	PR40161. Toilet Renewals	50,000	51,100	52,224	53,373	54,547	55,747	56,973	58,226	59,507	60,816
10,000	PR4025. PLAYGROUND RENEWALS	10,000	10,220	10,440	10,670	10,920	55,850	11,440	11,730	12,020	12,330
25,000	PR40301. Oraka Toilet Renewals	-	-	-	-	-	-	-	-	-	-
45,000	PR4040. LIGHTHOUSE WINDOWS UPGRADE	25,000	-	-	-	-	55,850	-	-	-	-
-	PR4049. Improve Boat Ramp	10,000	-	-	-	-	-	-	-	-	-
5,000	PR4053. Lampton Square Upgrade	10,000	-	-	-	-	-	-	-	-	-
10,000	PR4054. Clyde Domain Football Pavilion	10,000	-	-	-	-	-	-	-	-	-
15,000	PR4055. Mokotahi Toilets	-	-	-	-	-	-	-	-	-	-
10,000	PR4057. Wilding Pine Clearance	10,000	10,220	-	-	-	-	-	-	-	-
-	PR4061. Playground Equipment	30,000	-	-	-	-	-	-	-	-	-
-	PR40621. Playground resiting	20,000	-	-	-	-	-	-	-	-	-
85,000	PR4067. Coronation Sqre Pavement & Kerb Renewals	25,000	-	-	-	-	-	-	-	-	-
-	PR4068. Mountain Bike Park	10,000	-	-	-	-	-	-	-	-	-
-	PR4069. Basketball Court Community Centre	15,000	61,320	-	-	-	-	-	-	-	-
235,000	Total Capital expenditure - to replace existing assets	225,000	132,860	62,664	64,043	65,467	167,447	68,413	69,956	71,527	73,146
1,445,000	Total Parks and Reserves	421,000	159,432	89,808	121,431	93,859	196,489	141,318	100,454	102,779	105,204
	Library										
	Capital expenditure - to improve the level of service										
35,000	LM4000. Book Purchases	35,000	35,700	36,400	37,170	38,010	38,885	39,760	40,705	41,720	42,770
35,000	Total Capital expenditure - to improve the level of service	35,000	35,700	36,400	37,170	38,010	38,885	39,760	40,705	41,720	42,770
35,000	Total Library	35,000	35,700	36,400	37,170	38,010	38,885	39,760	40,705	41,720	42,770
	Cemeteries										
	Capital expenditure - to improve the level of service										

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2017/18 ANNUAL PLAN	PROJECT DESCRIPTION	2018/19 BUDGET	2019/20 BUDGET	2020/21 BUDGET	2021/22 BUDGET	2022/23 BUDGET	2023/24 BUDGET	2024/25 BUDGET	2025/26 BUDGET	2026/27 BUDGET	2027/28 BUDGET
5,000	CE4007. CapEx - Stormwater	5,000	-	-	-	-	-	-	-	-	-
10,000	CE4009. New Beams	15,000	-	-	-	18,204	-	-	-	22,728	23,315
15,000	Total Capital expenditure - to improve the level of service	20,000	-	-	-	18,204	-	-	-	22,728	23,315
15,000	Total Cemeteries	20,000	-	-	-	18,204	-	-	-	22,728	23,315
1,495,000	Total Community Facilities	476,000	195,132	126,208	158,601	150,073	235,374	181,078	141,159	167,227	171,289
	Environmental Health										
	Capital expenditure - to improve the level of service										
-	HI4001. SOUND LEVEL METER	-	15,300	-	-	-	-	-	-	17,880	-
-	HI4002. PURCHASE NEW VEHICLE	30,000	-	-	31,860	-	-	34,080	-	-	36,660
-	HI4006. BACL	-	-	-	2,124	-	-	-	2,326	-	-
-	Total Capital expenditure - to improve the level of service	30,000	15,300	-	33,984	-	-	34,080	2,326	17,880	36,660
-	Total Environmental Health	30,000	15,300	-	33,984	-	-	34,080	2,326	17,880	36,660
	Building Inspection										
	Capital expenditure - to improve the level of service										
-	BI4002. PURCHASE NEW VEHICLE	45,000	-	-	47,790	-	-	51,120	-	-	54,990
-	BI4003. Mobile Data Devices	6,000	-	-	6,372	-	-	6,816	-	-	7,332
-	Total Capital expenditure - to improve the level of service	51,000	-	-	54,162	-	-	57,936	-	-	62,322
	Capital expenditure - to replace existing assets										
-	BI4007. New Vehicle 4x4 Ute	45,000	-	-	47,790	-	-	51,120	-	-	54,990
-	Total Capital expenditure - to replace existing assets	45,000	-	-	47,790	-	-	51,120	-	-	54,990
-	Total Building Inspection	96,000	-	-	101,952	-	-	109,056	-	-	117,312
	ByLaw Control										
	Capital expenditure - to improve the level of service										
65,000	IB4000. POUND RENEWAL	60,000	-	-	-	-	-	-	-	-	-
65,000	Total Capital expenditure - to improve the level of service	60,000	-	-	-	-	-	-	-	-	-
	Capital expenditure - to replace existing assets										
60,000	IB4002. Purchase Vehicles	40,000	-	83,200	42,480	-	88,880	45,440	-	95,360	48,880
60,000	Total Capital expenditure - to replace existing assets	40,000	-	83,200	42,480	-	88,880	45,440	-	95,360	48,880
125,000	Total ByLaw Control	100,000	-	83,200	42,480	-	88,880	45,440	-	95,360	48,880
125,000	Total Planning and Regulatory	226,000	15,300	83,200	178,416	-	88,880	188,576	2,326	113,240	202,852

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2017/18 ANNUAL PLAN	PROJECT DESCRIPTION	2018/19 BUDGET	2019/20 BUDGET	2020/21 BUDGET	2021/22 BUDGET	2022/23 BUDGET	2023/24 BUDGET	2024/25 BUDGET	2025/26 BUDGET	2026/27 BUDGET	2027/28 BUDGET
	Leadership and Governance										
	Council										
	Capital expenditure - to improve the level of service										
6,500	CC4003. Council Chambers Display Staging	-	-	-	-	-	-	-	-	-	-
6,500	CC4005. Councillor's Tablets	-	7,650	-	-	8,145	-	-	8,723	-	-
13,000	Total Capital expenditure - to improve the level of service	-	7,650	-	-	8,145	-	-	8,723	-	-
13,000	Total Council	-	7,650	-	-	8,145	-	-	8,723	-	-
	Maori Liasion										
	Capital expenditure - to improve the level of service										
-	ML4000. Toyota Corrolla Hatchback	-	-	26,000	-	-	27,775	-	-	29,800	-
-	Total Capital expenditure - to improve the level of service	-	-	26,000	-	-	27,775	-	-	29,800	-
-	Total Maori Liasion	-	-	26,000	-	-	27,775	-	-	29,800	-
	Economic Development										
	Capital expenditure - to improve the level of service										
40,000	ED4005. Purchase Tourism Managers Vehicle	-	-	-	-	-	-	-	-	-	-
82,500	ED4006. Enhancement River Use	-	-	-	-	-	-	-	-	-	-
122,500	Total Capital expenditure - to improve the level of service	-	-	-	-	-	-	-	-	-	-
122,500	Total Economic Development	-	-	-	-	-	-	-	-	-	-
135,500	Total Leadership and Governance	-	7,650	26,000	-	8,145	27,775	-	8,723	29,800	-
	Property										
	Property Corporate										
	Capital expenditure - to improve the level of service										
25,000	PC4008. Security Cameras Main Office	-	-	-	-	-	-	-	-	-	-
-	PC40112. Development Office Space	102,200	-	-	-	-	-	-	-	-	-
25,000	PC4012. Exchange Building Fitout Costs	25,000	-	-	-	-	-	-	-	-	-
50,000	Total Capital expenditure - to improve the level of service	127,200	-	-	-	-	-	-	-	-	-
	Capital expenditure - to replace existing assets										
-	PC4006. REPAINT EXTERIOR LUCKNOW STREET	50,000	-	-	-	-	-	-	-	-	-
-	PC4009. Renex Roof	-	-	-	-	-	39,095	-	-	-	-
-	PC4010. Renex Toilets	-	25,550	-	-	-	-	-	-	-	-
25,000	PC4019. Council Entry Surfacing (Hotmi)	35,000	35,770	-	-	-	-	-	-	-	-
10,000	PC4020. Council flower Boxes	-	-	-	-	-	-	-	-	-	-
45,000	PC4021. Repaint Council Building	-	-	-	-	-	-	-	-	-	55,485
80,000	Total Capital expenditure - to replace existing assets	85,000	61,320	-	-	-	39,095	-	-	-	55,485

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2017/18 ANNUAL PLAN	PROJECT DESCRIPTION	2018/19 BUDGET	2019/20 BUDGET	2020/21 BUDGET	2021/22 BUDGET	2022/23 BUDGET	2023/24 BUDGET	2024/25 BUDGET	2025/26 BUDGET	2026/27 BUDGET	2027/28 BUDGET
130,000	Total Property Corporate Information Centre Building	212,200	61,320	-	-	-	39,095	-	-	-	55,485
	Capital expenditure - to improve the level of service										
20,000	EP4013. Yroa Ynot Area Upgrade	-	-	-	53,350	81,900	83,775	-	-	-	-
20,000	Total Capital expenditure - to improve the level of service	-	-	-	53,350	81,900	83,775	-	-	-	-
20,000	Total Information Centre Building	-	-	-	53,350	81,900	83,775	-	-	-	-
	Library Building										
	Capital expenditure - to improve the level of service										
120,000	LM4021. Review Library Building Future Requirements	-	-	-	10,620	977,400	-	-	-	-	-
120,000	Total Capital expenditure - to improve the level of service	-	-	-	10,620	977,400	-	-	-	-	-
120,000	Total Library Building	-	-	-	10,620	977,400	-	-	-	-	-
	Community Centre										
	Capital expenditure - to improve the level of service										
30,000	CB4001. Learners Pool	-	-	-	-	-	-	-	-	-	-
45,000	CB4005. Comm Complex Upgrade	-	-	-	-	-	-	-	-	-	-
75,000	Total Capital expenditure - to improve the level of service	-	-	-	-	-	-	-	-	-	-
	Capital expenditure - to replace existing assets										
232,984	CB4000. Centre Remedial Works	232,984	51,100	52,200	53,350	54,600	55,850	57,200	58,650	60,100	61,650
30,000	CB4006. Relocate Gym Upstairs	20,000	-	-	-	-	-	-	-	-	-
20,000	CB4007. Renewals Pool	-	-	-	-	-	-	-	-	-	-
282,984	Total Capital expenditure - to replace existing assets	252,984	51,100	52,200	53,350	54,600	55,850	57,200	58,650	60,100	61,650
357,984	Total Community Centre	252,984	51,100	52,200	53,350	54,600	55,850	57,200	58,650	60,100	61,650
	Staff Housing										
	Capital expenditure - to replace existing assets										
-	HS4007. Repaint Tuai House	15,000	-	-	-	-	-	-	-	-	-
-	HS4008. Repaint Raupunga House	15,000	-	-	-	-	-	-	-	-	-
-	Total Capital expenditure - to replace existing assets	30,000	-	-	-	-	-	-	-	-	-
-	Total Staff Housing	30,000	-	-	-	-	-	-	-	-	-
	Pensioner Housing										
	Capital expenditure - to improve the level of service										
-	HP4018. Install of Insulation	95,000	-	-	-	-	-	-	-	-	-
-	Total Capital expenditure - to improve the level of service	95,000	-	-	-	-	-	-	-	-	-

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2017/18 ANNUAL PLAN	PROJECT DESCRIPTION	2018/19 BUDGET	2019/20 BUDGET	2020/21 BUDGET	2021/22 BUDGET	2022/23 BUDGET	2023/24 BUDGET	2024/25 BUDGET	2025/26 BUDGET	2026/27 BUDGET	2027/28 BUDGET
	Capital expenditure - to replace existing assets										
4,500	HP4008. RENEWAL PROJECTS - STOVE	-	-	-	-	-	-	-	-	-	-
-	HP4009. REPAINTING LIVINGSTON FLATS	-	-	-	-	-	-	-	-	18,030	-
15,000	HP4014. Paint Exterior Lambert Flats	-	-	-	-	-	-	-	-	24,040	-
-	HP4015. Livingston Flat Roof	-	-	-	-	-	-	-	-	18,030	-
10,000	HP4017. Painting Exterior Outram Flats	-	-	-	-	-	-	-	-	12,020	-
29,500	Total Capital expenditure - to replace existing assets	-	72,120	-							
29,500	Total Pensioner Housing	95,000	-	72,120	-						
	Camping Grounds										
	Capital expenditure - to replace existing assets										
5,000	CG4007. RENEWAL PROJECTS	5,000	-	5,220	-	5,460	-	5,720	-	6,010	-
5,000	Total Capital expenditure - to replace existing assets	5,000	-	5,220	-	5,460	-	5,720	-	6,010	-
5,000	Total Camping Grounds	5,000	-	5,220	-	5,460	-	5,720	-	6,010	-
662,484	Total Property	595,184	112,420	57,420	117,320	1,119,360	178,720	62,920	58,650	138,230	117,135
	Support Services										
	Chief Executive Officer										
	Capital expenditure - to improve the level of service										
-	DM4001. Purchase New Vehicle	-	-	41,600	-	-	44,440	-	-	47,680	-
-	Total Capital expenditure - to improve the level of service	-	-	41,600	-	-	44,440	-	-	47,680	-
-	Total Chief Executive Officer	-	-	41,600	-	-	44,440	-	-	47,680	-
	Administration Services										
	Capital expenditure - to improve the level of service										
50,000	AD4003. SOFTWARE - FILE MANAGEMENT	-	-	-	-	-	-	-	-	-	-
146,000	AD4016. Future Office Accommodation	-	-	-	-	-	-	-	-	-	-
196,000	Total Capital expenditure - to improve the level of service	-									
	Capital expenditure - to replace existing assets										
-	AD4011. Purchase Office Equipment	10,000	10,200	-	-	10,860	11,110	11,360	11,630	11,920	12,220
420,660	AD4026. Archives Building	-	419,020	626,400	-	-	-	-	-	-	-
420,660	Total Capital expenditure - to replace existing assets	10,000	429,220	626,400	-	10,860	11,110	11,360	11,630	11,920	12,220
616,660	Total Administration Services	10,000	429,220	626,400	-	10,860	11,110	11,360	11,630	11,920	12,220
	Information Services										

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2017/18 ANNUAL PLAN	PROJECT DESCRIPTION	2018/19 BUDGET	2019/20 BUDGET	2020/21 BUDGET	2021/22 BUDGET	2022/23 BUDGET	2023/24 BUDGET	2024/25 BUDGET	2025/26 BUDGET	2026/27 BUDGET	2027/28 BUDGET
	Capital expenditure - to improve the level of service										
-	CS4003. Purchase Computer Hardware	10,000	-	-	-	-	-	-	-	-	-
10,000	CS4003452. DJI 4 Drone	-	-	-	-	-	-	-	-	-	-
-	CS40038. HP P2000 SAN	60,000	-	-	-	-	-	-	-	-	-
6,000	CS40052. 5 Adobe Acrobat Pro Licences	-	-	-	-	-	-	-	-	-	-
15,000	CS4007. Purchase NCS BR Reporting Software	-	-	-	-	-	-	-	-	-	-
-	CS403954. Replacement Virtual WDCLinux Server	45,000	-	-	-	-	-	-	-	-	-
31,000	Total Capital expenditure - to improve the level of service	115,000	-	-	-	-	-	-	-	-	-
	Capital expenditure - to replace existing assets										
-	CS400111. HP G7 Backup Server	-	-	31,200	-	-	-	-	-	-	-
24,000	CS400345. Replacement Laptops	24,000	24,480	72,800	25,488	26,064	26,664	27,264	27,912	28,608	29,328
8,413	CS400382. Tape Drive Replacement	-	-	-	-	-	-	-	-	-	-
-	CS400395. WDC Office Foyer Display Equipment	6,000	-	-	-	-	-	-	-	-	-
32,413	Total Capital expenditure - to replace existing assets	30,000	24,480	104,000	25,488	26,064	26,664	27,264	27,912	28,608	29,328
63,413	Total Information Services	145,000	24,480	104,000	25,488	26,064	26,664	27,264	27,912	28,608	29,328
	Engineering Services										
	Capital expenditure - to replace existing assets										
30,000	EW4003. Vehicle Replacement	-	-	-	-	-	-	-	-	-	-
5,000	EW4004. Purchase iPad AssetFinda	-	-	-	-	-	-	-	-	-	-
35,000	Total Capital expenditure - to replace existing assets	-	-	-	-	-	-	-	-	-	-
35,000	Total Engineering Services	-	-	-	-	-	-	-	-	-	-
715,073	Total Support Services	155,000	453,700	772,000	25,488	36,924	82,214	38,624	39,542	88,208	41,548
15,245,164	TOTAL CAPITAL WORK	12,073,444	10,033,605	11,147,654	9,742,366	8,877,072	7,261,740	6,778,788	6,229,594	8,084,613	7,377,088

NGĀ KAUPAPA HERE MŌ TE KAUTE - STATEMENT OF ACCOUNTING POLICIES

REPORTING ENTITY

Council is a territorial local authority in New Zealand governed by the Local Government Act 2002. The Council group consists of Council and its 100% owned subsidiary, Quality Roding and Services (Wairoa) Ltd. (QRS).

The primary objective of Council is to provide goods or services for the community or social benefit rather than making a financial return. Accordingly, Council 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 Council are for the years ended 30 June 2018 to 30 June 2028. The financial statements were authorised for issue by Council on 25 September 2018. The financial statements are expected to be updated by 30 June 2021.

BASIS OF CONSOLIDATION

COUNCIL has not consolidated the prospective financial statements. Council 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 Council 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 Council accept responsibility for the preparation of the prospective financial statements, including the appropriateness of the assumptions underlying the prospective financial statements and all other required disclosures. No actual financial results have been incorporated within the prospective financial 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 Council over the financial years from 2018/19 to 2028/29, 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 & 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

Council 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. Council 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 COUNCIL could be over or underestimating the annual depreciation charge recognised as an expense in the statement of financial performance.
- To minimise this risk, Council'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 Council's asset management planning activities, which give Council further assurance over its useful life estimates.
- Experienced independent valuers perform the Council's infrastructural asset revaluations.

PROPERTY, PLANT & EQUIPMENT USEFUL LIVES & 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.

Council 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

There are no proposed changes in accounting policies. Accounting policies have been applied based on accounting standards applicable as at 1 July 2018. Future changes in accounting standards will be adopted where relevant as new plans are implemented.

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

Council receives government grants from the New Zealand Transport Agency, which subsidises part of Council'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 Council 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

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 & 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 Council 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

Council 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 Council 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 Council 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. Council 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 & 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 re-measurement 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 & 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, Council assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised in the income statement.

LOANS & OTHER RECEIVABLES

Impairment of a loan or receivable is established when there is objective evidence that Council 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 Council 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 & 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 Council 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 Council. 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 Council 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 Council 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:

WAIROA

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

Structures	50
Oxidation ponds	40
Pipes	80-100
Manholes	100
Pumps	10-15
Plant	10-15
Resource Consents	25

STORMWATER

LIFE YEARS

Reticulation piping	50-100
Culverts	50-100
Manholes/sumps	50-100
Open drains	Not depreciated

WATER SUPPLY

LIFE YEARS

Structures	50
Pumps	15-20
Reticulation Piping	60-100

Meters	20
Hydrants	40
Resource Consents	20-25
Reservoirs	80

ROADS

LIFE YEARS

Top surface (seal)	13
Basecourse (sealed roads)	60
Formation	Not depreciated
Unsealed roads	Not depreciated
Bridges	20-80
Footpaths	15-40
Kerbs	50
Streetlights (poles)	50

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 & BUILDINGS

Operational land and buildings were valued at fair value effective from 30 June 2005. Council 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 & BUILDINGS

Restricted land and buildings were valued at fair value effective from 30 June 2005. Council 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 & STORMWATER SYSTEMS

Infrastructure assets are carried at fair value on a depreciated replacement cost basis as assessed by an independent valuer. At balance date, Council 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. Council has elected to use the fair value of land under roads as at 30 June 2005 as deemed cost.

INTANGIBLE ASSETS

SOFTWARE ACQUISITION & 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 Council, 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%

IMPAIRMENT OF PROPERTY, PLANT & EQUIPMENT & 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, Council 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 & 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.

EMPLOYEE BENEFITS

SHORT-TERM BENEFITS

Employee benefits which Council 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.

Council recognises a liability for sick leave based on entitlements accrued at balance date, which Council 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 Council 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

Council 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.

Borrowings are classified as current liabilities unless Council has an unconditional right to defer settlement of the liability for at least 12-months after balance date. 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 Council 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 Council. Restricted reserves are those subject to specific conditions accepted as binding by Council and which may not be revised by Council 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 & SERVICE 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

Council 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.

OTHER DISCLOSURES

These prospective financial statements are prepared on the basis of best estimates available at the time of preparing the forecast. Actual results are likely to vary from the information presented and the variations may be material. Council has authorised the issue of these prospective financial statements. The Council and management of Council 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 2018-28 LTP process, and these prospective financial statements may not be appropriate for purposes other than for inclusion in the LTP.

WHOLE OF COUNCIL FUNDING IMPACT STATEMENT

2017/18 ANNUAL PLAN		2018/19 BUDGET	2019/20 BUDGET	2020/21 BUDGET	2021/22 BUDGET	2022/23 BUDGET	2023/24 BUDGET	2024/25 BUDGET	2025/26 BUDGET	2026/27 BUDGET	2027/28 BUDGET
Total Sources of Operating Funding											
Source of Operating Funding											
12,220,860	General Rates uniform annual charges rates penalties	11,818,421	12,470,999	13,067,515	13,701,290	14,230,096	14,618,107	14,999,021	15,314,772	15,653,844	16,072,234
4,644,842	Subsidies and grants for operating purposes	4,864,639	5,231,475	5,395,179	5,470,580	5,747,951	6,039,068	6,230,345	6,111,750	6,466,681	6,619,567
2,830,914	Fees charges and targeted rates for water supply	2,096,981	2,771,692	2,197,912	2,247,787	2,334,464	2,364,476	2,434,975	2,527,610	2,578,246	2,650,224
855,372	Interest and Dividends from Investments	824,759	669,998	568,468	525,346	509,061	459,933	447,975	454,502	400,021	393,932
68,000	Local authorities fuel tax fines infringement fees and other receipts	85,000	86,700	88,400	90,270	92,310	94,435	96,560	98,855	101,320	103,870
20,619,988	Total Source of Operating Funding	19,689,799	21,230,865	21,317,474	22,035,273	22,913,882	23,576,019	24,208,876	24,507,489	25,200,111	25,839,827
Application of Operating Funding											
18,566,556	Payments to staff and suppliers	18,420,926	18,949,863	19,477,596	19,349,145	19,982,479	20,730,611	20,865,561	21,138,703	22,026,979	22,264,377
993,740	Finance costs	707,449	770,800	854,210	954,939	1,028,443	1,034,805	1,037,469	1,034,356	1,034,463	1,037,407
171,735	Internal Charges and Overheads applied	791,267	802,876	819,992	840,788	856,045	869,672	887,393	905,827	924,611	937,901
63,099	Other operating funding applications	939,945	954,681	970,962	993,794	1,011,056	1,030,815	1,050,943	1,071,971	1,093,349	1,114,922
19,451,660	Total Application of Operating Funding	18,979,698	19,568,858	20,180,836	20,151,078	20,855,911	21,604,273	21,739,479	22,006,915	22,892,705	23,124,762
1,168,328	Surplus (Deficit) from Operating Funding	710,102	1,662,007	1,136,638	1,884,195	2,057,972	1,971,745	2,469,396	2,500,574	2,307,406	2,715,065
Total Sources of capital funding											
Source of Capital Funding											
4,036,715	Subsidies and grants for capital expenditure	4,701,620	5,080,699	5,474,305	4,173,116	4,238,069	3,737,880	3,844,434	3,754,421	4,438,350	4,251,972
289,052	Target Capital Rate	255,227	154,876	146,255	136,668	125,874	113,550	114,649	102,082	87,198	87,198
-	Increase in debt	1,535,594	1,037,228	1,853,183	2,383,500	1,854,437	390,852	115,877	77,994	145,563	214,547
-	Lump sum contributions	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
4,325,767	Total Source of Capital Funding	6,592,441	6,372,802	7,573,743	6,793,284	6,318,380	4,342,282	4,174,960	4,034,496	4,771,111	4,653,717
Application of Capital Funding											
-	Finance costs	-	-	-	-	-	-	-	-	-	-
-	Decrease in Debt	-	74,703	116,431	185,771	259,381	317,341	328,133	340,219	348,367	357,200
5,812,982	Capital expenditure - to improve the level of service	2,411,580	1,224,631	1,683,714	1,935,249	2,953,720	1,745,632	1,433,559	1,316,486	1,489,539	1,621,476
9,432,182	Capital expenditure - to replace existing assets	9,661,864	8,883,677	9,527,721	8,057,628	6,182,733	5,833,449	5,673,362	5,253,327	6,943,441	6,112,812
(9,751,069)	Increase (Decrease) in reserves	(4,770,901)	(2,148,202)	(2,617,485)	(1,501,169)	(1,019,482)	(1,582,395)	(790,698)	(374,962)	(1,702,830)	(722,706)
5,494,095	Total Application of Capital Funding	7,302,543	7,960,106	8,593,950	8,491,708	8,116,971	5,996,686	6,316,223	6,194,851	6,730,150	7,011,582
(1,168,328)	Surplus (Deficit) from Capital Funding	(710,102)	(1,662,007)	(1,136,638)	(1,884,195)	(2,057,972)	(1,971,745)	(2,469,396)	(2,500,574)	(2,307,406)	(2,715,065)
Funding Balance (General Rates)											
-		-	-	-	-	-	-	-	-	-	-

MATAPAE PŪTEA - FINANCIAL PRUDENCE BENCHMARKS

LONG-TERM PLAN DISCLOSURE STATEMENT FOR PERIOD COMMENCING 1 JULY 2018

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.

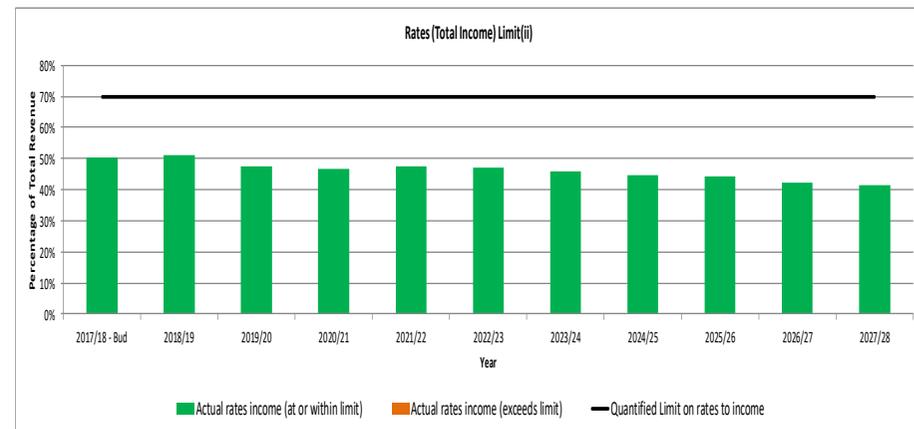
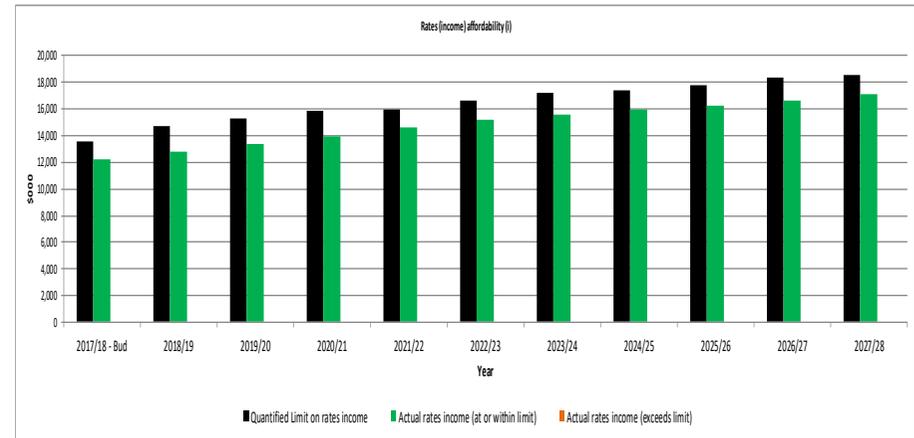
RATES AFFORDABILITY BENCHMARK

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.

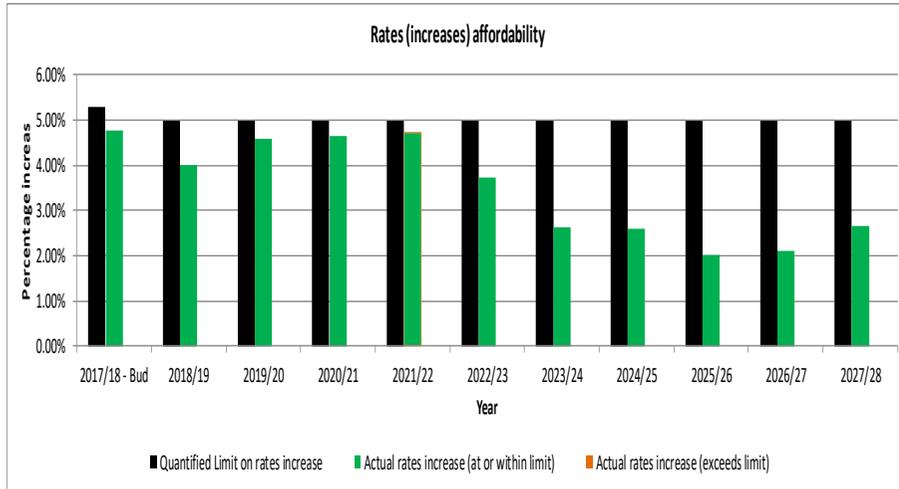
RATES (INCOME) AFFORDABILITY

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(i) 60% of Council’s operating costs and(ii) no more than 70% of total revenue.



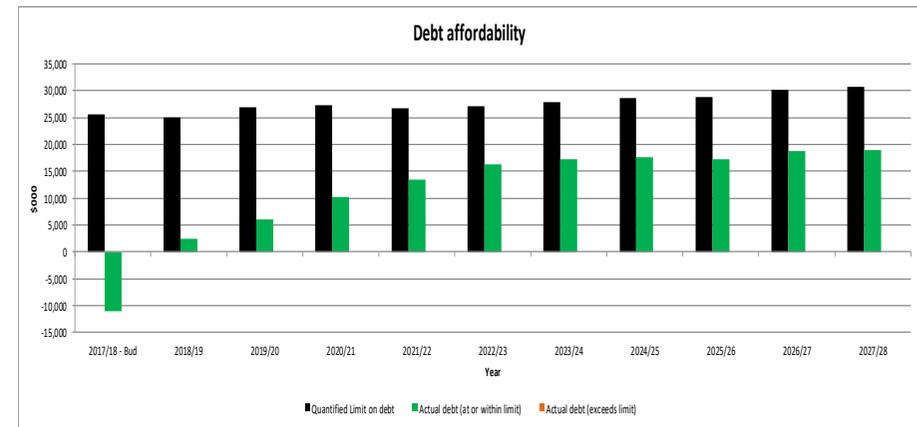
RATES (INCREASES) AFFORDABILITY

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 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.

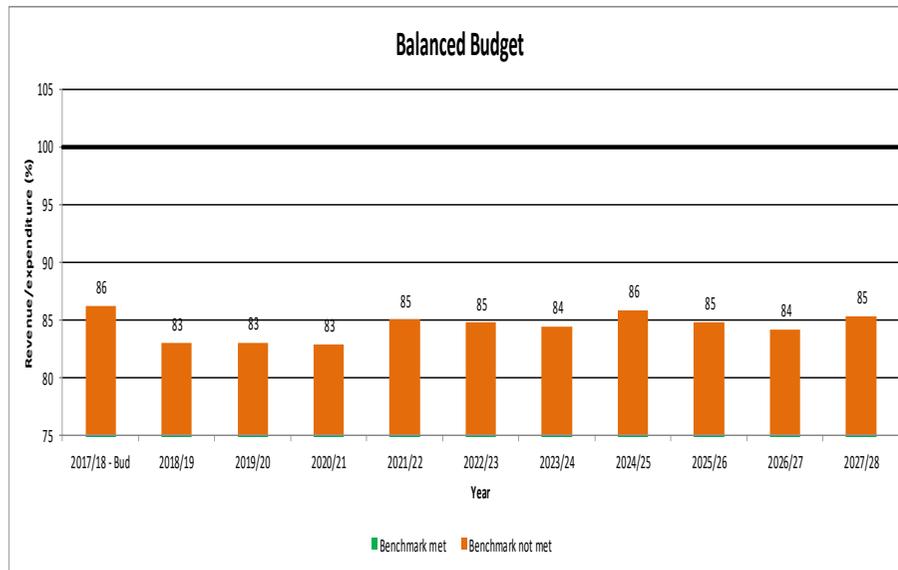


The quantified limit is net debt less than 100% of total revenue.

