

# ANNUAL PLAN 2022/23



**WAIROA**  
DISTRICT COUNCIL

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# WELCOME TO THE ANNUAL PLAN 2022/2023

**The Annual Plan is about our future.** It sets our direction and our work and describes the outcomes we aim to achieve for the next year. Every year Council develops an Annual Plan which sets the budget and rates requirement for the upcoming year and describes the activities and community outcomes it hopes to achieve for the district.

Council consulted with its community on the Annual Plan 2022/2023, providing an opportunity for the community to tell us what matters and how the district should look over the next year. The Annual Plan consultation focussed on *Costs of Service* and what the community expects from Council.

Our community had meaningful input into our Annual Plan while understanding what it costs to run the district, and how changing the dollars that are spent would affect the services we fund. Our consultation took a *Costs of Service* scenario-based approach where members of the community could choose whether to spend more or less on funding community services, and see how that decision impacted on cost, rates, and levels of service.

Last year, we indicated that in order to achieve community outcomes the average rates increase for 2022/2023 would be 8.2%. Through the Annual Plan submissions process, feedback from our community indicated a desire to ensure the Wairoa Museum and Wairoa Community Centre are able to keep delivering

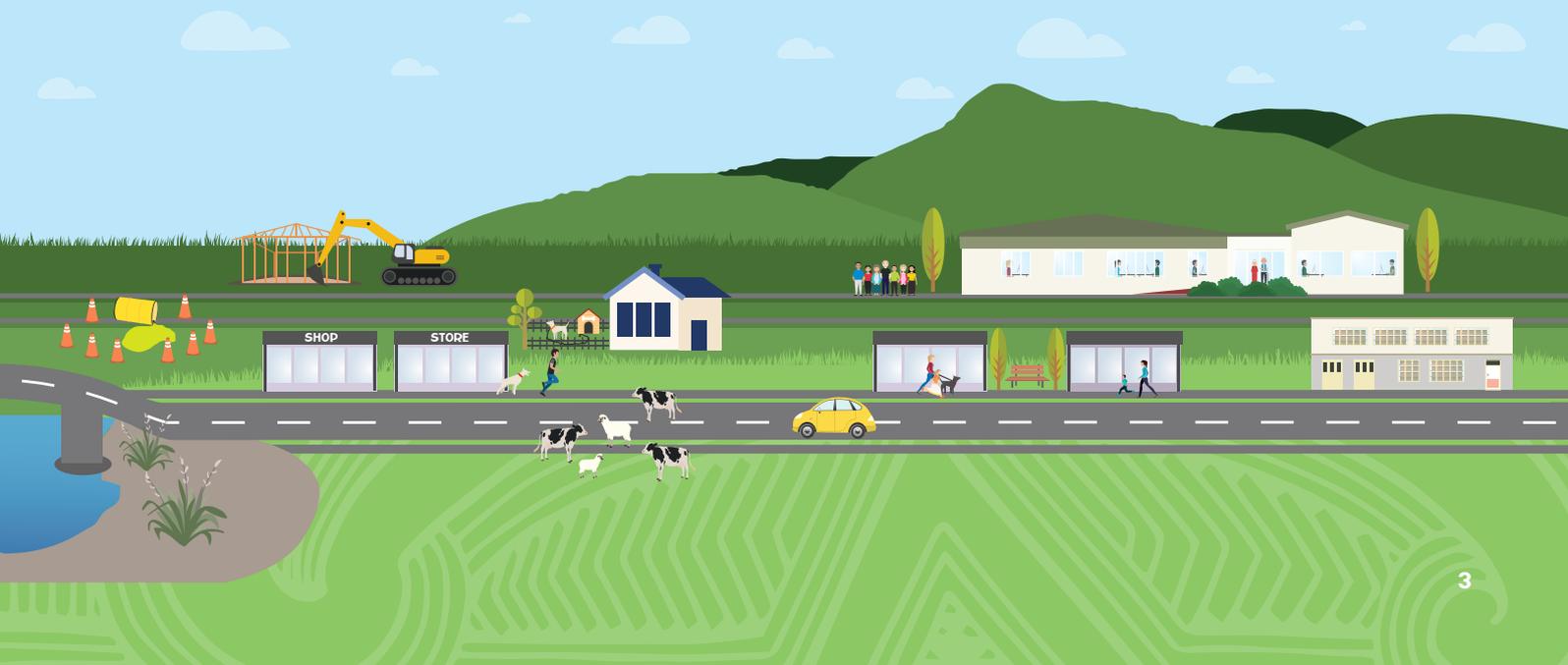
current levels of service to the community. This resulted in additional funding of \$150,000 being allocated to these facilities (Wairoa Museum \$100,000 and Wairoa Community Centre \$50,000), resulting in an average rates increase of 9.1%.

Elected members also agreed to adjust the rating differentials to take into account last year's Quotable Value property revaluations. This was in line with Council's rating approach which is based on a system that is simple, affordable and appropriate.

The theme for this year's Annual Plan is *Pikitia*, which is a term used to describe *levels* or *standards*. *Pikitia* reflects our commitment to engaging with our community on the costs of *levels of service*. It also represents the *standards* to which we as a people aspire to achieve these together.

In addition, *Pikitia* is a term used to describe a *picture*. Our Annual Plan is about our vision or our picture for the future, and so it is fitting that we use *Pikitia* to frame our journey for the next year. We invite you on this journey as we work together to provide the best we can for our people and district, now and into the future.

***This Annual Plan was adopted by Council on 30 June 2022, successfully meeting the statutory deadline.***



# HE KARERE TAIHONOTANGA

## JOINT STATEMENT

**Tēnā tātau. Welcome to the Wairoa District Council's 2022/2023 Annual Plan Document.** We invite you to join us on the journey as we work to deliver the activities and services our community needs over the next year.

Meeting the needs of our community in an affordable way is a significant challenge. The 2022/2023 Annual Plan consultation focussed on *Costs of Service* and what our community expects from Council. We discussed the issues that affect Council's dollars and explained how we plan to respond.

### Facing the challenges

Council's aim is to be financially sustainable using a funding approach that is simple, as affordable as possible, and appropriate. Over the next year, it will cost Council about **\$30 million** to deliver its activities and about **\$12 million** to keep its assets in good condition.

Our main challenge is providing wide-ranging community services across a large district with a small ratepayer base to share the cost. Last year our community told us that the current levels of service were about right, so we have prepared the Annual Plan around how we can continue to deliver at this level.

In our Long Term Plan Council forecasted an average rates increase of 8.2%. Since then, the whole of New Zealand has experienced significant cost increases and ongoing impacts of COVID-19. Two of our key community facilities have been impacted by these challenges with the Wairoa Museum and Wairoa Community Centre asking us for additional funding to enable them to continue to deliver the current levels of service.

Through the submissions process we heard from a range of submitters who were generally in support of both the Museum and Community Centre being able to continue delivering current levels of service to the community. There was feedback that funding could be more appropriate as a one-off, rather than ongoing, and that these entities should be seeking funds from other avenues.

As a result of submissions and Council deliberations, elected members supported an increase in funding to the Wairoa Museum of \$100,000 to enable the museum to continue delivering the current level of service to the community. This funding will be ongoing but reviewed annually to take into consideration cost fluctuations.

Council also supported funding the Community Centre with a one off additional \$50,000, with key performance indicators within the

contract as well as an exploration of Wairoa's representation on the Sport Hawke's Bay Board and the requirement for quarterly reports. These changes resulted in an average rates increase of 9.1%.

The Annual Plan process also attracted submissions from the rural sector in response to the rating differential, asking that Council adjust the differentials to reflect, as closely as practicable, the principles and distribution of last year's rating review. Elected members agreed to adjusting the differentials to take into account last year's Quotable Value property revaluations, which saw many properties significantly increase in value.

The adjusted differentials are reflective of the relative contributions to the social, economic, environmental and cultural wellbeing of the community and in line with Council's rating approach which is based on a system that is simple, affordable and appropriate. To achieve this the differentials were adjusted to the following; Residential A and B at 1, Residential C at 0.9, Commercial at 2.35, Forestry at 7.0 and Rural at 0.8.

Over the years, Council has managed to keep rates low for the community by using its reserves and borrowing and not rating for all depreciation. We have also sold assets and deferred expenditure, but as signalled in our Long Term Plan, this is not a sustainable approach. While we will work hard to secure alternative revenue sources, the rates increase ensures we are able to continue providing what our community needs.

### Our future together

Our district's population increase is positive and over the next decade our focus will be on growing the numbers, attracting more business and employment to Wairoa and improving our environment. We also need to continually invest in our infrastructure so we can provide sustainable levels of service for generations to come.

There are big decisions ahead of us and it is vital we get the balance right. Working together with you and making responsible decisions will help us deliver what our district needs both now, and into the future.

*C Little*  
Mayor Craig Little

*K Spina*  
CEO Kitea Tipuna



# Ā TĀTAU ARONGA

## OUR DIRECTION

### Who we are and where we're headed

Our *Strategic Direction* is about who we are and where we're heading. Our *mission, vision and community outcomes* set this direction and guide us to deliver sustainable *Levels of Service* to support the wellbeing of our people and district. Together they explain what drives us to do the best we can for the people we serve.

### Clearer and stronger

During 2020, we refined our mission, vision and community outcomes to improve their relevance and alignment to achieving the social, economic, environmental and cultural wellbeing for our community.

*Our mission* is our *main job*. *Our vision* is what we see as the best future for our district. *Our community outcomes* are the *big goals* that drive us to support the wellbeing of our people.

<b>OUR MISSION</b>	To support the Wairoa Community through decision-making that promotes the cultural, social, economic and environmental well-being of the district now and in the future.				
<b>OUR VISION</b>	Desirable Lifestyles, Thriving Economy, Treasured Environments, Connected Communities				
<b>COMMUNITY OUTCOMES</b>	<table border="0"> <tr> <td><b>Cultural Wellbeing</b> <i>Valued &amp; cherished community</i></td> <td><b>Social Wellbeing</b> <i>Safe, supported &amp; well-led community</i></td> </tr> <tr> <td><b>Economic Wellbeing</b> <i>Strong &amp; prosperous economy</i></td> <td><b>Environmental Wellbeing</b> <i>Protected &amp; healthy environment</i></td> </tr> </table>	<b>Cultural Wellbeing</b> <i>Valued &amp; cherished community</i>	<b>Social Wellbeing</b> <i>Safe, supported &amp; well-led community</i>	<b>Economic Wellbeing</b> <i>Strong &amp; prosperous economy</i>	<b>Environmental Wellbeing</b> <i>Protected &amp; healthy environment</i>
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*Our four outcomes* are significant and yet simple. They emphasise Council's leadership role in supporting wellbeing and align to the wider community context and purpose of local government. Each of

the outcomes aligns to a corresponding wellbeing, which provides a clearer strategic match between our community's interests and Council's wellbeing focus.

The outcomes are linked to all Council's activities and provide the high-level direction that guides the development and rollout of work plans and programmes. They are linked to Council's key activities, each of which has a management plan with a performance framework<sup>1</sup> that defines *Levels of Service*.

ACTIVITY GROUPS	ECONOMIC WELLBEING	SOCIAL WELLBEING	ENVIRONMENT WELLBEING	CULTURAL WELLBEING
WATER SUPPLY	✓	✓	✓	✓
STORMWATER	✓	✓	✓	✓
WASTEWATER	✓	✓	✓	✓
WASTE MANAGEMENT	✓	✓	✓	✓
TRANSPORT	✓	✓	✓	✓
COMMUNITY FACILITIES	✓	✓	✓	✓
PLANNING & REGULATORY	✓	✓	✓	✓
LEADERSHIP & GOVERNANCE	✓	✓	✓	✓
CORPORATE FUNCTIONS	✓	✓	✓	✓

### Our district, our future

Through the consultation process, our community had a say. This allowed us to share the responsibility for plotting the course and engage our community to tell the story about who we are and what we want for the future.



<sup>1</sup> The performance frameworks for our activities outline our high-level levels of service, performance measures and targets to reach. These are reported on annually in Council's Annual Report so that our community can see how we're doing.

# TĀ TĀTAU TAKI

## OUR CHALLENGES

*As we deliver services to our community over the next year we will face challenges. Planning for these issues and working through them in a sustainable way will help ensure we can provide what our district needs both now, and into the future.*

### Affordability

Council aims to deliver its services in an affordable way, but faces challenges in spreading the cost over a small number of ratepayers. We have experienced significant cost increases in the Three Waters and Rooding spaces, due in part to legislative and compliance requirements. We can no longer rely on reserves to address these funding challenges and have reset our approach to rate for the recovery of the actual costs of running the district<sup>1</sup>.

As signalled last year, keeping up with the costs means that rates increases will be higher in the short-term. Council faces risks to its staffing levels as the market becomes more competitive and skilled employees leave Council to take up other positions. Workload pressures on existing staff continue to climb as legislative and compliance requirements increase.

### Rating Revaluation

The general revaluations for rating undertaken in 2021 by the Office of the Valuer General showed significant increases throughout the district. All rating units have increased in value, however not in the same proportions.

Forestry and commercial rating units on average have increased by 25-30%, whereas residential and rural rating units approximately doubled in value. Despite this, the forecast rates increases for most rating units are close to those estimated in the Long Term Plan with forestry and commercial slightly lower, and residential and rural slightly higher.

Rating values are one of a number of factors Councils use to allocate rates<sup>2</sup>. It's a means of levying and distributing the rates across the district. The total amount of rates for the district does not change because of the revaluation. This year the effects of the revaluation

are more consistent across the rating base, given that Council has a simplified rating system that is weighted more towards capital values.

### Funding Infrastructure

Funding a significant infrastructure programme with a small rating base presents challenges. Council considers the cost of services to ensure its delivery is as affordable as possible and considers the levels of service to ensure it is delivering what the community expects. Council's infrastructure programme involves making sure its assets are well maintained and replaced when needed to prevent unexpected disruptions for the community. We will continue to work at securing external revenue sources as these would enable us to reduce the impacts of increased costs to our ratepayers.

To meet its capital works programme for the upcoming year, Council will need to borrow about \$3 million. To fund new or improved infrastructure Council will borrow up to the levels that it considers prudent and will rate for the repayment of this debt over the life of the assets. This will ensure that the community that benefits from this infrastructure pays its share. Reserves will be used to fund the replacement or renewal of assets to ensure these keep working for the community. Subsidies from Waka Kotahi will be used to help fund the roading programme for our district.

### Reliance on Subsidies

Any reduction in subsidies from Waka Kotahi will have a significant impact on our roading network and Council would need to reconsider its priorities and service levels. To protect the community from a downturn in funding requirements, Council will continue to rate for an appropriate portion of depreciation and use reserves when available.

Under current funding constraints, there is limited capacity to augment the land transport management programme. We continue to ensure an appropriate distribution of funding needs, primarily through rates.



### Central Government Reforms

Central Government is currently conducting reforms across Local Government, Three Waters, the Resource Management Act and Health. The Three Waters Reform proposal signals a significant overhaul to the way water services are delivered in New Zealand<sup>3</sup>. While Council is challenged by the Three Waters reform and what is best for Wairoa, it started its regional review in 2019 with the Hawke's Bay group of Councils, and will continue to strive for the best outcomes for its community.

The government has proposed to consolidate New Zealand's water service delivery into four new entities, with Wairoa District included in 'Entity C' stretching from Gisborne down the east coast of the North Island, including the top of the South Island, and the Chatham Islands. Councils throughout the country are challenging varying aspects of the reforms. Council's budgets are prepared on the basis that the delivery model will not change in the foreseeable future.

Our community needs three waters assets regardless of the outcome and implications of the reforms. We have included the three waters activity in our budgets and factored in that the infrastructure work relating to the stimulus funding package will be completed at the end of June. Council has also worked closely with the Hawke's Bay group of Councils throughout 2021/22 to determine the impact of the new legislation on private water suppliers in our district. This work is ongoing but it is hoped that it will highlight the challenges the region faces in this area, and will allow us to be in a better position to support our community.

We remain mindful that the outcomes and implications of all the Central Government reforms are currently in progress and so our planning is based on status quo.

### Climate Change

Climate change effects and weather events will impact on our infrastructure and affect Council's ability to deliver levels of service<sup>4</sup>. More frequent and intense weather events will create increased risk or damage to Council's infrastructure and activities. This was evidenced in the extreme and extended rainfall events at the end of March 2022. Council has gathered information on the damage to infrastructure, including the Te Reinga Bridge.