BALANCED BUDGET BENCHMARK

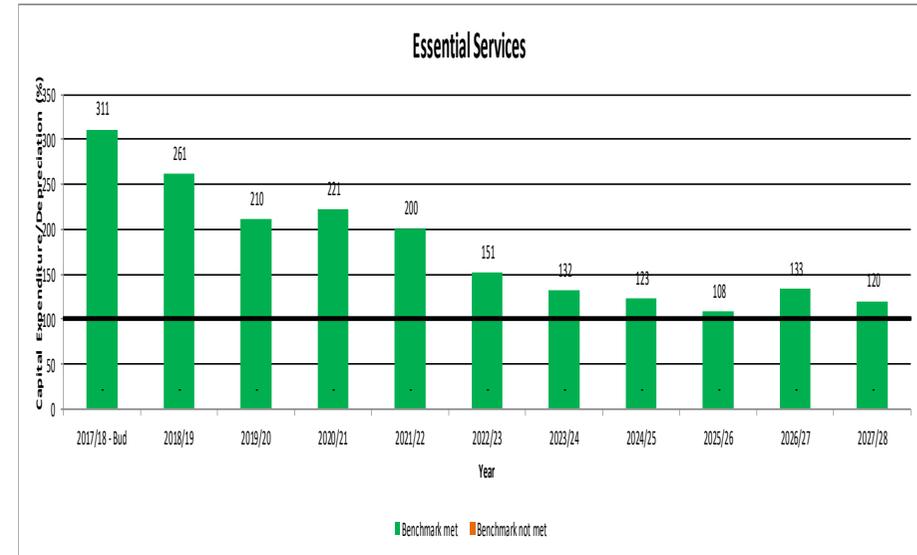
The following graph displays Council’s planned revenue (excluding capital subsidies, development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment) as a proportion of operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment).

Council meets the balanced budget benchmark if it’s planned revenue, not including capital subsidies, equals, or is greater than, its planned operating expenses.



ESSENTIAL SERVICES BENCHMARK

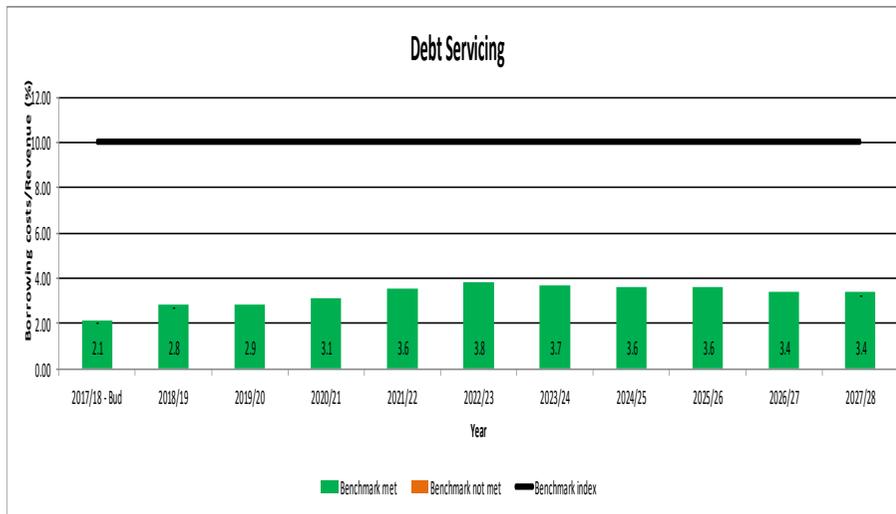
The following graph displays Council’s planned capital expenditure on network services as a proportion of expected depreciation on network services. Council meets the essential services benchmark if its planned capital expenditure on network services equals, or is greater than, expected depreciation 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.



WĀHANGA TUAWHĀ - PART FOUR

TE KAUPAPA HERE MŌ TE PŪTEA WHIWHI - REVENUE AND FINANCING POLICY

POLICY OBJECTIVES

The purpose of the Council’s Revenue and Financing Policy⁵⁰ 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.

During 2017/18 Council reviewed its revenue and financing policy and consulted on a range of proposed changes. In response to that consultation Council resolved to maintain status quo, and continuously evaluate its approach to funding and rating. Therefore, other than minor editorial changes to improve clarity, this policy is unchanged from the 2015/25 version.

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).
- The costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.

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.

DISTRIBUTION OF 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.

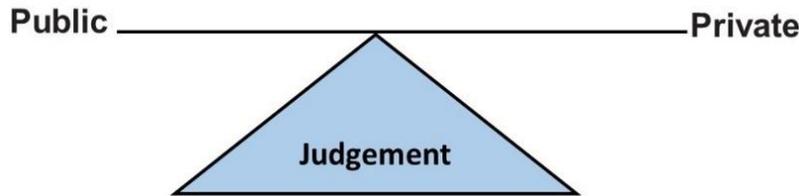
PRIVATE BENEFITS: the costs of these benefits should generally be funded on a user-pays basis.

PUBLIC BENEFITS: are costs which flow to the community as a whole and it is not possible to identify the individuals or groups that benefit. All the community benefits from the activity or there is little effect on the cost of additional people

⁵⁰ Section 103 sets out the required contents of the Revenue and Financing Policy required by s102(2)(a).

benefiting. 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, which are public and private goods. 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. An 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.

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 a hundred years for some infrastructural assets, such as bridges and some pipe networks. The costs of these assets should therefore be funded over the time of benefit. This is the concept of intergenerational equity and is particularly relevant for larger capital assets.

Building reserves to fund the capital expenditure required to renew an existing asset is the most prudent financial method, that also preserves intergenerational equity i.e. each generation pays a share of the value of the asset while it receives benefit from the asset. The interest earned on the reserves helps to fund the appropriate amount required to eventually replace the asset. When renewals or replacement occur before the reserve has sufficient funds then loans will be utilised to fund the early deficit.

WHO CAUSES THE NEED FOR AN ACTIVITY

The Council is required to assess the extent to which each activity exists because of the actions or inactions of an individual or group. This principle, known as the exacerbator pays or polluter pays, suggests that costs should be recovered directly from those causing the need for the activity. Examples are parking fines, food licences, pool safety, dog control and trade waste.

COSTS AND BENEFITS OF FUNDING THE ACTIVITY

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 allocated funding, 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) is as follows:

- How the Policy will act as a barrier to the accessibility of the activity.
- What incentives the Policy will have for the development of the district.
- How the burden of funding will be distributed across differing sectors of the community.
- How the Policy supports people to conserve scarce resources, avoid environmentally unfriendly activities and preserve our natural heritage.
- How the Policy will support the community participating in recreational and cultural activities and to preserve historical and other cultural heritage?

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 s100(2) of the Act, the Council is allowed to set projected operating revenues at a different level from that required to achieve a balanced budget, if the Council resolves that it is financially prudent to do so, e.g. to fund a previous or future year's deficit or to repay debt.

OTHER LEGAL REQUIREMENTS

While the Revenue and Financing Policy is governed by the Local Government Act 2002, there are a number of other pieces of legislation that are relevant for determining appropriate funding mechanisms.

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. It also sets the valuation system which may be used, the various rating mechanisms available (such as targeted rates) and the 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 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.'

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 sale
- development contributions
- lump sum contributions
- financial contributions under the Resource Management Act 1991
- grants and subsidies
- any other source.

GENERAL RATES

A General rate is assessed across all rateable properties in the district based on land value. 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:

WAIROA

DIFFERENTIAL CATEGORY	REASON FOR DIFFERENTIAL	DIFFERENTIAL FACTOR	
URBAN DIFFERENTIAL CATEGORIES			
i.	Wairoa Township (all properties not included in (ii), (iii), (iv) or (v) below) 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 \$68,000.	1	
ii.	Wairoa Township (Commercial/Industrial) 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.”	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) 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.”	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) 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 \$200,000.00.”	The reason for this differential is to recognise the relative burden of rates relative to services received for these properties.	2.75
v.	Residential 3 (LV ≥\$68,000) 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 \$68,000.	This differential category recognises the relative burden of rates relative to services received for these properties.	0.55
RURAL DIFFERENTIAL CATEGORIES			
vi.	Wairoa Rural (all properties not included in (vi), (vii), (viii), (ix), (xi) (x), (xi) and (xiv) below) 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.	1	
vii.	Rural Villages of Frasertown, Nuhaka and Raupunga 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 Nuhaka).	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) 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	1	

WAIROA

	than \$100,000 and less than \$1,000,000.		
ix.	Rural Non-Forestry (LV ≥\$1,000,000) 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.		1
x.	Rural Residential/Residential One (Mahia) being all rateable properties defined under the Rate Review Special Order “Differential Rating Special Order Resolution – E: Explanatory Statement 3a as Mahia Rural Residential.”	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) being all rateable properties defined under the Rate Review Special Order “Differential Rating Special Order Resolution – E: Explanatory Statement 3a as Tuai Rural Residential.”	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) 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.		1
xiii.	Rural Roding Forestry (≥100ha) 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.	This differential category recognises the use to which the land is put and subsequent additional maintenance costs as a result of the forestry activities.	5
xiv.	Rural Commercial (CV ≥\$200,000) being all rateable properties defined under the Rate Review Special Order “Differential Rating Special Order Resolution – E: Explanatory Statement 3a.”	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

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.

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. Council employs a mix of rates calculated on the following bases:

- land value, differentiated
- capital value, differentiated
- per Separately Used or Inhabited Part (SUIP) of a rating unit
- per connection or installation
- scales of charges
- per unit of consumption

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.

INTEREST AND DIVIDENDS

Interest and dividends from investments are used to reduce the amount of Rates required.

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
- operating surpluses.

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.

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 the 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 UNDER THE RMA

Financial contributions can be provided for in a 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.

GRANTS AND SUBSIDIES

The Council receives subsidies from the 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.

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).

FUNDING OF CAPITAL EXPENDITURE

The Council categorises its capital expenditure projects as renewals, extending level of service or growth related projects. The following funding sources are used for each category under normal circumstances, with any alternative funding sources specifically resolved by the Council.

RENEWAL PROJECTS

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

EXTENDING LEVEL OF SERVICE PROJECTS

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

GROWTH RELATED PROJECTS

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.

TE KAUPAPA HERE MŌ TE HIRANGA ME TE WHAKATŪTAKI - SIGNIFICANCE & ENGAGEMENT POLICY

INTRODUCTION

Decisions made by the 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:

- To establish a general approach and process for identifying the significance of Council decisions.
- 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, with community views helping to inform Council decisions. There are also decisions that a Council must make which require a more structured form of engagement. This is due to the level of importance 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.

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.

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.

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.
- If there is 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.

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.

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, Council 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 the community to give feedback, and for their 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 Council.
- Ensure that the engagement process is efficient and cost effective.

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.

INCLUSIVENESS & 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.

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 set 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.

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.

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.

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 KĀWANATANGA - 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 & 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 & 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.

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.

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.

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>Significance, 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>(a) the district or region</i> <i>(b) any persons who are likely to be particularly affected by, or interested in, the issue, proposal, decision, or matter</i> <i>(c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.</i>

<p>STRATEGIC ASSET</p>	<p>As defined in Section 5 of the LGA 2002:</p> <p><i>Strategic asset, 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></p> <p><i>(a) any asset or group of assets listed in accordance with Section 90(2) by the local authority; and</i></p> <p><i>(b) 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></p> <p><i>(c) any equity securities held by the local authority in</i></p> <ul style="list-style-type: none"> <i>i) a port company within the meaning of the Port Companies Act 1988</i> <i>ii) an airport company within the meaning of the Airport Authorities Act 1966.</i>
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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. Strategic assets are:

- 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.

WHAKAAWEAWE PŪTEA - FUNDING IMPACT STATEMENT

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)).

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 Council will use the differential categories set out below in the period 1 July 2018 to 30 June 2019 for the purposes of setting the general rate and the roading, recreation and services targeted rate

URBAN DIFFERENTIAL CATEGORIES

	DIFFERENTIAL CATEGORY	DIFFERENTIAL FACTOR
i.	<p>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 \$68,000.</i></p>	1
ii.	<p>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></p> <p>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.</p>	3.85
iii.	<p>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></p> <p>The reason for this differential is to recognise the relative unfair burden of rates relative to services received for these properties.</p>	2.75
iv.	<p>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></p> <p>The reason for this differential is to recognise the relative unfair burden of rates relative to services received for these properties.</p>	2.75
v.	<p>RESIDENTIAL 3 (LV ≥\$68,000) <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 \$68,000.</i></p> <p>This differential category recognises the relative unfair burden of rates relative to services received for these properties.</p>	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 & 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 Nuhaka).</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.	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 (i) (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 ROADING 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 ROADING 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.	5
xiv.	RURAL COMMERCIAL (CV ≥\$200,000)	3.7

WAIROA

	DIFFERENTIAL CATEGORY	DIFFERENTIAL FACTOR
	<p><i>being all rateable properties defined under the Rate Review Special Order "Differential Rating Special Order Resolution – E: Explanatory Statement 3a.</i></p> <p>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.</p>	

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%.

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 2018/19 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)	2.0063	52,029
ii.	WAIROA TOWNSHIP (Commercial/Industrial)	7.7243	43,913
iii.	GENERAL URBAN/RESIDENTIAL 3 (LV ≥\$68,000)	1.1035	6,440
iv.	WAIROA RURAL (all properties not included in 2(v), (vi) or (vii) below)	0.1289	107,135
v.	VILLAGES OF FRASERTOWN, NUHAKA & RAUPUNGA	0.1611	997
vi.	GENERAL RURAL RESIDENTIAL/RESIDENTIAL ONE (Mahia)	0.1096	17,891
vii.	GENERAL RURAL RESIDENTIAL – RESIDENTIAL ONE (b) (Tuai)	0.0644	356

The general rate will raise \$ 228,762 (including GST) in 2018/2019, compared to \$485,066 in 2017/2018

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 2018/2019 is \$708.80 (incl. GST), raising \$3,622,273 (incl. GST) compared with \$3,376,024 (incl. GST) in 2017/2018. 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 2018/2019 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)	6.1217	158,753
ii.	WAIROA TOWNSHIP (Commercial/Industrial)	23.5686	133,990
iii.	RESIDENTIAL 3 (LV ≥\$68,000)	3.3669	19,650
iv.	WAIROA RURAL (all properties not included in 2(v), (vi), (vii) and (viii) below/Roading Rural)	2.1949	112,375
v.	RURAL VILLAGES OF FRASERTOWN, NUHAKA & RAUPUNGA	2.7436	16,981
vi.	RURAL NON-FORESTRY (LV ≥\$100,000 and < \$1,000,000)	2.1949	307,793
vii.	RURAL NON-FORESTRY (LV ≥\$1,000,000)	2.1949	1,128,793
viii.	ROADING RURAL RESIDENTIAL/RESIDENTIAL ONE (Mahia)	1.8656	305,165
ix.	ROADING RURAL RESIDENTIAL- RESIDENTIAL ONE (b) (Tuai)	1.0974	6,069
x.	RURAL ROADING FORESTRY (<100ha)	2.1949	7,040
xi.	RURAL ROADING FORESTRY (≥100ha)	10.9743	1,338,760

The roading targeted rate will raise \$3,538,368 (including GST) in 2018/2019.[2017/2018: \$3,942,681]. 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 2018/2019 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/Recreation Urban)	1.9123	346,003
ii.	WAIROA TOWNSHIP (Commercial/Industrial) (CV <\$200,000)	5.2589	45,867
iii.	WAIROA TOWNSHIP (Commercial/Industrial) (CV ≥\$200,000)	5.2589	171,241
iv.	WAIROA RURAL (all properties not included in 4(v), (vi), (vii) and (viii) below/Recreation Rural)	0.3416	361,300
v.	RURAL VILLAGES OF FRASERTOWN, NUHAKA & RAUPUNGA	0.4269	11,201
vi.	RECREATION RURAL RESIDENTIAL/RESIDENTIAL ONE (Mahia)	0.2903	78,430
vii.	RECREATION RURAL RESIDENTIAL/RESIDENTIAL ONE (b) (Tuai)	0.1708	2,681
viii.	COMMERCIAL RURAL (CV ≥\$200,000)	1.2638	109,499

The recreation targeted rate will raise \$1,126,222 (including GST) in 2018/2019 [2017/2018: \$1,111,698] . 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 2018/2019 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)	2.9898	540,948
ii.	WAIROA TOWNSHIP (Commercial/Industrial) (CV <\$200,000)	8.2219	71,709
iii.	WAIROA TOWNSHIP (Commercial/Industrial) (CV ≥\$200,000)	8.2219	267,722
iv.	WAIROA RURAL (all properties not included in 4(v), (vi), (vii) and (viii) below/Recreation Rural)	0.5491	580,814
v.	RURAL VILLAGES OF FRASERTOWN, NUHAKA & RAUPUNGA	0.6863	18,006
vi.	RECREATION RURAL RESIDENTIAL/RESIDENTIAL ONE (Mahia)	0.4667	126,082
vii.	RECREATION RURAL RESIDENTIAL/RESIDENTIAL ONE (b) (Tuai)	0.2745	4,310
viii.	COMMERCIAL RURAL (CV ≥\$200,000)	2.0316	176,027

The services targeted rate will raise \$1,785,618 (including GST) in 2018/2019 [2017/2018: \$904,732]. 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 2018/2019 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	703.70	1,327,885 62,984 102,745

WAIROA

	DIFFERENTIAL CATEGORY	BASIS FOR LIABILITY	CHARGE (INCL. GST) (\$)	REVENUE GENERATED (INCL. GST) (\$)
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>		351.90	
iii.	MAHANGA SUPPLY AREA (Mahanga water supply): CONNECTED		610.80	36,956
iv. v.	MAHANGA 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>		305.40	
	TUAI SUPPLY AREA: CONNECTED		581.90	31,425
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>		291.00	
	BLUE BAY: CONNECTED*		703.70	
	BLUE BAY 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>		351.90	14,778
	BLUEBAY – CAPITAL REPAYMENT SCHEME <i>an amount assessed on each rating unit, that has not paid its full allocation of the cost of the capital works in establishing the Blue Bay water supply, for the repayment and servicing of the loan associated with the capital expenditure.</i>		324.70	13,639

*The Blue Bay water supply will be commissioned mid-way through 2018/2019. Therefore rating units within the scheme catchment will receive a half charge for this year. The water supply (fixed amount) targeted rate will raise \$1,590,413 compared with \$1,233,820 in 2017/2018.

The water supply rates will be used to fund the water supply activities in the Wairoa Township, Frasertown and Wairoa Environs, Mahanga, Tuai and Blue Bay.

TARGETED RATE – WATER SUPPLY (WATER 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. The rates for 2018/2019 are:

	AREA	BASIS FOR LIABILITY	CHARGE PER M ³ (INCL GST) (\$)
i.	WAIROA TOWNSHIP RETICULATION AREA	All rating units fitted with a meter and metered exclusively for ordinary supply or metered for extraordinary supply	0.61
ii.	WAIROA ENVIRONS AREA (not including rating units in (i), (iii) and (iv))		0.61
iii.	FRASERTOWN RETICULATION AREA		0.61
iv.	TUAI RETICULATION AREA		0.61
v.	LAND USED FOR MEAT PROCESSING WITHIIN THE WAIROA TOWNSHIP RETICULATION AREA		0.32

The water supply metered rates will be used to fund the water supply activities in the Wairoa Township, Frasertown and Wairoa Environs, Mahanga 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 2018/2019 are:

	DIFFERENTIAL CATEGORY ⁵¹	BASIS FOR LIABILITY	CHARGE (INCL. GST) (\$)	REVENUE GENERATED (INCL. GST) (\$)
i.	WAIROA WARD(not temporary accommodation businesses): CONNECTED	Per water closet or urinal connected (for up to the first five)	365.90	806,639
ii.	WAIROA WARD(not temporary accommodation businesses): CONNECTED	Per water closet or urinal connected (for six to up to and including 15)	256.10	
iii.	WAIROA WARD(not temporary accommodation businesses): CONNECTED	Per water closet or urinal connected (for 16 or more)	183.00	
iv.	WAIROA WARD(temporary accommodation businesses): CONNECTED	Per water closet or urinal connected (for up to the first five)	365.90	
v.	WAIROA WARD(temporary accommodation businesses): CONNECTED	Per water closet or urinal connected (for six or more)	256.10	
vi.	WAIROA WARD: 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	183.00	
vii.	TUAI VILLAGE: CONNECTED¹	Per water closet or urinal connected	365.90	20,856
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	183.00	
ix.	MAHIA: 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	365.90	135,219
x.	MAHIA: NOT CONNECTED or required to be connected under the Trade Waste and Wastewater bylaw 2012 where a property is situated within 30 metres of a public sewerage system to which it is capable of being connected, either directly or through a public drain.	Per rating unit	183.00	

⁵¹ 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.

WAIROA

	DIFFERENTIAL CATEGORY ⁵¹	BASIS FOR LIABILITY	CHARGE (INCL. GST) (\$)	REVENUE GENERATED (INCL. GST) (\$)
xi.	OPUTAMA & BLUE BAY⁵²: 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	365.90	24,518
xii.	OPUTAMA & BLUE BAY⁵³: NOT CONNECTED or required to be connected under the Trade Waste and Wastewater bylaw 2012 where a property is situated within 30 metres of a public sewerage system to which it is capable of being connected, either directly or through a public drain.	Per number or nature of connections from the land within each rating unit to the reticulation system	183.00	
xi.	RURAL WASTEWATER: all land that is not connected or able to connect to Council wastewater reticulation, but to which a Council operated wastewater treatment facility is available. This rate funds the treatment of wastewater from septic tanks.	Per separately used inhabited part of a rating unit described as 'Flat, Dwelling, Bach, Cottage, Cafeteria, Accommodation, Building, Cabin, Camping Ground, Tavern, Hall, Office, Hotel, Sleepout, Orchard or Shop' in Council's Rating Information Database.	30.00	59,206

The sewerage disposal targeted rate will raise \$1,048,383 (including GST) in 2018/2019, compared with \$1,302,042 in 2017/2018.

The sewerage disposal rate will be used to fund the wastewater activity.

⁵² Rating units in Blue Bay will connect to the Opoutama scheme during 2018 and will receive a half charge

⁵³ Rating units in Blue Bay will connect to the Opoutama scheme during 2018 and will receive a half charge

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 Mahia and Opoutama wastewater schemes. The rates for 2018/2019 are:

	DIFFERENTIAL CATEGORY	BASIS FOR LIABILITY	CHARGE (INCL. GST) (\$)	REVENUE GENERATED (INCL. GST) (\$)
i.	MAHIA 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 Mahia Wastewater Scheme including the infrastructure, costs connection costs (if any), and finance costs, relating to that property.		72,137
ii.	MAHIA WASTEWATER SCHEME capital repayment and finance costs associated with the scheme over 10 years. <i>In accordance with the Capital Funding Plan.</i>			9,028
iii.	MAHIA WASTEWATER SCHEME capital repayment and finance costs associated with the scheme over 20 years. <i>In accordance with the Capital Funding Plan.</i>			121,125
iv.	MAHIA WASTEWATER SCHEME capital repayment and finance costs associated with the scheme over 30 years. <i>In accordance with the Capital Funding Plan.</i>			7,661
v.	OPOUTAMA 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 Opoutama Wastewater Scheme including the infrastructure costs, connection costs (if any), and finance costs, relating to that property.		4,393
vi.	OPOUTAMA WASTEWATER SCHEME capital repayment and finance costs associated with the scheme over 10 years. <i>In accordance with the Capital Funding Plan.</i>			5,927
vii.	OPOUTAMA WASTEWATER SCHEME capital repayment and finance costs associated with the scheme over 20 years. <i>In accordance with the Capital Funding Plan.</i>			15,154
viii.	OPOUTAMA WASTEWATER SCHEME capital repayment and finance costs associated with the scheme over 30 years. <i>In accordance with the Capital Funding Plan.</i>			4,463

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 2018/2019 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	212.50	410,516
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	176.90	566,903

The waste management targeted rate will raise \$977,419 (incl. GST) in 2018/2019, compared with \$939,737 in 2017/18. 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 Mahia Township Areas. The rates for 2018/2019 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	215.10	390,997
ii.	MAHIA TOWNSHIP AREA <i>being all rateable properties situated within the Mahia 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	150.20	69,000

The drainage targeted rate will raise \$459,997 (including GST) in 2018/2019, compared with \$524,455 in 2017/18. The drainage rate will be used to fund the storm water activity.

DEFINITION OF SEPARATELY USED OR INHABITED PARTS OF A RATING UNIT

A fixed amount charged to each separately used or inhabited part of a rating unit.

DEFINITION OF A SEPARATELY USED OR INHABITED PART OF A RATING UNIT

Any part of a rating unit used for a different purpose or inhabited by any person, other than the ratepayer or member of the ratepayer's household, having a right to use or inhabit that portion by virtue of a tenancy, lease, licence or other agreement.

Interpretation rules that form part of the definition of 'separately used or inhabited part':

- A. Each separate shop or business activity on a rating unit is a separate use, for which a separate UAGC is payable. (See Guidance Note 1.)
- B. Each dwelling, flat, or additional rentable unit (attached or not attached) on a residential property which is let (or capable of being let) for a substantial part of the year to persons other than immediate family members is a separately inhabited part of a property, and separate UAGCs are payable. (See Guidance Note 2.)
- C. Each residential rating unit which has, in addition to a family dwelling unit, one or more non-residential uses (i.e. home occupation units) will be charged an extra UAGC for each additional use. (See Guidance Note 3.)
- D. Each non-residential activity which has, in addition to its business or commercial function, co-sited residential units which are not a prerequisite part of the business or commercial function, will be liable for additional UAGCs for each residential unit. (See Guidance Note 4.)
- E. Individually tenanted flats, including retirement units, apartments and town houses (attached or not attached) or multiple dwellings on Māori freehold land are separately inhabited parts, and will each be liable for a separate UAGC. (See Guidance Note 5.)
- F. Each title on a multiple-managed forestry holding (that is, where the forest is broken into several individual small titles) is a separately used part except when one or more titles are adjacent and under the same ownership, in which case the rules of contiguity apply.

- G. Each block of land for which a separate title has been issued is liable to pay a UAGC, even if that land is vacant. NOTE: Two or more adjacent blocks of vacant land are not eligible for remission under "contiguity" (S.20 of LG(R)A 02) because they are not "used for the same purpose" (i.e. they are not used at all).
- H. Each dwelling, flat, or additional rentable unit (attached or not attached) on a pastoral, horticultural or forestry property which is let (or capable of being let) for a substantial part of the year to persons other than immediate family members is a separately inhabited part of a property, and separate UAGCs are payable. (See Guidance Note 6.)
- I. A substantial part of the year is considered to be three months or more (this total period may be fragmented, and may occur at any part of the rating year).
- J. Each dwelling on a lifestyle block whether tenanted or not.

GUIDANCE NOTES

The following notes are not rules, but are intended to aid officers in the interpretation of the rules.

1. Commercial Properties

- A single building on one title with 24 separate 'shops' would pay 24 UAGCs.
- A motel with an attached dwelling would pay only one UAGC. This is because the attached dwelling is essential to the running of the motel. This is similar to a pastoral property with one dwelling (See rule D above)
- A motel with an attached restaurant which is available to the wider public has two separately used parts and would pay two UAGCs. Likewise, a motel with an attached conference facility would pay an additional UAGC.
- A business which makes part of its income through leasing part of its space to semi-passive uses such as billboards, or money machines, is not regarded as having a separately used or inhabited part and would not be charged a separate UAGC.

2. Residential Properties

- The rule will apply to properties identified as “flats” on the valuation record (administered by Council’s Valuation Service Provider, Quotable Value Limited). Sleep-outs and granny flats will generally be identified as “sleep-out” on the valuation record and will not normally incur additional UAGCs.
- If a property is identified on the valuation record as having flats, but these in fact are used only for family members or for others for very short periods, the additional UAGCs may be remitted on Council receiving proof of their use, including a signed declaration from the property owner (see remission policy for dwellings used for family use). A property owner who actively advertises the flats for accommodation will not qualify for the remission.

3. Residential with Non-Residential Part

- A residence with a separately accessible “office” (which may be used for surveyor, architect, or medical services) will pay an additional UAGC for the office. This is because it is a separately used part which generates additional use of roads, services, planning resources and democratic processes.
- A residence with a “Home Occupation” (commonly called a “hobby business”) will not generally be charged a separate UAGC unless the intensity of operation is high. For example, a resident who occasionally manufactures boat trailers in his garage on the weekends would not incur an additional UAGC, but someone who works for most of the week panel beating or painting, particularly if the activity is accompanied by advertising, clearly has a separately used or inhabited part of the rating unit, and would incur an additional UAGC.
- A residential property, part of which is used continually for storage of large industrial machinery, has a separately used part, and would incur an additional UAGC.

4. Non-Residential Activity with Co-sited Dwelling

- A fish and chip shop, with a separately used flat above which can be accessed without passing through the shop, does have a separately used part, and would normally incur an additional UAGC charge.
- A dairy which has the operator’s integral dwelling attached, would not incur an additional UAGC because the home is an integral part of the operation of the dairy similar to a pastoral property or motel.
- Certain Government agencies, churches, marae, and the like are automatically rate exempt (except for service charges such as water and wastewater). They may be charged rates and additional UAGCs for each separately used or inhabited part of

the rating unit, however, if these organisations undertake accommodation or business activities which are not related to their core function.

5. Individually Tenanted Flats

- Each flat, apartment, or retirement or disability home, and each property under a “licence to occupy”, is a separately used or inhabited part of a rating unit. This is regardless of the number of people who may be living in the unit. Each will be required to pay an additional UAGC charge.

6. Pastoral Properties

- Each dwelling, tenanted or untenanted, is a separately used or inhabited part of a rating unit. Each additional dwelling will incur an additional UAGC charge.
- Shearer’s quarters that are untenanted, and used as a shearers quarters, will not be treated as a separately used or inhabited part of a rating unit. Shearer’s quarters which are tenanted will be a separately used or inhabited part of a rating unit and incur an additional UAGC charge.
- A pastoral property with one dwelling would pay only one UAGC. This is because the attached dwelling is essential to the running of the pastoral property.
- Untenanted farm dwellings and cottages in addition to the main ‘farm house’ will be charged additional UAGCs.

RATING BASE

The total projected rateable units within the district at the end of the financial year 2017/18 were 6,835. This is projected to remain constant over the 10 years of the Long-term Plan.

INDICATIVE RATING SAMPLES

LOCATION	PROPERTY TYPE	2017/18 Rated LV	2017/18 Rated CV	Actual 2017-18	Budget 2018-19	Movement is a	Change (\$) (+/-)	Change (%) (+/-)
Mohaka	Forestry	\$18,800,000	\$20,600,000	\$118,291	\$228,002	Increase of	\$109,710	92.7%
Mohaka	Pastoral farming	\$1,850,000	\$2,240,000	\$9,153	\$7,210	Decrease of	-\$1,944	(21.2)%
Morere	Pastoral farming	\$1,930,000	\$2,470,000	\$9,553	\$7,600	Decrease of	-\$1,952	(20.4)%
Waikaremoana	Pastoral farming	\$2,450,000	\$2,950,000	\$12,671	\$10,152	Decrease of	-\$2,519	(19.9)%
Utility	Utility	\$0	\$6,330,000	\$14,690	\$20,859	Increase of	\$6,170	42.0%
Frasertown residential	Residential	\$6,500	\$180,000	\$1,595	\$1,839	Increase of	\$244	15.3%
Nuhaka	Residential	\$10,000	\$109,000	\$961	\$1,066	Increase of	\$106	11.0%
Raupunga	Residential	\$5,000	\$65,000	\$903	\$1,003	Increase of	\$100	11.1%
Mahia residential	Residential	\$380,000	\$660,000	\$3,043	\$2,652	Decrease of	-\$391	(12.8)%
Opoutama residential	Residential	\$27,000	\$67,000	\$950	\$990	Increase of	\$40	4.2%
Opoutama residential	Residential	\$29,000	\$103,000	\$1,458	\$1,387	Decrease of	-\$71	(4.9)%
Tuai residential	Residential	\$34,000	\$86,000	\$1,850	\$1,911	Increase of	\$61	3.3%
Industrial	Industrial uses, including associated retailing	\$17,000	\$185,000	\$4,588	\$5,232	Increase of	\$644	14.0%
Wairoa urban commercial	Industrial uses, including associated retailing	\$29,000	\$510,000	\$8,446	\$10,721	Increase of	\$2,275	26.9%
Wairoa urban residential	Lifestyle	\$100,000	\$380,000	\$3,563	\$4,180	Increase of	\$617	17.3%
Wairoa urban residential	Residential	\$16,000	\$160,000	\$2,893	\$3,120	Increase of	\$227	7.9%
Wairoa urban residential	Residential	\$26,000	\$250,000	\$3,301	\$3,643	Increase of	\$342	10.4%

MAHERE PŪTEA - 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 reconciliation below.

The reconciliation contains 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, being \$42.6 million for subsidised roading projects and \$0.6 million for the library upgrade. Rate funding projects are rate contributions for capital below the line items, such as sinking funds.

DEPRECIATION NOT RATED

Council has resolved that the following assets have depreciation that has not been funded:

- community halls and buildings on reserves
- community centre
- subsidised portion of roading
- staff housing
- camping ground
- loan funded assets including the Mahia wastewater system and the Opoutama sewerage system
- Loan funded assets other than the Mahia and Opoutama Wastewater .Schemes purchased and/or built within the timeframe of the Long Term Plan.

PROVISIONS

Council maintains a provision on its balance sheet for the estimated cost of maintaining the landfill site after it is capped at the end of its useful life. This provision is adjusted annually and the adjustment is charged as an expense in Council's accounts. Since this a non cash adjustment and the ultimate outcome is remote and uncertain, this amount (\$250,000) is excluded from the rates calculation.

After adjusting for these items and deducting capital subsidy revenue, Council's adjusted operating deficit is forecast to be \$7.6 million. At face value it appears that Council does not have a balanced budget. However, there are further adjustments to be taken into account.

PENALTIES AND BAD DEBTS

Council's rating calculation includes 2% allowance for bad debts. Council also applies penalties for late payments. This additional revenue is used to offset against extraordinary bad debts, new remissions and other variances. Of course it would be in Council's and ratepayers interests if all rates were paid on time and so the revenue has been excluded from Council's budget. The estimate total amount over 10 years is \$3 million.

EMERGENCY RESPONSE EXPENSES

As part of submitting its Road Maintenance Programme for NZTA approval Council includes operating expenses relating to unforeseen events, particularly floods and dropouts. This enables Council to claim for additional subsidy when these events occur. In practice Council's response to such an event is more likely to leads to capital renewals and upgrades, for which Council has included funding in its budget.

Should these expenses eventuate Council will fund them from reserves and any amounts that cannot be recovered from NZTA will be added to the rates for the following year. Allowing for these items, Council's net operating result over the 10 years of the LTP will be a surplus of \$4 million. It is noted that there will still be a shortfall of \$0.78 million over the first 3 years. This will be funded from reserves and recovered in later years.