Our planning helps us identify key risk areas, recognise impacts in asset and financial modelling and prioritise funding for resilience. We will identify critical components of our networks and prioritise renewals so the network can continue to operate. We continue to monitor local trends in weather, identify at risk assets, monitoring flooding, slips and erosion.

### Impact of COVID-19

COVID-19 has affected everyone in our community. We have considered the uncertainties of its impacts in our planning, and implemented business continuity processes to ensure Council is positioned to deliver critical and front-facing services. Our systems and processes continue to evolve and respond to the changing pandemic environment.

<sup>1</sup> For more information on Council's funding plans, please refer to Council's Financial Strategy in the Long Term Plan 2021-2031 at [www.wairoadc.govt.nz](http://www.wairoadc.govt.nz)

<sup>2</sup> Council determines the rates requirement by applying all other funding sources to its operational costs and then funding its remaining expenses from rates. The rates requirement is then shared across the district based on each property's capital value and access to services.

<sup>3</sup> For more information on the Three Waters Reforms, please visit [www.dia.govt.nz/three-waters-reform-programme](http://www.dia.govt.nz/three-waters-reform-programme)

<sup>4</sup> For more information on Council's response to Climate Change, please refer to Council's Forecasting Assumptions and Infrastructure Strategy in the Long Term Plan 2021-2031 at [www.wairoadc.govt.nz](http://www.wairoadc.govt.nz)



# Ā TĀTAU RATONGA AKE

## OUR LEVELS OF SERVICE

We provide a wide range of services and activities for our community. Delivering these services and activities helps us look after the social, economic, environmental and cultural wellbeing of our people and district.

*Levels of service* refers to the standard or level at which these activities are provided to our community. It means how much of a service is done, and what you get for it.

### WATER SUPPLY

We produce 2.9 million litres of drinking water per day from our water supply systems in Wairoa, Frasertown, Tuai, Blue Bay (non-operational) and Māhanga (pending outcomes of 3-Waters Reform). We maintain a compliant and efficient service that is safe for people and the environment, all day, every day.

### STORMWATER

We maintain networks of stormwater pipes, open drains and outlets in the Wairoa, Tuai and Māhia areas, ensuring a compliant and efficient system that is safe for people and the environment, all day, every day.

### WASTEWATER

We operate and maintain wastewater systems in the Wairoa, Tuai, Māhia and Ōpoutama areas, aiming to ensure a compliant and efficient wastewater service that is safe for people and the environment, all day, every day.

### WASTE MANAGEMENT

We provide waste management facilities and ensure refuse can be disposed of in a controlled manner. We operate a large open landfill and recycling centre in Wairoa to the public for 4 days a week, 6 hours per day to take domestic and commercial refuse. We operate five closed landfills, and manage litter and domestic refuse collection and kerbside recycling.

### TRANSPORT

#### Land Transport

We provide nearly 900km of roads, 175 bridges, and over 340 retaining structures. We maintain more than 50kms of footpaths, nearly 24,000m<sup>2</sup> of carparks, 3000 traffic signs and hundreds of streetlights. We manage the network in a sustainable and efficient manner that meets demand, all day, every day.

#### Airport

We fund the airport activity to maintain an operational facility which includes a 910m runway. The airport and its facilities are maintained for light aircraft and charter operations in a sustainable and efficient manner.

### COMMUNITY FACILITIES

#### Cemeteries

We provide and maintain public cemeteries at Wairoa, Nuhaka, Frasertown, Ruakituri and Morere in a reliable, accessible, safe and efficient manner that meets the community's current and future needs.

#### Parks and Reserves

We provide sports grounds, public gardens, neighbourhood parks and playgrounds, access along riverbank and foreshore reserves, and public toilets. In these parks, we also look after the vegetation, buildings, walkways, playground equipment, fences, lighting, tables, bins and memorials. We maintain an efficient and responsive service that ensures parks, reserves and public toilets are safe and well maintained.

#### Library

We provide the Wairoa Library with over 25,000 books and digital resources, reading programmes and initiatives to over 32,000 visitors and 8,000 patrons a year. We provide lending, information and digital services and programmes five and a half days per week.

#### Community Support

*(Community Centre, Museum, Gaiety Theatre)*

We partner in and support the provision of recreational, health, cultural and heritage activities. We support community events, initiatives and facilities including the Community Centre and Wairoa Museum.



## PLANNING AND REGULATORY

### Resource Planning

We provide resource consent within timeframes and planning services to support the sustainable management of natural resources. We maintain the District Plan.

### Environmental Health

We provide environmental health services to protect and improve public health with food premises, water quality, pollution, noise control, and fly dumping. We ensure community safety through the registration of food premises, hairdressers, funeral directors and camping grounds, and respond to complaints.

### Building Control

We provide building control services to ensure that construction on new and existing buildings is compliant and controlled. We issue building consents within timeframes and monitor building WOFs, swimming pools and dangerous and unsanitary buildings.

### Liquor Control

We provide liquor control and licensing services, issuing liquor licences within timeframes.

### General Bylaw Compliance

We provide general bylaw enforcement and maintenance and respond to complaints over freedom camping, land transport, public safety, cemeteries and trade waste.

### Dog Control

We provide dog control services in response to complaints about dogs and manage the pound. We maintain the National Dog Register, and respond to stray, barking and nuisance dogs.

### Stock Control

We provide livestock control services for wandering animals, ensuring community safety through the removal of nuisance stock.

## LEADERSHIP AND GOVERNANCE

### Community Representation

*(Long Term Planning, Elections, Governance)*

We provide for district representation and governance, elections, community engagement, policies, annual reporting and planning, and long term planning. We support and encourage community participation in democracy.

### Māori Relationships

We develop relationships with tangata whenua, and promote and facilitate Māori participation in decision-making through the Māori Standing Committee, and by promoting the use of te reo Māori.

### Economic Development

We provide district promotion, tourism services, and manage policy as it relates to our economy. We provide the Visitor Information Centre and implement the Economic Development Plan.

## CORPORATE FUNCTIONS

### Corporate Services

We provide corporate services which include customer services, finance, administration, information technology, cybersecurity, geospatial and mapping systems, business support, human resources, records, archives, project support, rates services, legal compliance, policy development, and official information. We manage and deliver these services in an efficient and responsive manner.

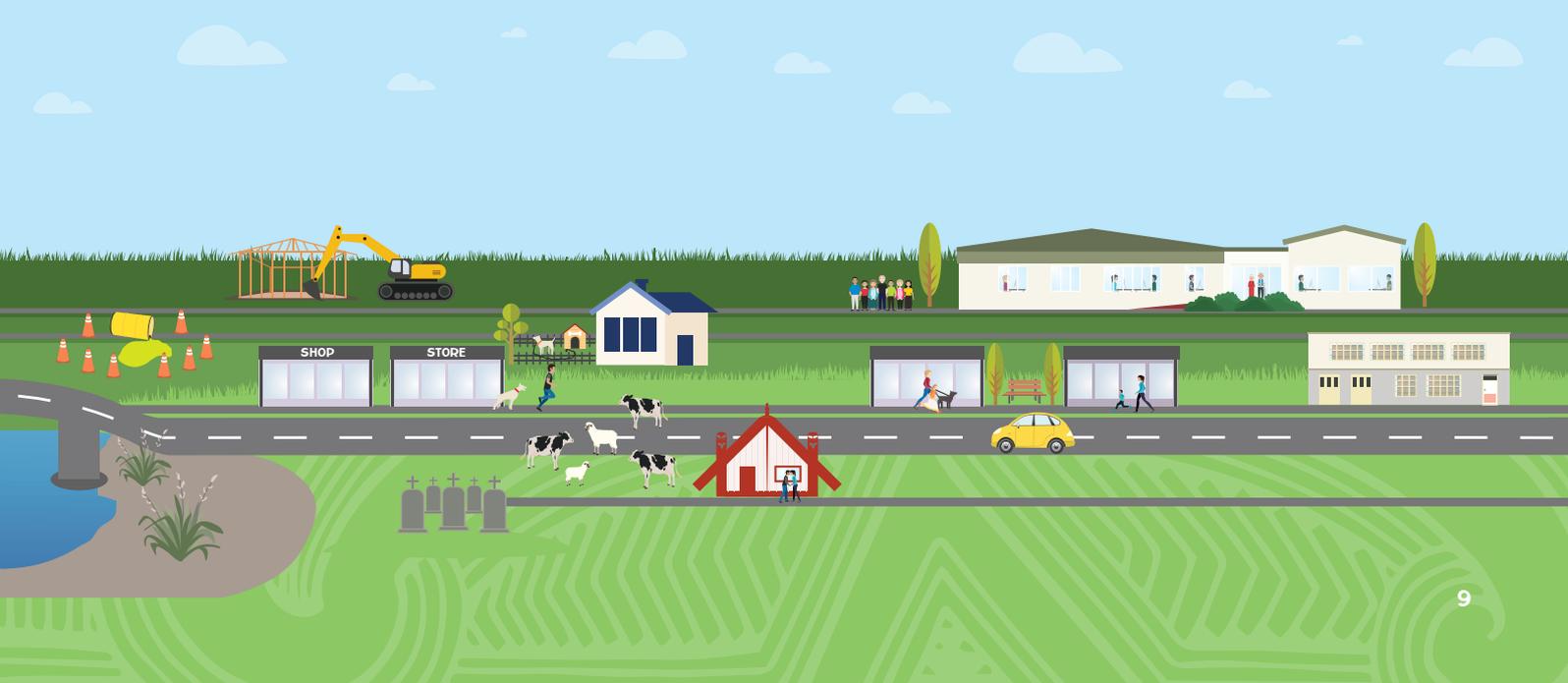
### Property

We provide property services for the camping ground, information centre, community halls, pensioner housing and commercial property, in an efficient and responsive manner that ensures our properties are safe and well-maintained.

### Corporate and Funds Management

We hold investments that support the provision of sustainable infrastructure and services. This includes managing cash, debt, equity and property investments. We operate treasury services that provide low-cost funding for projects, immediate funds for emergencies and day-to-day funding.

*Note: These are high-level levels of service statements. Full level of service details, activity outcomes and performance measures and targets for all activities are provided in Council's Long Term Plan Activity Management Plans and Asset Management Plans. For more information, please refer to [www.wairoad.govt.nz](http://www.wairoad.govt.nz)*



# TE UTU WHAKAHAERE I NGĀ RATONGA

## COSTS OF SERVICE

Providing these services and activities for our community comes at a cost. The graph below shows what Council plans to spend on each activity group to keep it running and in good condition for the next year.

Note: These costs are an estimate of operating and capital expenditure for 2022-2023.<sup>1</sup> These are rounded to the nearest thousand \$000.

### TRANSPORT<sup>2,4</sup>

2022/23 Annual Plan

\$20,142

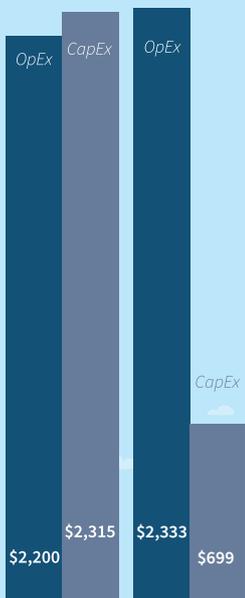
### WATER SUPPLY<sup>3</sup>

2022/23 Annual Plan

\$4,515

2022/23 Long Term Plan

\$3,031



### WASTEWATER

2022/23 Annual Plan

\$2,968

2022/23 Long Term Plan

\$2,922



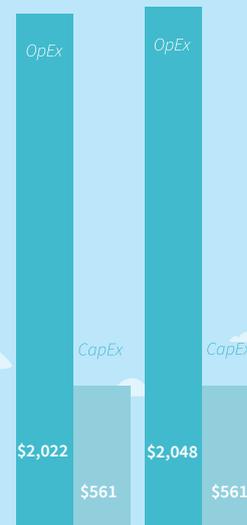
### WASTE MANAGEMENT

2022/23 Annual Plan

\$2,583

2022/23 Long Term Plan

\$2,609



### STORMWATER

2022/23 Annual Plan

\$1,016

2022/23 Long Term Plan

\$629



**Annual Plan 2022/23**  
Operating Expenditure: 29.4M

**Annual Plan 2022/23**  
Capital Expenditure: 12.2M

**Long Term Plan 2022/23**  
Operating Expenditure: 30.3M

**Long Term Plan 2022/23**  
Capital Expenditure: 9.8M

**2022/23  
Long Term  
Plan**

**\$20,630**

**LEADERSHIP AND GOVERNANCE<sup>8</sup>**

2022/23 Annual Plan	2022/23 Long Term Plan
\$3,563	\$3,753

**COMMUNITY FACILITIES<sup>5,6</sup>**

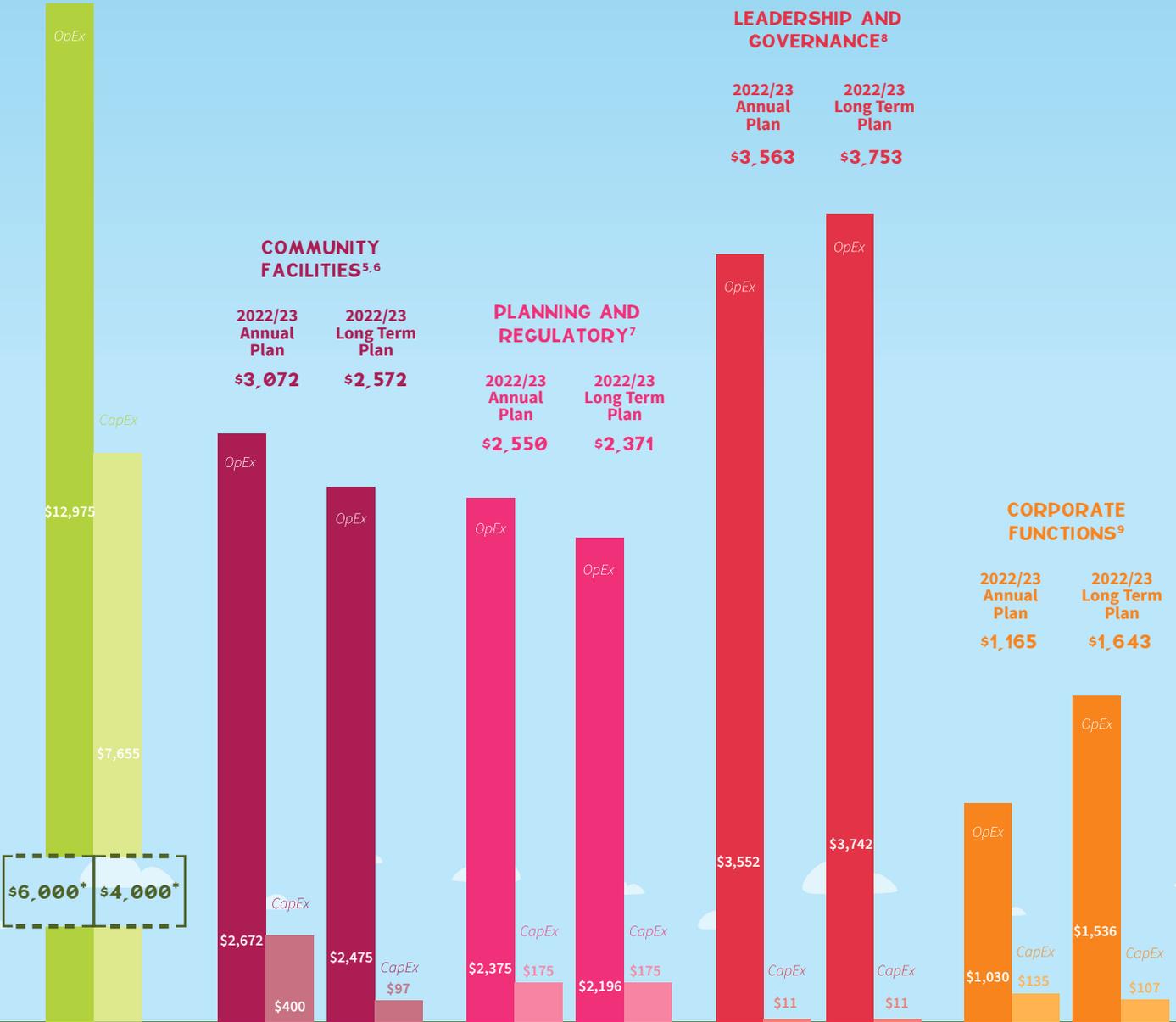
2022/23 Annual Plan	2022/23 Long Term Plan
\$3,072	\$2,572

**PLANNING AND REGULATORY<sup>7</sup>**

2022/23 Annual Plan	2022/23 Long Term Plan
\$2,550	\$2,371

**CORPORATE FUNCTIONS<sup>9</sup>**

2022/23 Annual Plan	2022/23 Long Term Plan
\$1,165	\$1,643



\$6,000\* \$4,000\*



<sup>1</sup> For more information, please refer to Council's Annual Plan 2022-2023 Financial Statements on page 24.