From an accounting perspective it is clear that there is some risk associated with such a lean budget and significant changes in operating costs will mean Council will need to reassess. As a result of not funding for some depreciation accounting losses will be common. However, in combination retained earnings and special funds will remain constant at \$161 million, indicating that Council will be able to deliver on its commitments to the community within an affordable prudent framework.

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.

BALANCED BUDGET RECONCILIATION

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Net Surplus /(Deficit) From Operations	529,334	742,098	949,377	174,268	1,215	-712,531	-267,416	-750,532	-406,259	-302,517
Add: Depreciation not rated	2,731,680	3,067,490	3,224,518	3,358,330	3,632,608	3,707,299	3,784,455	4,036,332	4,121,464	4,207,908
Add: Landfill provision adjustments	21,940	22,596	23,272	23,968	24,684	25,422	26,183	26,965	27,772	28,602
Less: Capital subsidies	-4,701,620	-5,080,699	-5,474,305	-4,173,116	-4,238,069	-3,737,880	-3,844,434	-3,754,421	-4,438,350	-4,251,972
Adjusted Surplus / (Deficit)	-1,418,665	-1,248,515	-1,277,138	-616,551	-579,562	-717,690	-301,212	-441,655	-695,373	-317,979
Other Adjusting Items:										
Penalties	255,095	266,763	279,184	292,372	303,317	311,254	319,325	325,731	332,581	341,421
Emergency recovery costs	767,000	788,984	805,968	825,268	844,568	864,640	886,256	909,416	934,120	960,368
	1,022,095	1,055,747	1,085,152	1,117,640	1,147,885	1,175,894	1,205,581	1,235,147	1,266,701	1,301,789
Net position	-396,570	-192,768	-191,986	501,089	568,323	458,204	904,369	793,492	571,328	983,810

WĀHANGA TUARIMA - PART FIVE

HE KUPU ĀPITI O NGĀ TUHINGA ŌRITE - SCHEDULE OF RELATED DOCUMENTS

These documents can be found on the Council website: www.wairoadc.govt.nz

- Wairoa District Council Asset Management Plans
 - Introduction to AMPs
 - 3 Waters
 - Airport
 - Land Transport
 - Built Spaces
 - Open Spaces
 - Waste Management
- Wairoa District Council Infrastructure Strategy
- Wairoa District Council Significance and Engagement Policy
- Communitrak Survey Report 2017
- Wairoa District Council Operative District Plan
- The Wairoa Coastal Strategy
- Wairoa Economic Development Plan
- Wairoa District Council Consolidated Bylaws
- Various Wairoa District Council Policies
- Reserves Management Plans
- Engineering Code of Practice
- Waste Management and Minimisation Plan
- Water and Sanitary Services Assessment

HE KUPU ĀPITI O NGĀ UTUNGA 2018/19 - REGISTER OF FEES AND CHARGES 2018/19

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	
Tuai Hall - Refer Tuai Hall Committee	
Library	
Lost Book	

Charges As Per Purchase Cost Of Item Plus \$5.00 Administration Fee

Sundry Income

Lost Cards (Per Replacement)	\$2.00
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Overdues

Administration Fee Per Letter Sent	\$2.00
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Phone Message/Text Message/Email Message	\$0.50
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Per Day Per Book For Adult Books	\$0.10
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Per Day Per Book For Children's Books	\$0.10
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Photocopy

Photocopying (Black & White) A4 Single Sided	\$0.20
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Photocopying (Black & White) A4 Double Sided	\$0.40
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Photocopying (Black & White) A3 Single Sided	\$0.30
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Photocopying (Black & White) A3 Double Sided	\$0.60
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Photocopying (Colour) A4 Single Sided	\$0.50
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Photocopying (Colour) A4 Double Sided	\$1.00
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Photocopying (Colour) A3 Single Sided	\$1.00
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Photocopying (Colour) A3 Double Sided	\$2.00
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User Charges

Bestseller Collection (Charge Varies Depending On Book)

Per 10 Days For Books - A Format	\$3.00
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Per 10 Days For Books - B Format	\$4.00
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Per Week For Magazines	\$1.00
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Per Day For Overdue Books	\$1.00
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Per Day For Overdue Magazines	\$0.50
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Reserve System

Per General Collection Reserve	\$1.00
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Per Reserve On A Bestseller	\$2.00
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Council Property

Commercial Property – All Rentals/Leases Determined By Market Valuation

WAIROA

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

CHARGE DESCRIPTION

Incl GST

FINANCE

Rating Information

Title Search	\$32.80
Copies Of Roll (Per 1000)	\$136.60

Geographic Information Services

Plotter Printing Costs

Basic Cover Prints (Text Or Line Drawings) Normal Weight Paper A1	\$25.10
Basic Cover Prints (Text Or Line Drawings) Normal Weight Paper A2	\$16.70
Basic Cover Prints (Text Or Line Drawings) Normal Weight Paper A3	\$12.90
Basic Cover Prints (Text Or Line Drawings) Normal Weight Paper A4	\$8.40
Basic Cover Prints (Text Or Line Drawings) Heavy Weight Paper A1	\$28.30
Basic Cover Prints (Text Or Line Drawings) Heavy Weight Paper A2	\$25.10
Basic Cover Prints (Text Or Line Drawings) Heavy Weight Paper A3	\$16.70
Basic Cover Prints (Text Or Line Drawings) Heavy Weight Paper A4	\$12.90
Basic Cover Prints (Text Or Line Drawings) Photo Quality Paper A1	\$50.30
Basic Cover Prints (Text Or Line Drawings) Photo Quality Paper A2	\$33.60
Basic Cover Prints (Text Or Line Drawings) Photo Quality Paper A3	\$25.10
Basic Cover Prints (Text Or Line Drawings) Photo Quality Paper A4	\$15.10
Full Cover Prints (Photography Or Graphics) Normal Weight Paper A1	\$33.60
Full Cover Prints (Photography Or Graphics) Normal Weight Paper A2	\$25.10
Full Cover Prints (Photography Or Graphics) Normal Weight Paper A3	\$16.70
Full Cover Prints (Photography Or Graphics) Normal Weight Paper A4	\$12.90
Full Cover Prints (Photography Or Graphics) Heavy Weight Paper A1	\$50.30
Full Cover Prints (Photography Or Graphics) Heavy Weight Paper A2	\$33.60
Full Cover Prints (Photography Or Graphics) Heavy Weight Paper A3	\$25.10
Full Cover Prints (Photography Or Graphics) Heavy Weight Paper A4	\$15.10
Full Cover Prints (Photography Or Graphics) Photo Quality Paper A1	\$67.00
Full Cover Prints (Photography Or Graphics) Photo Quality Paper A2	\$50.30

Full Cover Prints (Photography Or Graphics) Photo Quality Paper A3	\$33.60
Full Cover Prints (Photography Or Graphics) Photo Quality Paper A4	\$25.10
Geographic Information Service Staff Labour	
GIS Staff (Per Hour) (First ¼ Hour No Charge)	\$95.00

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

Engineering Manager (Per Hour) \$180.00

Operational Managers i.e Transport, Property & Utilities Asset Managers (Per Hour) \$135.00

Other Engineering Staff (Per Hour) \$105.00

Trainee/Cadets (Per Hour) \$60.00

Traffic Management Plans & Corridor Access Requests

Permit application - minimum charge \$180.00

Bond - Complex applications that require rigorous monitoring \$2,500.00

Consultants

Consultancy costs are on-charged at cost. Council may charge an administration cost of up to 5%.

Consultancy costs may be 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, Turbidity) (Per Sample) \$35.00

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)	
Water charge - m3	\$0.48

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.

Waste Management

Weighbridge Rates (Minimum weight 20kg)

Direct User Charges – Non Recyclables

Wairoa Landfill – Weighbridge

Hardfill (per tonne) - Rubble, concrete	\$60.00
Green Waste (Per Tonne)	\$100.00
Min. weight 25kg	\$2.50
Other Waste (Per Tonne)	\$200.00
Min. weight 25kg	\$5.00

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)	\$2.50
Clean Green Waste (Car)	\$10.00
Clean Green Waste (Small Van Or Trailer)	\$15.00
Clean Green Waste (Car & Trailer)	\$20.00
Commercial Vehicles (Trucks) - As Assessed By Attendant	

Unsorted Waste

Unsorted Waste (Per 40 Litre Bag)	\$5.00
Unsorted Waste (Car)	\$20.00
Unsorted Waste (Small Van Or Trailer)	\$30.00
Unsorted Waste (Car & Trailer)	\$60.00
Commercial Vehicles (Trucks) - As Assessed By Attendant	

NB: 1 x 40 Litre refuse bag = 2 x Supermarket plastic shopping bags.

Vehicles & Tyres

Tyres are accepted at the following rates to cover the cost of shredding:

Car Tyres	\$10.00
Truck Tyres	\$20.00

Burial Of Asbestos

Administration Fee (all Asbestos transactions)	\$75.00
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	\$14.00
Heavy Aircraft	\$18.00
Casual Landings Where Account Required To Be Sent	\$20.00

Facility Fees – Parking Of Aircraft

Topdressing Aircraft (Per Annum)	\$1,771.00
Private Aircraft (Per Annum)	\$759.00
Wairoa Aero Club (Single Engine) (Per Annum)	\$379.50
Privately Owned Aircraft (Operated/Leased By Wairoa Aero Club)	\$390.50
Wairoa Aero Club Leased Planes (For Periods Of Less Than Six Months) (Per Month)	\$22.00
Cookson Air Facilities Lease (Ground Rental) (Per Month)	\$253.00
Storage Of Microlight Aircraft (Per Annum)	\$63.25
Hireage of aeroclub building (per day or night)	\$200.00

Cemeteries

Plot Charges

Ashes	\$160.00
Child	\$305.00
Standard	\$625.00

Interments

Ashes	\$140.00
Still Born	\$70.00
Under 13 Years	\$480.00
Standard Single	\$625.00
Standard Double	\$700.00

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 \$30.00

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

All i.e Clyde Domain, Alexandra Park, Pohutakawa Reserve, Lighthouse Reserve etc.. (per day) \$75.00

Bonds

Casual daily hirers will be required to pay a refundable bond of \$300 provided facilities left in acceptable state. \$300.00

CHARGE DESCRIPTION	Incl GST
REGULATORY	
Building Control	
Building Control Staff	
Building Control Officer (Per Hour)	\$137.00
Regulatory Administration Officer (Per Hour)	\$112.00
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 \$20,000 & over	
Value of Building Work: This is based on the Dept of Building and Housing costs and Rawlinson's New Zealand Construction Handbook set costs	
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
Central Govt accreditation Audit Fee - under \$100,000	\$60.00
Central Govt accreditation Audit Fee - over \$100,000	\$115.00
Central Govt accreditation Audit Fee - Commercial	\$170.00
Residential Consent Deposits - Building Work <\$100,000 <u>deposit</u>	\$400 (dep)
Residential Consent Deposits - Building Work >\$100,000 <u>deposit</u>	\$1,000.00 (dep)
Commercial Consent Deposit <u>deposit</u>	\$1,000.00 (dep)
Manual Lodgement Fee	\$250.00
Consent Administration Fee \$1 to \$124,999 estimated value	\$86.25
Consent Administration Fee \$125,000 to \$499,999 estimated value	\$260.75
Consent Administration Fee \$500,000 to \$999,999 estimated value	\$431.25
Consent Administration Fee \$1,000,000 to 5,000,000 Estimated Value (Capped at \$5 Million)	0.0375% + GST
Solid Fuel Heaters – Free Standing within 20km of Wairoa Township (Includes Accreditation Fee) Note additional inspections at cost	\$265.00
Solid Fuel Heaters – Free Standing further than 20km from Wairoa Township (Includes Accreditation Fee). Note additional inspections at cost	\$325.00

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Solid Fuel Heaters – In Built Heater within 20km of Wairoa Township (Includes Accreditation Fee). Note additional inspections at cost	\$325.00
Solid Fuel Heaters – In Built Heater further than 20km from the Wairoa Township (Includes Accreditation Fee). Note additional inspections at cost	\$385.00
Marquees (Includes One Inspection - Additional Inspections At Cost)	\$200.00
Demolition Consent (Includes One Inspection - Additional Inspections At Cost)	\$225.00
Code Compliance Certificate - project up to \$19,999	\$60.00
Code Compliance Certificate - project value over \$20,000	\$130.00
Code Compliance Certificate - For consents granted under Building Act 1991 (lodged prior to 30 November 2004)	\$130.00
Building Property Files Search	\$30.00
Building Consent Amendment	\$100.00
Building Consent Cancellation, Lapsing Fee & Refused Fee	\$85.00
Swimming Pool Fence Inspection (Plus Mileage & Time)	\$135.00
Above Ground Swimming Pool Consent or Registration (Plus Mileage & Time)	\$150.00
Certificate Of Acceptance (Plus Normal Inspection & Mileage)	\$600.00
Certificate Of Public Use (Plus Mileage & Time)	\$255.00
Notice To Fix	\$95.00
Administration Fee - Maori Land Court Letter	\$50.00
Administration Fee - Road/footpath damage Bond	\$50.00
Issue of Consent reports - Monthly (Annual subscription)	\$50.00
Issue Of Compliance Schedule	\$255.00
Amendments To Compliance Schedule	\$115.00
Building Warrant Of Fitness Administration	\$100.00
Building Warrant Of Fitness Audit fee	\$200.00
Certificate Of Title Registration Of S73 & 74 Notice (Plus Any Inspection Costs)	\$300.00
Certificate Of Title Registration Of S77 & 78 Notice (Plus Any Inspection Costs)	\$300.00
Application for Building Consent Exemption Fee	\$200.00
Entry of Building Report On To Property File	\$70.00
Photocopy Charges (Refer To Administration Photocopying Charges)	
Scanning Building Consent Plans – Standard Fee A4 Sheets & Application Form	\$20.00
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) \$260.00

Property Information Memorandum \$150.00

Engineering & Planning Fee \$150.00

Environmental Health

Registration Of Premises (annual fee) And/Or Approval Of Plan - Fee

Apiaries \$200.00

Ancillary Food Premises \$200.00

Dairy/Grocery \$200.00

Butchery/Bakery \$300.00

Takeaways \$320.00

Eating Houses \$330.00

Fruit & Vegetables \$200.00

Other Food Premises \$200.00

Occasional Food Premises – Per Day \$100.00

Temporary Food Stands \$50.00

Market Stall \$50.00

Boarding Houses Etc \$250.00

Hairdressers \$200.00

Funeral Directors \$200.00

Offensive Trades \$200.00

Motels \$200.00

Camping Grounds With Shop \$300.00

Camping Grounds Without Shop \$200.00

Hawkers	\$170.00
Itinerant Traders	\$170.00
Mobile Shops	\$200.00
Inspections – Client Requested	\$210.00
Local Trade Permit	\$150.00
Registration of Food Control Plan	\$330.00
Annual Food Control Plan Audit	\$200.00
Environmental Health Officer (Per Hour) - charged when extended time required to resolve issues	\$120.00

Liquor Control

Fees Set By Statute (Sale and Supply of Alcohol Act 2012 (Fees Regulations))

On / Off / Club Licences and Renewal

Risk	Application	Annual Fee
Very Low	\$368.00	\$161.00
Low	\$609.50	\$391.00
Medium	\$816.50	\$632.50
High	\$1,023.50	\$1,035.00
Very High	\$1,207.50	\$1,437.50
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		\$57.50
Managers Certificate and Renewals		\$316.25
Temporary Authority		\$296.70

Fees for Hearings are a Full Cost Recovery

Liquor Licencing Officer (Per Hour) \$120.00

Regulatory Administration Officer (Per Hour) \$112.00

Dog Control

Class D – Dogs classified Dangerous (\$10.00 discount if registered before 31 July) \$375.00

Class M – Dogs classified Menacing (\$10.00 discount if registered before 31 July*) \$150.00

Class W – Dogs classified as working (\$10.00 discount if registered before 31 July) \$50.00

Class S – being all other dogs (\$10.00 discount if registered before 31 July*) \$85.00

* Additional 12.5% discount applied for owners who have meet the requirements of the Selected Owner Policy

Replace Tag \$10.00

Micro Chipping \$40.00

Dog Control Officers Time Where Rechargeable (Per Hour) \$120.00

Impounding Fees

First Impounding \$55.00

Second Impounding \$80.00

Third and Subsequent Impounding \$115.00

Dogs Impounded After 6pm and Before 6am \$125.00

Daily Sustenance Charge \$20.00

Livestock Control

Stock Impounding

Horses & Cows (Per Head For First Day) \$50.00

Horses & Cows (Per Head Per Day Thereafter) \$30.00

Sheep (Per Head For First Day) \$30.00

Sheep (Per Head Per Day Thereafter) \$15.00

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	\$75.00
Holding Paddock (Per Hundred Per Day)	\$40.00

Livestock Control Staff

Council Supervision (Staff Time Charged At Appropriate Rate)	
Impounding Officer (Per Hour) Where Rechargeable	\$120.00

Resource Planning

Deposit Payable With Full Cost Recovery:

Deposit Land Use Consent Non Notified	\$450.00
Deposit Subdivision Consent Non Notified	\$850.00
Deposit Land Use & Subdivision Consent Limited Notified	\$2,000.00
Deposit Land Use & Subdivision Consent Notified	\$4,000.00
Deposit Change of Conditions	\$200.00
Deposit Designation & Notice Of Requirements	\$850.00
Deposit Heritage Orders	\$150.00
Deposit Private Plan Change	\$8,000.00
Deposit Overseas Investment Certificate /Crown Land Disposal Certificate	\$200.00
Deposit for Certificate Of Compliance	\$300.00
Deposit Existing Use Rights Certificate	\$850.00
*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	\$400.00
* Outline Plan & Review – S176A	\$250.00
Waiver to Outline Plan	\$100.00

Deemed Permitted Boundary Activities	\$250.00
Deemed Permitted Marginal or Temporary Activities	\$300.00
Copy Of Certificate Of Title	\$30.00
Copy Of Encumbrances	\$30.00
* Right Of Way Application – S348 LGA	\$300.00

NB: * = Minimum fee, additional fees may be charged.

Resource Planning Staff

District Planner (Per Hour)	\$137.00
Regulatory Administration Officer (Per Hour)	\$112.00
Chief Operating Officer (Per Hour)	\$185.00
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	

Board (TAB) Venue Consent Application

Application Fee	\$350.00
License Inspection Fee (Per Inspection, Following Successful Application)	\$150.00
Consultation & Hearing Costs Are Recovered From Applicant	

Noise Control

First Call to Excessive Noise	\$80.00
Second Call to Excessive Noise	\$85.00
Third and Subsequent Calls to Excessive Noise	\$90.00
Recovery of Impounded Equipment = Actual Cost + 10%	
Noise Control Officer (Per Hour)	\$120.00
Regulatory Administration Officer (Per Hour)	\$112.00
Continuous excessive noise will result in further charges up to \$1000.00	

INFRINGEMENT FEES - DOG CONTROL ACT 1996

<i>Section</i>	<i>Description of offence</i>	<i>Fee (\$)</i>
18	Wilful obstruction of dog control officer or ranger	\$750
19(2)	Failure or refusal to supply information or wilfully providing false particulars	\$750
19A(2)	Failure to supply information or wilfully providing false particulars about dog	\$750
20(5)	Failure to comply with any bylaw authorised by the section	\$300
23A(2)	Failure to undertake dog owner education programme or dog obedience course (or both)	\$300
24	Failure to comply with obligations of probationary owner	\$750
28(5)	Failure to comply with effects of disqualification	\$750
32(2)	Failure to comply with effects of classification of dog as dangerous dog	\$300
32(4)	Fraudulent sale or transfer of dangerous dog	\$500
33EC(1)	Failure to comply with effects of classification of dog as menacing dog	\$300
33F(3)	Failure to advise person of muzzle and leashing requirements	\$100
36A(6)	Failure to implant microchip transponder in dog	\$300
41	False statement relating to dog registration	\$750
41A	Falsely notifying death of dog	\$750
42	Failure to register dog	\$300
46(4)	Fraudulent procurement or attempt to procure replacement dog registration label or disc	\$500
48(3)	Failure to advise change of dog ownership	\$100
49(4)	Failure to advise change of address	\$100
51(1)	Removal, swapping, or counterfeiting of registration label or disc	\$500
52A	Failure to keep dog controlled or confined	\$200
53(1)	Failure to keep dog under control	\$200
54(2)	Failure to provide proper care and attention, to supply proper and sufficient food, water, and shelter, and to provide adequate exercise	\$300
54A	Failure to carry leash in public	\$100
55(7)	Failure to comply with barking dog abatement notice	\$200
62(4)	Allowing dog known to be dangerous to be at large unmuzzled or unleashed	\$300
62(5)	Failure to advise of muzzle and leashing requirements	\$100
72(2)	Releasing dog from custody	\$750

INFRINGEMENT FEES - BUILDING ACT 2004

<i>Section</i>	<i>Description of offence</i>	<i>Fee (\$)</i>
s 40	Failing to comply with the requirement that building work must be carried out in accordance with a building consent	\$1,000
s 42	Failing to apply for a certificate of acceptance for urgent building work as soon as practicable after completion of building work	\$500
s 85(1)	Person who is not licensed building practitioner carrying out restricted building work without supervision of licensed building practitioner with appropriate licence	\$750
s 85(2)(a)	Licensed building practitioner carrying out restricted building work without appropriate licence	\$500
s 85(2)(b)	Licensed building practitioner supervising restricted building work without appropriate licence	\$500
s 101	Failing to comply with the requirement to obtain a compliance schedule	\$250
s 108(5)(a)	Failing to display a building warrant of fitness required to be displayed	\$250
s 108(5)(b)	Displaying a false or misleading building warrant of fitness	\$1,000
s 108(5)(c)	Displaying a building warrant of fitness other than in accordance with section 108	\$1,000
s 116B(1)(a)	Using, or knowingly permitting the use of, a building for a use for which it is not safe or not sanitary	\$1,500
s 116B(1)(b)	Using, or knowingly permitting the use of, a building that has inadequate means of escape from fire	\$2,000
s 124	Failing to comply with a notice, within the time stated in the notice, requiring work to be carried out on a dangerous, earthquake-prone, or insanitary building	\$1,000
s 128	Using or occupying a building, or permitting another person to do so, contrary to a territorial authority's hoarding, fence, or notice	\$2,000
s 162E	supplying a pool product without an approved notice	\$500
s 168(1)	Failing to comply with any other notice to fix	\$1,000
s168(1AA)	Failing to comply with a notice to fix in relation to a means of restricting access to a residential pool	\$500
s 314(1)	Person holding himself or herself out as being licensed to do or supervise building work or building inspection work while not being so licensed	\$500
s 362D(4)	failing to provide prescribed disclosure information or failing to provide prescribed checklist	\$500
s 362F(4)	Failing to have a written contract as prescribed	\$500
s 362T(4)	Failing to provide prescribed information or documentation to specified persons	
s 363	Using, or permitting use of building having no consent or code compliance certificate or certificate for public use for premises for public use	\$1,500
s 367	Wilfully obstructing, hindering, or resisting a person executing powers conferred under the Act or its regulations	\$500
s 368	Wilfully removing or defacing a notice published under the Act or inciting another person to do so	\$500
	Earthquake-prone building offences	
s 133AU(1)	Failing to complete seismic work by deadline	\$1,000

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s 133AU(2)	Failing to comply with requirements to attach EPB notice or EPB exemption notice	\$1,000
s 133AU(3)	Failing, when EPB notice or EPB exemption notice ceases to be attached or becomes illegible, to notify the territorial authority	\$1,000
s 133AU(5)	Using or occupying an earthquake-prone building, or permitting another person to do so, contrary to a territorial authorities hording, fence, or notice	\$2,000
	<i>Dam safety offences</i>	
s 134(1)	Improper Representation as Licenced Inspector	\$500
s 134	Dam owner failing to classify a dam	\$500
s 138	Dam owner failing to comply with a direction from a regional authority to have a classification re-audited and submitted	\$250
s 140	Dam owner failing to prepare, or arrange the preparation of, a dam safety assurance programme and submit it for audit	\$500
s 145	Dam owner failing to comply with a direction from a regional authority to have a dam safety assurance programme re-audited and submitted	\$250
s 150(4)(a)	Dam owner knowingly failing to display a dam compliance certificate required to be displayed	\$250
s 150(4)(b)	Dam owner displaying a false or misleading dam compliance certificate	\$1,000
s 150(4)(c)	Dam owner displaying a dam compliance certificate other than in accordance with section 150	\$1,000
s 154	Dam owner failing to comply with a notice, within the time stated in the notice, requiring work to be carried out on a dangerous dam	\$2,000

HE RAUTAKI MŌ TE PŪTOI HANGANGA - INFRASTRUCTURE STRATEGY

INFRASTRUCTURE STRATEGY

2018-2048

SEPTEMBER 2018



TE WAIROA
WAIROA DISTRICT

DOCUMENT PREPARATION & QUALITY ASSURANCE

	NAME	DATE
Prepared By	Linda Cook Senior Infrastructure Advisor, Rationale	January 2018
Reviewed By	N/A	
Peer Reviewed by	N/A	
Document Approved	Jamie Cox, Engineering Manager, Wairoa District Council	January 2018
Adopted by Council	Resolution 2018/54	September 2018

UPDATE REGISTER

VERSION	DATE	UPDATE DESCRIPTION	UPDATED BY

WAIROA

INFRASTRUCTURE STRATEGY SUMMARY

COUNCIL'S VISION	Connected communities, desirable lifestyles, treasured environments								
COMMUNITY OUTCOMES	1. A strong, Prosperous and Thriving Economy / 2. A Safe and Integrated Infrastructure / 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, education and well-being / 9. An environment that is appreciated, protected and sustained for future generations								
STRATEGIC CHALLENGES	Economic Development: Ensuring our infrastructure meets growing tourism numbers and higher service expectations	Optimising Infrastructure: Better data (confidence) and better interpretation of that data will enable more informed decisions	Resilience: Ensuring our core infrastructure, and in particular our critical assets, are well-maintained to be responsive and resilient to changing needs and to minimise the impact of emergency events	Water Quality: Ensuring our 3- Water networks meet legislative requirements and public demands for cleaner rivers, lakes etc	Demography: Delivering infrastructure that responds to the needs of changing population demographics including higher proportions of youth and senior citizens whilst accounting for social affordability issues	Affordability: Maximising alternative funding sources, while ensuring that services and service levels match the community's ability to pay	Climate change: Ensuring long and short-term infrastructure planning anticipates the scale and speed of climate change	Technology: Responding to rapidly changing technology in making long-term infrastructure investment decisions	Changes in Land Use: Different land uses will have different requirements/desired levels of service on infrastructure
GOALS	Our infrastructure increases opportunities for new and existing businesses	We get the best out of our infrastructure	The impact of emergency events on our communities is minimised through well-maintained infrastructure	Our water network discharges meet both public expectations and legislative requirements	Our District caters for the changing needs of both our current and future residents	Our revenue sources can financially sustain our current and future infrastructure needs and expectations	Our infrastructure is resilient and adapting to climate change ahead of it having materially adverse impacts	Our use of technology enables us to deliver better and more cost-effective infrastructure	Our infrastructure is resilient to changes in demand
OUTCOMES SUPPORTED	Outcomes: 1, 3, 4, 5 & 6	Outcomes: 1, 2, 7 & 8	Outcomes: 1, 2, 7 & 8	Outcomes: 1, 7, 8 & 9	Outcomes: 2,5, 7 & 8	Outcomes: 1, 2 & 3	Outcomes: 2, 4, 6 & 9	Outcomes: 1 & 6	Outcomes: 1, 2, 4 & 9

WAIROA

<p>ACTIONS</p>	<ul style="list-style-type: none"> Better understand nature of future economic development and tourism demands on the District to enable robust decision-making processes on spending Develop relationships at national/ regional level 	<p>Increase data knowledge to better Inform asset management processes and decision-making</p>	<ul style="list-style-type: none"> Better understand likely demand and patterns of use Improved knowledge of the scale of investment required and options available 	<ul style="list-style-type: none"> Monitor legislative changes and requirements Improved understanding of the state of 3-Waters network Develop knowledge of cost implications of options for better discharge standards 	<p>Review levels of service regularly in relation to changes in population – numbers and demographics</p>	<ul style="list-style-type: none"> Increased integration of Financial and Infrastructure Strategies Investigate alternative funding options Understanding of whole of life asset costs and setting priorities 	<ul style="list-style-type: none"> Develop and improve network understanding, especially points of critical failure Monitor flooding, slips, coastal erosion Identify at what stage do issues require action Manage relationships with HBRC / NIWA 	<ul style="list-style-type: none"> Improved understanding of the technology opportunities for managing infrastructure Identify where new technology is cost-effective in terms of levels of service 	<ul style="list-style-type: none"> Better understanding infrastructure needs of different land uses Application of rates differentials
<p>KEY PROJECTS OVER NEXT 30 YEARS</p>	<ul style="list-style-type: none"> Wairoa Airport Runway Extension (est \$1million 2018/19) 	<ul style="list-style-type: none"> Continuation of the 3-Waters renewals programme (in excess of \$1 million per annum across water, wastewater and stormwater) Continuation of roading renewals (in the order of \$30 million over the next 30 years, prior to subsidies) New landfill cell, Regional collaboration to be considered 	<ul style="list-style-type: none"> Wairoa Wastewater Treatment Plant upgrade & related works (approx. \$6 million to \$7 million 2018-2021) New Mahanga Water supply (\$235,000) & Blue Bay Upgrade (\$180,000) 						

WAIROA

<p>SUPPORTING PROGRAMMES & PROJECTS</p>	<ul style="list-style-type: none"> • Economic development strategy • Improved built and open spaces (eg destination playground, new public toilets) • CBD upgrade (est \$2mil 2018/2021) • Improved amenities • Cycleways development • SP38 upgrade 	<ul style="list-style-type: none"> • Continue focus on data collection to increase data confidence and improve asset database • Condition assessments • Identification of critical assets • Nuhaka-Opoutama Road – resilience/ Mahia Peninsula access 	<ul style="list-style-type: none"> • Establish baseline assessments of current network • Monitoring of waterways (HBRC) 	<ul style="list-style-type: none"> • Develop 30-year population/ demography model for District • Revise AMPs to reflect demography changes 	<ul style="list-style-type: none"> • Asset audit to ensure asset life correlate to current depreciation provision • Work with LGNZ on LG Funding Review • Review Funding Policy 	<ul style="list-style-type: none"> • Enhanced standards for infrastructure resilience • Updated AMPs to reflect climate change priorities • Enhance CDEM plan to ensure continuity of power supply to infrastructure network 	<ul style="list-style-type: none"> • Develop a technology strategy in partnership with other TLAs, IPWEA etc. • Enhance business case methodology to consideration of technology implications 	<ul style="list-style-type: none"> • Develop 30-year land use plan
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1. INTRODUCTION

1.1 WHERE WE WANT TO BE

‘Hāpaitia’ reflects Council’s direction over the next 30 years - ‘Hapaitia te ara tika mo nga uri whakatipu’ - ‘setting the right path together for our future generations’.

Council is mindful of the need to grow our population and build our economic capabilities, but this needs to be done in an affordable and resourceful way whilst at the same time understanding and minimising the impact we have on our environment. This Strategy takes a long term view of improving our infrastructure and maintaining or improving our levels of service, identifying and addressing the numerous challenges Wairoa will face over the next 30 years.

The challenges facing us are looked at in detail in Section 4 but can be outlined as:

- Overall, we are predicting a static population with little change to the demand for services over the next 30 years. However, different people have different needs and our levels of service may need to change to reflect this. For example, whilst we have a small and ageing population, we are developing and implementing initiatives for economic development and to increase the number of visitors to the District. With an ageing population, we will have more residents with fixed incomes who may not be able to absorb the cost of increased levels of service. To get the balance right, this will mean identifying the changes needed in the future to meet resident and visitor demand but not investing in new infrastructure until it is reasonably certain that the predicted demand will occur
- The affordability of our services is key to our communities. We need to make sure our infrastructure is well-maintained to avoid future unexpected costs to repair or replace. We also need to consider alternative and additional funding sources to help pay for those services;
- We need to be resilient to climate change and natural emergency events such as flooding and coastal erosion. This is important to ensure connectivity between our communities and the continued provision of key services;
- We need to be mindful of changes in legislation, land use and technology which may impact on how we provide services in the future – we need to be as proactive as we can.

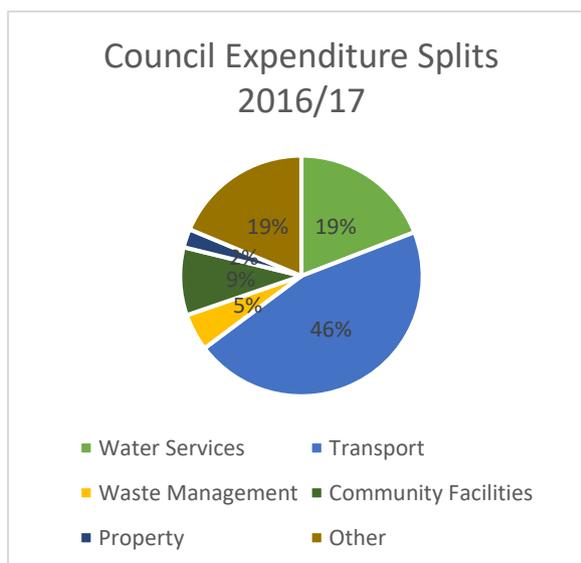
Effective infrastructure can be one of the greatest enablers for growing our economy and achieving Wairoa’s Community Outcomes. However, major infrastructure failure represents one of the greatest council risks that needs to be carefully managed to ensure this does not happen.

Providing good quality infrastructure and proactively acting on the challenges we face will cost money. Our priority is to maintain and upgrade our roading and footpaths and to ensure our water, wastewater and stormwater systems are resilient with ageing infrastructure being progressively replaced in the most proactive and cost-effective way. We’re also looking to expand our Airport, maintain the landfill and provide new facilities as required for our communities.

1.2 INFRASTRUCTURE SPENDING

Transport (roading and airport), 3-Waters and Waste Management account for approximately 70% of Council’s annual expenditure (2016/17 Annual Report).