<sup>2</sup> The bars for the transport activity have been split so that the large values fit on the page. The dotted boxes in the bars are used to absorb the amounts stated in the boxes. This means that the broken areas of the transport bars (\$6,000 and \$4,000) are not displayed to scale.

Notes 3-9: refer to page 16. **11**

Note: OpEx refers to Operating Expenditure, CapEx refers to Capital Expenditure.

# TE HAUPŪ PŪTEA I NGĀ RATONGA

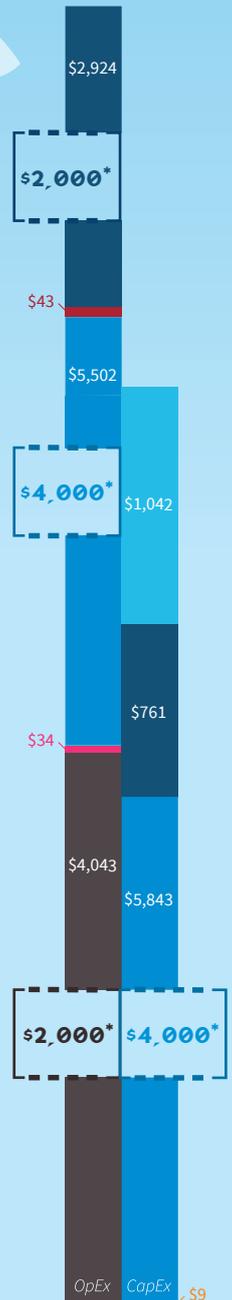
## FUNDING OF SERVICES

Our services and activities are funded in different ways. It's important that our community knows how the cost is spread. For example, rates are used for pay for about 57% of the total cost of delivering these services. The balance is funded from subsidies, fees and other income.

Note: These costs are an estimate of operating and capital expenditure for 2022-2023.<sup>1</sup> These are rounded to the nearest thousand \$000.

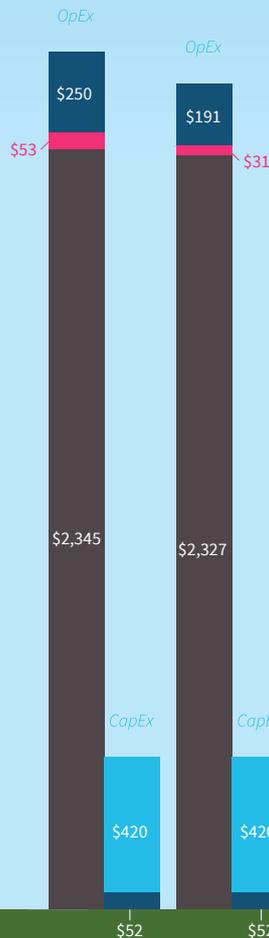
### TRANSPORT<sup>2</sup>

2022/23 Annual Plan  
\$20,201



### WASTEWATER

2022/23 Annual Plan: \$3,120  
2022/23 Long Term Plan: \$3,021



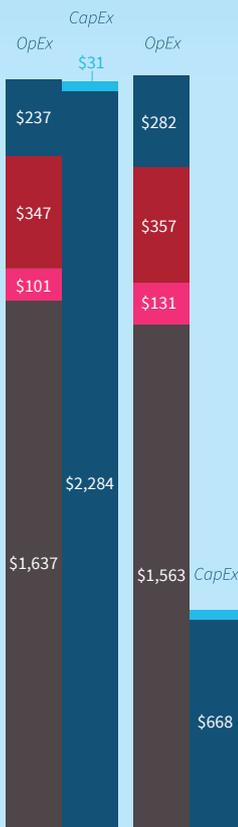
### WASTE MANAGEMENT

2022/23 Annual Plan: \$2,597  
2022/23 Long Term Plan: \$2,611



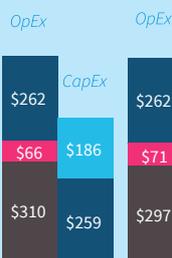
### WATER SUPPLY

2022/23 Annual Plan: \$4,637  
2022/23 Long Term Plan: \$3,031



### STORMWATER

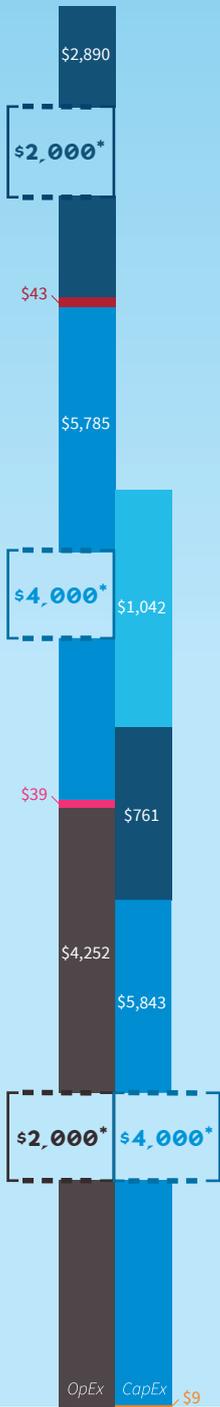
2022/23 Annual Plan: \$1,083  
2022/23 Long Term Plan: \$630



<sup>1</sup> For more information, please refer to Council's Annual Plan 2022-2023 Financial Statements on page 24.

- Rates
- Investment Revenue
- Subsidies & Grants
- Fees & Charges
- Petrol Tax
- Reserves\*\*
- Asset Sales
- Loans

**2022/23  
Long Term Plan**  
**\$20,664**



**COMMUNITY FACILITIES**

**2022/23 Annual Plan**  
**\$3,189**

**2022/23 Long Term Plan**  
**\$2,597**



**PLANNING AND REGULATORY**

**2022/23 Annual Plan**  
**\$2,550**

**2022/23 Long Term Plan**  
**\$2,370**



**LEADERSHIP AND GOVERNANCE**

**2022/23 Annual Plan**  
**\$3,563**

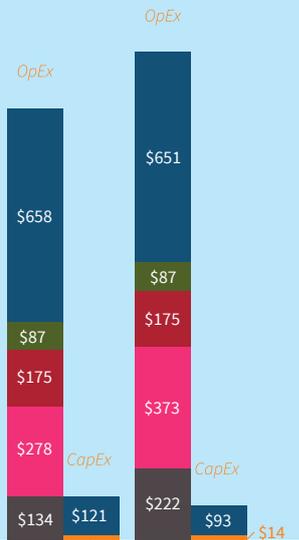
**2022/23 Long Term Plan**  
**\$3,753**



**CORPORATE FUNCTIONS**

**2022/23 Annual Plan**  
**\$1,467**

**2022/23 Long Term Plan**  
**\$1,615**



Note: The difference in \$ totals between the funding of services and the cost of services relates to rating for loan repayments.

\* The bar for the transport activity has been split so that the large values fit on the page. The dotted boxes in the bar are used to absorb the amount stated in the boxes. This means that the broken areas of the transport bar (\$2,000 & \$4,000) are not displayed to scale.

\*\* Reserves are Council's depreciation reserves. The money collected for depreciation accumulates in reserves and is tagged for future renewals. Council also uses these reserves instead of getting external loans.

Note: OpEx refers to Operating Expenditure, CapEx refers to Capital Expenditure.

# NGĀ PIKINGA TĀKE

## RATES INCREASES

### Annual Plan Rates Increase

Last year in our Long Term Plan, we indicated that the average rates increase for the 2022/2023 year would be 8.2%. With the increased funding for the Wairoa Community Centre and Museum, the rates increase is 9.1%.

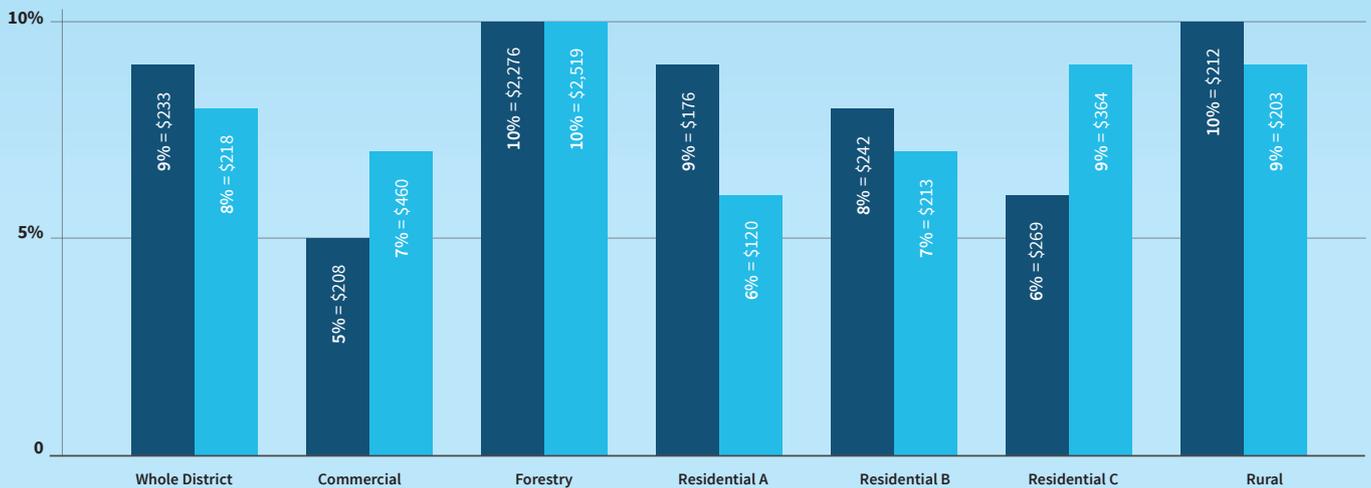
Council determines the rates requirement by applying all other funding sources to its operational costs and then funding its remaining expenses from rates. The rates requirement is then shared across the district based on each property's capital value and access to services.

Individual ratepayers are affected differently depending on the value, location and type of property they own. These rates were calculated with some adjustments made to the general rate differentials, following feedback from our community about ensuring these reflected an appropriate distribution based on relative contribution to community wellbeing.

The graph below shows the proposed average rates increases across different categories for 2022/2023 (9.1% rates increase) compared with the increases for Year 2 of the LTP (8.2% rates increase).

### Average Rates Increases

- Average of Annual Plan 2022/2023
- Average of Year 2 of LTP (2022/2023)



General Rate Differential Categories	Differential Factor
Commercial	2.35
Forestry	7.0
Residential A (Capital Value less than \$700,000)	1.0
Residential B (Capital Value greater than or equal to \$700,000 and less than \$1,000,000)	1.0
Residential C (Capital Value greater than or equal to \$1,000,000)	0.9
Rural	0.8

Note: Please refer to the Rating Funding Impact Statement on page 42.

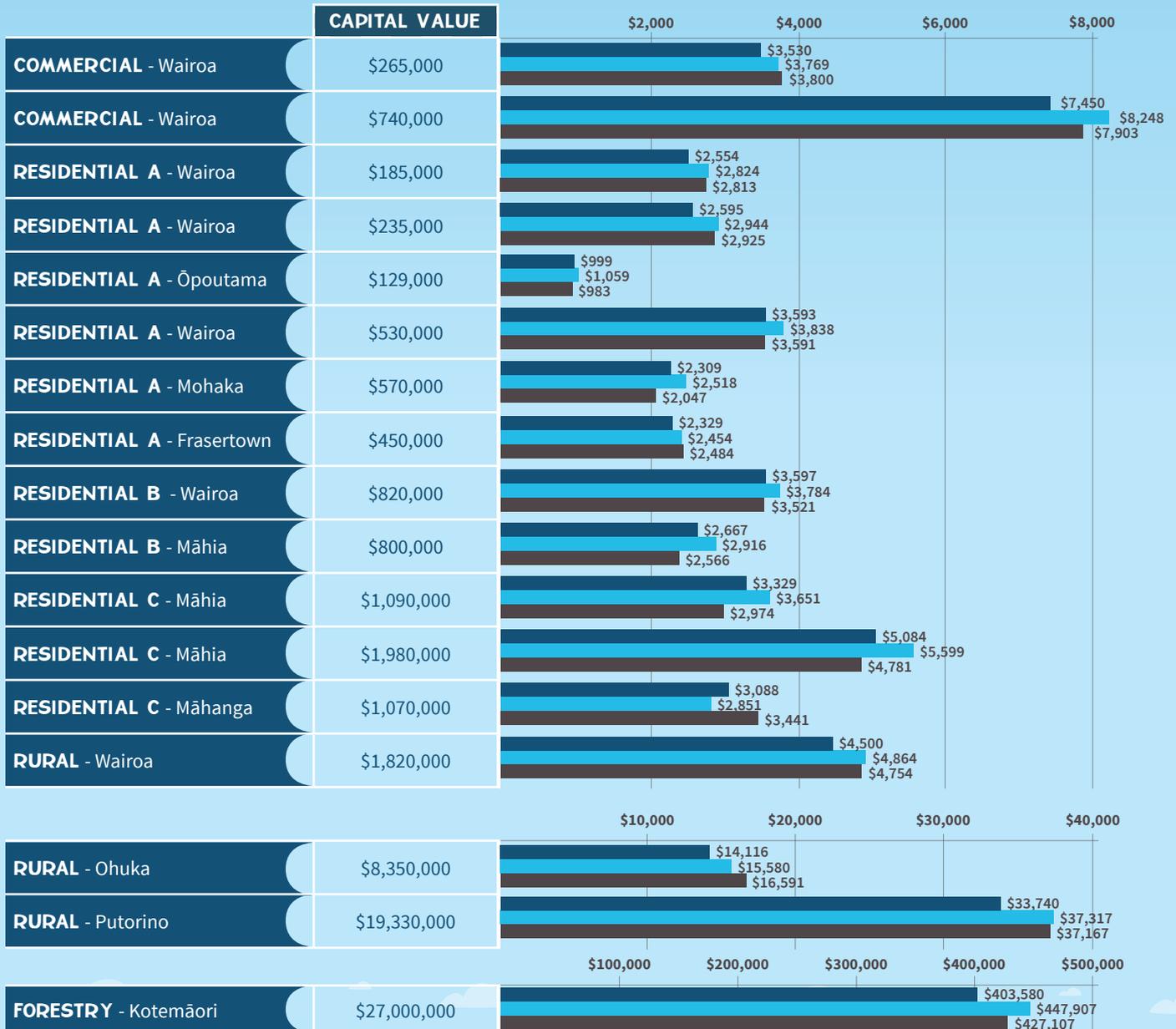


# NGĀ TAUIRA RAWA

## SAMPLE PROPERTIES

This graph demonstrates what Council's plan will mean for a representative sample of ratepayers. It compares the rates for 2021/2022 to those for 2022/2023 and Year 2 of the Long Term Plan (2022/2023). Rating revaluations have meant that all rating units have increased in value, however not in the same proportions. Forestry and commercial rating units on average have increased by 25-30%, whereas residential and rural rating units approximately

doubled in value. Despite this, the forecast rates increases for most rating units are close to those estimated in the LTP with forestry and commercial slightly lower, and residential and rural slightly higher. The very high valued commercial and forestry rating units will see significant decreases and some of the higher value rural and residential rating units will experience increases much higher than the LTP estimates.



■ 2021/22 Long Term Plan  
■ 2022/23 Long Term Plan  
■ Rates Annual Plan 2022/23



# HE AHA NGĀ ĀHUATANGA O ĀU TĀKE

## WHAT MAKES UP YOUR RATES

The graph below shows the proportion of total rates allocated to Council's rate types. It identifies the different rate types and what activities they fund.

RATE TYPE	FUNDS	PROPORTION OF TOTAL RATES
Drainage	Stormwater activity	2%
General Rate	Roading activity, parks and reserves activity, regulatory services, cemeteries, community halls, parking, some economic development, community support and visitor information costs, airport, part of environmental health, the camping ground, 10% of the district-wide water, sewerage, stormwater and waste management costs	59%
Sewerage	Wastewater activity	12%
Waste Management	Waste management activity	6%
Wastewater Schemes	Repayment of the capital funding for the Māhia and Ōpoutama wastewater schemes.	1%
Water Supply	Water supply activities in Wairoa, Frasertown, Māhanga and Tuai.	8%
Uniform Annual General Charge (UAGC)	Community representation, Māori liaison, property, the Library, the Community Centre, and some economic development, community support and visitor information costs.	12%

### Notes from Pages 10 and 11.

The following explain the differences in costs of services between the Annual Plan and LTP years for the following activity groups:

<sup>3</sup> CapEx for Water Supply: A provisional sum of \$1.5M has been added to provide infrastructure for new housing developments.

<sup>4</sup> OpEx for Rooding: In order to absorb global cost escalations in excess of CPI, Council has reduced planned expenditure in other areas where the risk to service levels is lowest. The largest reduction is in the professional services area of transportation, which will require some smart procurement practices and contract management efficiencies.

<sup>5</sup> OpEx for Community Facilities: Increases in funding for the Community Centre and Museum.

<sup>6</sup> CapEx for Community Facilities: New storage facility proposed at the Community Centre.

<sup>7</sup> OpEx for Planning and Regulatory: Investment in staff across multiple disciplines to meet increasing volume, regulatory compliance and complexity and to improve service delivery and resilience.

<sup>8</sup> OpEx for Leadership and Governance: Non replacement of vacant positions and reduced consultancy and promotions.

<sup>9</sup> OpEx for Corporate Functions: Net reduction in head count, non replacement of vacant position.



# KA TOHA ĀU TĀKE KI HEA

## WHERE YOUR RATES GO

The graph below shows the proportion of total rates allocated to fund Council's key activity groups.

	<b>WATER SUPPLY</b>	To fund the water supply activities in the Wairoa District. Council owns and operates water supply systems in Wairoa, Frasertown, Tuai, Blue Bay (non-operational) and Māhanga (pending outcomes of 3-Waters Reforms).	 10%
	<b>STORMWATER</b>	To fund the wastewater activities. Council owns and operates waste water systems in Wairoa, Tuai, Māhanga and Ōpoutama.	 2%
	<b>WASTEWATER</b>	To fund the stormwater activities. This consists of a network of pipes, open drains and outlets, and relates to the Wairoa urban area, Tuai village and Māhanga Beach.	 14%
	<b>WASTE MANAGEMENT</b>	To fund the waste management facilities. These provide a service by which refuse can be disposed of in a controlled manner.	 7%
	<b>TRANSPORT</b>	To fund the roading activities to ensure the safe and efficient flow of all traffic. To fund the airport activity to maintain an operational facility in the district.	 24%
	<b>COMMUNITY FACILITIES</b>	To fund and service public cemeteries, operate parks and reserves, fund the Library, and play a role in supporting community events, initiatives and facilities, including the Community Centre, Museum and Theatre.	 1%
	<b>PLANNING &amp; REGULATORY</b>	To fund Council's regulatory activities including resource planning, environmental health, building control, liquor control, dog control, livestock control, and general bylaw enforcement.	 20%
	<b>LEADERSHIP &amp; GOVERNANCE</b>	To fund community representation, which includes elections, governance, administration and long-term planning. To fund Māori relationships and economic development, tourism and the information centre.	 16%
	<b>CORPORATE FUNCTIONS</b>	To fund Council's Corporate Services which include customer services, finance, administration, information technology, business support, human resources, records, archives, projects support, rates services, legal compliance, policy development, official information, property services, property investment and funds management.	 7%



## OUR PROJECTS

### 1 | EXPANSION OF RURAL RECYCLING CONTAINERS

#### Background

To address issues of inconsistency relating to the delivery of rural recycling services Council has sought to improve this service delivery and standardise it. This is in the form of drop-off containers located in strategic rural locations around the district, delivered over two years.

#### Benefits

Improved recycling rates for rural areas, consistency in service levels, reduction in fly dumping and associated clean-up costs.

 <b>Cost</b> \$230k	 <b>Cost in LTP Years 1-2</b> \$459k	 <b>Funding Source</b> Loan and rates
--	--	---

### 2 | SMART METER INSTALLATION

#### Background

Water loss is the key driver for the installation of smart water meters. Reducing this loss allows more capacity in the reservoirs during times of emergency. It reduces water production costs and energy costs and reduces the impact on the wastewater system. Backflow preventors are being installed to add another layer of protection to water quality.

Fulton Hogan were awarded this contract with every water toby in Wairoa, Frasertown and Tuai ready for replacement. The project began in March 2021 and since that time, 95% of water tobies in the have been replaced, including the installation of backflow prevention devices. The last 5% will be completed throughout 2022 and early 2023.

Electronic 'smart' meters are being installed following toby replacement. Data will be gathered from these meters starting mid-2022 to better inform Council of leaks on private property. A plan will be put in place to assist homeowners in reducing water loss with the aim of reducing Council's operational expenditure.

#### Benefits

Reduced water loss, lower production costs, and more capacity in times of emergencies. Improved water safety with backflow preventors installed.

 <b>Cost</b> \$130k	 <b>Cost in LTP Years 1-2</b> \$1.3M	 <b>Funding Source</b> \$11M Stimulus Fund (External funding)
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### 3 | WASTEWATER TREATMENT PLANT UPGRADE

*Discharge to land by irrigation of local farms*

#### Background

A goal of the Wairoa community is to improve the health of the Wairoa River. It is clear that the entire community would like to see wastewater taken out of the Wairoa River and irrigated to farmland. Irrigating treated effluent to land will remove some of the discharge from the river and satisfy cultural and community expectations. Feasibility is ongoing with investigation into the available land area and suitability for discharge.

Investigations are ongoing with Council in partnership with Lowe Environmental Impact. Discussions with landowners regarding their requirements are ongoing with commitment given to irrigating several hectares of an adjacent property. A further landowner has agreed in principle to accept water for irrigation. The necessary investigations and approvals are needed.

Some options for implementation include: 1) Meeting compliance: While not granted yet, the proposed consent would be the least expensive option. 2) River discharge for 50 % days within 5 years: In addition to meeting compliance requirements, Council could look to only discharge to the river 50 % of the time.

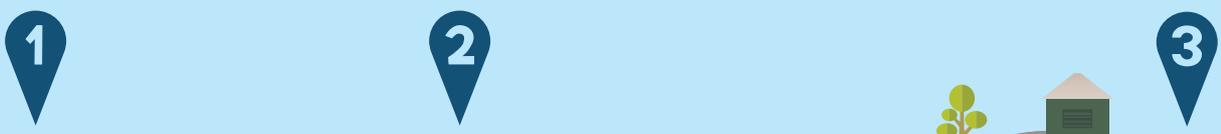
3) River discharge for 50 % days within 15 years: A more affordable and realistic option to secure funds could see the option above implemented over a longer term of 15 years. 4) River removal: 100 % removal of the discharge from the river is an aspiration most of the community would like to see. This is the most significant and expensive option, should it actually be feasible.

Construction of an initial trial on neighbouring farmland is expected to start mid-2022, however this is dependent on progress made with the UV filtration project which is being completed at the same time. WDC's wastewater discharge consent was granted in October 2021 and required 50Ha of irrigation to be commissioned prior to October 2026 (5 years).

#### Benefits

Satisfying cultural and community expectations in reducing the wastewater discharge to the river, and improving environmental outcomes.

 <b>Overall Cost</b> \$2.15M to implement 50Ha of irrigation as per wastewater discharge consent requirements	 <b>Funding Source</b> \$11M Stimulus Fund (External funding)
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## 4 | TE WAIROA E WHANAKE

### Background

Council identified the regeneration of the CBD as a top priority for investment in the district and approved \$250,000 in 2017-18 budget for CBD enhancement. (\$60,000 was spent previously to the PGF). The remaining \$180,000 was invested in March 2019 through the PGF process, and the main street initiative “Te Wairoa E Whanake” was developed to stimulate economic development and regenerate the town centre of Wairoa.

A \$4.8 million investment grant was approved in December 2019. Redeveloping the burnt out building site (Gemmell’s building) and purchasing the Winter’s building were key aspects of the redevelopment and both sites were purchased by Council in January 2020.

The Gemmell’s redevelopment is progressing well, which will see new retail space built including a restaurant. Construction is expected to be completed prior to Easter 2023. The Winter’s redevelopment has been impacted by cost-fluctuations and unexpected earthquake strengthening costs.

These factors have forced Council to rethink the development, and consider a new build option which would meet the available budget and still satisfy PGF requirements, including relocating of the iSite. Preliminary options are currently being developed.

## 5 | DUST IMPACT

### Background

The impacts of land use changes and forestry harvesting cycles on our rural roads, and especially unsealed roads, present an ongoing issue for residents. Council funds are used to mitigate and reduce these impacts. Multiple sites will be completed during 2021-2024.

### Benefits

Improved environmental and health outcomes for residents.



## 6 | WASTEWATER TREATMENT PLANT UPGRADE

### Primary treatment upgrade

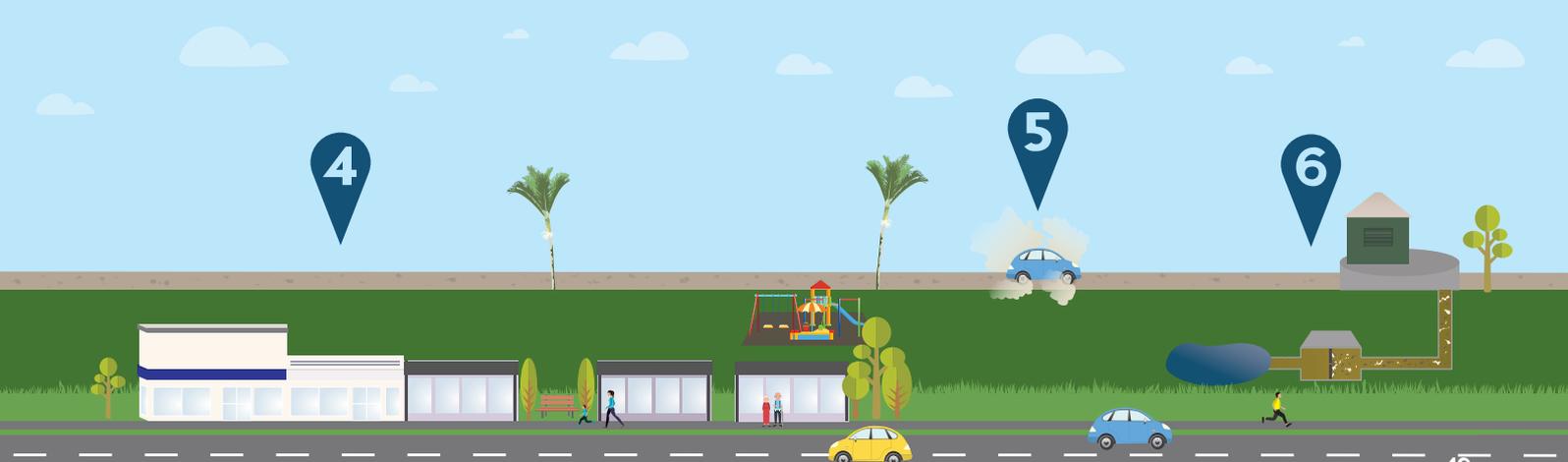
### Background

This is included as part of the overall community goal to improve the health of the Wairoa River. This component of the wastewater treatment plant upgrade includes the installation of an inlet screen at the plant to remove debris before the treatment process. Desludging of the aerated pond is also included which involves removal of sludge to a lined dewatering area, to improve the efficiency of the pond.

The lined dewatering area has been installed. Desludging is 90% complete. A significant electrical upgrade is underway and due for completion in June 2022. A new inlet screen to remove solids from wastewater is currently being installed and will be commissioned in June 2022. Work may extend into 2022/2023 but is unlikely.

### Benefits

Improved primary treatment of wastewater. This will improve the performance of oxidation ponds and the quality of effluent discharged to the surrounding environment.



## 7 | WASTEWATER TREATMENT PLANT UPGRADE

UV filtration

### Background

The new wastewater consent requires UV for the removal of pathogens and filtration treatment to achieve consent condition standards. This will increase the treatment capacity from secondary to tertiary. Appropriate UV and filtration methods are currently being investigated.

There are delays with this project. Council is considering all options carefully to ensure the correct solution is implemented; one that is cost effective and suitable to service the community for years to come. Construction is expected to start mid-late 2022.

The design of this system requires confirmation of the targeted ranges of wastewater flow capacity and treatment performance. This will see common discharge facilities constructed from the new UV system's outlet, as budgets allow, for irrigation and the discharge to the river.

### Benefits

Improved quality of discharged treated effluent. Better quality discharge to river removes public health risks potentially caused by this discharge and could open up more options and landowner acceptance for land application.

 **Overall Cost**  
\$700k

 **Funding Source**  
Loans and Reserves

## 8 | LIBRARY ARCHIVES REDEVELOPMENT

### Background

In 2020, Council endorsed a plan to combine the Library and Archives activities into one building. The aim was to deliver a modern, purpose-built space that meets the growing needs of our community while ensuring the safe and compliant storage of our archival collection.

Since the endorsement, Stage One of the project has moved ahead. External grants funded most of its development which meant that rapid progress across key areas was made without burden on ratepayers or risk to Council. Completed works include project planning, research, community engagement, cultural artistry, resource consent drawings and development of preliminary designs.

The initial budget for the project was estimated at \$6.5M. As outlined in previous Annual and Long Term Plans, Council's has allocated \$1.9M towards this project.

Early feedback from external funders has indicated that the project is unlikely to gain full support, and therefore a significant budget shortfall is present. Council has decided to explore alternative options, which is expected to result in a change of scope. More work is being done in this space, with decisions expected in August 2022.

## 9 | REGIONAL ECONOMIC DEVELOPMENT AGENCY

### Background

In August 2020, the five Hawke's Bay Councils commissioned a review of business and industry support across the region. The review presented a clear case for change, highlighting a range of inefficiencies and missed opportunities with current activities and services. Further investigations focussed on what priority activities should be funded and what the best option for delivering this would be.

Based on feedback from Councils, iwi/hapu and business, the Councils jointly supported the option of establishing an independent regional economic development agency. A funding split across the five Hawkes Bay Councils was confirmed, based on funding capacity, GDP and population. The increased investment to the economic development activity would be funded through rates (footnote).

### Benefits

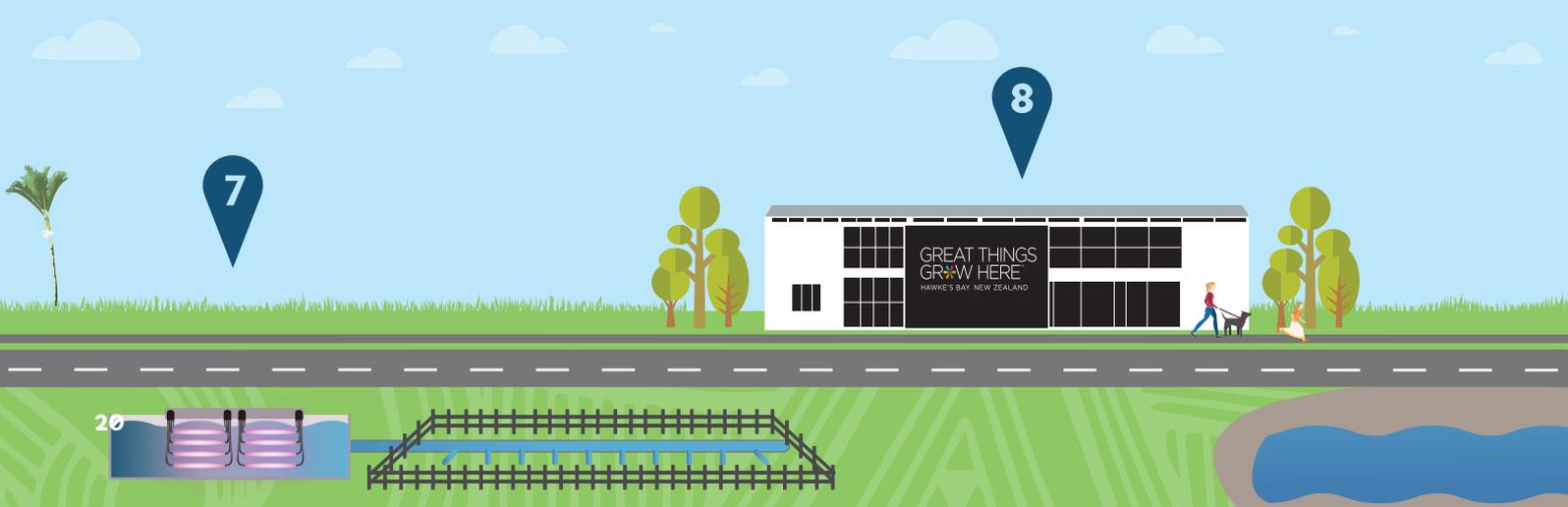
A platform which better guides and directs activity to priority issues, and supports a culture of sharing, connection and collaboration. It supports Hawke's Bay to be greater than the sum of its parts by presenting a strong and united voice and vision, and by helping to attract the resources of other parties.