Water Services (3-waters)	4,600,000
Transport (land & Airport)	11,000,000
Waste Management	1,200,000
Community Facilities (incl Parks)	2,200,000
Property	600,000
Other	4,500,000
TOTAL	\$24,100,000



1.3 LEGISLATION

Section 101B of the Local Government Act 2002 (LGA) requires Councils 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.

1.4 OBJECTIVES

The Infrastructure Strategy has been developed around a set of objectives that are common to all infrastructure activities:

1. RELIABILITY

- Consistent delivery of infrastructure services.

2. SAFETY

- Maintain infrastructure in a safe condition.
- Provision of safe infrastructure.
- Appropriate levels of risk management for services.

3. ACCESSIBILITY

- Infrastructure services will be delivered as part of an integrated district network and should offer an increasingly consistent, fit for purpose level of service for users.
- Management of infrastructure assets and services to ensure accessibility for all users where possible.

4. RESILIENCE

- Contingency planning to ensure continuity of service as far as possible during and after incidents and emergency events.
- Provision of alternatives when feasible.
- Restoring services as soon as circumstances allow.
- Mitigation measures in place to avoid disruption for critical services and manage associated risks where appropriate.

5. AMENITY

- Aesthetics and comfort of our services.

- Infrastructure services will be delivered in a manner which balances the current and future impact on the environment and makes use of sustainable practices.

6. COST-EFFECTIVENESS

- We will look for new ways and innovative practices to enable us to cost effectively deliver our services.
- Value for money and whole of life cost will be considered to deliver affordable levels of service.

1.5 STRATEGIC CONTEXT

1.5.1 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.

Council's Long Term Plan (LTP) and Annual Plan identify Wairoa's vision as:



1.5.2 HOW DOES INFRASTRUCTURE CONTRIBUTE TO COMMUNITY OUTCOMES?

Effective and integrated infrastructure is a key element in the efficient functioning of Wairoa and its economy. Under the LGA 2002, Council had a responsibility to contribute to the achievement of community outcomes that promote the 'four well-beings': economic, environmental, social and cultural. From the community outcomes, activity specific objectives and level of service (LOS) statements are derived. Associated performance measures and targets allow for a monitored achievement of Council's contribution towards those community outcomes. The table below shows how infrastructure contributes to the community outcomes:

WELL-BEING	COMMUNITY OUTCOMES	INFRASTRUCTURE CONTRIBUTION
ECONOMIC WELL-BEING 	A Strong, Prosperous and Thriving Economy	<ul style="list-style-type: none"> • Supply of fit-for-purpose infrastructure is an integral part of being prosperous. • Sustainable management of infrastructure ensures a sustainable future. • Provision of 24/7 service for users.
	A Safe and Integrated Infrastructure	<ul style="list-style-type: none"> • Efficient and effective infrastructure networks that minimise impact on the environment.
SOCIAL AND CULTURAL WELL-BEING 	A Community that Values and Promotes its Unique Culture and Heritage	<ul style="list-style-type: none"> • Local communities getting involved with projects and development encourages and promotes a culture and heritage.
	Safe and Accessible Recreation Facilities	<ul style="list-style-type: none"> • Access to recreational facilities. • Protection of recreational facilities.
	Supportive, Caring and Valued Communities	<ul style="list-style-type: none"> • Infrastructure development and its management will be properly integrated and consulted on.
	Strong District Leadership and a Sense of Belonging	<ul style="list-style-type: none"> • Council will lead initiatives to ensure communities are connected and desirable.

ENVIRONMENTAL WELL-BEING 	A safe and secure community	<ul style="list-style-type: none"> Provision is made for communities to have a say in how infrastructure is delivered. The natural environment will be protected, and all potential negative environmental, social and cultural effects will be identified and properly managed.
	A Lifetime of Good Health, Education and Wellbeing	<ul style="list-style-type: none"> By progressively and proactively improving performance of infrastructure.
	An Environment that is Appreciated, Protected and Sustained for Future Generations	<ul style="list-style-type: none"> The planning of infrastructure is sustainable into the future. The natural environment will be protected, and all potential negative environmental, social and cultural effects will be identified and properly managed. Compliance with legislative requirements and involvement of key stakeholders ensure the environment is sustained.

1.5.3 LINKAGES WITH OTHER DOCUMENTS

Linkages between our vision documents, Policy, Strategies and Activity Management Plans are shown below:

Figure 1: Strategic Linkages



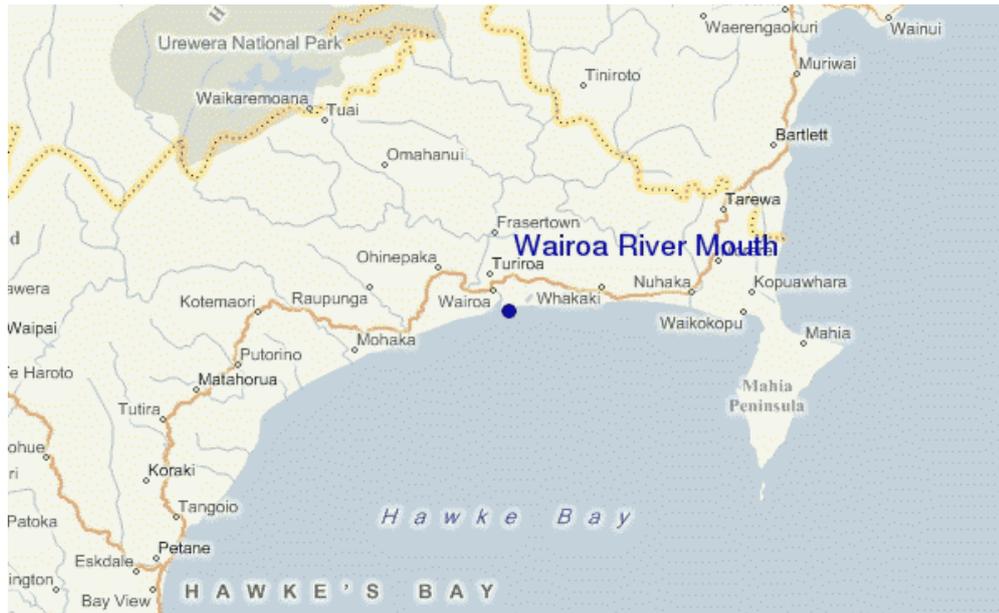
2. WAIROA CONTEXT

2.1 GEOGRAPHICAL CONTEXT

Wairoa is in Northern Hawke's Bay covering an area of about 4,118 square kilometres, with approximately 130 kilometres of coastline.

Much 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.

Figure 2: Wairoa District Location



2.2 POPULATION CONTEXT / DEMOGRAPHICS

2.2.1 POPULATION NUMBERS

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).

In contrast, the total population of Hawke's Bay is predicted to have a growth of 5.2% over the same period.

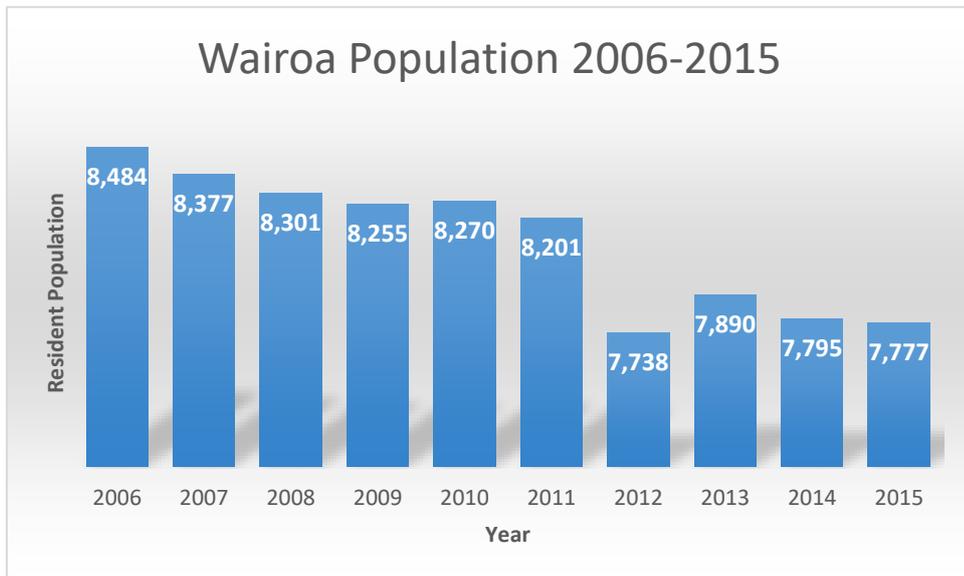
The main urban area is the Wairoa Township with a population of 4053 (2013 Census).

The main urban area is the Wairoa Township with a population of 4053 (2013 Census).

Figure 3: Aerial View of Wairoa Township



Figure 4: Population trends in Wairoa District (2006-2015)



Source: BERL Regional Database

The following observations have also been sourced from Statistics NZ data:

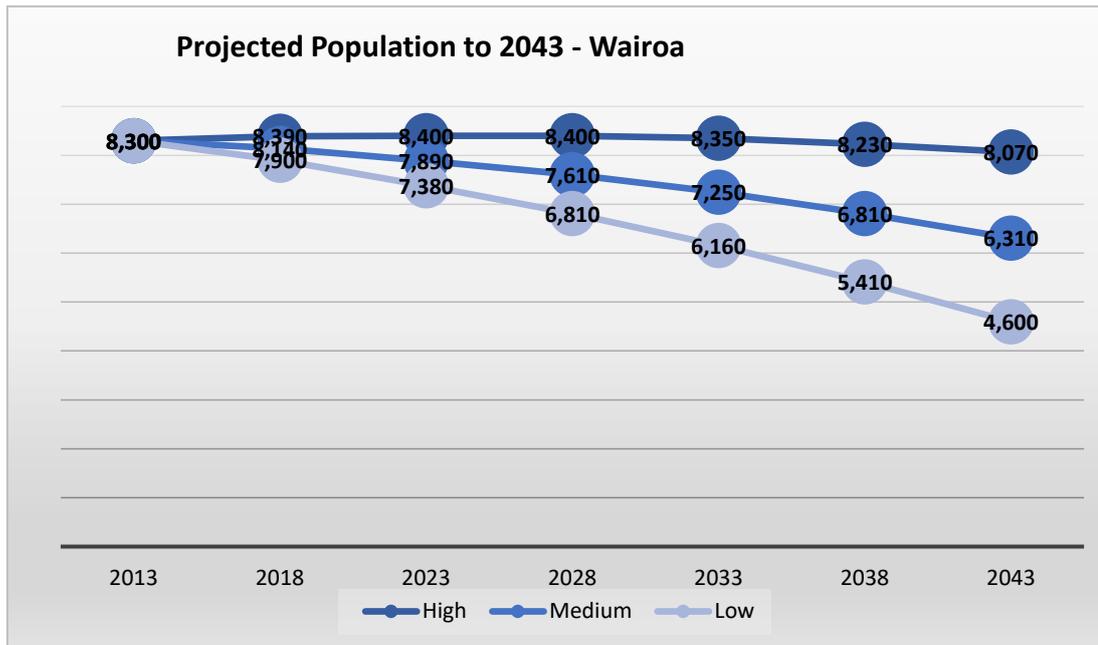
- Since 1996, there has been a decline in both the under 15 and 15-39 age group.
- Since 2006, there has also been a decline in the 40-64 age group which had been increasing until then.
- The 65 and over age group, however, has shown a steady increase.
- Births continue to outnumber deaths in the Wairoa District although projections to 2031 show that gap to reduce. The main cause of overall population decline is therefore out-migration

2.2.2 POPULATION PROJECTIONS

STATISTICS NZ

Statistics NZ projections show an overall decline in population between the Census 2013 figures and 2043 (a 30-year projection) as shown in the graph below:

Figure 5: Projected Population Growth Forecasts in Wairoa District (1996 to 2031)



Source: Statistics New Zealand (2017)

These 2017 Statistics NZ figures show a decline in population for the high, medium and low scenarios. The medium scenario shows an annual average decline of 0.9% with a projected population in 2043 of 6,310 (a decrease of 1,990).

Projections also 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.

ECONOMIC SOLUTIONS LTD ALTERNATIVE ASSESSMENT

In light of Council’s commitment to actively pursuing higher levels of economic growth and development in the future, Council undertook a recent study ‘Wairoa District Council: Long Term District Planning: Demographic and Economic Growth Directions 2018-2048’ (Economic Solutions Ltd (ESL), Dec 2017) to assess the long-term demographic and economic outlook for the Wairoa District to inform its LTP and its longer-term infrastructural planning and development requirements (2018-2048).

The report considered the potential impact of significant new commercial initiatives such as the Rocket Lab facility at Mahia, further developments (including growth in log harvest outputs) in the district’s primary production sector, further tourism sector growth, local application of Māori Treaty Settlement monies and recent local population developments.

ESL recommended long-term population levels/targets given in the table below:

Figure 6: ESL long-term Population Targets

Year	Low	Medium	High
2013	8,300	8,300	8,300
2016	8,160	8,160	8,160
2017	8,210	8,210	8,210
2018	8,180	8,220	8,240
2023	8,050	8,290	8,560
2028	7,920	8,360	8,850
<i>SNZ Projection 2028</i>	<i>6,810</i>	<i>7,610</i>	<i>8,400</i>
2033	7,790	8,420	9,130
2038	7,660	8,490	9,420
2043	7,520	8,550	9,710
<i>SNZ Projection 2043</i>	<i>4,600</i>	<i>6,310</i>	<i>8,070</i>
2048	7,390	8,620	10,000

These figures show a significantly lower level of population decline in the area, compared to the Stats NZ projection. The Medium projection sees a noticeable increase in the district population over the long-term, whilst the High projection sees steady population growth back towards the mid-1990s high point.

Key findings of the report include:

- ongoing population decline until June 2016
- a noticeable population gain since 2016
- an increase in the Māori population
- increase in the 50+ population and overall median age
- falling household numbers overall and household occupancy (persons per household)
- increased households in the Mahia area.

According to the ESL report, the current total population figure is 8,210 (Dec 2017) which is 70 (0.85%) above the Stats NZ medium projection of 8140 for 2018 (fig 5)

An ageing population increase is predicted in the ESL report, consistent with the Statistics NZ data.

POPULATION PROJECTIONS SUMMARY

In conclusion, the ESL Report suggests that the Stats NZ projections are not necessarily consistent with the Wairoa community's long-term future growth aspirations and potential.

- Statistics NZ projects an ongoing decline in population with the projected medium scenario population of 6,310 in 2043
- ESL projects an increase in projected population with a projected medium scenario population of 8,620 in 2048
- ESL's 'actual population' was 8,140 in 2017, 70 above that projected by Statistics NZ for 2018

With these variances in projections and in terms of planning for the future, Wairoa is working on the basis that overall demand for core infrastructure will remain consistent.

2.3 CULTURE

Wairoa has a rich cultural heritage which is an integral part of the community today, with **over 50% of Wairoa's population being Māori**. The Dec 2017 ESL Report identified that the Māori population has fallen by 4% overall since 2001 but has been increasing from 2006 with an overall gain since then of 160 or 3% being recorded.

The tangata whenua of Wairoa and their culture and traditions have special relationships with their ancestral lands, water, sites, waahi tapu and other taonga. Some activities and developments can have significant adverse effects on these relationships. **Council plays an integral part in promoting and encouraging Māori culture and values, and ensuring this remains central to key decision making, including within the transportation activity.**

In recognition of this, Council has established a Māori Standing Committee and adopted a Te Reo Māori Policy and a Māori Policy. The purpose of the Māori Policy is to:

- provide a framework for relationships between tangata whenua and Wairoa District Council to achieve mutually beneficial outcomes for the community of Wairoa
- ensure the provision of processes and procedures that facilitate effective communication between tangata whenua and Wairoa District Council
- enable Māori views to be incorporated into local government decision making, policies and procedures
- promote and facilitate Māori participation in Council activities.

The purpose of Te Kaupapa Here Mō Te Reo Māori Ki Te Kaunihera O Te Wairoa (Wairoa District Council Te Reo Māori Policy) is:

The Wairoa District Council is committed to recognising and promoting te reo Māori as the indigenous language of Aotearoa and as a taonga of iwi and Māori and encouraging its use in communications, hui and day to day operations of the organisation

2.4 WAIROA ECONOMY

Wairoa's economy is based on the rural sector.

Approximately 60% of the total land is in productive use, of which some 48% is in pasture. Pastoral farming has been the basis of the economy since the first European settlement.

However, since the 1980's there has been a substantial increase in plantation forestry. In the order of 26% of the District is now established as plantation forestry.

PASTORAL FARMING	<p>The main farming activity in the District is sheep and beef farming with sheep mainly on the steeper hill country and beef on the flatter land.</p> <p>The largest employer in Wairoa is the AFFCO meat works.</p> <p>Sheep and beef farming and meat processing account for around 42% (BERL 2016).</p>
HORTICULTURE	<p>Wairoa has a high horticulture potential that has seen a number of crops grown here over the years. Recently new plantings of apples have been established, picking up on the Districts early ripening potential for pip and stone fruit. The area is a leading producer of high protein maize.</p>
FORESTRY	<p>Forestry is significant in terms of land use and demand on the transport network, with much of it programmed for harvesting over the next 10-20 years.</p>

	<p>However, this industry has contributed to rural depopulation as farms have converted from pastoral farming to forest and farming families have moved away. There is not a significant contribution to the local economy with the majority of harvesting companies bringing resources in from outside the region.</p> <p>From a positive perspective, the forestry harvesting activity could provide a real opportunity for increased Wairoa based forestry industry servicing, including freight movement, forestry and related road upgrading and maintenance, re-established use of the Wairoa-Port of Napier rail line for log exports through the Port, and ongoing maintenance and renewal work on the SH2 roading corridor between Napier and Gisborne. There may also be an opportunity to increase the scale of wood manufacturing activity in the district.</p>
<p>TOURISM & THE ROCKET LAB LAUNCH SITE</p>	<p>The ESL report projects a growth in tourism in Wairoa depending on the extent to which the wide range of existing and potential new tourism assets of the district can be more effectively harnessed, developed and promoted. These include Māori community/cultural tourism initiatives and tourism spinoffs from the Rocket Lab development.</p> <p>The establishment of a launch site on the Mahia Peninsula by Rocket Lab, a US corporation with a New Zealand subsidiary, has opened the opportunity for rocket tourism in the Wairoa District.</p> <p>Findings from BERL’s 2016 Wairoa Population Estimates state that <i>“We also note that, if the NZ rocket company, Rocket Lab, fulfils its potential and realises its ambition to grow to one launch a week, it will have a significant impact on the local economy and, hence, the District’s population. This level of activity would require a considerable input of services to the launch site, as well stimulating growth in the number of visitors wishing to witness launches. Rocket Lab provides an exciting opportunity to grow and diversify Wairoa’s economy”</i></p>

Wairoa also has a range of service industries, both in the private and public sectors.

2.5 CHANGES IN LAND USE

Land use change can result in changes to infrastructure demand. The rural areas of Wairoa have traditionally been used for sheep and beef farming, however, some change to land use has occurred over the past decade.

For the rural areas in particular, different land uses may impact on the roading infrastructure. For example, recent increases in forestry harvesting will have an impact on the rural roads as the volume of heavy vehicles increase.

Residential development on previously rural land, such as that which has occurred in Mahia over the last 10 years, can increase demand on our water services (Mahia is currently on private supplies) and typically increases impermeable services, which can impact on wastewater and stormwater networks.

Change of land use could also affect the quality and quantity of stormwater and wastewater discharges that may have to be mitigated to ensure the development doesn’t impact on conditions of a discharge resource consent.

2.6 ECONOMIC GROWTH AND DECLINE

Currently the Hawkes Bay region is experiencing economic growth⁵⁴ although Wairoa continues to show a decline.

⁵⁴ BERL Regional Database Economic trends 2000-2015

Council has developed an Economic Development Strategy to help the community focus on issues that have an impact on our economic and social well-being and suggests actions. Fostering economic and business development is a core objective of the Council as it strives to make the region a better place to live, work and do business. Core infrastructure must be provided to support such growth.

Tourism is an area of focus, in particular the potential tourism related to Rocketlab, with an aim to launch once per week. This has the potential to attract a significant number of visitors to the Mahia area and infrastructure must be in place to support this. The ESL report projects a growth in tourism in Wairoa depending on the extent to which proposed initiatives are implemented.

2.7 CLIMATE CHANGE

Wairoa District Council recently put together a report on the potential climate change impacts on Wairoa. This was prepared in January 2017 and is titled 'The Implications of Future Climate Change on the Wairoa District.'

The objectives of the report were to provide an overview of climate change prediction on a regional scale for Wairoa and to look at the potential impact on the district and how to mitigate this.

Potential impacts that Wairoa could expect include:

- increased coastal inundation and erosion
- inland flooding from the Wairoa River
- longer growing seasons for the agriculture sector – short to medium term
- negative impacts of drought over the longer term
- increased likelihood of wildfire.

These changes in the climate could affect infrastructure in various ways such as:

- increased short and long-term closure of roads with increased likelihood of landslides and flooding
- increased demand for potable water as temperatures rise
- increased risk of wild fire that could threaten the townships and the reticulated firefighting supplies
- greater pressure on stormwater networks due to increased incidence of more extreme rainfall events
- increased inflow and infiltration of stormwater into wastewater systems during and after high intensity and long duration rainfall events.

3. INFRASTRUCTURE ASSETS

3.1 ACTIVITIES INCLUDED IN THE INFRASTRUCTURE STRATEGY

This Strategy covers core infrastructure assets delivered by Wairoa District Council and as required under the LGA. Council has also made the decision to include additional infrastructure activities as identified below:

ACTIVITY	REASON FOR INCLUSION	ACTIVITY GOAL (FROM LTP)
 ROADING & FOOTPATHS	<ul style="list-style-type: none"> Required under s101B of the LGA Considered to be core infrastructure 	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	<ul style="list-style-type: none"> Required under s101B of the LGA Considered to be core infrastructure 	To comply with the drinking-water standards (DWSNZ)
 WASTEWATER & ITS TREATMENT	<ul style="list-style-type: none"> Required under s101B of the LGA Considered to be core infrastructure 	Reliable and safe collection and disposal of sewage
 STORMWATER	<ul style="list-style-type: none"> Required under s101B of the LGA Considered to be core infrastructure 	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
 WASTE MANAGEMENT	<ul style="list-style-type: none"> Potential sustainability issues that should be addressed 	Reliable and safe collection and disposal of waste
 WAIROA AIRPORT	<ul style="list-style-type: none"> Considered a strategic asset in terms of providing for economic growth Requires investment to reduce the isolation of Wairoa for essential services Significant expenditure planned <p>Factors that could affect demand at the Wairoa Airport include airline economics and competition, public demand for air travel, population growth/decline, the cost and convenience of alternative forms of travel, the development of new industries and businesses, and changes in the popularity of Wairoa District as a tourism destination. The latter two, tourism and new industry, have the most potential to increase the utilisation of the Wairoa airport, although at present there is limited demand.</p>	To provide a safe and cost-effective facility to meet current needs

Flood protection and control assets are the responsibility of the Hawkes Bay Regional Council and will be covered in their Infrastructure Strategy.

Similarly, State Highways are the responsibility of the New Zealand Transport Agency (NZTA) and will be addressed by them.

3.2 OUTLINE DESCRIPTION OF ASSETS

OUTLINE DESCRIPTION	CONDITION/PERFORMANCE	MANAGEMENT OF ASSET
 ROADS & FOOTPATHS		
<p>Wairoa's Land Transport network consists of 875km of roads, of which approximately 35% is sealed.</p> <p>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.</p>	<p>Sealed roads - 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.</p> <p>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.</p> <p>Bridges - the bridge structures vary considerably throughout the district in terms of design, materials and deck type. The overall condition of critical bridge structures is considered good with only a handful of bridges, mostly on dead-end roads, identified for upgrade (a focus in the first 4 years of this Strategy). Notwithstanding this, the remaining useful life of some bridges are projected to fall within in the next 30 years. This will lead to reinvestment in this period. Increasing bigger and heavier trucks is an issue for Council's bridge stock.</p> <p>Footpaths - the 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.</p>	<p>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. The condition of the sealed roads is measured annually using the RAMM road condition survey. 10% of the network is covered each year.</p> <p>Council's Roothing 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 of infrastructure management with contracts typically tendered on a three-year basis (with provision for extensions dependent on contractor performance).</p> <p>The operation, maintenance, renewals and capital works programmes of the roading assets will be undertaken generally in accordance with the 2017 Land Transport Asset Management Plan (AMP).</p>

WAIROA

OUTLINE DESCRIPTION	CONDITION/PERFORMANCE	MANAGEMENT OF ASSET
 WATER SUPPLY		
<p>Wairoa District Council owns and operates water supply schemes as below:</p> <p>Wairoa – this scheme serves in the order of 2,300 connections in the Wairoa, Frasertown and Wairoa peri-urban areas. Water is sourced from the Waiau River in Frasertown and is treated at the Frasertown Water Treatment Plant before being distributed via trunk mains, a pump station and storage reservoirs. The AFFCO meatworks is a key customer for the supply.</p> <p>Tuai - the supply at Tuai is sourced from the Waimako spring and is untreated. This supply serves approximately 60 connections. Demand is not predicted to increase.</p> <p>Mahanga - the supply at Mahanga comes from a shallow bore located in farmland and is untreated, originally intended only as a supplementary. In a referendum in September 2017, the community voted to keep the supply which consequently has to be upgraded. This supply currently serves approximately 60 connections.</p> <p>Blue Bay – there is an existing supply at the Blue Bay subdivision but this needs to be relocated to ensure no contamination from the proposed expanded wastewater disposal field.</p> <p>Private water supplies – rely on water from a variety of sources, including river, stream, spring and bore take and collection of roof water - Census data (2013) suggests in the order of 1,400 dwellings with private watersupplies.</p>	<p>Water supply pipework varies greatly in material, age and condition across the network. Recent sampling, with selection based on age and known areas of fault, and extrapolation of results have given an overall assessment of pipe condition:</p> <ul style="list-style-type: none"> • 14% of pipes have been assessed as being in average condition • 42% of pipes have been assessed as good • 44% of pipes have been assessed as being in poor or very poor condition. <p>The recent completion of the upgrade to the Tawhara tanks, including an additional one, has provided 24-hour storage capacity for the Wairoa supply and also addressed some of the system pressure problems which will see a reduction in losses in the network.</p>	<p>Council’s water supply assets are currently maintained under a combined 3-Waters Operations and Maintenance Contract which is managed and administered by Council. The Wairoa treatment plant is not included in the contract, being operated and maintained by Council.</p> <p>This is a new initiative with the key aim of delivery of a more efficient service. Council is also seeking to increase capability and capacity internally to allow it to more ably undertake its role as a ‘smart’ asset owner and sees this contract as an opportunity to use a ‘smart supplier’ to work with as it grows its capability as a ‘smart asset owner’ in a collaborative partnership.</p> <p>The operation, maintenance, renewals and capital works programmes of the water supply assets will be undertaken generally in accordance with the 2017 3-Waters Activity Management Plan (AMP) , which is reviewed generally on a three-yearly basis.</p> <p>Upgrades or renewals are undertaken on an as-needed basis but timing is generally predictable using age and also condition assessments. Council’s 2018 ‘Reality Based Renewals Investment Profiles’ Study has enabled the development of an ‘optimised’ renewals programme. A statistical analysis was conducted on the actual performance of the watermain network, based on real pipe failure data, used as an indicator of future performance, leading to the development of levels of service and of a prudent and reasonable planned 30-year replacement programme.</p>
 WASTEWATER		
<p>Wairoa District Council owns and operates four wastewater schemes:</p> <p>Wairoa – this scheme serves in the order of 1,700 connections in Wairoa and comprises 32km of pipework, five pump stations and a treatment pond at Pilot Hill. Treated wastewater is discharged to the</p>	<p>Wastewater pipework varies greatly in material, age and condition across the network. Recent sampling, with selection based on age, CCTV and known areas of fault, and extrapolation of results have given an overall assessment of pipe condition:</p>	<p>As above, Council’s 3-waters assets are currently maintained under a combined 3-Waters Operations and Maintenance Contract which is managed and administered by Council.</p> <p>The operation, maintenance, renewals and capital works programmes of the wastewater assets will be undertaken</p>

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OUTLINE DESCRIPTION	CONDITION/PERFORMANCE	MANAGEMENT OF ASSET
<p>estuary of the Wairoa River during receding tides at night. The discharge consent is due to expire in 2019.</p> <p>Tuai - comprises appropriately 5km of pipework and a treatment plant where wastewater enters septic tank which discharges to sand filters for treatment. The outfall of treated wastewater is to the Whakamarino Stream.</p> <p>Mahia Beach –comprises private infrastructure including septic tank, pump and pipework on private property, approximately 9km of pipework that carries the wastewater to a pump station (with back-up storage) and a 1.7km rising main to take wastewater over the hill where it is treated in three treatment ponds and then discharged to land via an irrigation system over a 14km² plantation.</p> <p>Opoutama – serving the Opoutama village, YMCA Road and the Blue Bay subdivision, wastewater is treated by way of a package plant located in the Blue Bay subdivision discharging to soakage. The soakage field has capacity for extension.</p>	<ul style="list-style-type: none"> • all Mahia and Opoutama pipework has been assessed as very good due to its recent completion • 51% of pipes have been assessed as being in average condition • 48% of pipes have been assessed as good or better • 1% of pipes have been assessed as being in poor condition. <p>Pump stations are at times unable to accommodate extreme wet weather flows (partly due to the inflow and infiltration of stormwater into this system) – this has resulted in some incidents where (highly diluted) untreated overflows of wastewater into the Wairoa River. The proposed upgrade to the wastewater treatment plant and associated works over the next 2 to 3 years will eliminate these events in the future.</p>	<p>generally in accordance with the 2017 3-Waters Activity Management Plan (AMP).</p> <p>Upgrades or renewals are undertaken on an as-needed basis but timing is generally predictable using age and also condition assessments.</p> <p>Ongoing condition assessments and CCTV results are being used to inform appropriate forward works programmes for pipe renewals over the next 30 years.</p>
 STORMWATER		
<p>The 3-Waters AMP concentrates on the Wairoa, Mahia and Tuai stormwater systems. Stormwater assets in other areas, primarily rural open drains, are generally dealt with as roading assets. Stormwater assets include approximately 40km of stormwater reticulation with manholes and sumps, and 24km of stormwater channel and open drains.</p>	<p>Condition information of the stormwater assets is based primarily on visual assessments and age with some information gathered through reactive works etc. Improvements in the gathering and use of reliable data is to be addressed over the next 2 years.</p>	<p>As above, Council’s stormwater assets are currently maintained under a combined 3-Waters Operations and Maintenance Contract which is managed and administered by Council.</p> <p>The operation, maintenance, renewals and capital works programmes of the stormwater assets will be undertaken generally in accordance with the 2017 3-Waters Activity Management Plan (AMP).</p> <p>All asset data is improved through condition assessments / CCTV. This will be used to better inform appropriate forward works programmes for pipe renewals over the next 30 years.</p>

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OUTLINE DESCRIPTION	CONDITION/PERFORMANCE	MANAGEMENT OF ASSET
 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: <ul style="list-style-type: none"> • 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. 	<p>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 2017 Waste Management AMP).</p>	<p>QRS hold the current operations and maintenance contract for the landfill. This includes routine maintenance of the landfill cells and recycling centre as well as the operation of the weighbridge.</p> <p>The landfill is open seven days a week, other than over Xmas/New Year and winter when there are some closures.</p>
 WAIROA AIRPORT <p>The airport consists of one runway comprising 914m. Facilities at the airport consist of private hangers which are leased; terminal building housing local radio station, function room, kitchen and toilets with car parking behind; an aircraft taxi/apron area; and a 'Z' energy refuelling area. There are other buildings at the airport that are owned and maintained by others.</p>	<p>The general condition of the various components of the airport (including both land and onsite improvements) is monitored on a regular basis by inspections carried out by Council's engineering staff, consultants and contractors. Recognising the significance of the airport, condition monitoring will become part of a higher level of pavement management at the airport. Customer feedback is also a useful source of information.</p>	<p>Maintenance contracts are in place for routine cleaning of the airport facilities – terminal building and toilets. Other works are procured on an as-needed basis in accordance with Council's Procurement Manual.</p>

4. SIGNIFICANT STRATEGIC CHALLENGES & ISSUES

There are several significant strategic challenges and issues facing Wairoa over the next 30 years, as outlined below.

Figure 7: Significant Strategic Challenges & Issues for Wairoa



The tables below outline options to respond to those issues and the implications of either responding or not responding to the recommended actions.