 **Cost**  
\$38k

 **Cost in LTP Years 1-3**  
\$120k

 **Funding Source**  
Rates

*Footnote: For more information on the REDA, please refer to the Extraordinary Economic Development Meeting Agenda of 30 November 2021 on [www.wairoadc.govt.nz](http://www.wairoadc.govt.nz)*



## 10 | STRUCTURAL BRIDGE REPAIRS

### Background

Bridges are an important part of our infrastructure, so need to be kept in good condition. Council is proposing funding over three years to carry out structural repairs on bridges in the district. This work coincides with the bridge strengthening activity. Structural bridge repairs will continue through 2022/2023 to ensure accessibility is maintained. This project should be completed by 2024.

### Benefits

Doing this work helps extend the lives of these assets, and ensure a resilient and robust bridge stock, which will continue to connect communities and improve the accessibility of our network.



## 11 | DRAINAGE IMPROVEMENTS (ROADING)

### Background

There is a need for culvert capacity upgrades due to the impacts of climate change and weather events. Piping open drains is a priority and will improve the stormwater network, roading network, and safety for road users. There is an increased focus on drainage during the 2021-24 period to improve network resilience and minimise the impact of storm events. This project should be completed by 2024.

### Benefits and Consequences

A more resilient and accessible roading network for our community.



## 12 | MĀHIA RESILIENCE IMPROVEMENTS (ROADING)

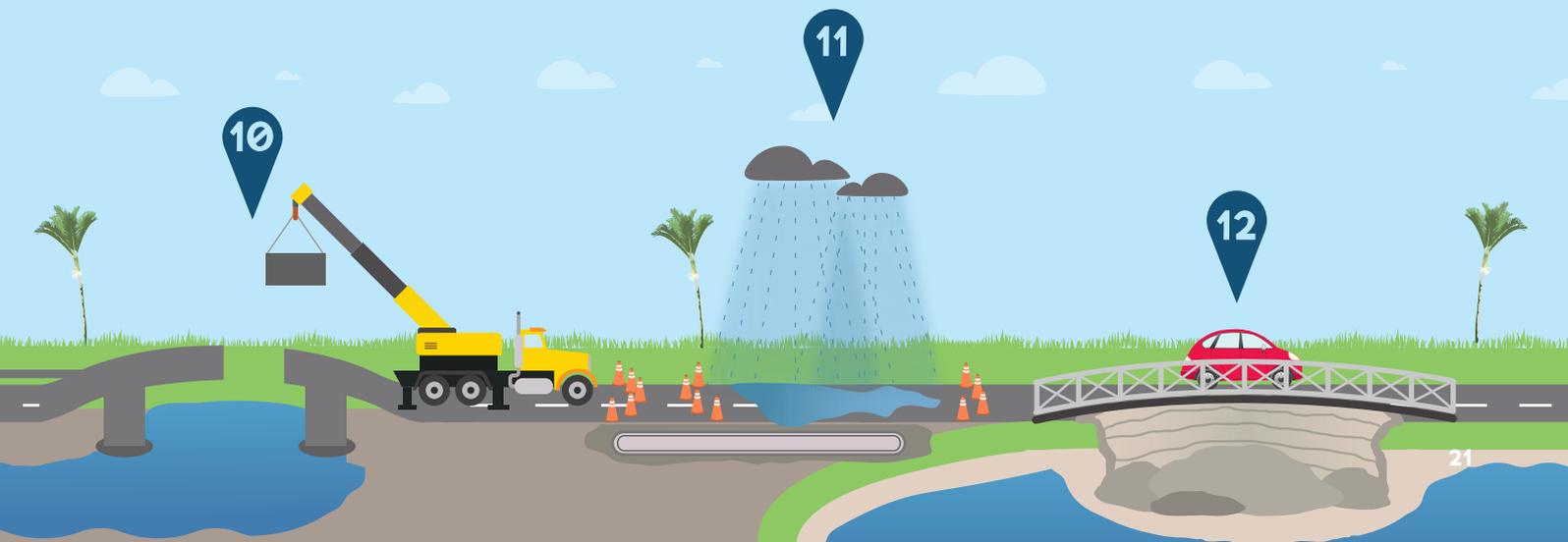
### Background

Māhia is considered a vital part of the district and it is under threat from coastal erosion. This is a continuation of a project linked to strengthening parts of Nuhaka-Ōpoutama, and Māhia East Coast Roads to ensure long-term access.

Multiple dropout repairs will be undertaken during 2021-24. The Blowhole is a significant risk for Council and is a key project within the Regional Land Transport Plan. This project should be completed by 2023.

### Benefits

This work increases coastal resilience. If it is not done there will be serious connectivity problems between Māhia and the rest of district.



# HE PUAKANGA MŌ TE TAU WHAKAMUTUNGA

## ANNUAL PLAN DISCLOSURE STATEMENT

### What is the purpose of this statement?

The purpose of this statement is to disclose the council's planned financial performance in relation to various benchmarks to enable the assessment of whether the council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

The council is required to include this statement in its annual plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

Benchmark		Planned	Met
<b>Rates affordability benchmark</b>			
Income	70% of total cash revenue	49%	Yes
Increases	5% gross rates levied per annum	9.1%	No
Increases	5% gross rates levied per annum	8.8%	No
<b>Debt affordability benchmark</b>			
	100% of revenue	47%	Yes
<b>Balanced budget benchmark</b>			
Per the regulations	100%	103%	Yes
Per Council definition	100%	89%	No
<b>Essential services benchmark</b>			
	100%	123%	Yes
<b>Debt servicing benchmark</b>			
As percentage of revenue	10%	1.3%	Yes
As percentage of rates revenue	15%	2.2%	Yes

### Notes:

#### 1. Rates affordability benchmark

1. For this benchmark:
  - a. the council's planned rates income for the year is compared with a quantified limit on rates contained in the financial strategy included in the council's long-term plan; and
  - b. the council's planned rates increases for the year are compared with a quantified limit on rates increases for the year contained in the financial strategy included in the council's long-term plan.

2. The council meets the rates affordability benchmark if:
  - a. its planned rates income for the year equals or is less than each quantified limit on rates; and
  - b. its planned rates increases for the year equal or are less than each quantified limit on rates increases.

#### 2. Debt affordability benchmark

1. For this benchmark, the council's planned borrowing is compared with a quantified limit on borrowing contained in the financial strategy included in the council's long-term plan.
2. The council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing.

#### 3. Balanced budget benchmark

1. For this benchmark, the council's planned revenue (excluding development contributions, vested assets, financial contributions, gains on derivative financial instruments, and revaluations of property, plant, or equipment) is presented as a proportion of its planned operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment).
2. The council meets the balanced budget benchmark if its revenue equals or is greater than its operating expenses.

#### *Council modified definition of the balanced budget benchmark*

The LGA does allow the council to budget for a deficit, if it resolves that it is financially prudent to do so. The council acknowledges that it runs deficits from a balanced budget perspective because it does not fully rate fund depreciation.

For this reason, the council has defined its balanced budget target as the above definition modified to exclude costs and gains from asset sales and capital subsidies not related to renewals from the calculation of revenue.

#### 4. Essential services benchmark

1. For this benchmark, the council's planned capital expenditure on network services is presented as a proportion of expected depreciation on network services.
2. The council meets the essential services benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services.

#### 5. Debt servicing benchmark

1. For this benchmark, the council's planned borrowing costs are presented 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).
2. Because Statistics New Zealand projects that the council's population will grow slower than the national population growth rate, it meets the debt servicing benchmark if its planned borrowing costs equal or are less than 10% of its planned revenue.

## UNDERSTANDING COUNCIL'S FINANCIAL STATEMENTS

The following descriptions have been provided to help explain what Council's Financial Statements are about. Please read these alongside the relevant statements.

### Prospective Statement of Comprehensive Revenue and Expense

This is Council's Income Statement and shows how much total revenue or income Council plans to receive in the 2022/23 financial year versus how much it has to spend on running costs. Council's financial performance is determined by subtracting the value of its expenses or 'what it costs to run Council' from its total income.

The result is represented as a net amount and in this case, a net surplus. However, this is because the revenue includes additional capital subsidies from Waka Kotahi, the DIA and the Provincial Growth Fund (PGF). This money is spent on assets, as shown in the Capital Plan.

### Prospective Statement of Financial Position

This is Council's Balance Sheet and shows its financial position as at the end of the 2022/23 financial year. Council's financial position is determined by subtracting the value of all its liabilities, or what it owes, from all its assets, or what it owns. Council's assets include items such as cash and property, and its liabilities include items such as creditors and loans.

The result is represented as equity and describes in financial terms what the Council is 'worth'. Due to the high investment in infrastructure, like roads and water networks, the value of Council's assets are significantly more than its liabilities and so its equity is substantial.

### Prospective Statement of Changes in Equity

This statement shows the changes to Council's equity or 'worth'. The change is represented by the difference in equity at the start of the 2022/23 financial year versus the end. The equity at the end of the 2022/23 year is determined by adding the net surplus from Council's Income Statement to the value of Council's equity at the beginning of the 2022/23 financial year. Equity is divided into 3 components:

1. Ratepayer Equity is the total of all operating surpluses and deficits since Council began
2. Special Funds represent amounts accumulated and held for specific purposes, such as township development and asset renewals. When these funds are used or topped up there are transfers between Ratepayer Equity and Special Funds.
3. The Revaluation Reserve reflects changes in the value of infrastructure and reflect the current cost of replacing assets that were built years ago. Council roading and Three Waters assets are revalued every three years.

In the Annual Plan Council's equity increases due to the assets it will create from the capital subsidies described in Prospective Statement of Financial Performance above.

### Prospective Statement of Cash Flows

This statement shows the flow of cash within Council's operating, investing and financing activities in the 2022/23 financial year. Council's cash at the end of the financial year is determined by subtracting the cash that flows out (is applied) from the cash that flows in (is received). Council's inflows of cash include rates and investment income, and its outflows of cash include payments to suppliers and loan repayments.

### Funding Impact Statements

These statements set out Council's sources of operating and capital funding to be used for the 2022/23 financial year, and how this funding is to be applied. Council's sources of operating funding include items such as fees and charges, and its applications of operating funding include items such as payments to staff and suppliers.

Council's sources of capital funding include items such as subsidies and grants for capital expenditure, and its applications of capital funding include capital expenditure to improve levels of service or replace existing assets. The difference between the value of total capital funding and application of this funding is the amount that Council needs to fund from rating for depreciation, both in the current year and from reserves which have built up over several years.

These statements do not include depreciation. This is because it is a non-cash item. Included in this Annual Plan is a Whole of Council Funding Impact Statement, which provides combined totals of all Council's sources of operating and capital sources of funding and application, and activity-level funding impact statements which separates this information into Council's key activity groups such as water supply and waste management.

### Prospective Capital Plan

This statement provides an outline of the capital-funded projects Council plans to undertake in the 2022/23 financial year. Funding is obtained through loans, reserves, subsidies or the sale of assets. In most cases project work is carried out on infrastructural assets to improve levels of service, meet additional demand, or replace or renew existing assets. Projects include the replacement of water supply valves and upgrades to footpaths. The value of this capital expenditure is also reflected in the Funding Impact Statements and in the Statement of Financial Position.



# **MATAPAE PŪTEA**

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# **FINANCIAL STATEMENTS**

# TE MATAPAE AHIPŪTEA WHIWHI ME UTU WHAKAHAERE

## PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

	Long Term Plan 2020/21 \$000	Long Term Plan 2022/23 \$000	Annual Plan 2022/23 \$000	Variance to Long Term Plan 2022/23 \$000
<b>Revenue</b>				
Rates	15,459	16,726	16,871	145
Subsidies and grants	19,890	11,707	11,423	(284)
Petrol tax	85	87	87	-
Fees and charges	2,357	2,296	2,247	(49)
Investment income	471	563	419	(144)
<b>Total revenue</b>	<b>38,262</b>	<b>31,379</b>	<b>31,047</b>	<b>(332)</b>
<b>Expense</b>				
Water supply	2,222	2,333	2,307	(26)
Stormwater	572	629	636	7
Wastewater	2,116	2,451	2,640	189
Solid waste	2,306	2,536	2,100	(436)
Transport	12,291	12,975	12,215	(760)
Community facilities	2,372	2,404	2,826	422
Planning and regulatory	2,094	2,191	2,301	110
Leadership and governance	3,561	3,692	3,579	(113)
Corporate expense	1,383	1,038	1,590	552
<b>Total expense</b>	<b>28,917</b>	<b>30,249</b>	<b>30,194</b>	<b>(55)</b>
<b>Net Surplus (deficit) on operations</b>	<b>9,345</b>	<b>1,130</b>	<b>853</b>	<b>(277)</b>
Subvention income	250	125	-	(125)
<b>Net Surplus (deficit) for the year</b>	<b>9,595</b>	<b>1,255</b>	<b>1,110</b>	<b>(145)</b>
<b>Other comprehensive revenue and expense</b>				
Fair value movement – property, plant and equipment	-	20,613	20,999	386
<b>Total comprehensive revenue and expense for the period</b>	<b>9,595</b>	<b>21,868</b>	<b>22,109</b>	<b>241</b>

# TE MATAPAE TŪ AHUPŪTEA

## PROSPECTIVE STATEMENT OF FINANCIAL POSITION

	Long Term Plan 2020/21 \$000	Long Term Plan 2022/23 \$000	Annual Plan 2022/23 \$000	Variance to Long Term Plan 2022/23 \$000
<b>Current assets</b>				
Cash and cash equivalents	1,270	2,782	2,793	11
Inventories	78	81	88	7
Trade and other receivables	3,902	2,982	4,282	1,300
Financial assets at fair value	1,831	395	370	(25)
<b>Total current assets</b>	<b>7,081</b>	<b>6,240</b>	<b>7,533</b>	<b>1,293</b>
<b>Current liabilities</b>				
Trade and other payables	6,016	4,889	7,755	2,866
Borrowings	1,500	3,500	3,500	-
<b>Total current liabilities</b>	<b>7,516</b>	<b>8,389</b>	<b>11,255</b>	<b>2,866</b>
<b>Working capital</b>	<b>(435)</b>	<b>(2,149)</b>	<b>(3,722)</b>	<b>(1,573)</b>
<b>Non-current assets</b>				
Property, plant and equipment	296,930	331,720	326,109	(5,611)
Work in progress	20,574	9,776	12,168	2,392
Investment in subsidiary	1,250	1,250	1,250	-
Investment property	-	-	1,251	1,251
Biological asset - forestry	115	115	115	-
Available for sale financial assets	23	23	23	-
Intangible assets	12	12	769	757
Financial assets at fair value	1,161	859	21	(838)
<b>Total non current assets</b>	<b>320,065</b>	<b>320,065</b>	<b>341,706</b>	<b>(2,049)</b>
<b>Non-current liabilities</b>				
Trade and other payables	66	71	54	(17)
Landfill aftercare	1,281	1,317	1,366	49
Borrowings	18,015	18,082	11,048	(7,034)
<b>Total non current liabilities</b>	<b>19,362</b>	<b>19,470</b>	<b>12,468</b>	<b>(7,002)</b>
<b>Net assets</b>	<b>300,268</b>	<b>322,136</b>	<b>325,516</b>	<b>3,380</b>
<b>Represented by</b>				
<b>Equity</b>	<b>300,268</b>	<b>322,136</b>	<b>325,516</b>	<b>3,380</b>