4.1 ECONOMIC DEVELOPMENT AND TOURISM

GENERAL DESCRIPTION OF THE CHALLENGE / SIGNIFICANT ISSUE	
Economic and social development is a current focus for Wairoa and tourism has the potential to significantly contribute to this. Infrastructure can have a positive effect on attracting businesses and visitors to the Wairoa District and so must be able to support economic development in terms of demand and higher expectations.	
RELEVANT OBJECTIVES	
Reliability, Accessibility, Amenity, Cost-Effectiveness.	
RISKS & UNCERTAINTIES	
Assumptions on economic growth do not eventuate	Population, dwelling and demographic projections are produced three-yearly to support long-term planning, derived from Statistics NZ. They underpin all demand projections within activity management plans. An over or under estimation of growth could lead to an over or underinvestment in infrastructure and services. We monitor asset capacity against projections and adjust assumptions accordingly. Robust decision-making process required to justify spending on potential economic growth. <i>The likelihood of this occurring is medium.</i>

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Demand forecasting does not eventuate	<p>Demand forecasting is also inherently uncertain and involves many assumptions. Expectations regarding change in demand as a result of demographic change are based on robust information. Changes in demographics can have a significant impact on changes in demand for services. Information regarding growth in visitor numbers is more uncertain as this is affected by global financial impacts. Data regarding visitor numbers is becoming more robust due to the use of cell phone information.</p> <p><i>The risk of this occurring is medium.</i></p>
Uncertainties around funding sources	<p>Will impact on decisions and costs to ratepayers.</p> <p><i>The risk of this occurring is medium.</i></p>
These works may be affected by funding requirements to meet levels of service in areas of higher priority	<p>For example, changes in levels of service to meet legislative requirements.</p> <p><i>The likelihood of this occurring is medium.</i></p>
Potential revocation of State Highway 38 and changes in funding of Special Purpose Road 38 Te Urewera Rainforest Route	<p>NZTA, Wairoa and Whakatane District Councils and Tūhoe are currently preparing a business case to justify investment in the Route as part of the transition from Special Purpose road to local road.</p> <p>The consequences could be positive in relation to economic growth but funding options are still being explored.</p> <p><i>The likelihood of this happening is high.</i></p>
PRINCIPAL OPTIONS & RESPONSES	
<p>Do nothing / Status Quo - if this is not monitored, there are risks around not meeting desired or legislated levels of service or unaffordability as demand for activities changes.</p>	
RECOMMENDED OPTIONS	
Annual review of data on growth in terms of population, visitors, construction, businesses etc	To support decision-making at Annual Plan stage.
Focus on relationships at national and regional levels	Regional and National Strategies focussed on economic and social development.
Robust decision-making processes to justify spending	Use business case development to identify robust investment decisions.
Assess the full impact of SP38 revocation	Business Case being developed to demonstrate the need for investment in the road to support economic and social development for Wairoa and Whakatane District Councils and for Tūhoe.
Initiatives to makes Wairoa and other communities more attractive to residents and to encourage visitors to revisit.	As well as maintenance of core infrastructure, this could include such projects as the enhancement of the CBD, development and enhancement of footpaths/walkways and cycleways, improved recreation facilities and revitalisation of parks and reserves.
IMPLICATIONS OF THE RESPONSES	
<p>Doing nothing, or the status quo as an option, will not adequately consider the potential for economic development and the consequent need to invest to facilitate such growth.</p>	
Additional pressure on infrastructure	Increased demand on infrastructure as resident and visitor populations increase.
Associated cost implications	Additional infrastructure and higher levels of service will require additional investment.
RocketLab	<p>Rocket Lab is a new major investor into the district. They have already utilised QRS, our Council-owned contractor, to build a significant part of the launch site at Mahia.</p> <p>Longer term, the company has indicated that at least one or more launches per month from its Mahia orbital launch site is possible, once the site is fully operational. Rocket Lab's investment in Wairoa presents real benefits for the district. We expect to see more visitors to the region, which offers the potential for greater use of accommodation, wider use of Hawke's Bay and Gisborne District tourist attractions and supporting of local businesses. Visitor numbers are expected to be 500+ people per launch. The Council has been working on</p>

	methods by which we can enhance the experiences of those expected to come into the district to watch the rocket launches.
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4.2 OPTIMISING INFRASTRUCTURE

GENERAL DESCRIPTION OF THE CHALLENGE / SIGNIFICANT ISSUE	
Better data (confidence) and better interpretation of that data will enable more informed decisions which means we can ‘get the best out of our infrastructure.’ This is of particular importance for mature and critical assets.	
RELEVANT OBJECTIVES	
Reliability, Accessibility, Cost-Effectiveness, Safety, Resilience.	
RISKS & UNCERTAINTIES	
Condition of assets	Reliable asset condition information is key to developing appropriate and cost-effective renewals programmes. Poor information does not give a sound base on which to make decisions. <i>The risk of this occurring is low to medium as asset data confidence increases.</i>
Asset valuations	Assumptions on an asset’s useful life and its replacement cost are based on market information and professional knowledge. We mitigate the risk of these assumptions by revaluing assets regularly (typically 3-yearly). The risk associated with the revaluations is considered low as Council continues its focus on accurate data collection including asset type, material, age and condition. <i>The risk of this occurring is low to medium as asset data confidence increases.</i>
Network failure; disruption to service, failure to meet levels of service	Worst case scenario where renewals programmes and intervention is not based on sound data. <i>The risk of this occurring is low to medium as asset data confidence increases.</i>
Compliance	The risk of non-compliance with consent conditions is high if assets are not well maintained or an appropriate renewals programme is not developed and implemented.
Staff retention	Securing and retaining skilled staff has been an issue in the past for Wairoa, primarily due to isolation and associated economic and social issues. There is an ongoing risk to the sustainability of our services through skill shortages although local staff recruitment, increased training and cadetship initiatives have been introduced to maintain staff in the district. There are unique lifestyle trade-offs that this district can offer to staff, and we will continue to focus on these. <i>The risk of associated loss of asset knowledge occurring is low to medium as asset databases improve.</i>
PRINCIPAL OPTIONS & RESPONSES	
Do-Nothing / Status Quo - Asset knowledge and data confidence is generally considered to be reliable for most core infrastructure due to Council’s recent focus. However, a continued focus in this area and consequent improved asset knowledge will further inform asset optimisation.	
RECOMMENDED OPTIONS	
Increase data knowledge – continue focus on data collection to better inform asset management processes and decisions	Asset renewal and maintenance forecasts are based on the condition and the remaining life of infrastructure assets. The accuracy of asset data has a direct impact on the accuracy of renewals and maintenance forecasts. We measure the accuracy of this data and have targets to improve its accuracy. We also have acceptable levels of confidence around asset valuations and data which are also targeted for continuous improvement. Critical assets should be a key focus.
Proactive Renewals Programme based on asset optimisation methods	
Activity Management Plans / Asset Management Plans	To outline the logic, reasoning and context behind how we propose to maintain, operate, renew and improve.

Full and thorough condition assessment of all assets in the short term	Cost implications would be very high compared to the extrapolation of results based on sound condition sampling programmes as data confidence increases over the medium term.
IMPLICATIONS OF THE RESPONSES	
More informed decision making	More robust and accurate data will enable more informed decisions on renewals programmes for infrastructure.
Inefficient renewals programmes	Where asset data is missing or inaccurate, decision making will not be based on sound information.
Associated cost implications	More robust programmes will lead to more cost-effective service delivery.

4.3 RESILIENCE

GENERAL DESCRIPTION OF THE CHALLENGE / SIGNIFICANT ISSUE	
<p>Our assets need to be resilient to reduce the impact of severe weather events on our communities. This requires us to replace our ageing infrastructure before it fails and ensuring connectivity through our roading network.</p> <p>Parts of the roading network are prone to flooding, slips and coastal erosion in severe storm events which may lead to communities being cut off. 3-Waters networks are susceptible to ageing infrastructure and the sometimes-small nature of the networks can make them more vulnerable with communities being without those key services.</p> <p>The Wairoa Airport has been included into this Infrastructure Strategy partly for resilience of the community, improving access for the provision of key services through reduced isolation.</p> <p>Waste management is also included due to resilience / sustainability challenges of providing the landfill facility.</p>	
RELEVANT OBJECTIVES	
Reliability, Accessibility, Cost-Effectiveness, Safety, Resilience	
RISKS & UNCERTAINTIES	
Network failure; disruption to service, failure to meet levels of service	<p>Failure to monitor and programme renewals for core infrastructure could impact on the integrity which could lead to failure and more costly repairs in the long term as well as possible road closures, loss of water supply, discharge of untreated wastewater, airport closure etc.</p> <p><i>The consequences of core infrastructure failure could be significant in relation to levels of service provision and cost.</i></p>
Failure to maintain may result in isolated communities during and following emergency events	<p>Lack of access and connectivity between communities.</p> <p><i>The likelihood of this is medium to high in an emergency event with the likelihood and consequences increasing where infrastructure is less resilient.</i></p>
PRINCIPAL OPTIONS & RESPONSES	
Do-Nothing / Status Quo - Not addressing resilience and ensuring effective maintenance and renewals programmes will lead to less-resilient communities with core assets more likely to fail with consequent non-delivery of service.	
RECOMMENDED OPTIONS	
Asset Management	Good asset management practices and robust renewals programmes will reduce overall spending on any asset both in the short and long term through sound decision-making.
Increase data knowledge, including condition assessments and performance	Asset renewal and maintenance forecasts are based on the condition and the remaining life of infrastructure assets. The accuracy of asset data has a direct impact on the accuracy of renewals and maintenance forecasts and uncertainties around costings.
Identify critical assets	<p>Critical assets are generally those that have a high consequence of failure, that have the greatest effect on the customer should they fail or not be available, but not necessarily a high probability of failure.</p> <p>It is important to identify critical assets. There may be different approaches to managing these assets to ensure that they do not fail or to limit the effect of a</p>

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	failure. Each activity specific AMP will identify critical assets for that activity, or have an improvement action to achieve this.
Waste Management	With reduced waste generation per household, new initiatives are required to ensure sustainability of the landfill.
Reserve fund for emergency works	Council to consider this in terms of having additional funds for responding to emergency events.
Maintenance of critical routes (lifelines)	Maintenance of these routes critical to ensure continued access in emergency events.
<ul style="list-style-type: none"> • Awamate Road • Tiniroto Road • Nuhaka-Opoutama Road 	If funding subsidies reduce, reduction in levels of service may need to be considered in other areas to ensure these routes are continually accessible.
Contingency plans	To be in place for emergency events.
IMPLICATIONS OF THE RESPONSES	
Water supply	Wairoa relies on a single source for its supply and hence maintenance of critical assets is crucial. Wairoa remains at risk to water disruptions whilst it is reliant on a single source.
	Natural disasters such as earthquake can impact significantly on production, storage and reticulation if appropriate mitigation plans are not in place.
Roading	Resilience is important in terms of keeping roads open for access, connectivity and community cohesion.
Wairoa Airport	Investment in this activity will improve access and resilience of the community.
Waste Management	In this case, resilience is linked to sustainability; how can we make the landfill sustainable to provide an ongoing desired service to the community that is cost-efficient as methods of waste disposal change.
Ageing infrastructure	Resilience is not just related to emergency events but to the continuation of service delivery of core activities and critical assets over time. Typically, older infrastructure will be more susceptible to failure unless well maintained, although there are other factors that will contribute such as ground conditions, demand and pressure on infrastructure etc.

4.4 WATER QUALITY AND LEGISLATION

GENERAL DESCRIPTION OF THE CHALLENGE / SIGNIFICANT ISSUE	
<p>A strong public push for cleaner rivers and waterways is likely to lead to higher discharge standards for wastewater, and greater treatment of stormwater. Standards for potable water are also likely to increase.</p> <p><i>The Drinking-water Standards for New Zealand 2005 (DWSNZ) were revised in 2008 and, as a consequence, have placed more stringent criteria on Council to comply. The Havelock North Water contamination event in August 2015, where more than 5,000 people fell ill, has led to a heightened awareness of the importance of safe water supplies. Stage 2 of the government inquiry is underway and will address lessons learned for the future and steps to be implemented to reduce the likelihood of such an outbreak occurring again.</i></p> <p>Waste management is another area that will possibly see further changes over the coming years, continuing the theme of the Waste Minimisation Act 2008.</p>	
RELEVANT OBJECTIVES	
Reliability, Cost-Effectiveness, Safety, Resilience, Amenity.	
RISKS & UNCERTAINTIES	
Levels of service will have to meet minimum standards set by legislation	<i>The likelihood of this risk is high, in particular for the 3-Waters activity.</i>
Cost implications	Increased cost to meet required levels of service. <i>The risk of this occurring is medium to high.</i>

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Unknown timeframes for implementation of new standards and legislation	Unable to predict or plan in advance for changes in legislation. <i>The risk of changes is high, in particular for the 3-Waters activity.</i>
PRINCIPAL OPTIONS & RESPONSES	
Do-Nothing / Status Quo – this is not an option where legislation requires changes.	
RECOMMENDED OPTIONS	
Monitor legislative changes and requirements	Regular reviews (minimum annual) of legislation. As legislation changes, review current activities for compliance.
3-Waters Consent renewals	Over the next 30 years, there are a number of water and wastewater consents that will expire. Existing consents will need to be reviewed in terms of meeting conditions and complying with new legislation.
IMPLICATIONS OF THE RESPONSES	
Environmental & public health standards are likely to increase in the future	Changes in legislation will require mandatory action. Changes are more than likely for the 3-Waters activity and there is uncertainty around what this will mean in terms of conditions of consent.
Increased cost to meet required levels of service	Increased standards will typically involve increased costs. The condition of existing assets or design of systems may not meet new conditions/legislation.

4.5 POPULATION AND CHANGING DEMOCRACY

GENERAL DESCRIPTION OF THE CHALLENGE / SIGNIFICANT ISSUE	
We have a small and ageing population. Different people have different needs and our levels of service may need to change to reflect this Changes in population demographics means a changing ratepayer base, with many having increased difficulty to meet the rates increases needed to maintain even the essential service infrastructure requirements.	
RELEVANT OBJECTIVES	
Cost-Effectiveness, Amenity, Accessibility.	
RISKS & UNCERTAINTIES	
Affordability	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. <i>The consequences can be better mitigated if population are monitored and required levels of service regularly reviewed.</i>
Demand forecasting does not eventuate	Demand forecasting is also inherently uncertain and involves many assumptions. Expectations regarding change in demand as a result of demographic change are based on robust information. Changes in demographics can have a significant impact on changes in demand for services. <i>The risk of this occurring is medium.</i>
PRINCIPAL OPTIONS & RESPONSES	
Do-Nothing / Status Quo – if this is not monitored, there are risks around not meeting desired or legislated levels of service or unaffordability as demand for activities changes.	
RECOMMENDED OPTIONS	

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Review levels of service regularly in relation to population numbers and demographics	Minimum 3-yearly review with LTP.
Identify and monitor alternative / additional sources of funding	Minimum 3-yearly review with LTP or as the need arises for specific capital works.
Priorities to be set based on community consultation, sound data, appropriate forward planning and prioritisation of works	Minimum 3-yearly review with LTP.
Adjusting 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	Minimum 3-yearly review with LTP.
IMPLICATIONS OF THE RESPONSES	
Demographics show a changing population which will potentially affect ability of the community to pay	Regular reviews on population / demographics will enable planning. Population projections should extend 30+ years.
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	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 and there is further potential for growth in this area with the completion of the Mahia and Opoutama wastewater systems.
Levels of Service	Static or declining populations such as Wairoa are unlikely to reduce the demand for these Core Infrastructures Activities where assets will need to be maintained to at least current condition. Other factors that influence levels of service include legislative requirements, customer desires, strategic direction and associated risks and resilience of the activity and assets.

4.6 AFFORDABILITY AND REVENUE SOURCES

GENERAL DESCRIPTION OF THE CHALLENGE / SIGNIFICANT ISSUE	
The primary funding tools for council (general/targeted rates; user charges) largely target the same groups. Growth in ratepayer numbers (i.e. more people to share costs), or alternative sources of revenue (e.g. tourism/subsidies/Central Govt funding), will be necessary to address affordability issues.	
RELEVANT OBJECTIVES	
Cost-Effectiveness.	
IMPLICATIONS	
The community share paid through rates is sensitive to subsidies (typically NZTA).	Changes in NZTA's Funding Assistance Rate (FAR) and other subsidies will impact on the amount to be paid by users and/or ratepayers.
Waste Management - Changes in waste management behaviour will likely affect the affordability of the landfill which could mean a reduction in levels of service, such as the hours of operation	Education continues to see a reduction in waste generation and changes in technology etc in the future may further see changes in the type and volume of waste generated, impacting on the demand for this service. Sustainability of the landfill will be affected by: <ul style="list-style-type: none"> likely reduced waste generation per person changes in types of waste generated and hence changes in the way waste is disposed of.

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	Community surveys have identified that there is a demand for this service in Wairoa and so cost-effective long-term solutions are required.
RISKS & UNCERTAINTIES	
Changes in legislation	<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.</p> <p>This would possibly mean that levels of service would have to be reduced although legislation will partly dictate minimum levels of service.</p> <p><i>Likelihood of legislative changes is high</i></p>
Impact on the rating base and ability to pay	<p>Changing demographics will affect the rating base eg as the population ages, income tends to be fixed (pensions) which may impact on affordability if rate rises etc.</p> <p><i>Likelihood of a changing rating base is high, monitoring and planning for changes will reduce the consequence.</i></p>
One Network Road Classification	<p>NZTA is implementing 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.</p> <p>This may have cost implications or reduced levels of service for some roads in order to meet performance measures of the ONRC.</p>
Changes in funding and revenue streams	The risk is high but can generally be managed eg NZTA subsidies - any likely changes are advised well in advance.
Changes in subsidy levels	The NZTA funding assistance rate is set to increase. This will help offset the impacts of the declining population.
PRINCIPAL OPTIONS & RESPONSES	
Do-Nothing / Status Quo – if this is not monitored, there are risks around not complying with desired levels of service or unaffordability as demand for activities changes.	
RECOMMENDED OPTIONS	
Review levels of service regularly in relation to changes in population – numbers and demographics	<p>Regular reviews on population/demographics will enable planning.</p> <p>Population and demographic projections should extend 30+ years.</p>
Investigate alternative funding options	Identify sources of funding eg co-funding arrangements with the District Health Board based on associated health benefits of, for example, walkways and cycleways.
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	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.
Asset Management - Set priorities 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.
IMPLICATIONS OF THE RESPONSES	

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Demographics show a changing population which will potentially affect ability of the community to pay	Regular reviews on population/demographics as well as desired/legislated levels of service will enable planning as population ages with consequent increases in fixed-income ratepayers. Population projections should extend 30+ years.
Asset Management	Sound asset management with prioritised programmes of work and optimised decision-making will reduce long-term costs.
Funding sources	Maximisation of alternative funding sources such as the FAR will reduce the burden on ratepayers. Collaborative arrangements, such as for the landfill, will also assist in funding core assets.

4.7 CLIMATE CHANGE

GENERAL DESCRIPTION OF THE CHALLENGE / SIGNIFICANT ISSUE	
Potential impacts for Wairoa include coastal inundation and erosion, inland flooding from the Wairoa River and wider changes associated with extended period of drought. Many lowland areas, including the Wairoa township and the Nuhaka settlement, are at risk from flooding. This may have multiple adverse effects on roads and to 3-Water networks; flooding; loss of key infrastructure; increased demand for water; and/or disruption to gravity sewerage system from droughts (linked with resilience).	
RELEVANT OBJECTIVES	
Accessibility, Cost-Effectiveness, Safety, Resilience.	
RISKS & UNCERTAINTIES	
Changes in weather patterns	Likelihood of changes in rainfall patterns that will affect Wairoa is moderate to high.
Cost	Possible cost implications to fund remedial works if funding policies change.
PRINCIPAL OPTIONS & RESPONSES	
Do-Nothing / Status Quo – doing nothing to address climate change is not sustainable and will have potential adverse effects on communities at risk.	
RECOMMENDED OPTIONS	
Monitor local trends in weather events, climate change and associated legislation	This will enable early planning and will enable us to better identify when issues require action.
Identify assets at risk including roads and bridges	Identify options for those assets most at risk and implement projects on a priority basis as funding becomes available.
Monitor flooding, slips, coastal erosion	This will enable early planning.
Manage relationships with Regional Council / NIWA	This will ensure current information and early planning.
Catchment management plans	As these are developed, prioritisations can be based on areas prone to flooding such as alongside the Wairoa River.
IMPLICATIONS OF THE RESPONSES	
Infrastructure increasingly at risk	If climate change is not planned for and priorities not identified, assets will be increasingly at risk with higher likelihood of failure.

4.8 TECHNOLOGY

GENERAL DESCRIPTION OF THE CHALLENGE / SIGNIFICANT ISSUE	
The timing, scale and nature of technology impacts on infrastructure is uncertain. Managing this will require a high degree of responsiveness and flexibility to ensure capital investment decision with long-term implications are not rendered obsolete by these changes. Changes in technology may also impact on employment in the District eg reliance on the AFFCO meat works as a key employer – methods of work are becoming more automated – this will affect ability to pay for infrastructure.	

RELEVANT OBJECTIVES	
Cost-Effectiveness, Resilience.	
RISKS & UNCERTAINTIES	
Systems become obsolete	Obsolete or non-compatible systems will lead to inefficient systems and may eventually lead to issues with ongoing maintenance. This may have longer term compliance issues, for example, with the 3-Waters.
Infrastructure may not support new technology	Advances in technology in the short, medium and longer term will impact on the infrastructure requirements. Examples include: <ul style="list-style-type: none"> • changes in travel such as autonomous cars – current road infrastructure may need changes for autonomous cars to function optimally. • Waste management – changes in recycling and re-use of waste materials. • 3-Waters – changes in the methods of treatment. <i>The likelihood of technological changes over the duration of this Infrastructure Strategy is high, consequences or the impact of those consequences can be reduced through monitoring change and planning.</i>
External influences	Changes in technology, for example AFFCO automation and forestry methods may affect availability of suitable employment for residents and ratepayers which may affect affordability in terms of Council's core infrastructure.
PRINCIPAL OPTIONS & RESPONSES	
Do-Nothing / Status Quo – if this is not monitored, there are risks around system becoming outdated and associated maintenance problems.	
RECOMMENDED OPTIONS	
Monitor	This will enable early planning and will enable us to better identify at what stage new technology needs to be introduced/accounted for.
Managed approach - Identify where new technology is cost-effective in terms of levels of service	Identify options for those assets where new technology should be introduced or provided for.
IMPLICATIONS OF THE RESPONSES	
Technological changes can significantly change the way assets are managed.	Where new technology is not provided for, there could be longer term compliance and cost implications.

4.9 CHANGES IN LAND USE

GENERAL DESCRIPTION OF THE CHALLENGE / SIGNIFICANT ISSUE	
Different land uses will have different requirements/desired levels of service on infrastructure eg. forestry now accounts for approx. 26% of the land use in Wairoa – effects of heavy vehicles on the roads. Horticultural activities will require more water for irrigation.	
RELEVANT OBJECTIVES	
Accessibility, Cost-Effectiveness, Reliability.	
RISKS & UNCERTAINTIES	
Levels of service are not met	Provision of infrastructure does not meet levels of service due to land use change and associated impact on infrastructure.
Impacts on road maintenance costs and possible need to upgrade some roads and / or bridges on our local roading network.	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 reduced level of service if those costs cannot be met.

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	<i>The likelihood of these changes is high and the consequences of not addressing would be moderate to high.</i>
PRINCIPAL OPTIONS & RESPONSES	
Do-Nothing / Status Quo – if land use changes are not provided for, it is likely that core infrastructure will become increasingly at risk from deterioration, in particular where there are likely to be increased heavy vehicle traffic.	
RECOMMENDED OPTIONS	
A working committee involving Council and other similar TLAs is actively engaging with the forestry industry to better quantify the effects on roading of the activity including harvesting	Options on level of service adjustments include unique heads of agreement with primary industry user(s) outlining fit for purpose maintenance intervention strategies, user pay arrangements, and increased rates differential for primary land use.
Residential development	Residential development in previously rural areas will have implications on the provision of 3-Waters infrastructure.
IMPLICATIONS OF THE RESPONSES	
Levels of Service	Different land uses have different levels of service requirements.
Rural land use	Increasing Heavy Commercial Vehicle (HCV) use, typically with changes in land use.
Forestry	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.

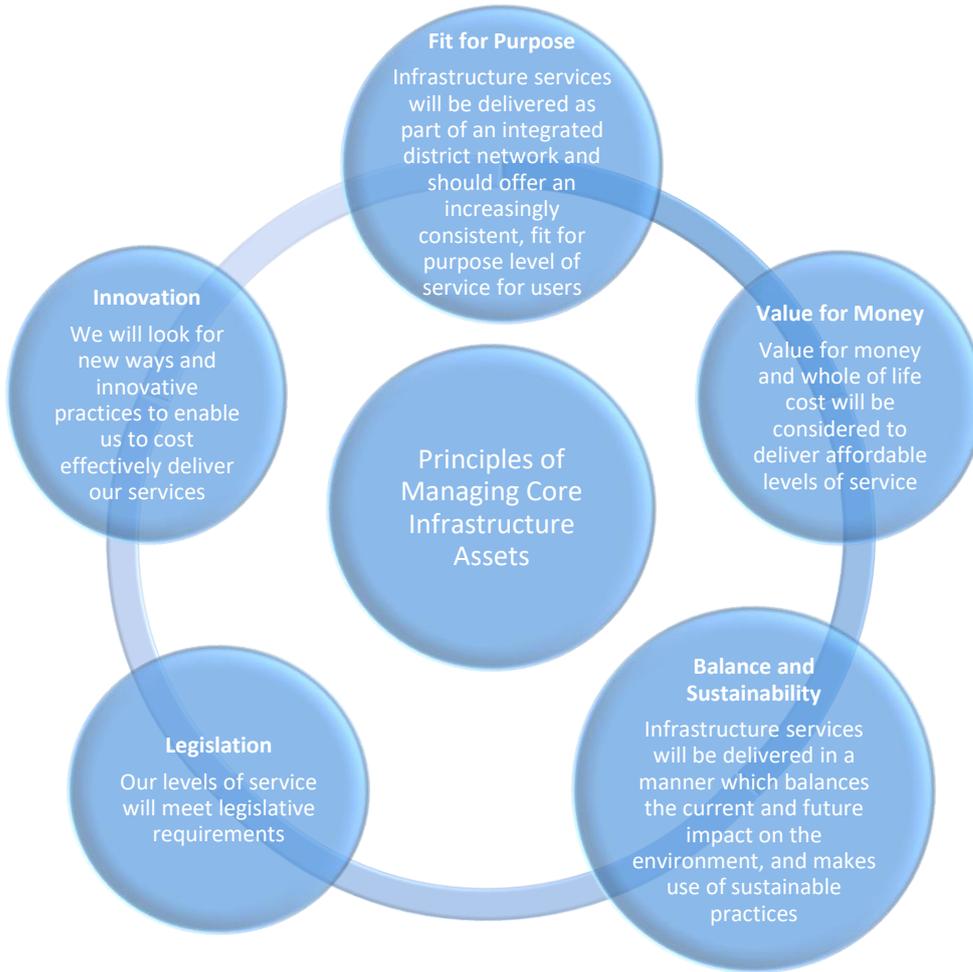
5 MANAGEING OUR ASSETS

Managing our infrastructure over the next 30 years will be challenging with predicted continued population changes and likely increased levels of service expectations and requirements.

Finding the balance between cost and desired and mandatory levels of service and setting priorities in an environment where affordability is a significant issue is the key to delivering on agreed levels of service.

Wairoa’s vision is supported by the following principles which will be applied in finding that balance:

Figure 8: Principles of Managing Our Assets



FIT PURPOSE	FOR	<p>Much of our infrastructure has sufficient capacity to meet current and predicted demand. However, given the uncertainty around growth and demand for infrastructure and services, we need to be able to plan for changes in levels of service to ensure that we deliver a ‘fit for purpose’ network of core activities.</p> <p>Our resident population is predicted to decline in some areas and as our population ages, we will have more residents with fixed incomes who may not be able to absorb the cost of increased service levels and associated increased costs of operating and maintaining our assets; we need to assess the long term costs and benefits for the community before increasing service levels.</p> <p>Economic growth generally leads to increased resident and visitor populations. This will mean identifying the changes needed in the future but not investing in new infrastructure until it is reasonably certain that the predicted demand will occur.</p> <p>Existing infrastructure will be maintained to meet current levels of demand and agreed levels of service.</p>
VALUE MONEY	FOR	<p>We will make decisions regarding our assets based on sound quality information to enable us to make the best use of existing infrastructure.</p> <p>Managing assets to realise their full life-cycle requires good and integrated planning based on sound asset data. To support this, we will continue our focus on collecting and analysing asset information; age, location, condition, performance, material etc. This information will then be used to determine when to maintain, renew or replace assets in a timely manner consistent with best asset management practice.</p> <p>Optimised decision making is used to ensure successful delivery of sustainable replacement programmes. Pipeline condition assessments and pavement deterioration modelling are tools used for the programme selection decision making process.</p>
BALANCE & SUSTAINABILITY		<p>With uncertainty around growth, it is important to set priorities for programmes of work based partly on the criticality of core infrastructure assets to ensure resilience.</p> <p>Over the next 30 years, some of our assets may be at risk from climate change factors such as sea level rises, coastal erosion and increased flooding events along the Wairoa River. Information on the assets at risk from such events and the potential for increased risk will be key in understanding the risks and enabling us to effectively and efficiently plan. We need to balance those risks to enable planning and programming of physical works.</p> <p>We will also need to be mindful of increasing levels of service in relation to reducing actual and potential effects on the environment and ensuring that the quality of waterways in particular is more sustainable. This may require a change in the way we deliver our services.</p>
LEGISLATION		<p>We will work towards 100% compliance with conditions of consent, working with Regional Council on how this will be achieved.</p> <p>We will keep up to date on potential changes in legislation and monitor our activities in terms of current compliance with likely changes and options to deliver where we do not meet those requirements.</p>
INNOVATION		<p>We will investigate new ways to deliver services to be cost-effective and efficient such as:</p> <ul style="list-style-type: none"> • The recent combining of the 3-Waters into a single maintenance and operations contract that will deliver on efficiency and will enable the development of asset knowledge within the organisation. • New and innovative ways of delivering the waste management activity as the way we dispose of our waste changes and with the continuing reduced generation of waste whilst meeting the community’s desire to maintain the landfill.

6 INFRASTRUCTURE INVESTMENT PROGRAMME

6.1 INTRODUCTION

Maintaining and replacing infrastructure is expensive. We aim to replace assets only when we need to but before they fail in order to maintain levels of service.

Increasing the knowledge of our assets is the best way to reduce the risk of failing infrastructure as we are able to better plan and pay for our replacement programmes, which are based on the most up-to-date data information we hold.

Our asset condition data is generally reliable. It is based on sound records, procedures, investigations and analysis. There are however some shortcomings; for example, some data is old, some documentation is missing and/or we rely on unconfirmed reports or some extrapolation of results. We are therefore continuing a programme of condition assessments, in particular for water supply and wastewater, which will improve our confidence in data. Replacement programmes will be reviewed annually to reflect these assessments.

The sections below show some significant expenditure over the next 3 to 4 years to enable us to replace some of the core assets that are nearing the end of their useful life and then an ongoing programme of renewals to maintain assets in a condition that ensures continued delivery of levels of service.

6.2 FINANCIAL STRATEGIES & POLICIES

6.1 OVERVIEW

The focus of asset management planning is on identifying the optimum (lowest life cycle) cost for assets necessary to produce the desired LOS. How this cashflow is funded is a matter for consideration as part of Council’s financial strategy review.

Assets are depreciated on a straight-line basis at rates estimated to write-off the cost over the expected useful economic life.

Council has a number of financial policies including the Revenue and Financing Policy which provides ‘*predictability and certainty about sources and levels of funding for all its 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.

6.2.2 FINANCIAL STRATEGY

Council’s Financial Strategy sets out the financial mechanisms that Council will use and operate within to achieve the community objectives over the duration of the LTP and the corresponding 10 years of this Infrastructure Strategy.

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.

Key strategic principles of the Financial Strategy include:

- Total rates will not exceed 60% of operating costs;
- Total rates shall not exceed 70% of total cash revenue;
- The maximum annual total rates increase shall not exceed 5%;
- Annual interest costs and loan repayments shall not exceed 15% of rates revenue

A key element of the financial strategy is based around the ongoing operation and maintenance of Council’s infrastructure and the implementation of this Infrastructure Strategy.

REVENUE SOURCES

Primary sources of revenue to fund activities are:

RATES CALCULATED BY PROPERTY VALUE	Used for activities available to the whole community with charges calculated on each property’s rateable value. Differentials area used where Council determines the particular land use or location should be liable for a different share of these rates – examples
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			include differentials for roading where land use involves high proportion of heavy vehicles such as forestry and farming.
UNIFORM CHARGE	ANNUAL	GENERAL	Used for activities available to the whole community with charges the same for each rateable property.
TARGETED RATES			User pays approach - Council provides drinking-water, reticulated wastewater, drainage and solid waste management in specific locations around the district and only those with access to such activities are liable.
SUBSIDIES			In excess of 60% of the total budget for roads is funded by subsidies from NZTA. In addition, some projects will qualify for government grants from Ministry of Health or MBIE.
FEES & CHARGES			User pays approach.