# TE MATAPAE MANA TAURITE

## PROSPECTIVE STATEMENT OF CHANGES IN EQUITY

	Long Term Plan 2020/21 \$000	Long Term Plan 2022/23 \$000	Annual Plan 2022/23 \$000	Variance to Long Term Plan 2022/23 \$000
Total equity - opening balance	290,673	300,268	303,407	3,139
Net surplus (deficit) for period	9,595	1,255	1,110	(145)
Other comprehensive income	-	20,613	20,999	386
Total comprehensive income	9,595	21,868	22,109	241
<b>Total equity - closing balance</b>	<b>300,268</b>	<b>322,136</b>	<b>325,516</b>	<b>3,380</b>
<b>Components of equity</b>				
<b>Ratepayers equity</b>				
Ratepayer's equity - opening balance	160,909	170,094	168,758	(1,336)
Net surplus/(deficit) for period	9,595	1,255	1,110	(145)
Transfers from special reserves	1,914	1,829	5,435	3,606
Transfers to special reserves	(2,324)	(2,216)	(4,062)	(1,846)
Transfer from revaluation reserve	-	-	-	-
<b>Ratepayers equity - closing balance</b>	<b>170,094</b>	<b>170,962</b>	<b>171,241</b>	<b>279</b>
<b>Special reserves</b>				
Special reserves - opening balance	13,958	14,368	19,399	5,031
Transfer from ratepayer's equity	2,324	2,216	4,062	1,846
Transfer to ratepayer's equity	(1,914)	(1,829)	(5,435)	(3,606)
<b>Special reserves - closing balance</b>	<b>14,368</b>	<b>14,755</b>	<b>18,026</b>	<b>3,271</b>
<b>Revaluation reserves</b>				
Revaluation reserves - opening balance	115,806	115,806	115,250	(556)
Net transfer to ratepayer's equity	-	-	-	-
Revaluation recognised in other comprehensive revenue and expense	-	20,613	20,999	386
<b>Revaluation reserves - closing balance</b>	<b>115,806</b>	<b>136,419</b>	<b>136,249</b>	<b>(170)</b>
<b>Total equity - closing balance</b>	<b>300,268</b>	<b>322,136</b>	<b>325,516</b>	<b>3,380</b>

# TE MATAPAE KAPEWHITI

## PROSPECTIVE STATEMENT OF CASH FLOWS

	Long Term Plan 2020/21 \$000	Long Term Plan 2022/23 \$000	Annual Plan 2022/23 \$000	Variance to Long Term Plan 2022/23 \$000
<b>Cash flows from operating activities</b>				
<b>Cash was provided from:</b>				
Rates received	18,596	17,578	21,229	3,651
Other revenue	19,162	14,122	10,825	(3,297)
Subvention income	471	563	257	(306)
Investment income	250	125	419	294
<b>Cash was applied to:</b>				
Payments to suppliers and employees	(25,985)	(25,433)	(25,271)	162
Interest paid	(368)	(495)	(371)	124
<b>Net cash flows from operating activities</b>	<b>12,126</b>	<b>6,460</b>	<b>7,088</b>	<b>628</b>
<b>Cash flows from financing activities</b>				
<b>Cash was provided from:</b>				
Loans raised	4,949	3,567	55	(3,512)
<b>Cash was applied to:</b>				
Borrowings repaid	-	(1,500)	-	1,500
<b>Net cash flows from financing activities</b>	<b>4,949</b>	<b>2,067</b>	<b>55</b>	<b>(2,012)</b>
Net increase/(decrease) in cash and cash equivalents	(1,825)	1,512	(2,415)	(3,927)
Cash and cash equivalents at beginning of year	3,095	1,270	5,208	3,938
<b>Cash and cash equivalents at end of year</b>	<b>1,270</b>	<b>2,782</b>	<b>2,793</b>	<b>11</b>
<b>Made up of:</b>				
Cash	11	178	3	(175)
Short term deposits	1,259	2,604	2,790	186
<b>Cash and cash equivalents at end of period</b>	<b>1,270</b>	<b>2,782</b>	<b>2,793</b>	<b>11</b>

# TE MATAPAE PŪTEA PENAPENA

## PROSPECTIVE STATEMENT OF MOVEMENT IN RESERVES

	Opening Balance 1 July 2022 \$000	Transfer to \$000	Transfer from \$000	Closing balance 30 June 2023 \$000
<b>Reserves held for emergency purposes</b>				
Disaster recovery reserve	800	20	(20)	800
<b>Total reserves held for emergency purposes</b>	<b>800</b>	<b>20</b>	<b>(20)</b>	<b>800</b>
<b>Reserves held for future asset purchases</b>				
District development reserve	265	7	(7)	265
Operational assets depreciation reserve	1,027	745	(687)	1,085
IT equipment depreciation reserve	505	28	(34)	499
Infrastructure renewals depreciation reserve	10,718	3,037	(4,498)	9,257
Library books depreciation reserve	200	17	(26)	191
Pensioner housing depreciation reserve	195	40	(21)	214
Recreational facilities depreciation reserve	481	139	(113)	507
<b>Total reserves held for future asset purchases</b>	<b>13,391</b>	<b>4,013</b>	<b>(5,386)</b>	<b>12,018</b>
<b>Reserves held for future operational costs</b>				
General purpose reserve	583	15	(15)	583
Wairoa urban reserve	286	7	(7)	286
Retirement and restructuring reserve	106	3	(3)	106
Tuai village reserve	140	4	(4)	140
<b>Total reserves held for future operational costs</b>	<b>1,115</b>	<b>29</b>	<b>(29)</b>	<b>1,115</b>
<b>Reserves held for repayment of maturing debt</b>				
Loan repayment reserve - external	2,461	-	-	2,461
Loan repayment reserve - internal	1,632	-	-	1,632
<b>Total reserves held for repayment of maturing debt</b>	<b>4,093</b>	<b>-</b>	<b>-</b>	<b>4,093</b>
<b>Total special reserves</b>	<b>19,399</b>	<b>4,062</b>	<b>(5,435)</b>	<b>18,026</b>

# WHAKAAWEAWE PŪTEA (KAUNIHERA KATOA)

## FUNDING IMPACT STATEMENT (WHOLE OF COUNCIL)

	Long Term Plan 2020/21 \$000	Long Term Plan 2022/23 \$000	Annual Plan 2022/23 \$000	Variance to Long Term Plan 2022/23 \$000
<b>Sources of operating funding</b>				
General rates, uniform annual general charges, rates penalties	3,554	11,920	11,947	27
Targeted rates (other than a targeted rate for water supply)	9,660	4,807	4,924	117
Subsidies and grants for operating purposes	6,521	5,864	5,580	(284)
Fees and charges	1,940	2,377	2,247	(130)
Interest and dividends from Investments	154	701	310	(391)
Local authorities fuel tax, fines, infringement fees, and other receipts	89	87	87	-
<b>Total operating funding (A)</b>	<b>21,918</b>	<b>25,756</b>	<b>25,095</b>	<b>(661)</b>
<b>Applications of operating funding</b>				
Payments to staff and suppliers	19,022	22,618	22,580	(38)
Finance costs	387	1,323	716	(607)
Other operating funding applications	-	-	-	-
<b>Total Applications of operating funding (B)</b>	<b>19,409</b>	<b>23,941</b>	<b>23,296</b>	<b>(645)</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>2,509</b>	<b>1,815</b>	<b>1,799</b>	<b>(16)</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	5,474	5,843	5,843	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	2,069	252	1,306	1,054
Gross proceeds from sale of assets	37	37	-	(37)
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>7,580</b>	<b>6,132</b>	<b>7,149</b>	<b>1,017</b>
<b>Application of capital funding</b>				
Capital expenditure				
- to meet additional demand	-	599	476	(123)
- to improve the level of service	4,378	2,885	3,066	181
- to replace existing assets	6,717	6,292	8,627	2,335
Increase (decrease) in reserves	(1,006)	(1,829)	(3,221)	(1,392)
Increase (decrease) of investments	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>10,089</b>	<b>7,947</b>	<b>8,948</b>	<b>1,001</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(2,509)</b>	<b>(1,815)</b>	<b>(1,799)</b>	<b>16</b>
<b>Funding balance ((A-B) + (C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# WHAKAAWEAWE PŪTEA (PUNA WAI)

## FUNDING IMPACT STATEMENT (WATER SUPPLY)

	Long Term Plan 2020/21 \$000	Long Term Plan 2022/23 \$000	Annual Plan 2022/23 \$000	Variance to Long Term Plan 2022/23 \$000
<b>Sources of operating funding</b>				
General rates, uniform annual general charges, rates penalties	155	156	154	(2)
Targeted rates (other than a targeted rate for water supply)	1,397	1,407	1,374	(33)
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	465	357	324	(33)
Internal charges and overheads recovered	-	-	-	-
Internal interest income	122	131	101	(30)
Interest and dividends from Investments	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-
<b>Total operating funding (A)</b>	<b>2,139</b>	<b>2,051</b>	<b>1,953</b>	<b>(98)</b>
<b>Applications of operating funding</b>				
Payments to staff and suppliers	1,202	1,182	1,155	(27)
Finance costs	54	55	1	(54)
Internal charges and overheads applied	328	413	380	(33)
Internal interest charged	-	-	54	54
Other operating funding applications	-	-	-	-
<b>Total Applications of operating funding (B)</b>	<b>1,584</b>	<b>1,650</b>	<b>1,590</b>	<b>(60)</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>555</b>	<b>401</b>	<b>363</b>	<b>(38)</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	1,425	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	(525)	(370)	186	556
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>900</b>	<b>(370)</b>	<b>186</b>	<b>556</b>
<b>Application of capital funding</b>				
Capital expenditure				
- to meet additional demand	30	31	31	-
- to improve the level of service	1,410	528	73	(455)
- to replace existing assets	188	140	2,211	2,071
Increase (decrease) in reserves	(173)	(668)	(1,766)	(1,098)
Increase (decrease) of investments	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>1,455</b>	<b>31</b>	<b>549</b>	<b>518</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(555)</b>	<b>(401)</b>	<b>(363)</b>	<b>38</b>
<b>Funding balance ((A-B) + (C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# WHAKAAWEAWE PŪTEA (WAI ĀWHĀ)

## FUNDING IMPACT STATEMENT (STORMWATER)

	Long Term Plan 2020/21 \$000	Long Term Plan 2022/23 \$000	Annual Plan 2022/23 \$000	Variance to Long Term Plan 2022/23 \$000
<b>Sources of operating funding</b>				
General rates, uniform annual general charges, rates penalties	40	30	31	1
Targeted rates (other than a targeted rate for water supply)	364	267	282	15
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	-	-	-	-
Internal charges and overheads recovered	-	-	-	-
Internal interest income	66	70	66	(4)
Interest and dividends from Investments	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-
<b>Total operating funding (A)</b>	<b>470</b>	<b>367</b>	<b>379</b>	<b>12</b>
<b>Applications of operating funding</b>				
Payments to staff and suppliers	136	141	165	24
Finance costs	50	57	-	(57)
Internal charges and overheads applied	133	161	152	(9)
Internal interest charged	-	-	43	43
Other operating funding applications	-	-	-	-
<b>Total Applications of operating funding (B)</b>	<b>319</b>	<b>359</b>	<b>360</b>	<b>1</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>151</b>	<b>8</b>	<b>19</b>	<b>11</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	42	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	349	(8)	426	434
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>391</b>	<b>(8)</b>	<b>426</b>	<b>434</b>
<b>Application of capital funding</b>				
Capital expenditure				
- to meet additional demand	500	-	186	186
- to improve the level of service	42	-	-	-
- to replace existing assets	-	-	259	259
Increase (decrease) in reserves	-	-	-	-
Increase (decrease) of investments	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>542</b>	<b>-</b>	<b>445</b>	<b>445</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(151)</b>	<b>(8)</b>	<b>(19)</b>	<b>(11)</b>
<b>Funding balance ((A-B) + (C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# WHAKAAWEAWE PŪTEA (WAI PARU)

## FUNDING IMPACT STATEMENT (WASTEWATER)

	Long Term Plan 2020/21 \$000	Long Term Plan 2022/23 \$000	Annual Plan 2022/23 \$000	Variance to Long Term Plan 2022/23 \$000
<b>Sources of operating funding</b>				
General rates, uniform annual general charges, rates penalties	194	233	227	(6)
Targeted rates (other than a targeted rate for water supply)	1,748	2,095	2,142	47
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	-	-	-	-
Internal charges and overheads recovered	-	-	-	-
Internal interest income	26	33	53	20
Interest and dividends from Investments	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-
<b>Total operating funding (A)</b>	<b>1,968</b>	<b>2,361</b>	<b>2,422</b>	<b>61</b>
<b>Applications of operating funding</b>				
Payments to staff and suppliers	1,293	1,334	1,555	221
Finance costs	154	200	12	(188)
Internal charges and overheads applied	242	312	283	(29)
Internal interest charged	-	-	119	119
Other operating funding applications	-	-	-	-
<b>Total Applications of operating funding (B)</b>	<b>1,689</b>	<b>1,846</b>	<b>1,969</b>	<b>123</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>279</b>	<b>515</b>	<b>453</b>	<b>(62)</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	3,630	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	2,199	(95)	(85)	10
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>5,829</b>	<b>(95)</b>	<b>(85)</b>	<b>10</b>
<b>Application of capital funding</b>				
Capital expenditure				
- to meet additional demand	100	259	259	-
- to improve the level of service	1,410	52	52	-
- to replace existing assets	4,703	161	161	-
Increase (decrease) in reserves	(105)	(52)	(104)	(52)
Increase (decrease) of investments	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>6,108</b>	<b>420</b>	<b>368</b>	<b>(52)</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(279)</b>	<b>(515)</b>	<b>(453)</b>	<b>62</b>
<b>Funding balance ((A-B) + (C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# WHAKAAWEAWE PŪTEA (WHAKAHAERE PARA)

## FUNDING IMPACT STATEMENT (WASTE MANAGEMENT)

	Long Term Plan 2020/21 \$000	Long Term Plan 2022/23 \$000	Annual Plan 2022/23 \$000	Variance to Long Term Plan 2022/23 \$000
<b>Sources of operating funding</b>				
General rates, uniform annual general charges, rates penalties	111	115	125	10
Targeted rates (other than a targeted rate for water supply)	999	1,038	1,126	88
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	673	711	711	-
Internal charges and overheads recovered	-	-	-	-
Internal interest income	18	16	14	(2)
Interest and dividends from Investments	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-
<b>Total operating funding (A)</b>	<b>1,801</b>	<b>1,880</b>	<b>1,976</b>	<b>96</b>
<b>Applications of operating funding</b>				
Payments to staff and suppliers	1,578	1,605	1,721	116
Finance costs	57	83	-	(83)
Internal charges and overheads applied	179	228	208	(20)
Internal interest charged	-	-	32	32
Other operating funding applications	-	-	-	-
<b>Total Applications of operating funding (B)</b>	<b>1,814</b>	<b>1,916</b>	<b>1,961</b>	<b>45</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>(13)</b>	<b>(36)</b>	<b>15</b>	<b>51</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	28	571	294	(277)
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>28</b>	<b>571</b>	<b>294</b>	<b>(277)</b>
<b>Application of capital funding</b>				
Capital expenditure				
- to meet additional demand	-	309	-	(309)
- to improve the level of service	15	-	309	309
- to replace existing assets	90	252	252	-
Increase (decrease) in reserves	(90)	(26)	(252)	(226)
Increase (decrease) of investments	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>15</b>	<b>535</b>	<b>309</b>	<b>(226)</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>13</b>	<b>36</b>	<b>(15)</b>	<b>(51)</b>
<b>Funding balance ((A-B) + (C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# WHAKAAWEAWE PŪTEA (RANGA)