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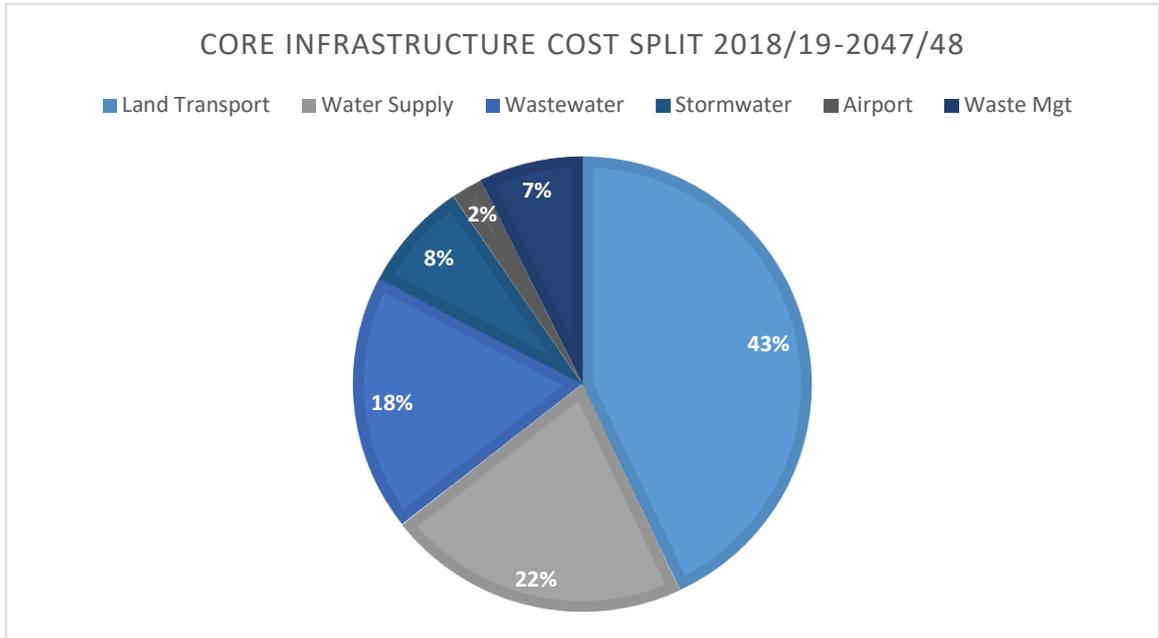
6.2.3 30-YEAR PROJECTED COST SUMMARY

	LAND TRANSPORT	WATER SUPPLY	WASTEWATER	STORMWATER	AIRPORT	WASTE MGT
Ops/Maintenance*	\$465.0 million	\$94.5 million	\$74.9 million	\$24.3 million	\$9.4 million	\$56.2 million
Capital Works – Renewals and New Works	\$280.8 million	\$16.9 million	\$22.2 million	\$16.2 million	\$3.2 million	\$1.4 million
Income	\$0.2 million	\$21.8million	\$12.2 million	\$0.6 million	\$1.5 million	\$22.6 million
NZTA Subsidies	\$447 million	-	-	-	-	-
NET COST	\$298.6 million	\$89.6 million	\$84.9 million	\$39.9 million	\$11.1 million	\$35 million

**Operations and maintenance costs allows for inflation and depreciation*

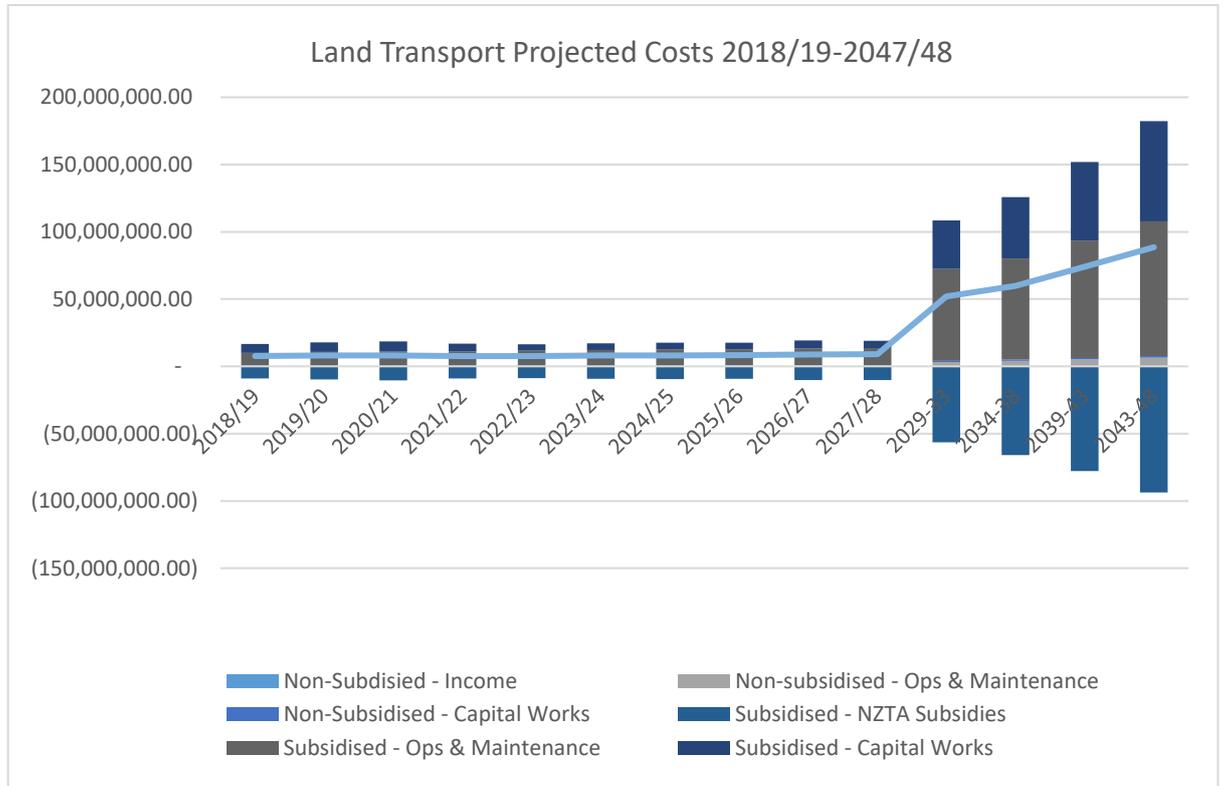
6.3 TOTAL EXPENDITURE

Fig 9: Predicted Total Cost – Core Activities - 2018-2048



6.3.1 LAND TRANSPORT

Fig 10: Predicted Total Cost – Land Transport Activity - 2018-2048



Note: figures have been inflation adjusted from Year 2 and are not 2018 values.

The approach to delivering the roading activity is predicted to remain consistent over the next 30 years with routine operations and maintenance and a planned optimised renewals programme. This activity will be funded predominantly from the FAR with the remainder coming from general rates. This subsidy rate will increase from 70% FAR in 2017/18 to 75% in 2018/2019. Thereafter NZTA has indicated, the base FAR will remain at 75%.

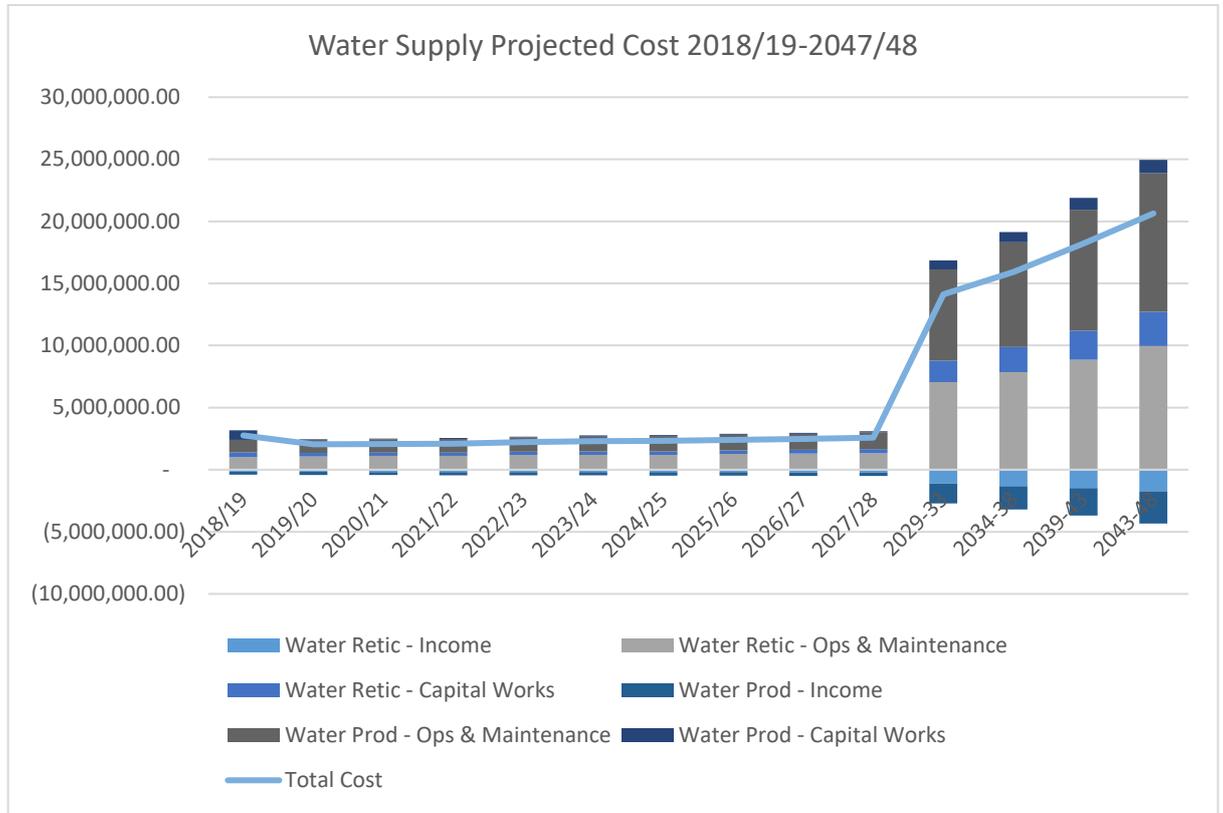
Routine renewals programmes include unsealed pavement rehabs (\$8 million over 30 years) and resurfacing of sealed pavements (\$39 million over 30 years).

Bridges are critical to maintaining our road networks and a focus over the next 4 years, with over \$1.2 million spending, will enable us to replace and upgrade those that are showing signs of poor performance.

Council is also investing in non-subsidised programmes such as new footpaths and the upgrade of existing footpaths (over \$8 million across the next 30 years on new footpaths, allowing for inflation). The new footpaths programme is generally aligned with the piping of open drains (stormwater activity).

6.3.2 WATER SUPPLY

Fig 11: Predicted Total Cost – Water Supply Activity - 2018-2048



Note: figures have been inflation adjusted from Year 2 and are not 2018 values.

The approach to service delivery for water supply will be consistent over the next 30 years with a planned optimised renewals programme based on ongoing condition assessments of pipelines.

Less than 50% of our water supply network in Wairoa has been assessed as being in a ‘good’ condition. Based on this knowledge and ongoing condition assessments in the Wairoa township, we are targeting those areas where pipes are in a less than good condition, using rates funding, to ensure that our systems do not fail. Council’s ‘Reality-Based Renewals Investment Profiles’ Study has enabled the development of a reasonable 30-year replacement programme. \$10 million over the next 30 years (inflation adjusted) has been allowed for pipe renewals.

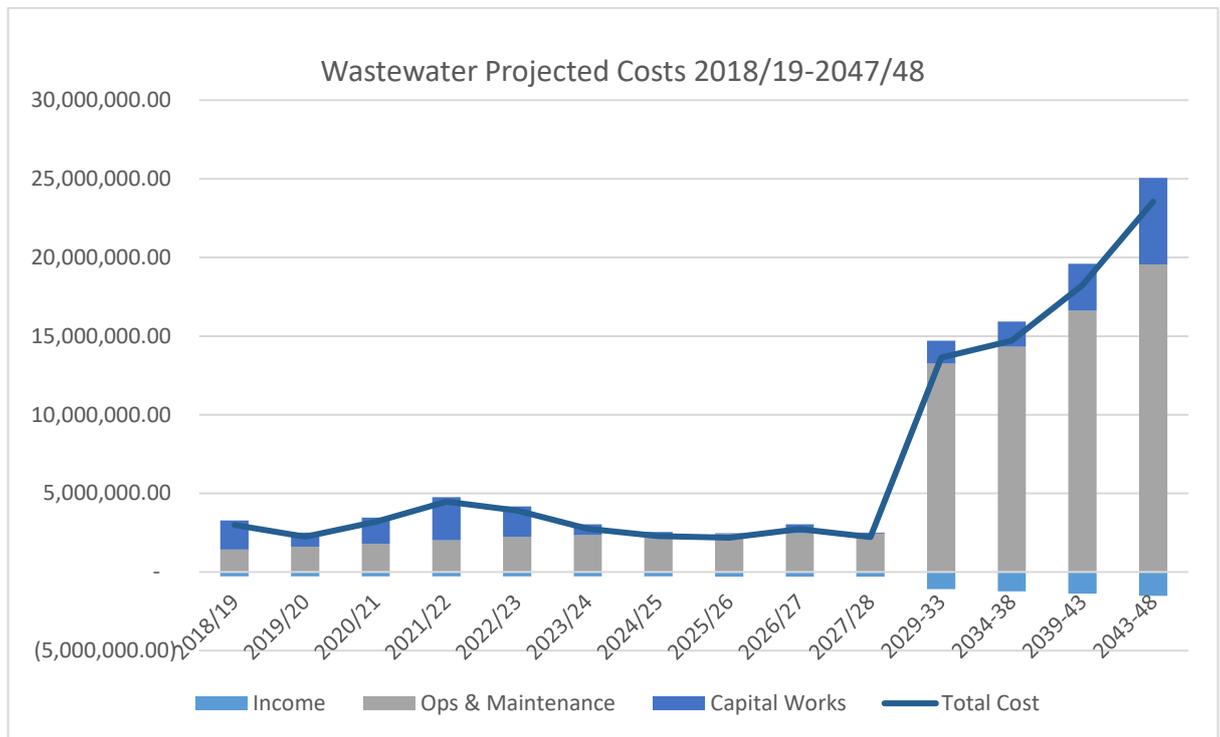
A priority is the supply pipeline from the intake on the Waiiau River to the treatment plant at Frasertown. This will include river bank stabilization and possible relocation of the pipeline further from the river bank. Condition assessments of the network are currently looking at high risk areas such as the hospital, schools and industrial areas.

Capital works in 2018/19 include upgrading the supply at Mahanga to meet drinking-water standards (\$235,000) and a new supply at Blue Bay to service development of the subdivision (\$215,000).

Provision has also been made in 2018/19 for sheet pile protection to the Wairoa intake (\$100,000), important with the supply reliant on a single source.

6.3.3 WASTEWATER

Fig 12: Predicted Total Cost – Wastewater Activity - 2018-2048



Note: figures have been inflation adjusted from Year 2 and are not 2018 values.

The approach to service delivery for wastewater will be consistent for routine operations and maintenance over the next 30 years.

An optimised renewals programme based on ongoing condition assessments of pipelines will see over \$5 million (inflation adjusted) spent over the next 30 years on pipe renewals, with more than 1/3 in the next 10 years. The wastewater system in Wairoa has been assessed as having less than 50% of pipes being in a ‘good’ condition. The Mahia wastewater network is less than 5 years old and still in excellent condition. Based on this knowledge and ongoing condition assessments, we are targeting those areas where pipes are in a less than good condition, using rates funding, to ensure that our systems do not fail with a progressive replacement programme.

There is additional expenditure in capital works between 2018/19 and 2023/24 for the new Wairoa Wastewater Treatment Plant and other related works such as the duplication of the Fitzroy to Pilot Hill pipeline and an upgrade of the existing rising main.

The current resource consent expires in 2019. The performance of the existing treatment plant is no longer adequate to meet the required and increasing water quality standards. The challenge lies in meeting these higher standards in a cost-effective manner.

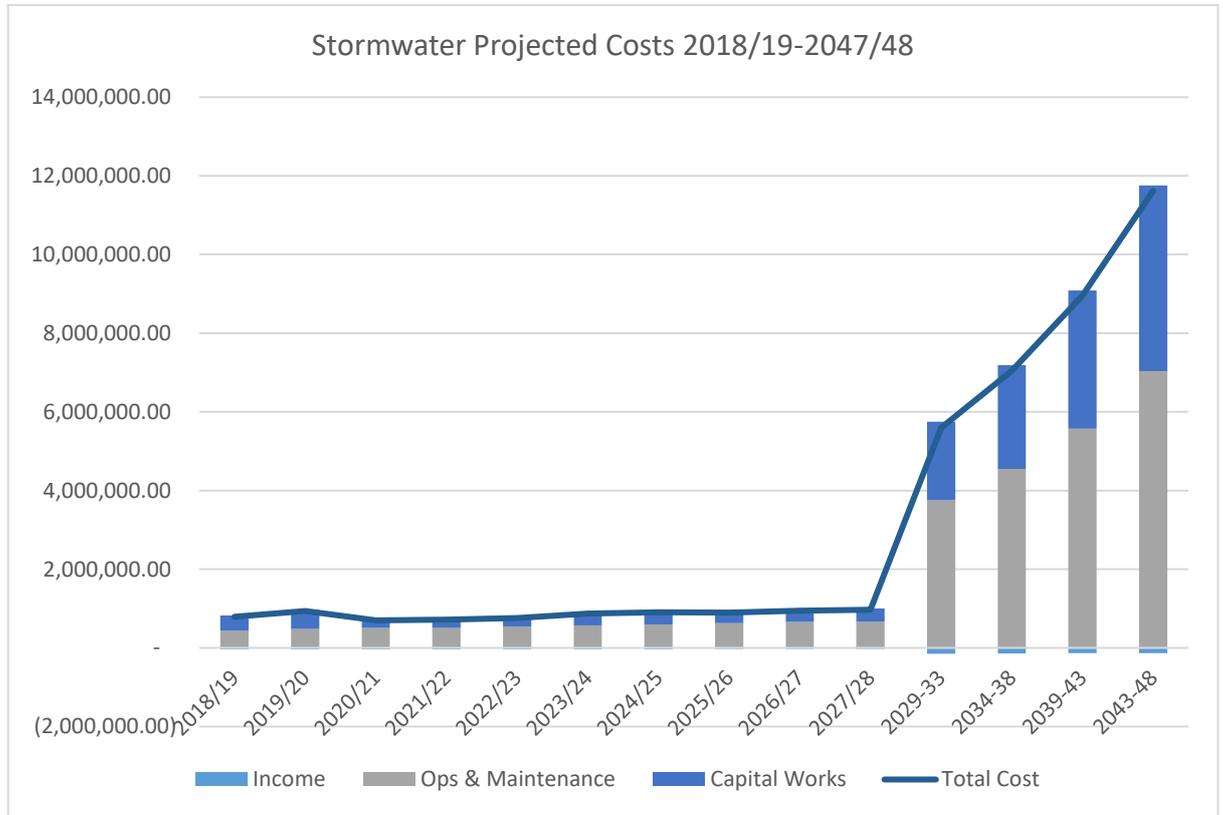
Investigations and concepts are underway including stakeholder group engagement. Alternative locations for the WWTP and alternative methods of treatment have been considered and not determined not to be as cost-effective as an upgrade of the existing plant (ongoing) and are less acceptable to the community.

The current package includes modification of the existing wastewater facilities such as: significantly increased treatment processes, transitioning to a land-based discharge, a network renewals commitment and an ongoing commitment to a river health partnership strategy.

Cost estimates for this work, to support a new resource consent, are between \$6 million and \$7 million, at current prices.

6.3.4 STORMWATER

Fig 13: Predicted Total Cost – Stormwater Activity - 2018-2048



Note: figures have been inflation adjusted from Year 2 and are not 2018 values.

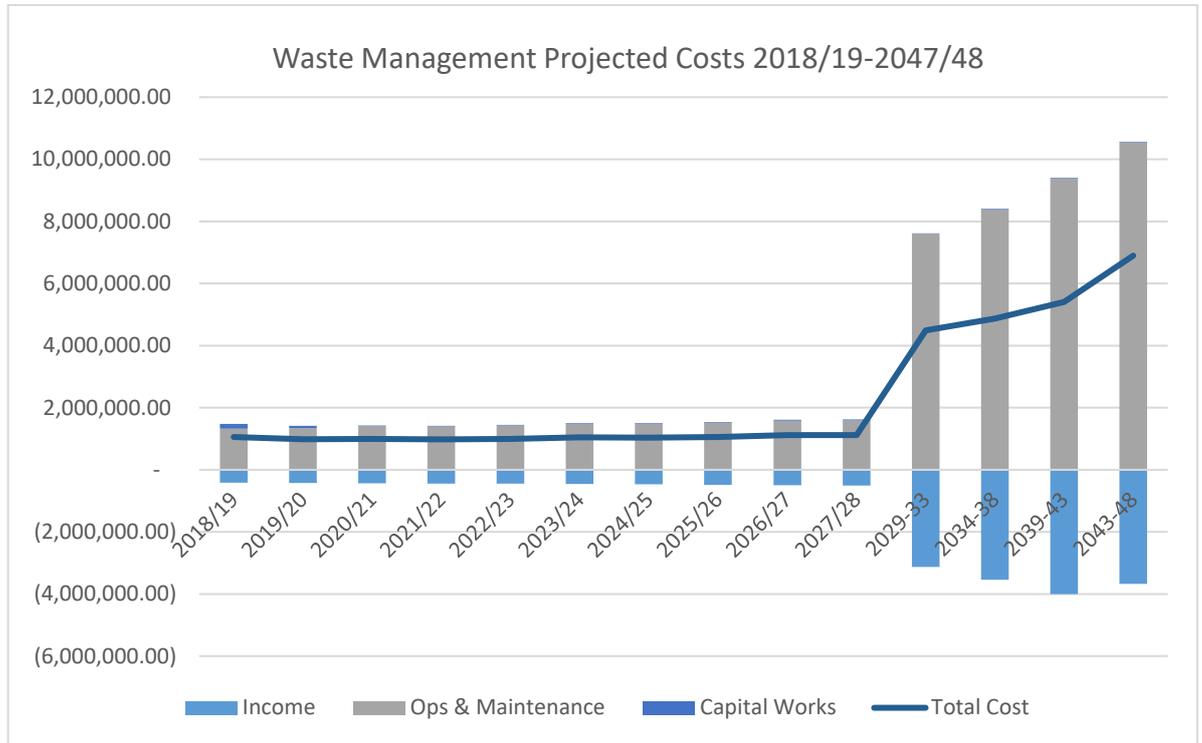
The approach to service delivery for stormwater will be consistent for routine operations and maintenance over the next 30 years. \$5 million (inflation adjusted) has been allowed for renewals over the 30 years of this Strategy to address issues such as inflow and infiltration and to replace ageing pipes.

Our initial priority will be the Wairoa township where studies are identifying problems of inflow and infiltration into the pipes.

There is an initial peak in capital works to allow for an acceleration of the programme for piping open drains in the Wairoa township. Total expenditure will be \$1.2 million. Some of these improvements relate to road safety and will attract NZTA subsidy. This component has been included in the Land Transport activity..

6.3.5 WASTE MANAGEMENT

Fig 14: Predicted Total Cost – Waste Management Activity - 2018-2048



Note: figures have been inflation adjusted from Year 2 and are not 2018 values.

The approach to service delivery for the waste management activity is predicted to remain consistent over the next 30 years with routine operations and maintenance and renewals.

A new recycling centre is proposed in Mahia to address local demand and this is currently being consulted upon.

The current predicted expenditure does not take into account any future collaborations or initiatives that are likely required to make the landfill operation sustainable. Options for such future collaboration will likely include the development of a new landfill cell in 10 to 20 years and / or a shift to the landfill farm.

6.3.6 WAIROA AIRPORT

Fig 15: Predicted Total Cost – Wairoa Airport - 2018-2048



Note: figures have been inflation adjusted from Year 2 and are not 2018 values.

Operations and maintenance activities for the Airport will remain generally consistent over the next 30 years.

Wairoa considers the airport a strategic component in terms of economic development and in reducing the ‘isolation’ of Wairoa for essential services. Consequently, significant expenditure on the extension of the runway, estimated \$1 million was included in the Annual Plan 2017-18 with 50% of the funding to be obtained through alternative sources. Council has since determined that this project should be 100% externally funded and the budget is not currently included in the LTP budgets. It will be reconsidered once funding is identified. Additional works on lighting, the taxiways and hard standing areas are included in the LTP.

6.4 MAJOR PROJECTS

Capital works comprise new works and renewals. Renewals are generally defined as major work which restores, rehabilitates, replaces or renews an existing asset to its original condition/function and is funded from the capital renewals budget and/or depreciation reserves. Renewals ensure that the reliability of an asset is maintained by replacing it to its original capacity with an extended life.

New works are those works that create a new asset that did not previously exist or works that upgrade or improve an existing asset beyond its existing capacity. They may result from growth, social or environmental needs which lead to changes in levels of service.

Major capital projects programmed over the next 30 years include the following (*budgets are estimates and allow for inflation*):

WORKS	DESCRIPTION	WHY WE ARE DOING THIS	TIMEFRAME	BUDGET	ASSUMPTIONS	KEY DECISIONS	ALTERNATIVE OPTIONS & ASSOCIATED RISKS
 ROADING & FOOTPATHS							
District Road renewals <i>Subsidised</i>	Pavement Rehabilitation	<ul style="list-style-type: none"> Replace existing assets Resilience and reliability 	2018-2048	\$8 million over the next 30 years	NZTA FAR subsidies to be applied	Annual Plan decision on programme	Do nothing – risk of deterioration and reduced level of service / loss of funding
	Sealed pavement resealing			\$39 million over the next 30 years			
	Bridges / Structures Renewals programme Includes a bridge strengthening programme in excess of \$1 million for the first four years			\$18 million over 30 years			
Footpaths <i>Non-subsidised</i>	New footpaths	<ul style="list-style-type: none"> Improve Level of Service Safety, amenity 	2018-2048	\$18.4 million over the next 30 years with annual spend in excess of \$400,000	Available funding, NZTA FAR subsidies to be applied	Annual Plan decision on programme	Do nothing – risk of deterioration and reduced level of service
	Upgrade existing footpaths						
 WATER SUPPLY							

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WORKS	DESCRIPTION	WHY WE ARE DOING THIS	TIMEFRAME	BUDGET	ASSUMPTIONS	KEY DECISIONS	ALTERNATIVE OPTIONS & ASSOCIATED RISKS
Pipeline Renewals	<ul style="list-style-type: none"> Programmed pipe and trunk main renewals – Wairoa Including condition assessments and modelling to determine programme and extent of works 	<ul style="list-style-type: none"> Improve level of service Resilience and reliability 	2018-2048	\$10 million over the next 30 years including \$200,000+ per annum for Wairoa pipelines	<ul style="list-style-type: none"> Available funding Prioritisation of works ongoing optimised renewals programming 	Annual Plan decision on programme	Do nothing – risk of deterioration, reduced level of service and non-compliance
Wairoa Treatment Plant	Various renewals for treatment plant, intake and boundary reservoirs including SCADA, valves, switchboard and pumps	<ul style="list-style-type: none"> Improve level of service / Replace existing assets Resilience and reliability 	2018/19-2047/48	In the order of \$2 million over 30 years	<ul style="list-style-type: none"> Available funding Prioritisation of works No changes in consent conditions 	Annual Plan decision on programme	<ul style="list-style-type: none"> Do nothing – potential impact on level of service, resilience and compliance in the future Full upgrade of the plant unlikely to be unaffordable Replace source – not cost-effective at this stage, existing source adequate to meet demand, alternative source (for resilience) will be investigated in the future
	Replacement switchboard	<ul style="list-style-type: none"> Improve level of service 	2018/19	\$100,000			Do nothing – level of service potentially compromised
	Intake protection – sheet piles	<ul style="list-style-type: none"> Resilience and reliability 	2018/19	\$100,000			Do nothing – intake will be compromised, no alternative source
Mahanga	Chlorination equipment for supply	<ul style="list-style-type: none"> Improve level of service To meet NZDWS 	2017/18	\$158,000 (funding carried over)	2017/18 works not included in 2018-28 LTP	<ul style="list-style-type: none"> Legislative requirement Council to 	<ul style="list-style-type: none"> Do nothing – non-compliance and not addressing the results of

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WORKS	DESCRIPTION	WHY WE ARE DOING THIS	TIMEFRAME	BUDGET	ASSUMPTIONS	KEY DECISIONS	ALTERNATIVE OPTIONS & ASSOCIATED RISKS
	Install Telemetry (Part of Mahanga supply upgrade – existing supply does not meet the NZDWS. It is currently designated as a non-potable supplementary supply with ‘boil water’ notices in place)	and demand	2018/19-2024/25	\$235,000 2018/19		determine final and preferred option	the referendum in terms of the level of service to the community • Options for an alternative source (rather than upgrading the existing source) has been investigated in the past and deemed unaffordable
Blue Bay	<ul style="list-style-type: none"> Relocation and upgrade of existing supply Will include bore rehabilitation, SCADA upgrade and treatment plant upgrade 	<ul style="list-style-type: none"> Improve level of service & Replace Existing Assets To meet NZDWS and demand of subdivision 	2018/19	\$215,000	Demand projections		<ul style="list-style-type: none"> Do nothing – non-compliance, agreed levels of service will not be met No communal water supply for Blue Bay
 WASTEWATER							
Wairoa Wastewater	New Wastewater Treatment Plant (including treatment plant, new rising main (Kopu Road, North Clyde and Alexandra Park) <i>Budget allows for resource consent process</i>	<ul style="list-style-type: none"> Improve level of service Existing resource consent expires 2019 	Completion 2023/24	\$6 - 7 million	Preferred option is the modification of the existing wastewater facilities transitioning to a land-based discharge		<ul style="list-style-type: none"> Do nothing – Unlikely to achieve a workable consent period and will not meet community aspirations Renewals only – overflows will reduce but workable consent unlikely and will not meet community aspiration
	Pump station renewals & provision of standby generators for each pump station			\$1 million			
Pipe Renewals	Programmed pipeline renewals including infiltration study, condition assessments - Wairoa	<ul style="list-style-type: none"> Improve Level of Service Resilience and reliability 	2018-2048	\$6 million over 30 years	Available funding Prioritisation of works	Annual Plan decision on programme	Do nothing – risk of deterioration, reduced level of service and non-compliance

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WORKS	DESCRIPTION	WHY WE ARE DOING THIS	TIMEFRAME	BUDGET	ASSUMPTIONS	KEY DECISIONS	ALTERNATIVE OPTIONS & ASSOCIATED RISKS
 STORMWATER							
Pipe Renewals	Programmed pipeline renewals including condition assessments – Wairoa and Mahia Beach	<ul style="list-style-type: none"> • Improve Level of Service • Resilience and reliability 	2018-2048	\$5 million over 30 years	Available funding Prioritisation of works	Annual Plan decision on programme	Do nothing – risk of deterioration, reduced level of service and non-compliance
Piping Open Drains	Continuation of an annual provision to continue piping stormwater drains An annual budget is set each year but there are options to accelerate. Through the 2017/18 Annual Plan consultation, a provision of \$300,000 has been allocated for 2017/18	<ul style="list-style-type: none"> • Improve level of service • Piping open drains primarily addresses drivers related to safety and aesthetics 	2018-2048	\$11.2 million over 30 years with \$600,000 proposed for 2018/19 and 2019/20 each	Funding availability	Annual decision through Annual Plan process	<ul style="list-style-type: none"> • Do nothing – level of service, amenity values deteriorate, safety • Accelerate the programme – cost implications but assessed regularly through the Annual Plan process
 WAIROA AIRPORT							
Runway Lights	Lights and cabling repairs	<ul style="list-style-type: none"> • Resilience • Maintaining levels of service 	2018/19	\$150,000		Final approval based on funding	Do nothing – risk of deterioration, reduced level of service
Future Capital Works	Provision made for future works, yet to be determined		2020/21	\$120,000		Demand for new works / funding	
Resurfacing	Resurfacing aprons / hardstand areas		2018/19-2047/48	\$1.5 million over 30 years incl. \$200,000 in 2019/20 for aprons		Final approval based on funding	
 WASTE MANAGEMENT							
Mahia Recycling Centre	New centre to be provided	Improve level of service	2018/19-2019/20	\$150,000	Future demand remains	Final approval based on funding / community consultation	Do nothing – community needs not met

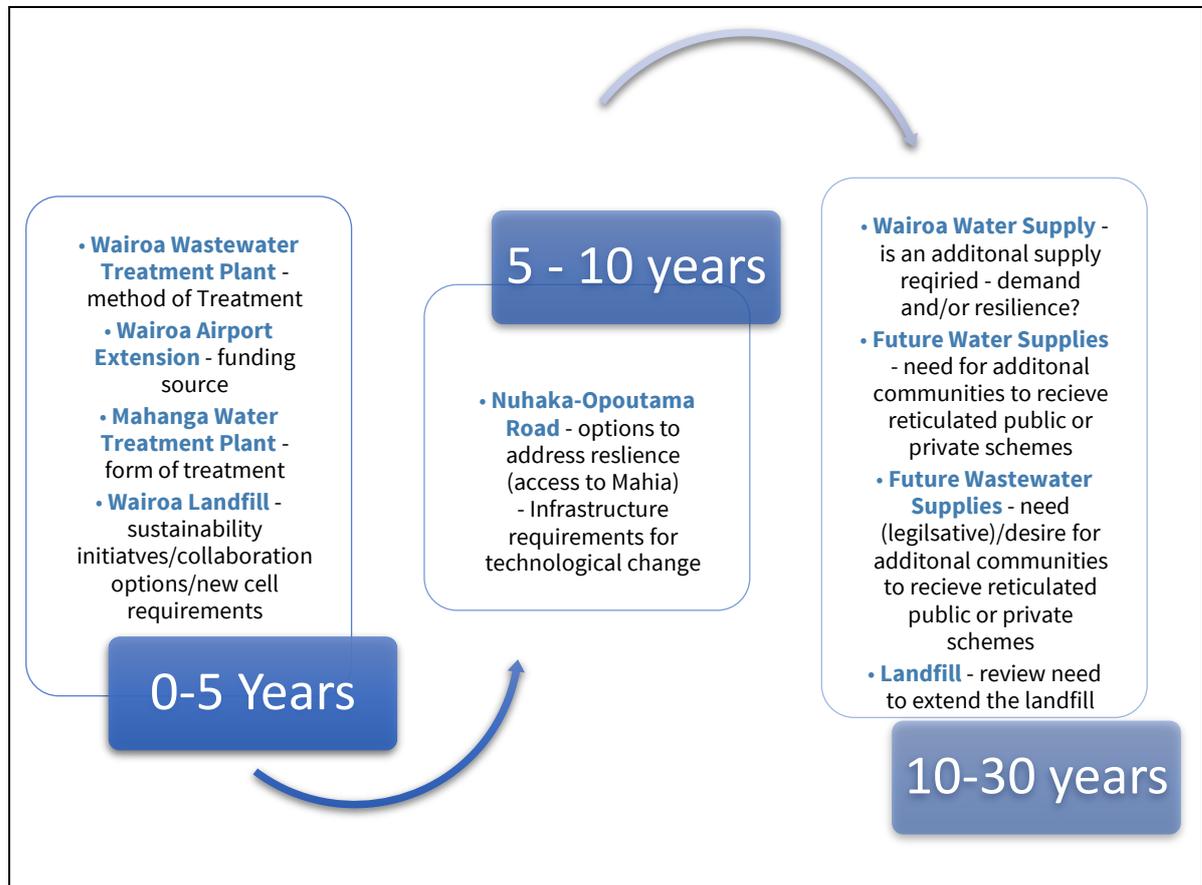
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WORKS	DESCRIPTION	WHY WE ARE DOING THIS	TIMEFRAME	BUDGET	ASSUMPTIONS	KEY DECISIONS	ALTERNATIVE OPTIONS & ASSOCIATED RISKS
New cell / Move to Landfill Farm	Provision for new cell and / or future extension of the landfill into adjacent farmland if the demand arises from collaborative initiatives such as receiving waste from outside the district	Level of service	20 – 25 years		Future demand remains	Review in 10 to 15 years to determine need	<ul style="list-style-type: none"> • Do nothing – levels of service not met • Stop providing the landfill service – resident / ratepayer surveys indicate this is not an acceptable option • Relocate landfill – moving the landfill will require land acquisition and new consents • Collaborative initiatives – potential options include acceptance of waste from outside the district – option invitations to continue in this area

6.5 KEY DECISION MAKING

There are a number of key decisions that will need to be made by elected members over the next 30 years.