## FUNDING IMPACT STATEMENT (TRANSPORT)

	Long Term Plan 2020/21 \$000	Long Term Plan 2022/23 \$000	Annual Plan 2022/23 \$000	Variance to Long Term Plan 2022/23 \$000
<b>Sources of operating funding</b>				
General rates, uniform annual general charges, rates penalties	3,774	4,211	3,776	(435)
Targeted rates (other than a targeted rate for water supply)	-	-	-	-
Subsidies and grants for operating purposes	5,719	5,785	5,502	(283)
Fees and charges	42	43	43	-
Internal charges and overheads recovered	-	-	-	-
Internal interest income	32	38	34	(4)
Interest and dividends from Investments	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-
<b>Total operating funding (A)</b>	<b>9,567</b>	<b>10,077</b>	<b>9,355</b>	<b>(722)</b>
<b>Applications of operating funding</b>				
Payments to staff and suppliers	7,387	7,414	6,846	(568)
Finance costs	18	65	-	(65)
Internal charges and overheads applied	1,243	1,655	1,467	(188)
Internal interest charged	-	-	-	-
Other operating funding applications	-	-	-	-
<b>Total Applications of operating funding (B)</b>	<b>8,648</b>	<b>9,134</b>	<b>8,313</b>	<b>(821)</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>919</b>	<b>943</b>	<b>1,042</b>	<b>99</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	8,524	5,843	5,843	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	309	98	10	(88)
Gross proceeds from sale of assets	9	9	-	(9)
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>8,842</b>	<b>5,950</b>	<b>5,853</b>	<b>(97)</b>
<b>Application of capital funding</b>				
Capital expenditure				
- to meet additional demand	-	-	-	-
- to improve the level of service	2,960	2,289	2,291	2
- to replace existing assets	7,595	5,365	5,364	(1)
Increase (decrease) in reserves	(794)	(761)	(760)	1
Increase (decrease) of investments	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>9,761</b>	<b>6,893</b>	<b>6,895</b>	<b>2</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(919)</b>	<b>(943)</b>	<b>(1,042)</b>	<b>(99)</b>
<b>Funding balance ((A-B) + (C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# WHAKAAWEAWE PŪTEA (NGĀ TAPUTAPU HĀPORI)

## FUNDING IMPACT STATEMENT (COMMUNITY FACILITIES)

	Long Term Plan 2020/21 \$000	Long Term Plan 2022/23 \$000	Annual Plan 2022/23 \$000	Variance to Long Term Plan 2022/23 \$000
<b>Sources of operating funding</b>				
General rates, uniform annual general charges, rates penalties	3,031	3,104	2,709	(395)
Targeted rates (other than a targeted rate for water supply)	-	-	-	-
Subsidies and grants for operating purposes	73	25	23	(2)
Fees and charges	70	72	64	(8)
Internal charges and overheads recovered	-	-	-	-
Internal interest income	12	11	21	10
Interest and dividends from Investments	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-
<b>Total operating funding (A)</b>	<b>3,186</b>	<b>3,212</b>	<b>2,817</b>	<b>(395)</b>
<b>Applications of operating funding</b>				
Payments to staff and suppliers	2,599	2,574	2,171	(403)
Finance costs	41	47	68	21
Internal charges and overheads applied	297	349	290	(59)
Internal interest charged	-	-	35	35
Other operating funding applications	-	-	-	-
<b>Total Applications of operating funding (B)</b>	<b>2,937</b>	<b>2,970</b>	<b>2,564</b>	<b>(406)</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>249</b>	<b>242</b>	<b>253</b>	<b>11</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	35	(207)	(191)	16
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>35</b>	<b>(207)</b>	<b>(191)</b>	<b>16</b>
<b>Application of capital funding</b>				
Capital expenditure				
- to meet additional demand	85	-	-	-
- to improve the level of service	60	16	41	25
- to replace existing assets	346	198	176	(22)
Increase (decrease) in reserves	(207)	(179)	(155)	24
Increase (decrease) of investments	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>284</b>	<b>35</b>	<b>62</b>	<b>27</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(249)</b>	<b>(242)</b>	<b>(253)</b>	<b>(11)</b>
<b>Funding balance ((A-B) + (C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# WHAKAWEAWE PŪTEA (MAHERE ME WAETURE)

## FUNDING IMPACT STATEMENT (PLANNING AND REGULATORY)

	Long Term Plan 2020/21 \$000	Long Term Plan 2022/23 \$000	Annual Plan 2022/23 \$000	Variance to Long Term Plan 2022/23 \$000
<b>Sources of operating funding</b>				
General rates, uniform annual general charges, rates penalties	1,015	1,084	1,203	119
Targeted rates (other than a targeted rate for water supply)	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	754	775	775	-
Internal charges and overheads recovered	-	-	-	-
Internal interest income	-	-	-	-
Interest and dividends from Investments	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-
<b>Total operating funding (A)</b>	<b>1,769</b>	<b>1,859</b>	<b>1,978</b>	<b>119</b>
<b>Applications of operating funding</b>				
Payments to staff and suppliers	1,428	1,476	1,717	241
Finance costs	12	12	-	(12)
Internal charges and overheads applied	639	650	522	(128)
Internal interest charged	-	-	7	7
Other operating funding applications	-	-	-	-
<b>Total Applications of operating funding (B)</b>	<b>2,079</b>	<b>2,138</b>	<b>2,246</b>	<b>108</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>(310)</b>	<b>(279)</b>	<b>(268)</b>	<b>11</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	309	279	282	3
Gross proceeds from sale of assets	53	14	-	(14)
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>362</b>	<b>293</b>	<b>282</b>	<b>(11)</b>
<b>Application of capital funding</b>				
Capital expenditure				
- to meet additional demand	-	-	-	-
- to improve the level of service	-	-	-	-
- to replace existing assets	243	46	46	-
Increase (decrease) in reserves	(191)	(32)	(32)	-
Increase (decrease) of investments	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>52</b>	<b>14</b>	<b>14</b>	<b>-</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>310</b>	<b>279</b>	<b>268</b>	<b>(11)</b>
<b>Funding balance ((A-B) + (C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# WHAKAAWEAWE PŪTEA (MANA WHAKATIPU ME KĀWANATANGA)

## FUNDING IMPACT STATEMENT (LEADERSHIP AND GOVERNANCE)

	Long Term Plan 2020/21 \$000	Long Term Plan 2022/23 \$000	Annual Plan 2022/23 \$000	Variance to Long Term Plan 2022/23 \$000
<b>Sources of operating funding</b>				
General rates, uniform annual general charges, rates penalties	2,613	2,749	3,645	838
Targeted rates (other than a targeted rate for water supply)	-	-	-	-
Subsidies and grants for operating purposes	53	54	54	-
Fees and charges	261	244	154	(90)
Internal charges and overheads recovered	-	-	-	-
Internal interest income	-	-	-	-
Interest and dividends from Investments	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-
<b>Total operating funding (A)</b>	<b>2,927</b>	<b>3,047</b>	<b>3,853</b>	<b>748</b>
<b>Applications of operating funding</b>				
Payments to staff and suppliers	1,173	1,245	1,782	545
Finance costs	12	12	1	(11)
Internal charges and overheads applied	1,667	1,706	1,813	46
Internal interest charged	-	-	11	11
Other operating funding applications	-	-	-	-
<b>Total Applications of operating funding (B)</b>	<b>2,852</b>	<b>2,963</b>	<b>3,607</b>	<b>591</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>75</b>	<b>84</b>	<b>246</b>	<b>157</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	28	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	(75)	(84)	(246)	(162)
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>(47)</b>	<b>(84)</b>	<b>(246)</b>	<b>(162)</b>
<b>Application of capital funding</b>				
Capital expenditure				
- to meet additional demand	-	-	-	-
- to improve the level of service	28	-	-	-
- to replace existing assets	-	18	18	-
Increase (decrease) in reserves	-	(18)	(18)	-
Increase (decrease) of investments	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>28</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(75)</b>	<b>(84)</b>	<b>(246)</b>	<b>(162)</b>
<b>Funding balance ((A-B) + (C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# WHAKAWEAWE PŪTEA (RANGAPŪ)

## FUNDING IMPACT STATEMENT (CORPORATE FUNCTIONS)

	Long Term Plan 2020/21 \$000	Long Term Plan 2022/23 \$000	Annual Plan 2022/23 \$000	Variance to Long Term Plan 2022/23 \$000
<b>Sources of operating funding</b>				
General rates, uniform annual general charges, rates penalties	17	238	79	(376)
Targeted rates (other than a targeted rate for water supply)	-	-	-	-
Subsidies and grants for operating purposes	397	-	-	-
Fees and charges	170	175	175	-
Internal charges and overheads recovered	4,971	5,712	5,261	(171)
Internal interest income	96	84	422	338
Interest and dividends from Investments	758	701	310	(391)
Local authorities fuel tax, fines, infringement fees, and other receipts	85	87	87	-
<b>Total operating funding (A)</b>	<b>6,494</b>	<b>6,997</b>	<b>6,334</b>	<b>(600)</b>
<b>Applications of operating funding</b>				
Payments to staff and suppliers	5,335	5,647	5,468	(186)
Finance costs	648	792	633	(159)
Internal charges and overheads applied	243	239	147	(35)
Internal interest charged	371	382	411	29
Other operating funding applications	-	-	-	-
<b>Total Applications of operating funding (B)</b>	<b>6,597</b>	<b>7,060</b>	<b>6,659</b>	<b>(351)</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>(103)</b>	<b>(63)</b>	<b>(325)</b>	<b>(249)</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	518	68	630	549
Gross proceeds from sale of assets	-	14	-	(14)
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>518</b>	<b>82</b>	<b>630</b>	<b>535</b>
<b>Application of capital funding</b>				
Capital expenditure				
- to meet additional demand	-	-	-	-
- to improve the level of service	250	-	300	300
- to replace existing assets	520	112	140	28
Increase (decrease) in reserves	(355)	(93)	(135)	(42)
Increase (decrease) of investments	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>415</b>	<b>19</b>	<b>305</b>	<b>286</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>103</b>	<b>63</b>	<b>325</b>	<b>249</b>
<b>Funding balance ((A-B) + (C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# TE MATAPAE TE MAHERE PŪTEA HUA

## PROSPECTIVE CAPITAL PLAN

	Subsidy \$000	Reserve \$000	Loan \$000	Annual Plan 2022/23 \$000	Long Term Plan 2022/23 \$000	Variance to Long Term Plan 2022/23 \$000
<b>Water Supply</b>						
Booster pump stations	-	-	31	31	31	-
Major valve replacements	-	16	-	16	16	-
Wairoa pipelines renewals	-	1,500	-	1,500	-	1,500
Valve replacements	-	150	-	150	78	72
Tuai reticulation	-	-	518	518	518	-
Boundary valves pump station	-	12	-	12	10	2
Treatment plant renewals	-	26	-	26	26	-
Safety improvements	-	15	-	15	10	5
Chemical dosing plant batching compressor	-	5	-	5	5	-
Filter press cloth replacement	-	31	-	31	-	-
Air conditioning unit	-	11	-	11	5	6
<b>Total</b>	<b>-</b>	<b>1,766</b>	<b>549</b>	<b>2,315</b>	<b>699</b>	<b>1,585</b>
<b>Stormwater</b>						
Mahia beach pipeline renewals	-	-	186	186	-	186
Piping open drains Wairoa	-	-	259	259	-	259
<b>Total</b>	<b>-</b>	<b>-</b>	<b>445</b>	<b>445</b>	<b>-</b>	<b>445</b>
<b>Wastewater</b>						
Catchment	-	-	57	57	57	-
Consent	-	-	52	52	52	-
Renewal pump stations	-	52	-	52	52	-
Rising mains North Clyde and Alexander Park	-	-	259	259	259	-
Road reseal Wairoa wastewater plant	-	52	-	52	52	-
<b>Total</b>	<b>-</b>	<b>104</b>	<b>368</b>	<b>471</b>	<b>471</b>	<b>-</b>
<b>Waste Management</b>						
Recycling centre upgrade	-	252	-	252	252	-
Construction new cell	-	-	309	309	309	-
<b>Total</b>	<b>-</b>	<b>252</b>	<b>309</b>	<b>561</b>	<b>561</b>	<b>-</b>
<b>Transport</b>						
Purchase computer equipment	-	5	-	5	5	-
Purchase of vehicles	-	22	9	31	31	-
Purchase office furniture	-	1	-	1	1	-
Purchase of surveying equipment	-	-	1	1	1	-
Renewal maintenance	-	17	-	17	17	-
Road 38 unsealed road metalling	120	-	-	120	120	-
2013/14 emergency new flood damage	368	-	123	490	490	-
Footpaths new construction general	41	14	-	54	54	-
Low cost low risk	1,309	-	436	1,746	1,746	-
2013/14 emergency renewal flood damage	773	-	258	1,031	1,031	-
Drainage renewals	496	165	-	662	662	-

Transport						
Future capital requirements	700	233	-	934	934	-
Pavement rehabilitation	229	76	-	305	305	-
Road 38 drainage renewals	50	-	-	50	50	-
Road 38 emergency reinstatement new	77	-	-	77	77	-
Road 38 minor improvements	310	-	-	310	310	-
Road 38 traffic services renewal	5	-	-	5	5	-
Sealed road resurfacing	675	-	225	900	900	-
Road 38 sealed resurfacing	10	-	-	10	10	-
Structures component replace	550	183	-	733	733	-
Traffic services renewals	130	43	-	174	174	-
<b>Total</b>	<b>5,843</b>	<b>760</b>	<b>1,052</b>	<b>7,655</b>	<b>7,655</b>	<b>-</b>

Community Facilities						
Stormwater system	-	-	26	26	26	-
Book purchases	-	21	21	41	38	4
Library office air conditioning	-	15	-	15	15	-
Laptop	-	6	-	6	6	-
Picnic tables	-	10	-	10	10	-
Playground renewals	-	51	-	51	51	-
Public space enhancement	-	-	15	15	15	-
Toilet renewals	-	51	-	51	51	-
<b>Total</b>	<b>-</b>	<b>155</b>	<b>62</b>	<b>217</b>	<b>213</b>	<b>4</b>

Planning and Regulatory						
Purchase new vehicle	-	32	14	46	46	-

Leadership and Governance						
Elected members' tablets	-	11	-	11	11	-
Mayoral iPhone	-	1	-	1	1	-
Purchase computer equipment	-	6	-	6	6	-
<b>Total</b>	<b>-</b>	<b>18</b>	<b>-</b>	<b>18</b>	<b>18</b>	<b>4</b>

Corporate Functions						
Purchase office equipment	-	21	-	21	9	12
Centre remedial works	-	15	-	15	15	-
Replacement gym equipment	-	-	300	300	-	300
Renewal projects	-	-	5	5	5	-
Purchase computer hardware	-	5	-	5	-	5
Replacement laptops	-	10	-	10	-	10
Vehicle replacement	-	46	-	46	46	-
Future capital requirements	-	15	-	15	15	-
Renewal projects stove	-	5	-	5	5	-
Air conditioner computer room	-	15	-	15	15	-
<b>Total</b>	<b>-</b>	<b>135</b>	<b>305</b>	<b>440</b>	<b>112</b>	<b>327</b>

<b>Grand total</b>	<b>5,843</b>	<b>3,222</b>	<b>3,103</b>	<b>12,168</b>	<b>9,776</b>	<b>2,361</b>
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## RATING FUNDING IMPACT STATEMENT

*This Funding Impact Statement provides information about Council's sources of revenue from rates, how these are calculated and where the liability will be applied. It is prepared in accordance with Council's Revenue and Financing Policy.*

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 provides for rates being charged at different rates in the dollar for different categories of rateable land. The categories must be defined using the matters in Schedule 2 of the Rating Act.

Council can use these provisions to set rates on a differential basis, with the different categories defined based on such matters as the 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.

For the year ending 30 June 2023 Council will utilise a general rate assessed on the capital value of rateable land, applying differential factors to rating categories that are defined based on land use. Council will also utilise a Uniform Annual General Charge (UAGC) which will be assessed as a fixed amount per Separately Used or Inhabited Part (SUIP) of a rating unit.

The land use categories for rating purposes and the differential factors to be applied to the general rate (capital value) for the year commencing 1 July 2022 are detailed in the table below.

Targeted rates assessed on a fixed amount per rating unit, SUIP or connection will be applied for water utilities and waste management and where applicable will be assessed by location. Water by meter rates will apply where metered water is supplied.

## Differential categories

For the year 1 July 2022 to 30 June 2023 the following land use categories and differential factors will apply to the general rate assessed by capital value.

Category	Differential Factor
Commercial	2.35
Forestry	7.0
Residential A: Capital value less than \$700,000	1.0
Residential B: Capital value greater than or equal to \$700,000 and less than \$1,000,000	1.0
Residential C: Capital value greater than or equal to \$1,000,000	0.9
Rural	0.8

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%, with comparative totals to the year ending 30 June 2022.

## General rate

Council will assess a general rate based on the capital value of all rateable land in the district, set differentially according to 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 2022/23 are:

Differential Category	Rate per \$1,000 of Capital Value (incl. GST) \$	Revenue Generated (incl. GST) \$
Commercial	5.3011	1,024,179
Forestry	15.7906	3,336,891
Residential A: Capital value less than \$700,000	2.2558	1,964,134
Residential B: Capital value greater than or equal to \$700,000 and less than \$1,000,000	2.2558	423,729
Residential C: Capital value greater than or equal to \$1,000,000	2.0302	240,571
Rural	1.8046	4,336,398

The general rate will raise \$11,456,939 (including GST) in 2022/23 compared to \$10,399,601 in 2021/2022. Revenue from the general rate will be used to fund the following groups of activities:

Group of Activities	Revenue Generated (incl. GST) \$
Water Supply	175,531
Stormwater	36,003
Wastewater	261,043
Waste Management	143,967
Transport	4,337,166
Community Facilities	2,690,677
Planning and Regulatory	1,381,935
Leadership and Governance	2,439,143
Corporate Functions	-139,562*

\*Most of the Corporate Functions group is recovered via internal overhead and internal rent from other activities. The remaining credit relates to investment revenue that remains attributable to this group. This is offset against general rates.

## Uniform annual general charge

Council will assess a uniform annual general charge (UAGC) as a fixed amount per separately used or inhabited part of a rating unit within the district.

The total amount of the UAGC is determined by the rates allocated to specific activities. Certain activities are funded partially by the UAGC and partially by the general rate assessed by capital value.

In doing so Council seeks to establish an appropriate allocation such that all ratepayers make a minimum contribution to these activities that are provided to benefit the whole community. These activities and the amount to be rated via the UAGC in 2022/23 are detailed in the table below:

Activity	Proportion Allocated through UAGC %	Revenue Generated (incl. GST) \$
Commercial property	50	44,556
Enterprise building	50	22,211
Council administration and democracy services	50	1,446,504
Māori relationships	50	128,077
Visitor information centre	50	35,654
Economic development	15	97,903
Gaiety Theatre	15	1,687
Digital Hub	15	11,125
Community Centre	15	64,930
Community support	50	201,861
Library	25	337,682

The UAGC for 2022/23 is \$463.50 (incl. GST) [2021/22: \$433.80], raising \$2,413,088 (incl. GST) [2021/22: \$2,252,627].

## 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. These amounts represent 90% of the total amount for Water Supply to be funded by rates. The remaining 10% is allocated to the general rate, assessed by capital value. This allocation reflects that while there is primarily a private benefit derived from this activity, there is benefit to the whole community in providing clean safe drinking water.

The rates for 2022/23 are:

Differential Category	Basis for Liability	Charge (incl. GST) \$	Revenue Generated (incl. GST) \$
<b>1. Wairoa township/Wairoa ward supply area (including Frasertown and Wairoa Environs): connected</b> <i>Water charge Wairoa</i> <i>Frasertown water supply</i> <i>Peri urban water supply</i>	Per separately used or inhabited part of a rating unit	708.00	1,312,449 63,723 101,248
<b>2. Wairoa township supply area (including Frasertown and Wairoa Environs): not connected but available</b> <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>		354.00	37,879
<b>3. Māhanga supply area (Māhanga water supply): connected</b>		507.70	31,987
<b>4. Māhanga supply area: not connected but available</b> <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>		253.90	254
<b>5. Tuai supply area: connected</b>		560.70	31,960
<b>6. Tuai supply area: not connected but available</b> <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>		280.40	280

The water supply (fixed amount) targeted rate will raise \$1,579,779 in the year ending 30 June 2023 [2021-22: \$1,490,070]. Water supply rates will be used to fund the water supply activities in the Wairoa Township, Frasertown and Wairoa environs, Mahanga, and Tuai.

## Targeted rate: water supply (water meter)

Council will assess a targeted rate to fund water supply, 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 2022/23 are:

Area	Basis for Liability	Charge per m <sup>3</sup> (incl. GST) \$
<b>1. Wairoa township reticulation area</b>	Per cubic metre of water consumed or supplied	0.64
<b>2. Wairoa Environs area (not including rating units in 1, 3 and 4)</b>		0.64
<b>3. Frasertown reticulation area</b>		0.64
<b>4. Tuai reticulation area</b>		0.64
<b>5. Land used for meat processing in Wairoa</b>		0.37

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. Water by meter rates is expected to raise revenue of \$399,299 (incl. GST) in the year ending 30 June 2023 [2022: \$384,867].

## 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 2022/23 are:

Differential Category <sup>1</sup>	Basis for Liability	Charge (incl. GST) \$	Revenue Generated (incl. GST) \$
<b>1. Wairoa ward (not temporary accommodation businesses): connected</b>	Per water closet or urinal connected (for up to the first five)	792.6	1,754,244
<b>2. Wairoa ward (not temporary accommodation businesses): connected</b>	Per water closet or urinal connected (for six to up to and including 15)	554.8	
<b>3. Wairoa ward (not temporary accommodation businesses): connected</b>	Per water closet or urinal connected (for 16 or more)	396.3	
<b>4. Wairoa ward (temporary accommodation businesses): connected</b>	Per water closet or urinal connected (for up to the first five)	792.6	
<b>5. Wairoa ward (temporary accommodation businesses): connected</b>	Per water closet or urinal connected (for six or more)	554.8	
<b>6. Wairoa ward: not connected but available</b> <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	396.3	
<b>7. Tuai village: connected<sup>1</sup></b>	Per water closet or urinal connected	792.6	
<b>8. Tuai village: not connected but available</b> <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	396.3	46,365

<b>9. Māhia: connected</b> <i>or required to be connected under the Trade Waste and Wastewater bylaw 2012</i>	Per number or nature of connections from the land within each rating unit to the reticulation system	792.6	
<b>10. Māhia: not connected</b> <i>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.</i>	Per rating unit	396.3	351,504
<b>11. Ōpoutama and Blue Bay: connected</b> <i>or required to be connected under the Trade Waste and Wastewater bylaw 2012</i>	Per number or nature of connections from the land within each rating unit to the reticulation system	792.6	64,594
<b>12. Ōpoutama and Blue Bay: not connected</b> <i>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.</i>	Per rating unit	396.3	
<b>13. Rural wastewater</b> <i>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.</i>	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.	68.7	132,959

The sewerage disposal targeted rate will raise \$2,349,666 (including GST) in the year ending 30 June 2023 [2022: \$1,934,707]. These amounts represent 90% of the total amount for the Wastewater activity to be funded by rates. The remaining 10% is allocated to the General Rate, assessed by Capital Value. This allocation reflects that while there is primarily a private benefit derived from this activity, there is benefit to the whole community in ensuring wastewater is managed safely throughout the district.

## Targeted rate: wastewater schemes

Council will assess a targeted rate pursuant to the provision or availability to the land of a service provided by, or on behalf of, the local authority by the Māhia and Ōpoutama wastewater schemes.

The rates for 2022/23 are:

Differential Category	Basis for Liability	Revenue Generated (incl. GST) \$
<b>1. Māhia wastewater scheme</b> <i>Connected and elected to participate in the capital repayment and finance costs associated with the scheme over 10 years. In accordance with the capital funding plan.</i>	The extent of provision of the services provided by the Māhia Wastewater Scheme including the infrastructure, costs connection costs (if any), and finance costs, relating to that property.	4,817
<b>2. Māhia wastewater scheme</b> <i>Connected and elected to participate in the capital repayment and finance costs associated with the scheme over 20 years. In accordance with the capital funding plan.</i>		84,366
<b>3. Māhia wastewater scheme</b> <i>Connected and elected to participate in the capital repayment and finance costs associated with the scheme over 30 years. In accordance with the capital funding plan.</i>		4,572

<b>4. Ōpoutama wastewater scheme</b> <i>Connected and elected to participate in the capital repayment and finance costs associated with the scheme over 10 years. In accordance with the capital funding plan.</i>	The extent of provision of the services provided by the Ōpoutama wastewater scheme including the infrastructure costs, connection costs (if any), and finance costs, relating to that property.	4,054
<b>5. Ōpoutama wastewater scheme</b> <i>Connected and elected to participate in the capital repayment and finance costs associated with the scheme over 20 years. In accordance with the capital funding plan.</i>		11,455
<b>6. Ōpoutama wastewater scheme</b> <i>Connected and elected to participate in the capital repayment and finance costs associated with the scheme over 30 years. In accordance with the capital funding plan.</i>		3,092

The Council will accept lump sum payments in respect of this rate. Payments must be received by 31 March in the year before the rates are assessed.

### 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 2022/23 are:

Differential Category	Basis for Liability	Charge (incl. GST) \$	Revenue Generated (incl. GST) \$
1. Wairoa township area	Per separately used or inhabited part of a rating unit	280.2	544,196
2. Rural areas	Per separately used or inhabited part of a rating unit	229.0	751,508

The waste management targeted rate will raise \$1,295,704 (incl. GST) the year ending 30 June 2023 [2022: \$1,164,361]. The waste management rate will be used to fund the waste management activity. These amounts represent 90% of the total amount for the Waste Management activity to be funded by rates. The remaining 10% is allocated to the general rate, assessed by capital value. This allocation reflects that while there is primarily a private benefit derived from this activity, there is benefit to the whole community in ensuring rubbish is managed safely throughout the district.

### Targeted rate: drainage

Council will assess a targeted rate in respect of drainage set differentially according to where land is situated and the provision, or availability to the land of a service provided by, or on behalf of, Council. The rate is set as a fixed amount per separately used or inhabited part of a rating unit in the Wairoa urban and the Māhia township areas.

The rates for 2022/23 are:

Differential Category	Basis for Liability	Charge (incl. GST) \$	Revenue Generated (incl. GST) \$
1. Wairoa urban area	Per separately used or inhabited part of a rating unit	151.0	275,424
2. Māhia township area	Per separately used or inhabited part of a rating unit	102.0	48,604

The drainage targeted rate will raise \$324,028 (including GST) in the year ending 30 June 2023 [2022: \$424,312]. These amounts represent 90% of the total amount for the Stormwater activity to be funded by rates. The remaining 10% is allocated to the general rate, assessed by capital value. This allocation reflects that while there is primarily a private benefit derived from this activity, there is benefit to the whole community in ensuring stormwater is managed safely throughout the district.

## Definition of separately used or inhabited part of a rating unit

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

A separately used or inhabited part of a rating unit (SUIP) includes 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. (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. (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 considered a SUIP. (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 considered a SUIP. (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 SUIPs. (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. (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 is considered a SUIP.

## 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 have 24 SUIPs.
- A motel with an attached dwelling would have one SUIP. 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 have two SUIPs. Likewise, a motel with an attached conference facility would have an additional SUIP.
- 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 SUIP.

### 2. Residential properties

- Rating units containing more than one "flat" (as per the valuation record administered by Council's valuation service provider, Quotable Value Limited) will in general be regarded as having more than one SUIP. Sleep-outs and granny flats will generally not be considered as additional SUIPs.
- If parts of a rating unit are used only for family members or for others for very short periods, the Council will not generally regard them as SUIPs (provided proof of their use, including a signed declaration from the property owner is provided). Evidence of actively advertisement of the flats for accommodation will generally mean that the Council considers the flat is a SUIP.

### 3. Residential with non-residential part

- A residence with a separately accessible "office" (which may be used for surveyor, architect, or medical services) will be considered to have an additional SUIP. This is because it 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 considered as having an additional SUIP unless the intensity of operation is high. For example, a resident who occasionally manufactures boat trailers in his garage on the weekends would not qualify, but someone who works for most of the week panel beating or painting, particularly if the activity is accompanied by advertising, would likely be considered as having an additional SUIP
- A residential property, part of which is used continually for storage of large industrial machinery, has an additional SUIP.

### 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, has an additional SUIP.
- A dairy which has the operator's integral dwelling attached, would not be considered a SUIP 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.

## 6. Pastoral properties

- Each dwelling, tenanted or untenanted, is a separately used or inhabited part of a rating unit.
- 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.

- A pastoral property with one dwelling would only have one SUIP. 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 considered additional SUIPs.

# HE TĀKE TŪĀPAPA

## RATING BASE

As a 30 June 2021	All Rating Units
Number of rating units	7,066
Capital value of rating units	\$4,339,245,350
Land value of rating units	\$3,075,611,400

The total projected rateable units within the district at the end of the financial year 2022/23 is 6,669.

## Indicative ratings samples

Location	Property Type	Rated CV \$	Actual Rates 2021/22 \$	Forecast Rates 2022/23 \$	Movement is	Change (\$) (+/-)	Change (%) (+/-)
<b>Mahanga</b>	Residential C	1,070,000	3,441	3,494	<b>Increase of</b>	<b>353</b>	<b>11</b>
<b>Mahia</b>	Residential B	800,000	2,566	2,419	<b>Decrease of</b>	<b>-101</b>	<b>-4</b>
<b>Mahia</b>	Residential C	1,090,000	2,974	3,025	<b>Decrease of</b>	<b>-355</b>	<b>-11</b>
<b>Opoutama</b>	Residential A	129,000	983	1,062	<b>Increase of</b>	<b>-14</b>	<b>-2</b>
<b>Mahia</b>	Residential C	1,980,000	4,781	4,887	<b>Decrease of</b>	<b>-303</b>	<b>-6</b>
<b>Ohuka</b>	Rural	8,350,000	16,591	18,955	<b>Increase of</b>	<b>2,475</b>	<b>18</b>
<b>Frasertown</b>	Residential A	450,000	2,484	2,533	<b>Increase of</b>	<b>155</b>	<b>7</b>
<b>Wairoa</b>	Rural	1,820,000	4,754	5,264	<b>Increase of</b>	<b>254</b>	<b>6</b>
<b>Putorino</b>	Rural	19,330,000	37,167	42,666	<b>Increase of</b>	<b>3,427</b>	<b>10</b>
<b>Kotemaori</b>	Forestry	27,000,000	427,107	323,441	<b>Decrease of</b>	<b>23,527</b>	<b>6</b>
<b>Mohaka</b>	Residential A	570,000	2,047	2,108	<b>Decrease of</b>	<b>-262</b>	<b>-11</b>
<b>Wairoa</b>	Commercial	265,000	3,800	3,650	<b>Increase of</b>	<b>270</b>	<b>8</b>
<b>Wairoa</b>	Commercial	740,000	7,903	7,511	<b>Increase of</b>	<b>453</b>	<b>6</b>
<b>Wairoa</b>	Residential A	530,000	3,591	3,650	<b>Increase of</b>	<b>-2</b>	<b>0</b>
<b>Wairoa</b>	Residential B	820,000	3,521	3,372	<b>Decrease of</b>	<b>-76</b>	<b>-2</b>
<b>Wairoa</b>	Residential A	185,000	2,813	2,936	<b>Increase of</b>	<b>259</b>	<b>10</b>
<b>Wairoa</b>	Residential A	235,000	2,925	3,085	<b>Increase of</b>	<b>330</b>	<b>13</b>



## TŌ TĀTU ROHE WHĀNUI

### OUR DISTRICT



**8,670** residents\*



**65.7%** Māori descent  
*highest rate nationally*



**19.9%** of population  
speaks te reo Māori



**\$48,500**  
median household income



**17%** of population  
over 65



**3,250** households



**2.67** persons per  
household  
*(average)*



**38.6** years  
median age  
*(increasing over time)*

## WHERE WE LIVE



**4,119km<sup>2</sup>**  
area of district



**130km**  
of coastline



**871km**  
of roads

**51km**  
of footpaths



**KEY INDUSTRIES**  
Agriculture and  
Forestry  
*(GDP contribution)*



**KEY INDUSTRIES**  
Primary production  
and public services  
*(GDP contribution)*

*Note: Base information obtained from sources including Statistics New Zealand, Ministry of Business Innovation and Employment and Ministry of Primary Industries.*

# GET IN TOUCH!



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[www.wairoadc.govt.nz](http://www.wairoadc.govt.nz)



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(06) 838 7309



**Visit our office**  
97-103 Queen Street,  
Wairoa 4108



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Wairoa District Council,  
P.O. Box 54, Wairoa 4160

THANKS FOR  
READING OUR  
ANNUAL PLAN!