The diagram below gives an indication of the timeframe for making such decisions to enable planning and investigation into the infrastructure projects.



APPENDIX 1: PREDICTED EXPENDITURE 2018-2048

LAND TRANSPORT

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2029-33	2034-38	2039-43	2043-48
	BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET									
NON SUBSIDISED ROADING														
RN0008. SUNDRY INCOME	4,500	4,599	4,698	4,811	4,923	5,040	5,166	5,301	5,445	5,598	30,717	35,784	41,679	48,555
RN10501. CHRISTMAS LIGHTING	2,000	2,044	2,088	2,138	2,188	2,240	2,296	2,356	2,420	2,488	13,652	15,904	18,524	21,580
RN1530. ROADS SAFE HAWKES BAY	8,000	8,176	8,352	8,552	8,752	8,960	9,184	9,424	9,680	9,952	54,608	63,616	74,096	86,320
RN1540. INTEREST PUBLIC DEBT	2,351	9,284	13,972	20,889	27,600	34,300	41,001	47,596	54,130	60,558	409,592	594,494	792,214	1,006,963
RN154099. Rated Loan Repayments on Capital	-	600	1,214	2,007	2,686	3,402	4,157	4,957	5,806	6,709	38,185	38,185	38,185	38,185
RN1560. CLIENT APPLICATION CONSENTS	2,000	2,044	2,088	2,138	2,188	2,240	2,296	2,356	2,420	2,488	13,652	15,904	18,524	21,580
RN2014. CLEANING DRAINS - RURAL	8,000	6,132	5,220	10,690	10,940	11,200	11,480	11,780	12,100	12,440	68,260	79,520	92,620	107,900
RN2015. CLEANING DRAINS	3,000	3,066	3,132	3,207	3,282	3,360	4,018	4,123	4,235	4,354	23,891	27,832	32,417	37,765
RN20152. CLEANING STREET & FOOTPATHS	75,000	76,650	78,300	80,175	82,050	84,000	86,100	88,350	90,750	93,300	511,950	596,400	694,650	809,250
RN20153. VERGE MOWING	15,000	14,308	12,528	16,035	16,410	16,800	17,220	17,670	18,150	18,660	102,390	119,280	138,930	161,850
RN2030. Depreciation Footpaths	11,755	16,509	20,409	24,509	28,787	33,083	37,486	42,089	46,692	51,394	328,279	457,896	607,431	782,497
RN203099. Non Funded Depreciation	600	1,214	2,007	2,686	3,402	4,157	4,957	5,806	6,709	7,637	38,185	38,185	38,185	38,185
RN20501. REPAIRS & MTCE TUAI FOOTPATHS	5,000	2,044	1,044	5,345	5,470	5,600	5,740	5,890	6,050	6,220	34,130	39,760	46,310	53,950
RN20502. REPAIRS & MTCE STREETLIGHTS	1,000	1,533	1,566	1,604	1,641	1,680	1,722	1,767	1,815	1,866	10,239	11,928	13,893	16,185
RN39051. CORPORATE OVERHEADS	69,873	71,500	78,368	73,778	76,512	82,332	77,434	80,827	87,159	82,989	456,147	497,052	560,523	619,599
RN39052. ENGINEERING OVERHEADS	75,196	76,538	78,010	79,504	80,885	82,465	84,075	85,758	87,468	89,194	474,048	524,682	580,987	643,665
Total - Ops and Maintenance	278,774	291,642	308,298	333,255	352,793	375,819	389,167	410,749	435,583	450,249	2,577,209	3,120,639	3,747,488	4,445,474

WAIROA

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2029-33	2034-38	2039-43	2043-48
	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET
FOOTPATH RENEWALS	100,000	102,200	104,400	106,900	109,400	112,000	114,800	117,350	119,980	122,610	682,600	795,200	926,200	1,079,000
NEW STREETLIGHTS	10,000	10,220	10,440	10,690	10,940	11,200	11,480	11,735	11,998	12,261	68,260	79,520	92,620	107,900
UPGRADE CROSSINGS	5,000	3,577	3,654	5,345	5,470	5,600	5,740	5,868	5,999	6,131	34,130	39,760	46,310	53,950
TUAI FOOTPATH UPRGADE (DDF)	8,000	8,176	8,352	10,690	10,940	11,200	11,480	11,735	11,998	12,261	-	-	-	-
Walkway James Carroll Expenses	3,500	3,577	3,654	3,742	3,829	3,920	4,018	4,107	4,199	4,291	23,892	10,627	32,419	14,417
Urewera Rainforest Route Upgrade Feasibility	21,000	21,496	22,551	23,761	25,046	26,436	27,992	29,700	31,604	32,492	-	-	-	-
Walkway/Cycleway Loop Design - feasibility	-	-	5,220	-	-	-	-	-	-	-	-	-	-	-
Total - Capital Works	147,500	149,246	158,271	161,128	165,625	170,356	175,510	180,495	185,778	190,046	808,882	925,107	1,097,549	1,255,267
SUBSIDISED ROADING														
RS0100. Subsidy NZTA Roothing	4,804,571	5,170,206	5,332,708	5,406,788	5,682,717	5,972,333	6,162,108	6,041,891	6,395,080	6,546,164	35,919,709	41,844,935	48,829,264	58,934,980
RS0102. Subsidy NZTA Emergency Works	1,079,200	1,102,637	1,126,302	1,151,351	1,176,660	1,186,800	1,197,720	1,209,420	1,221,900	1,235,160	7,781,640	9,065,280	10,558,680	12,300,600
RS0103. Subsidy NZTA Renewals	3,622,420	3,978,062	4,348,003	3,021,765	2,409,809	2,551,080	2,646,714	2,545,001	3,216,450	3,016,812	19,293,779	25,119,347	33,147,933	43,608,623
Total Income	9,506,191	10,250,905	10,807,013	9,579,904	9,269,186	9,710,213	10,006,542	9,796,312	10,833,430	10,798,136	62,995,128	76,029,561	92,535,877	114,844,203
RS2000. CONSULTANCY - MAINTENANCE	974,059	1,023,539	1,054,909	975,997	1,133,384	1,156,960	1,044,680	1,102,608	1,249,930	1,260,172	6,211,660	7,443,072	9,382,406	10,930,270
RS2030. Depreciation Bridges	770,242	883,992	964,362	1,014,986	1,114,069	1,166,577	1,214,307	1,327,911	1,390,061	1,448,137	8,257,209	10,309,842	12,781,249	15,986,185
RS20301. Depreciation Roothing	1,859,699	1,977,392	1,977,392	1,977,392	2,121,281	2,121,281	2,121,281	2,298,376	2,298,376	2,298,376	11,649,630	11,800,998	11,992,851	12,208,685
RS2200. CONSULTANCY - TRAFFIC SERVICES	5,000	5,110	5,220	5,345	5,470	5,600	5,740	5,890	6,050	6,220	54,820	87,838	130,090	205,660
RS2900. ROAD LEGALISATION	25,000	25,550	26,100	26,725	27,350	28,000	28,700	29,450	30,250	31,100	170,650	198,800	231,550	269,750
RS3000. SEALED PAVEMENT MAINTENANCE	478,000	564,144	590,904	609,330	611,546	592,480	717,500	665,570	775,610	741,424	4,266,250	4,492,880	5,936,942	6,430,840

WAIROA

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2029-33	2034-38	2039-43	2043-48
	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET
RS3100. UNSEALED PAVEMENT MAINTENANCE	1,007,000	1,054,704	1,105,596	1,175,900	1,203,400	1,232,000	1,262,800	1,295,800	1,331,000	1,368,400	7,508,600	8,747,200	10,188,200	11,869,000
RS3200. UNSEALED ROAD METALLING	800,000	919,800	939,600	966,376	1,016,326	1,228,640	1,448,776	1,082,582	1,176,120	1,197,972	8,614,412	7,307,888	9,002,664	10,390,770
RS3300. ROUTINE DRAINAGE MAINTENANCE	518,000	546,770	577,332	552,673	565,598	579,040	593,516	609,026	625,570	643,148	3,529,042	4,111,184	4,788,454	5,578,430
RS3400. STRUCTURES MAINTENANCE	296,000	309,666	324,684	336,735	344,610	352,800	361,620	371,070	381,150	391,860	2,150,190	2,504,880	2,917,530	3,398,850
RS3500. TRAFFIC SERVICES MAINTENANCE	300,000	321,930	320,508	160,350	273,500	168,000	287,000	176,700	302,500	186,600	1,706,500	1,192,800	2,315,500	1,618,500
RS3550. RIVER WALKWAY/CYCLEWAY MTCE	8,000	8,176	8,352	8,552	8,752	8,960	9,184	9,424	9,680	9,952	54,608	63,616	74,096	86,320
RS3600. ENVIRONMENTAL MAINTENANCE	471,000	493,626	391,500	534,500	382,900	560,000	401,800	589,000	423,500	622,000	2,389,100	3,976,000	3,241,700	5,395,000
RS3700. LEVEL CROSSING WARNING DEVICES	4,000	4,088	4,176	4,276	4,376	4,480	4,592	4,712	4,840	4,976	27,304	31,808	37,048	43,160
RS39051. CORPORATE OVERHEADS	626,301	640,886	702,448	661,303	685,816	737,979	694,076	724,493	781,243	743,871	4,088,664	4,455,313	5,024,229	5,553,755
RS39052. ENGINEERING OVERHEADS	375,978	381,872	388,385	397,518	404,423	412,326	420,377	428,788	437,340	445,969	2,370,242	2,623,411	2,904,935	3,218,325
RS5000. 2013-14 Emerg Works District Flood Damage	570,000	582,540	595,080	609,330	623,580	638,400	654,360	671,460	689,700	709,080	3,890,820	4,532,640	5,279,340	6,150,300
RS5001. Minor Events Local Roads	97,000	99,134	101,268	103,693	106,118	108,640	111,356	114,266	117,370	120,668	662,122	771,344	898,414	1,046,630
RS6000. ROAD 38 - CONSULTANCY MTCE	15,000	16,352	16,704	42,760	43,760	44,800	45,920	47,120	48,400	49,760	273,040	318,080	370,480	431,600
RS7000. ROAD 38 - SEALED PAVEMENT MTCE	9,000	9,198	9,396	10,690	10,940	11,200	11,480	11,780	12,100	12,440	68,260	79,520	92,620	107,900
RS7100. ROAD 38-UNSEALED PAVEMENT MTCE	191,000	199,290	220,284	213,800	218,800	224,000	229,600	235,600	242,000	248,800	1,365,200	1,590,400	1,852,400	2,158,000
RS7200. ROAD 38-ROUTINE DRAINAGE MTCE	53,000	56,210	59,508	62,002	63,452	64,960	66,584	68,324	70,180	72,152	395,908	461,216	537,196	625,820
RS7300. ROAD 38 - STRUCTURES MTCE	49,000	51,100	53,244	60,933	62,358	63,840	65,436	67,146	68,970	70,908	389,082	453,264	527,934	615,030
RS7400. ROAD 38- ENVIRONMENTAL MTCE	39,000	40,880	42,804	42,760	43,760	44,800	45,920	47,120	48,400	49,760	273,040	318,080	370,480	431,600
RS7500. ROAD 38-TRAFFIC SERVICES MGMT	4,000	4,088	4,176	5,345	5,470	5,600	5,740	5,890	6,050	6,220	34,130	39,760	46,310	53,950
RS9000. ROAD 38 EMERGENCY RESPONSE	100,000	107,310	109,620	112,245	114,870	117,600	120,540	123,690	127,050	130,620	716,730	918,456	1,118,387	1,359,540
Total - Ops and Maintenance	9,645,279	10,327,259	10,593,375	10,671,170	11,195,439	11,678,364	11,972,145	12,112,907	12,652,389	12,869,365	71,088,082	78,795,529	92,001,695	106,114,920

WAIROA

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2029-33	2034-38	2039-43	2043-48
	BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET									
Emergency Reinst. - Renewal	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	6,826,000	7,952,000	9,262,000	10,790,000
Emergency Reinst. - New	520,000	531,440	542,880	555,880	568,880	582,400	596,960	612,560	629,200	646,880	3,549,520	4,135,040	4,816,240	5,610,800
Pavement Rehabilitation	310,000	470,120	757,944	-	-	269,920	-	-	398,090	277,412	-	1,916,432	-	3,549,910
Sealed Road Resurfacing	884,000	790,006	1,085,760	801,750	806,278	667,520	1,003,352	813,998	1,249,930	1,039,984	874,000	874,000	874,000	874,000
Drainage Renewals	375,000	337,260	364,356	374,150	382,900	392,000	401,800	412,300	423,500	435,400	350,000	350,000	350,000	350,000
Structures Components Replacements	499,000	509,978	520,956	411,565	421,190	431,200	441,980	453,530	465,850	478,940	385,000	385,000	385,000	385,000
Traffic Services Renewals	69,000	75,628	84,564	69,485	71,110	72,800	74,620	76,570	78,650	80,860	65,000	65,000	65,000	65,000
Minor Improvements	2,965,000	3,342,094	3,142,588	2,426,516	1,531,600	1,568,000	1,607,200	1,636,936	1,672,580	1,709,820	14,298,315	19,719,598	27,219,998	36,942,481
Total - Capital Works	6,622,000	7,056,526	7,499,048	5,639,346	4,781,958	4,983,840	5,125,912	5,005,894	5,917,800	5,669,296	26,347,835	35,397,070	42,972,238	58,567,191

WAIROA

WATER SUPPLY

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2029-33	2034-38	2039-43	2043-48
	BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET									
WATER RETICULATION														
WR0007. SALE OF WATER WAIROA URBAN	90,000	102,800	105,300	107,900	110,700	113,700	116,900	120,300	123,900	127,800	703,100	905,190	1,059,850	1,297,775
WR00071. SALE WATER FRASERTOWN	10,000	10,280	10,530	10,790	11,070	11,370	11,690	12,030	12,390	12,780	70,310	90,519	105,985	129,778
WR0403. METERED WATER PENALTIES	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	7,500	7,500	7,500	7,500
WR0010. INTEREST RESERVE FUNDS URBAN	60,186	60,601	68,305	71,119	71,628	69,836	70,340	68,794	67,182	68,360	322,819	309,546	301,596	297,277
WR00101. INTEREST RESERVE FUNDS PERI URBAN	2,409	2,618	2,664	2,514	2,319	2,070	1,934	1,763	1,594	1,511	6,165	4,661	3,732	3,089
WR00102. INTEREST RESERVE FUNDS TUAI	976	1,061	1,080	1,019	940	839	784	715	646	612	2,498	1,890	1,514	1,252
WR00103. INTEREST RESERVE FUNDS F'TOWN	849	922	939	886	817	729	682	621	562	532	2,171	1,642	1,316	1,089
WR00104. INTEREST RESERVE FUNDS MAHANGA	266	290	295	278	256	229	214	195	176	167	682	516	413	342
Total - Income	166,186	180,072	190,613	196,006	199,230	200,273	204,044	205,918	207,950	213,262	1,115,245	1,321,464	1,481,906	1,738,102
WR153501. INSURANCE WAIROA	42,000	43,176	44,226	45,318	46,494	47,754	49,098	50,526	52,038	53,676	295,302	345,618	404,670	473,970
WR153505. INSURANCE WAIROA PERI URBAN	1,500	1,542	1,580	1,619	1,661	1,706	1,754	1,805	1,859	1,917	10,547	12,344	14,453	16,928
WR153510. INSURANCE FRASERTOWN	750	771	790	809	830	853	877	902	929	959	5,273	6,172	7,226	8,464
WR153515. INSURANCE TUAI	1,000	1,028	1,053	1,079	1,107	1,137	1,169	1,203	1,239	1,278	7,031	8,229	9,635	11,285
WR153520. INSURANCE MAHANGA	200	206	211	216	221	227	234	241	248	256	1,406	1,646	1,927	2,257
WR154099. Rated Loan Repayments on Capital	-	855	855	855	855	855	855	855	855	855	4,275	4,275	4,275	4,275
WR1540. INTEREST PUBLIC DEBT (EX WT IM)	1,183	2,332	2,297	2,263	2,229	2,195	2,161	2,126	2,092	2,058	9,777	8,922	8,067	7,246
WR202501. CONSULTANCY WAIROA	10,000	-	-	-	22,140	-	-	-	-	31,950	70,310	82,290	96,350	112,850

WAIROA

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2029-33	2034-38	2039-43	2043-48
	BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET									
WR2030. Depreciation	40,519	47,916	51,691	55,557	59,524	63,598	67,786	72,098	76,537	71,603	430,609	563,579	725,799	915,805
WR20301. Depreciation Wairoa Supply	328,984	349,381	349,381	349,381	375,042	375,042	375,042	406,624	406,624	406,624	2,063,059	2,097,273	2,131,487	2,169,978
WR203099. Non Funded Depreciation	855	855	855	855	855	855	855	855	855	855	4,275	4,275	4,275	4,275
WR20351. ELECTRICITY TUAI	5,000	5,140	5,265	5,395	5,535	5,685	5,845	6,015	6,195	6,390	35,155	41,145	48,175	56,425
WR204016. Blue Bay Operating and Maintenance	-	30,840	31,590	32,370	33,210	34,110	35,070	36,090	37,170	38,340	210,930	246,870	289,050	338,550
WR22001. ASSET MANAGEMENT WAIROA	2,000	2,056	2,106	2,158	2,214	2,274	2,338	2,406	2,478	2,556	14,062	16,458	19,270	22,570
WR39051. CORPORATE OVERHEADS	185,689	190,013	208,265	196,066	203,334	218,800	205,783	214,801	231,627	220,547	1,212,227	1,320,933	1,489,608	1,646,605
WR39052. ENGINEERING OVERHEADS	93,995	95,468	97,096	99,379	101,106	103,082	105,094	107,197	109,335	111,492	592,561	655,853	726,234	804,581
WR39101. RATES WAIROA	1,000	1,028	1,053	1,079	1,107	1,137	1,169	1,203	1,239	1,278	7,031	8,229	9,635	11,285
WR39103. RATES FRASERTOWN	50	51	53	54	55	57	58	60	62	64	352	411	482	564
WR39104. RATES TUAI	50	51	53	54	55	57	58	60	62	64	352	411	482	564
WR39105. RATES MAHANGA	10	10	11	11	11	11	12	12	12	13	70	82	96	113
WR5000. WAIROA PIPELINES - OPS & MTCE	130,000	133,640	136,890	140,270	143,910	147,810	151,970	156,390	161,070	166,140	914,030	1,069,770	1,252,550	1,467,050
WR5010. WAIROA METERS - OPS & MTCE	20,000	20,560	21,060	21,580	22,140	22,740	23,380	24,060	24,780	25,560	140,620	164,580	192,700	225,700
WR5020. WAIROA SVCE CONN - OPS & MTCE	100,000	102,800	105,300	107,900	110,700	113,700	116,900	120,300	123,900	127,800	703,100	822,900	963,500	1,128,500
WR5040. CHECK HYDRANTS/FLUSHING MAINS	15,000	15,420	15,795	16,185	16,605	17,055	17,535	18,045	18,585	19,170	105,465	123,435	144,525	169,275
WR5120. WROA P/URBAN CONNOC OPS & MTCE	1,000	1,028	1,053	1,079	1,107	1,137	1,169	1,203	1,239	1,278	7,031	8,229	9,635	11,285
WR5200. FRASERTOWN P/LINES OPS & MTCE	1,000	1,028	1,053	1,079	1,107	1,137	1,169	1,203	1,239	1,278	7,031	8,229	9,635	11,285
WR5210. FRASERTOWN METERS OPS & MTCE	1,000	1,028	1,053	1,079	1,107	1,137	1,169	1,203	1,239	1,278	7,031	8,229	9,635	11,285
WR5220. FRASERTOWN SVCE CONN OPS & MTC	1,000	1,028	1,053	1,079	1,107	1,137	1,169	1,203	1,239	1,278	7,031	8,229	9,635	11,285
WR5240. FRASERTOWN RESERVOIRS -ELECT	1,059	1,089	1,115	1,143	1,172	1,204	1,238	1,274	1,312	1,353	7,446	8,715	10,203	11,951

WAIROA

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2029-33	2034-38	2039-43	2043-48
	BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET									
WR5300. TUAI PIPELINES OPS & MTCE	2,000	2,056	2,106	2,158	2,214	2,274	2,338	2,406	2,478	2,556	14,062	16,458	19,270	22,570
WR5320. TUAI SVCE CONNECT OPS & MTCE	2,000	2,056	2,106	2,158	2,214	2,274	2,338	2,406	2,478	2,556	14,062	16,458	19,270	22,570
WR5330. TUAI RESERVOIRS OPS & MTCE	5,000	5,140	5,265	5,395	5,535	5,685	5,845	6,015	6,195	6,390	35,155	41,145	48,175	56,425
WR5340. TUAI RESERVOIRS - ELECTRICITY	1,076	1,106	1,133	1,161	1,191	1,223	1,258	1,294	1,333	1,375	7,565	8,854	10,367	12,143
WR5400. MAHANGA PIPELINES OPS & MTCE	7,000	7,196	7,371	7,553	7,749	7,959	8,183	8,421	8,673	8,946	49,217	57,603	67,445	78,995
WR5420. MAHANGA SVCE CONN OPS & MTCE	2,000	2,056	2,106	2,158	2,214	2,274	2,338	2,406	2,478	2,556	14,062	16,458	19,270	22,570
WR5430. MAHANGA RESERVOIRS OPS & MTCE	5,000	5,140	5,265	5,395	5,535	5,685	5,845	6,015	6,195	6,390	35,155	41,145	48,175	56,425
WR5440. MAHANGA RESERVOIRS ELECTRICITY	2,031	2,088	2,139	2,191	2,248	2,309	2,374	2,443	2,516	2,596	14,280	16,713	19,569	22,920
Total - Ops and Maintenance	1,010,950	1,077,229	1,110,292	1,114,081	1,185,441	1,196,174	1,201,475	1,261,367	1,298,406	1,331,274	7,056,946	7,862,165	8,844,755	9,950,824
WAIROA PIPELINES RENEWALS	200,000	205,600	210,600	215,800	221,400	227,400	233,800	240,600	247,800	255,600	1,406,200	1,645,800	1,927,000	2,257,000
VALVE REPLACEMENTS	-	10,280	10,530	10,790	11,070	11,370	11,690	12,030	12,390	12,780	70,310	82,290	96,350	112,850
Renewals modelling	25,000	25,700	10,530	10,790	11,070	11,370	11,690	12,030	12,390	12,780	70,310	82,290	96,350	112,850
Condition reporting	20,000	20,560	10,530	10,790	11,070	11,370	11,690	12,030	12,390	12,780	70,310	82,290	96,350	112,850
Mahanga retic	25,000	5,140	5,265	5,395	5,535	5,685	5,845	6,015	6,195	6,390	35,155	41,145	48,175	56,425
Tuai retic	20,000	10,280	10,530	10,790	11,070	11,370	11,690	12,030	12,390	12,780	70,310	82,290	96,350	112,850
New Water Bore Take for Bluebay and new supply line	35,000	-	-	-	-	-	-	-	-	-	-	-	-	-
Total - Capital Works	380,000	277,560	257,985	264,355	271,215	278,565	286,405	294,735	303,555	313,110	1,722,595	2,016,105	2,360,575	2,764,825
WATER TREATMENT														
WT0071. SALE WATER AFFCO	224,000	230,272	235,872	241,696	247,968	254,688	261,856	269,472	277,536	286,272	1,574,944	1,843,296	2,158,240	2,527,840

WAIROA

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2029-33	2034-38	2039-43	2043-48
	BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET									
WT00812. AFFCO DIRECT CHARGES	5,000	5,140	5,265	5,395	5,535	5,685	5,845	6,015	6,195	6,390	35,155	41,145	48,175	56,425
Total Income	229,000	235,412	241,137	247,091	253,503	260,373	267,701	275,487	283,731	292,662	1,610,099	1,884,441	2,206,415	2,584,265
WT1035. GENERAL EXPENSES	5,000	5,140	5,265	5,395	5,535	5,685	5,845	6,015	6,195	6,390	35,155	41,145	48,175	56,425
WT1075. COMMUNICATIONS-WATER TREATMENT	5,000	5,140	5,265	5,395	5,535	5,685	5,845	6,015	6,195	6,390	35,155	41,145	48,175	56,425
WT10751. INTERNET & EMAIL EXPENSES	1,500	1,542	1,580	1,619	1,661	1,706	1,754	1,805	1,859	1,917	10,547	12,344	14,453	16,928
WT1535. INSURANCE	36,000	37,008	37,908	38,844	39,852	40,932	42,084	43,308	44,604	46,008	253,116	296,244	346,860	406,260
WT154099. Rated Loan Repayments on Capital	-	8,072	8,072	8,072	8,072	8,072	7,072	7,072	7,072	7,072	35,360	22,024	17,990	17,815
WT2030. Depreciation Motor Vehicle	43,817	48,606	52,467	56,423	60,146	70,000	78,964	83,908	88,451	97,527	690,294	947,058	1,297,937	1,639,633
WT20301. Depreciation Treatment Plant	162,836	172,932	172,932	172,932	185,633	185,633	185,633	201,265	201,265	201,265	1,021,145	1,038,080	1,055,014	1,074,066
WT20302. Depreciation Computer Equipment	2,000	2,124	2,124	2,124	2,280	2,280	2,280	2,472	2,472	2,472	12,542	12,750	12,958	13,192
WT203099. Non Funded Depreciation	8,072	8,072	8,072	8,072	8,072	8,072	8,072	8,072	8,072	8,072	40,360	66,090	67,670	67,670
WT20351. ELECTRICITY INTAKE	50,000	51,400	52,650	53,950	55,350	56,850	58,450	60,150	61,950	63,900	351,550	411,450	481,750	564,250
WT20352. ELECTRICITY WATER TREATMENT PL	50,000	51,400	52,650	53,950	55,350	56,850	58,450	60,150	61,950	63,900	351,550	411,450	481,750	564,250
WT20353. ELECTRICITY AFFCO	20,000	20,560	21,060	21,580	22,140	22,740	23,380	24,060	24,780	25,560	140,620	164,580	192,700	225,700
WT20354. ELECTRICITY TAWHARA	50,000	51,400	52,650	53,950	55,350	56,850	58,450	60,150	61,950	63,900	351,550	411,450	481,750	564,250
WT20401. OPS-INTAKE	5,000	5,140	5,265	5,395	5,535	5,685	5,845	6,015	6,195	6,390	35,155	41,145	48,175	56,425
WT204012. OPS-INT-MAIN	1,000	1,028	1,053	1,079	1,107	1,137	1,169	1,203	1,239	1,278	7,031	8,229	9,635	11,285
WT204021. OPS-PLANT-GROUNDS	500	514	527	540	554	569	585	602	620	639	3,516	4,115	4,818	5,643
WT204023. OPS-PLANT-PUMP	1,000	1,028	1,053	1,079	1,107	1,137	1,169	1,203	1,239	1,278	7,031	8,229	9,635	11,285
WT204025. OPS-PLANT-SLUDGE	3,921	4,031	4,129	4,231	4,341	4,458	4,584	4,717	4,858	5,011	27,569	32,266	37,779	44,248

WAIROA

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2029-33	2034-38	2039-43	2043-48
	BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET									
WT204026. OPS-PLANT-TELEMETRY	5,346	5,496	5,629	5,768	5,918	6,078	6,249	6,431	6,624	6,832	37,588	43,992	51,509	60,330
WT204027. OPS-PLANT-WATER COMPLIANCE	8,000	8,224	8,424	8,632	8,856	9,096	9,352	9,624	9,912	10,224	56,248	65,832	77,080	90,280
WT204029. OPS-PLANT SERVICES	15,000	15,420	15,795	16,185	16,605	17,055	17,535	18,045	18,585	19,170	105,465	123,435	144,525	169,275
WT20403. OPS-PLANT-CHEM	12,000	12,336	12,636	12,948	13,284	13,644	14,028	14,436	14,868	15,336	84,372	98,748	115,620	135,420
WT204031. OPS-PROCESS CHEMICAL DOSING	16,915	17,389	17,812	18,251	18,725	19,232	19,774	20,349	20,958	21,617	118,929	139,194	162,976	190,886
WT204032. OPS-PROCESS FILTRATION	9,998	10,278	10,528	10,788	11,068	11,368	11,688	12,028	12,388	12,777	70,296	82,274	96,331	112,827
WT204033. OPS-PROCESS MONITORING-ADJUSTM	40,000	41,120	42,120	43,160	44,280	45,480	46,760	48,120	49,560	51,120	281,240	329,160	385,400	451,400
WT204034. OPS-PROCESS SLUDGE DISPOSAL	5,806	5,969	6,114	6,265	6,427	6,601	6,787	6,985	7,194	7,420	40,822	47,778	55,941	65,521
WT204036. OPS-SETTLING TANKS	8,087	8,313	8,516	8,726	8,952	9,195	9,454	9,729	10,020	10,335	56,860	66,548	77,918	91,262
WT204037. LABORATORY REGISTRATION	5,239	5,386	5,517	5,653	5,800	5,957	6,124	6,303	6,491	6,695	36,835	43,112	50,478	59,122
WT20404. PUMPING MAIN	3,000	3,084	3,159	3,237	3,321	3,411	3,507	3,609	3,717	3,834	21,093	24,687	28,905	33,855
WT204041. OPS-AFFCO PUMPING	1,069	1,099	1,126	1,153	1,183	1,215	1,250	1,286	1,324	1,366	7,516	8,797	10,300	12,064
WT204043. OPS-BOUNDARY-RESERVOIRS	1,600	1,645	1,685	1,726	1,771	1,819	1,870	1,925	1,982	2,045	11,250	13,166	15,416	18,056
WT204044. OPS-TAWHARA PUMPING	2,000	2,056	2,106	2,158	2,214	2,274	2,338	2,406	2,478	2,556	14,062	16,458	19,270	22,570
WT204045. OPS-WAIROA WATER COMP	10,000	10,280	10,530	10,790	11,070	11,370	11,690	12,030	12,390	12,780	70,310	82,290	96,350	112,850
WT204049. Ops-Tawhara Road New Pump Stn	1,000	1,028	1,053	1,079	1,107	1,137	1,169	1,203	1,239	1,278	7,031	8,229	9,635	11,285
WT204051. Ops-Awatere Road Pump Stn	500	514	527	540	554	569	585	602	620	639	3,516	4,115	4,818	5,643
WT204055. Ops-Hilcrest Pump Stn	500	514	527	540	554	569	585	602	620	639	3,516	4,115	4,818	5,643
WT204064. OPS-FTOWN WATER COMPLI	4,178	2,056	2,106	4,508	4,625	4,750	4,884	5,026	5,177	5,339	29,376	34,381	40,255	47,149
WT204078. Tuai Plant Servicing	2,076	1,028	1,053	2,240	2,298	2,360	2,427	2,497	2,572	2,653	14,596	17,083	20,002	23,428
WT204087. Mahanga OPS Water Compliance	550	565	579	593	609	625	643	662	681	703	3,867	4,526	5,299	6,207
WT204088. Mahanga Plant Servicing	2,100	1,028	1,053	2,266	2,325	2,388	2,455	2,526	2,602	2,684	14,765	17,281	20,234	23,699

WAIROA

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2029-33	2034-38	2039-43	2043-48
	BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET									
WT204089. Mahanga Water Chlorine Ops	1,500	1,028	1,053	1,619	1,661	1,706	1,754	1,805	1,859	1,917	10,547	12,344	14,453	16,928
WT20451. CHEM - ALUM	15,000	15,420	15,795	16,185	16,605	17,055	17,535	18,045	18,585	19,170	105,465	123,435	144,525	169,275
WT20452. CHEM-POLY	8,000	5,140	5,265	8,632	8,856	9,096	9,352	9,624	9,912	10,224	56,248	65,832	77,080	90,280
WT20454. CHEM-CHLOR	11,500	11,822	12,110	12,409	12,731	13,076	13,444	13,835	14,249	14,697	80,857	94,634	110,803	129,778
WT20455. CHEM-CAUSTIC SODA	16,000	16,448	16,848	17,264	17,712	18,192	18,704	19,248	19,824	20,448	112,496	131,664	154,160	180,560
WT20456. CHEM-PACL	50,000	51,400	52,650	53,950	55,350	56,850	58,450	60,150	61,950	63,900	351,550	411,450	481,750	564,250
WT205022. REPAIRS PLANT BUILDINGS	1,200	1,234	1,264	1,295	1,328	1,364	1,403	1,444	1,487	1,534	8,437	9,875	11,562	13,542
WT205023. REPAIRS PLANT PROCESS	5,000	5,140	5,265	5,395	5,535	5,685	5,845	6,015	6,195	6,390	35,155	41,145	48,175	56,425
WT205024. REPAIRS PLANT PUMP SYS	500	514	527	540	554	569	585	602	620	639	3,516	4,115	4,818	5,643
WT20503. REPAIRS SLUDGE DISP SYS	1,000	1,028	1,053	1,079	1,107	1,137	1,169	1,203	1,239	1,278	7,031	8,229	9,635	11,285
WT205041. REPAIRS BOUNDARY BLDG	2,500	1,028	1,053	2,698	2,768	2,843	2,923	3,008	3,098	3,195	17,578	20,573	24,088	28,213
WT205052. REPAIRS INTAKE PUMP SYS	1,500	1,028	5,265	1,619	1,661	1,706	1,754	1,805	1,859	1,917	10,547	12,344	14,453	16,928
WT2055. OPS-HEALTH & SAFETY	1,600	1,645	1,685	1,726	1,771	1,819	1,870	1,925	1,982	2,045	11,250	13,166	15,416	18,056
WT2065. MOTOR VEHICLE EXPENSES	6,500	6,682	6,845	7,014	7,196	7,391	7,599	7,820	8,054	8,307	45,702	53,489	62,628	73,353
WT20651. M/V EXPENSES - TRAILER	1,050	771	790	1,133	1,162	1,194	1,227	1,263	1,301	1,342	7,383	8,640	10,117	11,849
WT2505. SALARIES & WAGES	200,294	209,195	213,137	222,283	226,474	235,873	240,321	249,982	254,699	264,635	1,400,535	1,538,735	1,690,574	1,857,399
WT2510. A C C LEVIES	1,271	1,356	1,405	1,498	1,553	1,655	1,718	1,828	1,901	2,023	10,703	11,763	12,930	14,208
WT25201. SUPERANNUATION SUBSIDY	5,083	5,418	5,613	5,986	6,208	6,611	6,865	7,306	7,597	8,082	42,755	46,991	51,651	56,756
WT2525. STAFF TRAINING	10,000	10,160	10,330	10,520	10,710	10,910	11,120	11,340	11,570	11,810	62,480	68,670	75,480	82,940
WT2535. TRAVEL EXPENSES	3,000	3,048	3,099	3,156	3,213	3,273	3,336	3,402	3,471	3,543	18,744	20,601	22,644	24,882
WT39051. CORPORATE OVERHEADS	50,410	51,584	56,539	53,228	55,201	59,399	55,865	58,314	62,881	59,873	329,093	358,604	404,395	447,016

WAIROA

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2029-33	2034-38	2039-43	2043-48
	BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET									
WT39052. ENGINEERING OVERHEADS	18,799	19,094	19,419	19,876	20,221	20,616	21,019	21,439	21,867	22,298	118,512	131,171	145,247	160,916
WT3910. RATES	500	514	527	540	554	569	585	602	620	639	3,516	4,115	4,818	5,643
Total - Ops and Maintenance	1,012,817	1,050,661	1,080,848	1,111,476	1,149,292	1,189,122	1,215,224	1,266,605	1,299,783	1,336,919	7,348,891	8,436,573	9,741,700	11,180,640
RENEWAL EXPENDITURE	25,000	25,700	26,325	26,975	27,675	28,425	29,225	30,075	30,975	31,950	175,775	205,725	240,875	282,125
RENEW BACKWASH VALVES & CONTROL	25,000	-	-	-	-	-	-	-	-	-	-	-	-	-
Vehicle	-	-	-	-	-	28,425	23,380	-	-	31,950	106,625	83,525	94,750	167,575
Boundary Valves - Pump Station	10,000	-	-	-	-	-	-	-	-	-	-	-	-	-
Safety Improvement	10,000	10,280	10,530	10,790	11,070	11,370	11,690	12,030	12,390	12,780	70,310	82,290	96,350	112,850
Cleaning Inspection Reservoir	15,000	-	-	-	-	-	-	-	-	-	19,785	-	27,105	-
Sheetpile protection of intake	100,000	-	-	-	-	-	-	-	-	-	131,900	-	180,700	-
Chlorine Analyser	8,500	10,280	10,530	10,790	11,070	11,370	11,690	12,030	12,390	12,780	59,765	69,948	81,900	95,925
Switchboard replacement	100,000	-	-	-	-	-	-	-	-	-	-	154,400	-	-
Pipemain Condition Sampling	10,380	10,280	10,530	10,790	11,070	11,370	11,690	12,030	12,390	12,780	70,310	82,290	96,350	112,850
Re paint Boundary Station Building generator shed	5,000	-	-	-	-	-	-	-	-	-	6,595	-	9,035	-
Resilience Earthquake Valves and Bore Investigations	25,000	-	-	-	-	-	-	-	-	-	-	38,600	-	-
Replace lifting vinyl flooring at WTP	250,000	-	-	-	-	-	-	-	-	-	32,975	-	45,175	-
Re Roof Boundary generator room	5,000	-	-	-	-	-	-	-	-	-	5,000	-	-	-
Install new chlorine gas leak wind socks at WTP/Tawhara	3,500	-	-	-	-	-	-	-	-	-	-	-	6,325	-
Install WAN at Intake	8,000	-	-	-	-	-	-	-	-	-	10,552	12,352	14,456	16,936

WAIROA

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2029-33	2034-38	2039-43	2043-48
	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET
Bluebay telemetry SCADA upgrade	30,000	-	-	-	-	-	-	-	-	-	39,570	46,320	54,210	63,510
Blue Bay water treatment upgrade includes WSP and consent	100,000	-	-	-	-	-	-	-	-	-	-	-	-	211,700
Install chlorination and monitoring of the Tuai water supply	25,000	-	-	-	-	-	-	-	-	-	-	38,600	-	-
Mahanga treatment upgrade	235,000	-	-	-	-	-	-	-	-	-	-	-	-	-
Total - Capital Works	765,380	56,540	57,915	59,345	60,885	90,960	87,675	66,165	68,145	102,240	729,162	814,050	947,231	1,063,471

WAIROA

WASTEWATER

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2029-33	2034-38	2039-43	2043-48
	BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET									
WASTEWATER														
SG0002. FEES CONNECTIONS	100,000	102,800	105,300	107,900	110,700	113,700	116,900	120,300	123,900	127,800	703,100	822,900	963,500	1,128,500
SG00021. FEES DISPOSAL	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SG00071. Capital Contributions Mahia	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	-	-	-	-
SG0010. INTEREST RESERVE FUNDS WAIROA	73,563	57,481	56,198	55,918	56,965	55,669	58,560	61,258	64,597	64,436	357,609	389,817	396,532	383,151
SG00102. INTEREST RESERVE FUNDS TUAI	6,268	6,812	6,932	6,541	6,033	5,385	5,033	4,589	4,147	3,931	16,041	12,129	9,716	8,038
Total Income	279,831.00	267,093.00	268,430.00	270,359.00	273,698.00	274,754.00	280,493.00	286,147.00	292,644.00	296,167.00	1,076,750.00	1,224,846.00	1,369,748.00	1,519,689.00
SG153501. INSURANCE WAIROA	16,000	16,448	16,848	17,264	17,712	18,192	18,704	19,248	19,824	20,448	112,496	131,664	154,160	180,560
SG153515. INSURANCE TUAI	52,000	53,456	54,756	56,108	57,564	59,124	60,788	62,556	64,428	66,456	365,612	427,908	501,020	586,820
SG1540. INTEREST PUBLIC DEBT	60,947	71,927	112,621	198,693	249,647	254,982	246,673	238,365	230,056	221,747	1,114,178	997,138	1,032,885	1,330,429
WT154099. Rated Loan Repayments on Capital	-	12,692	26,056	66,541	131,578	171,440	179,968	179,968	179,968	179,968	707,320	656,422	584,860	641,637
SG1560. Valuation	-	-	10,530	-	-	11,370	-	-	12,390	-	28,570	16,440	37,940	45,860
SG2030. Depreciation	297,452	353,269	366,563	382,523	412,422	418,250	428,967	451,427	470,166	454,039	2,332,504	2,459,279	2,810,743	3,435,445
SG203031. Depreciation Mahia Scheme	130,660	138,761	138,761	138,761	148,952	148,952	148,952	161,496	161,496	161,496	819,369	832,958	846,546	861,833
SG203032. Depreciation Opoutama Scheme	29,447	31,273	31,273	31,273	33,570	33,570	33,570	36,396	36,396	36,396	184,662	187,725	190,787	194,232
SG203099. Non Funded Depreciation	12,692	26,056	66,541	131,576	171,437	179,964	179,964	179,964	179,964	179,964	1,152,805	1,252,312	1,655,684	1,986,700

WAIROA

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2029-33	2034-38	2039-43	2043-48
	BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET									
SG204010. Operating Costs Mahia	100,000	102,800	105,300	107,900	110,700	113,700	116,900	120,300	123,900	127,800	703,100	822,900	963,500	1,128,500
SG2040101. TELEMETRY WAIROA	5,000	5,140	5,265	5,395	5,535	5,685	5,845	6,015	6,195	6,390	35,155	41,145	48,175	56,425
SG204012. Operating Costs Opoutama	40,000	41,120	42,120	43,160	44,280	45,480	46,760	48,120	49,560	51,120	281,240	329,160	385,400	451,400
SG20403. TESTING TUAI	5,000	5,140	5,265	5,395	5,535	5,685	5,845	6,015	6,195	6,390	35,155	41,145	48,175	56,425
SG2040301. RMA CONSENTS MONITORING WAIROA	1,000	1,028	1,053	1,079	1,107	1,137	1,169	1,203	1,239	1,278	7,031	8,229	9,635	11,285
SG204031. TESTING WAIROA	25,000	25,700	26,325	26,975	27,675	28,425	29,225	30,075	30,975	31,950	193,353	226,298	289,050	338,550
SG2040315. RMA CONSENTS MONITORING TUAI	1,000	1,028	1,053	1,079	1,107	1,137	1,169	1,203	1,239	1,278	7,031	8,229	9,635	11,285
SG204032. TEST RESULTS ANALYSIS	2,000	2,056	2,106	2,158	2,214	2,274	2,338	2,406	2,478	2,556	14,062	16,458	19,270	22,570
SG2065. Vehicle SG Pump Trailer Exp S797M	50	51	53	54	55	57	58	60	62	64	352	411	482	564
SG39051. CORPORATE OVERHEADS	171,650	175,648	192,520	181,244	187,962	202,258	190,226	198,562	214,115	203,873	1,120,581	1,221,069	1,376,992	1,522,119
SG39052. ENGINEERING OVERHEADS	93,995	95,468	97,096	99,379	101,106	103,082	105,094	107,197	109,335	111,492	592,561	655,853	726,234	804,581
SG3910. RATES TREATMENT PLANT	1,000	1,028	1,053	1,079	1,107	1,137	1,169	1,203	1,239	1,278	7,031	8,229	9,635	11,285
SG5000. WAIROA WWTP - OPS & MTCE	55,000	56,540	57,915	59,345	60,885	62,535	64,295	66,165	68,145	70,290	425,376	520,484	635,910	775,844
SG5100. WAIROA WWTP - ELECTRICITY	10,000	10,280	10,530	10,790	11,070	11,370	11,690	12,030	12,390	12,780	70,310	82,290	96,350	112,850
SG5300. WAIROA RETIC - OPS & MTCE	100,000	102,800	105,300	107,900	110,700	113,700	116,900	120,300	123,900	127,800	703,100	822,900	963,500	1,128,500
SG5600. WAIROA PUMP STNS - OPS & MTCE	100,000	102,800	105,300	107,900	110,700	113,700	116,900	120,300	123,900	127,800	703,100	822,900	963,500	1,128,500
SG5700. WAIROA PUMP STNS - ELECTRICITY	50,000	51,400	52,650	53,950	55,350	56,850	58,450	60,150	61,950	63,900	351,550	411,450	481,750	564,250
SG6000. TUAI - OPERATIONS & MTCE	35,000	35,980	36,855	37,765	38,745	39,795	40,915	42,105	43,365	44,730	246,085	288,015	337,225	394,975
SG6100. TUAI - ELECTRICITY	2,300	2,364	2,422	2,482	2,546	2,615	2,689	2,767	2,850	2,939	16,171	18,927	22,161	25,956

WAIROA

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2029-33	2034-38	2039-43	2043-48
	BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET									
Total - Ops and Maintenance	1,426,563	1,603,220	1,797,579	2,011,087	2,235,053	2,343,100	2,351,857	2,409,403	2,471,527	2,450,029	13,249,196	14,323,718	16,617,292	19,553,039
DESLUDGE OXIDATION PONDS	60,000	102,800	210,600	107,900	-	-	-	-	-	-	687,300	-	941,700	-
TELEMETRY BASESETS	20,000	10,280	10,530	10,790	-	-	-	-	-	-	-	35,020	73,440	-
Infiltration Study - Night Time Flow	50,000	51,400	52,650	53,950	55,350	56,850	-	-	-	-	-	35,020	151,680	-
CCTV Infiltration Investigation	120,000	120,000	157,950	-	-	-	-	-	-	-	-	52,530	-	-
Fitzroy Plant	-	-	263,250	269,750	110,700	-	-	-	-	-	-	-	-	-
WAIROA RETICULATION RENEWALS	300,000	257,000	263,250	269,750	276,750	284,250	-	-	309,750	-	703,100	822,900	963,500	1,128,500
Consultancy for Wairoa ww consent	750,000	102,800	52,650	-	-	-	-	-	-	-	-	-	-	2,127,200
Magnaflux Transducers	5,000	-	-	-	-	-	-	-	-	-	-	7,720	-	-
Infiltration Tests	50,000	-	-	-	-	-	-	-	-	-	65,950	-	90,350	-
Data verification/condition reporting	25,000	-	-	-	-	-	-	-	-	-	-	-	45,175	-
Wairoa Consent application- Consultation and legal costs	100,000	51,400	-	-	-	-	-	-	-	-	-	-	-	-
Tuai Sand Filters	20,000	-	-	-	-	-	-	-	-	-	-	30,880	-	-
Flow Meters	10,380	-	-	-	-	-	-	-	-	-	-	16,027	-	-
Step Filter	10,000	-	-	-	-	-	-	-	-	-	-	15,440	-	-
Pump station renewals	25,000	-	26,325	-	27,675	-	29,225	-	-	-	-	-	-	107,550
Project Management - Technical Coordination	-	-	210,600	-	-	-	-	-	-	-	-	-	-	-

WAIROA

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2029-33	2034-38	2039-43	2043-48
	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET
Dedicated Generators in each pump station	-	154,200	-	107,900	110,700	-	116,900	-	185,850	-	-	583,750	494,150	-
Separate rising main for N Clyde and A park	200,000	-	-	-	-	-	-	-	-	-	-	-	-	-
New rising main from Kopu to pilot Hill	-	-	364,000	789,750	200,000	-	-	-	-	-	-	-	-	-
Outfall - (Lowe Environmental SG4026xx)	-	-	-	539,500	-	-	-	-	-	-	-	-	-	-
Storage - (Lowe Environmental SG4026xx)	-	-	-	269,750	553,500	-	-	-	-	-	-	-	-	-
Catchment - (Lowe Environmental SG4026xx)	100,000	51,400	52,650	53,950	55,350	56,850	58,450	60,150	61,950	63,900	-	-	-	-
Construction of Plant for new Wairoa consent	-	-	-	269,750	553,500	284,250	-	-	-	-	-	-	-	2,151,000
Total Cost - Capital Works	1,845,380	901,280	1,664,455	2,742,740	1,943,525	682,200	204,575	60,150	557,550	63,900	1,456,350	1,599,287	2,987,515	5,514,250

WAIROA

STORMWATER

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2029-33	2034-38	2039-43	2043-48
	BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET									
STORMWATER														
SD0010. Interest - Reserve Funds Wairoa	33,897	38,492	37,830	37,816	36,827	34,821	33,586	31,791	30,707	30,981	148,052	139,165	136,239	133,505
SD00103. Interest - Reserve Funds Mahia	228	248	252	238	219	196	183	167	151	143	583	442	354	292
Total - Income	34,125	38,740	38,082	38,054	37,046	35,017	33,769	31,958	30,858	31,124	148,635	139,607	136,593	133,797
SD153501. INSURANCE WAIROA	5,050	5,191	5,318	5,449	5,590	5,742	5,903	6,075	6,257	6,454	35,507	41,556	48,657	56,989
SD1540. PUBLIC DEBT COSTS	56,581	69,713	73,286	77,079	81,094	85,352	89,896	94,770	100,003	105,319	622,016	829,572	1,126,410	1,580,981
SD154099. Rated Loan Repayments on Capital	-	6,500	11,126	13,709	16,457	19,375	22,477	25,787	29,333	33,135	230,833	371,575	571,463	847,257
SD2022. STORMWATER DISCHARGE RESOURCE CONSENTS	5,000	5,140	5,265	5,395	5,535	5,685	5,845	6,015	6,195	6,390	35,155	41,145	48,175	56,425
SD2200. ASSET MANAGEMENT	1,000	1,028	1,053	1,079	1,107	1,137	1,169	1,203	1,239	1,278	7,031	8,229	9,635	11,285
SD2030. Depreciation	3,557	7,183	8,499	9,848	11,231	24,307	37,458	38,962	40,510	41,909	250,318	370,583	456,169	621,064
SD20301. Depreciation Wairoa	171,053	181,658	181,658	181,658	195,000	195,000	195,000	211,422	211,422	211,422	1,072,673	1,090,463	1,108,252	1,128,266
SD203099. Non Funded Depreciation	6,500	11,126	13,709	16,457	19,375	22,477	25,787	29,333	33,135	37,056	255,137	406,129	620,491	946,039
SD39051. CORPORATE OVERHEADS	97,311	99,577	109,142	102,750	106,558	114,663	107,842	112,568	121,385	115,579	635,274	692,242	780,637	862,912
SD39052. ENGINEERING OVERHEADS	37,598	38,187	38,838	39,752	40,442	41,233	42,038	42,879	43,734	44,597	237,024	262,341	290,494	321,832
SD5000. WAIROA RETIC - OPS & MTCE	40,000	41,120	42,120	43,160	44,280	45,480	46,760	48,120	49,560	51,120	281,240	329,160	385,400	451,400
SD5100. WAIROA OPEN DRAINS OPS & MTCE	10,000	10,280	10,530	10,790	11,070	11,370	11,690	12,030	12,390	12,780	70,310	82,290	96,350	112,850
SD5300. WAIROA PUMPS - ELECTRICITY	2,000	2,056	2,106	2,158	2,214	2,274	2,338	2,406	2,478	2,556	14,062	16,458	19,270	22,570

WAIROA

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2029-33	2034-38	2039-43	2043-48
	BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET									
SD6000. TUAI RETIC - OPS & MTCE	1,000	1,028	1,053	1,079	1,107	1,137	1,169	1,203	1,239	1,278	7,031	8,229	9,635	11,285
Total - Ops and Maintenance	436,650	479,788	503,704	510,362	541,061	575,232	595,372	632,772	658,880	670,872	3,753,611	4,549,972	5,571,037	7,031,155
MAHIA BCH PIPELINES RENEWALS	30,000	154,200	-	-	-	-	-	-	-	-	-	-	-	-
Deterioration modelling	5,000	5,140	-	-	-	5,685	-	-	-	6,390	-	82,290	-	112,850
CCTV	-	-	-	-	-	56,850	58,450	-	-	-	74,800	-	102,550	-
Discharge consent	50,000	-	-	-	-	-	-	-	-	-	-	-	-	-
PIPING OPEN DRAINS - WAIROA	225,000	231,300	129,168	137,387	145,886	155,084	165,507	177,304	190,097	196,081	1,215,217	1,727,858	2,451,711	3,480,940
Total - Capital Works	385,000	493,440	234,468	245,287	256,586	331,319	340,857	297,604	313,997	330,271	1,993,117	2,633,048	3,517,761	4,722,290

WAIROA AIRPORT

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2029-33	2034-38	2039-43	2043-48
	BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET									
AIRPORT														
WA0002. FEES LANDING CHARGES	28,000	28,560	29,120	29,736	30,408	31,108	31,808	32,564	33,376	34,216	184,380	208,600	235,900	266,784
WA0006. RENT FACILITIES	7,500	7,650	7,800	7,965	8,145	8,333	8,520	8,723	8,940	9,165	49,388	55,875	63,188	71,460
Total - Income	35,500	36,210	36,920	37,701	38,553	39,441	40,328	41,287	42,316	43,381	233,768	264,475	299,088	338,244
WA1035. GENERAL EXPENSES	1,000	1,020	1,040	1,062	1,086	1,111	1,136	1,163	1,192	1,222	6,585	7,450	8,425	9,528
WA1540. Internal Interest New Capital Works	2,786	5,143	9,171	8,400	7,629	6,857	6,086	5,314	4,543	3,772	16,332	72,400	79,730	106,142
WA154099. Rated Loan Repayments on Capital	-	10,714	10,714	19,285	19,285	19,285	19,285	19,285	19,285	19,285	96,425	17,142	-	-
WA1535. INSURANCE	2,400	2,448	2,496	2,549	2,606	2,666	2,726	2,791	2,861	2,933	15,804	17,880	20,220	22,867
WA2015. CLEANING	6,000	6,120	6,240	6,372	6,516	6,666	6,816	6,978	7,152	7,332	43,461	49,170	55,605	62,885
WA2025. CONSULTANCY	12,000	10,200	8,320	12,744	13,032	13,332	13,632	13,956	14,304	14,664	79,020	89,400	101,100	114,336
WA20261. ASSET MANAGEMENT	1,000	1,020	1,040	1,062	1,086	1,111	1,136	1,163	1,192	1,222	6,585	7,450	8,425	9,528
WA20271. Flight Tracking & Reporting	9,600	9,792	9,984	10,195	10,426	10,666	10,906	11,165	11,443	11,731	63,216	71,520	80,880	91,469
WA2030. Depreciation Buildings	46,571	35,051	40,688	46,602	51,320	53,682	59,859	60,329	73,393	68,119	407,761	645,908	839,615	1,035,376
WA20301. Depreciation Runway	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	36,135	36,135	36,135	36,135
WA203099. Non Funded Depreciation	10,714	10,714	19,285	19,285	19,285	19,285	19,285	19,285	19,285	19,285	111,811	225,711	238,800	285,964

WAIROA

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2029-33	2034-38	2039-43	2043-48
	BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET									
WA2035. ELECTRICITY	4,000	4,080	4,680	4,779	4,887	5,000	5,112	5,234	5,364	5,499	29,633	33,525	37,913	42,876
WA2040. MAINTENANCE: BUILDINGS	2,500	2,550	2,600	2,655	2,715	2,778	2,840	2,908	2,980	3,055	16,463	18,625	21,063	23,820
WA20402. MAINTENANCE: GRASSED AREAS	15,000	15,300	15,600	15,930	16,290	16,665	17,040	17,445	17,880	18,330	98,775	111,750	126,375	142,920
WA20403. MAINTENANCE: NAVIGATION EQUIP	5,000	5,100	5,200	5,310	5,430	5,555	5,680	5,815	5,960	6,110	32,925	37,250	42,125	47,640
WA20404. MAINTENANCE: RUNWAY & APRON	10,000	10,200	10,400	10,620	10,860	11,110	11,360	11,630	11,920	12,220	65,850	74,500	84,250	95,280
WA2050. REPAIRS & MTCE DRAINAGE	5,000	5,100	5,200	5,310	5,430	5,555	5,680	5,815	5,960	6,110	32,925	37,250	42,125	47,640
WA39051. CORPORATE OVERHEADS	12,124	12,406	13,598	12,802	13,276	14,286	13,436	14,025	15,123	14,400	79,149	86,247	97,260	107,510
WA39052. ENGINEERING OVERHEADS	9,399	9,547	9,710	9,938	10,111	10,308	10,509	10,720	10,933	11,149	59,256	65,585	72,623	80,458
Total - Ops and Maintenance	162,321	163,732	183,193	202,127	208,496	213,144	219,751	222,247	237,998	233,665	1,298,110	1,704,898	1,992,668	2,362,374
RenEx - Runway Lighting	150,000	-	-	-	-	-	-	-	-	-	215,400	-	-	330,150
Building renewals	10,000	10,220	10,440	10,670	10,920	11,170	11,440	11,730	12,020	12,330	67,610	78,780	91,750	106,850
Certification	20,000	-	10,440	-	10,920	-	11,440	-	12,020	-	40,580	31,500	55,070	42,720
Re-surfacing aprons	-	198,881	-	-	-	-	-	-	-	-	-	294,543	-	451,261
Re-surfacing Taxiways (Area A&D)	-	-	-	76,824	-	-	-	-	-	-	-	120,921	-	-
Re-Surfacing Runway Edges	-	-	-	-	-	-	-	-	86,544	-	-	44,850	-	-
Re-surfacing Taxiways (Area E)	-	-	-	-	-	26,808	-	-	-	-	-	-	158,635	-
WA4999. Future Capital Requirements	-	-	120,000	-	-	-	-	-	-	-	-	183,240	-	-
Interior mens toilets	-	-	-	-	-	-	-	-	15,698	16,103	-	-	-	-

WAIROA

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2029-33	2034-38	2039-43	2043-48
	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET
Total - Capital Works	180,000	209,101	140,880	87,494	21,840	37,978	22,880	11,730	126,282	28,433	323,590	753,834	305,455	930,981

WAIROA

WASTE MANAGEMENT

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2029-33	2034-38	2039-43	2043-48
	BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET									
WASTE MANAGEMENT														
WM00021. USER CHARGES LANDFILL	445,000	453,900	462,800	472,590	483,270	494,395	505,520	517,535	530,440	543,790	2,930,325	3,315,250	3,749,125	4,099,890
WM0008. Sundry Income	-	-	-	-	-	-	-	-	-	-	395,100	447,000	505,500	571,680
WM0100. WASTE DISPOSAL LEVY	40,000	40,800	41,600	42,480	43,440	44,440	45,440	46,520	47,680	48,880	263,400	298,000	337,000	381,120
Total Income	485,000	501,900	504,400	515,070	526,710	538,835	550,960	564,055	578,120	592,670	3,588,825	4,060,250	4,591,625	5,052,690
WM10355. WASTE LEVY PAYMENT	30,000	30,600	31,200	31,860	32,580	33,330	34,080	34,890	35,760	36,660	197,550	223,500	252,750	285,840
WM10356. ETS LEVY PAYMENTS	35,000	35,700	36,400	37,170	38,010	38,885	39,760	40,705	41,720	42,770	230,475	260,750	294,875	333,480
WM1540. Internal Loan Interest	28,952	33,063	32,228	31,622	30,777	29,929	29,081	28,232	27,689	27,145	125,014	111,007	120,421	146,565
WM15402. INTEREST-AFTERCARE PROV WAIROA	21,940	22,596	23,272	23,968	24,684	25,422	26,183	26,965	27,772	28,602	156,361	103,976	32,147	1,792
WM154099. Rated Loan Repayments on Capital	-	5,143	6,932	7,454	8,136	8,682	9,241	9,813	10,400	11,197	66,633	75,552	98,228	124,611
WM202201. RMA: LANDFILL AFTERCARE - WDC	5,000	3,060	2,080	5,310	5,430	5,555	5,680	5,815	5,960	6,110	32,925	37,250	42,125	47,640
WM202202. RMA: LANDFILL MONITORING- HBRC	10,000	10,200	10,400	10,620	10,860	11,110	11,360	11,630	11,920	12,220	65,850	74,500	84,250	95,280
WM202203. RMA: LANDFILL MONITORING - WDC	25,000	25,500	26,000	26,550	27,150	27,775	28,400	29,075	29,800	30,550	164,625	186,250	210,625	238,200
WM202500. CONSULTANCY	10,000	-	10,400	-	-	11,110	-	-	11,920	-	25,690	29,440	32,870	37,650

WAIROA

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2029-33	2034-38	2039-43	2043-48
	BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET									
WM202510. CONTRACT DOCUMENTS	10,000	-	10,400	-	-	11,110	-	-	5,960	-	38,850	21,810	49,710	27,890
WM2030. Depreciation Wairoa Landfill	83,608	83,647	83,647	83,647	83,647	83,647	83,647	83,647	83,647	83,647	418,235	418,235	418,235	418,235
WM20301. Depreciation New Cell	14,366	14,366	14,366	14,366	14,366	14,366	14,366	14,366	14,366	14,366	71,829	28,731	-	-
WM203099. Non Funded Depreciation	5,143	6,932	7,454	8,136	8,682	9,240	9,812	10,399	11,196	12,014	73,263	105,756	129,324	165,973
WM204000. LANDFILL OPERATIONS - WAIROA	275,000	280,500	286,000	292,050	298,650	305,525	312,400	319,825	327,800	336,050	1,810,875	2,048,750	2,316,875	2,620,200
WM204019. REFUSE - LITTER BINS	70,000	71,400	72,800	74,340	76,020	77,770	79,520	81,410	83,440	85,540	460,950	521,500	589,750	666,960
WM204040. RECYCLING OPERATIONS CENTRE	220,000	224,400	228,800	233,640	238,920	244,420	249,920	255,860	262,240	268,840	1,448,700	1,639,000	1,853,500	2,156,190
WM204041. RECYCLING STREET COLLECTION	90,000	91,800	93,600	95,580	97,740	99,990	102,240	104,670	107,280	109,980	592,650	670,500	758,250	857,520
WM204043. RECYCLING - RURAL	80,000	81,600	83,200	84,960	86,880	88,880	90,880	93,040	95,360	97,760	526,800	596,000	674,000	762,240
WM204046. Raupunga Co-Management	20,000	20,400	20,800	21,240	21,720	22,220	22,720	23,260	23,840	24,440	131,700	149,000	168,500	190,560
WM204047. Tuai Co-Management	54,000	55,080	56,160	57,348	58,644	59,994	61,344	62,802	64,368	65,988	355,590	402,300	454,950	514,512
WM204061. INCIDENTAL CLEANUPS	15,000	12,240	10,400	15,930	16,290	16,665	17,040	17,445	17,880	18,330	98,775	111,750	126,375	142,920
WM204063. MAHIA HOLIDAY CLEANUPS	10,000	9,180	8,320	10,620	10,860	11,110	11,360	11,630	11,920	12,220	65,850	74,500	84,250	95,280
WM204080. WEIGHBRIDGE - ADMIN SYSTEMS	2,500	2,550	2,600	2,655	2,715	2,778	2,840	2,908	2,980	3,055	16,463	18,625	21,063	23,820
WM204200. ANNUAL DRY GDS COLL WAIROA	10,000	10,200	10,400	10,620	10,860	11,110	11,360	11,630	11,920	12,220	65,850	74,500	84,250	95,280

WAIROA

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2029-33	2034-38	2039-43	2043-48
	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET	5 YR BUDGET
WM207010. WASTE MINIMISATION - EDUCATION	10,000	9,180	8,320	10,620	10,860	11,110	11,360	11,630	11,920	12,220	65,850	74,500	84,250	95,280
WM2077. Environs	2,000	1,530	1,040	2,124	2,172	2,222	2,272	2,326	2,384	2,444	13,170	14,900	16,850	19,056
WM2505. Salaries & Wages	45,285	46,146	47,022	47,916	48,827	49,755	50,700	51,663	52,644	53,644	283,900	311,915	342,696	376,517
WM39051. CORPORATE OVERHEADS	127,621	130,593	143,138	134,754	139,748	150,378	141,432	147,630	159,194	151,578	833,146	907,858	1,023,786	1,131,687
WM39052. ENGINEERING OVERHEADS	65,796	66,970	68,259	69,566	70,774	72,157	73,566	75,038	76,534	78,045	414,792	459,097	508,364	563,206
Total - Ops and Maintenance	1,376,211	1,384,576	1,435,637	1,444,665	1,476,002	1,536,244	1,532,563	1,568,303	1,629,814	1,637,635	8,852,360	9,751,452	10,873,268	12,234,386
WM4001. LANDFILL ROAD SEALING	30,000	-	-	-	-	-	-	-	-	-	43,080	-	-	66,030
Recycling Centre renewals (loan to be repaid by waste levy)	20,000	20,440	20,880	21,340	21,840	22,340	22,880	23,460	24,040	24,660	135,220	157,560	183,500	213,700
Landfill Diversion Infrastructure	-	-	-	-	-	-	-	-	-	-	71,800	-	97,450	-
RTS LANDSCAPING/TREES	-	-	-	5,929	-	-	-	-	7,849	8,051	7,180	7,405	17,515	21,030
Recycling Centre Mahia	100,000	51,100	-	-	-	-	-	-	-	-	-	-	-	-
Total - Capital Costs	150,000.00	71,540.00	20,880.00	27,269.00	21,840.00	22,340.00	22,880.00	23,460.00	31,889.00	32,711.00	257,280.00	164,965.00	298,465.00	300,760.00

AUDITOR'S REPORT



Chartered Accountants

To the reader:

INDEPENDENT AUDITOR'S REPORT ON WAIROA DISTRICT COUNCIL'S 2018/28 LONG-TERM PLAN

I am the Auditor-General's appointed auditor for 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). Section 259C of the Act requires a report on disclosures made under certain regulations. We have carried out this work using the staff and resources of Ernst & Young. We completed our report on 25 September 2018.

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 204 to 207 represent a complete list of the disclosures required by Part 2 of the Local Government (Financial Reporting and Prudence) Regulations 2014 (the Regulations) and accurately reflect the information drawn from the Plan.

This opinion does not provide assurance that the forecasts in the plan will be achieved, because events do not always occur as expected and variations may be material. Nor does it guarantee the accuracy of the information in the Plan.

Breach of the Local Government Act 2002

Without modifying our opinion we draw attention to the fact that, as disclosed on page 7 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. We consider the disclosure in the plan to be adequate.

Basis of opinion

We carried out our work in accordance with the International Standard on Assurance Engagements (New Zealand) 3000 (Revised): *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*. In meeting the requirements of this standard, we took into account particular elements of the Auditor-General's Auditing Standards and the International Standard on Assurance Engagements 3400: *The Examination of Prospective Financial Information* that were consistent with those requirements.

We assessed the evidence the Council has to support the information and disclosures in the plan and the application of its policies and strategies to the forecast information in the plan. To select appropriate procedures, we assessed the risk of material misstatement and the Council's systems and processes applying to the preparation of the plan.

Our procedures included assessing whether:

- the Council's financial strategy, and the associated financial policies, support prudent financial management by the Council;
- the Council's infrastructure strategy identifies the significant infrastructure issues that the Council is likely to face over the next 30 years;
- the information in the plan is based on materially complete and reliable information;
- the Council's key plans and policies are reflected consistently and appropriately in the development of the forecast information;
- the assumptions set out 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.

I am responsible for expressing an independent opinion on the plan and the disclosures required by the Regulations, as required by sections 94 and 259C of the Act. I do not express an opinion on the merits of the plan's policy content.

Independence

In carrying out our work, we complied with the Auditor-General's:

- independence and other ethical requirements, which incorporate the independence and ethical requirements of Professional and Ethical Standard 1 (Revised); and
- quality control requirements, which incorporate the quality control requirements of Professional and Ethical Standard 3 (Amended).

Other than our work in carrying out legally required external audits, we have no relationship with or interests in the Council.

A handwritten signature in blue ink, appearing to read 'Stuart Mutch', with a long horizontal stroke extending to the right.

Stuart Mutch
Ernst & Young
On behalf of the Auditor-General
Wellington, New Zealand