

# **Council Activity Statements**

**Supporting Information for the 2017/18  
Annual Plan Consultation Document**

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# Land Transport

The Land Transport (Roads and footpaths) Activity provides a core service that meets the needs of the community. This Activity includes the creation, operation, maintenance, rehabilitation and replacement of Council's land transport assets.

The land transport network allows residents to travel to-and-from their homes to work, school and social or recreational destinations by foot or by vehicle, and it enables businesses to run by allowing the exchange of goods and services from location to location.

This network also provides links from local transport routes to national transport routes (i.e. State Highways). This enables the transport of goods and people not just within the District but also in and out of the District, thereby providing critical connections with both wider regional and national destinations.

## What does Land Transport involve?

- The main purpose of this activity is to provide for the safe, convenient and efficient transit of people and goods through, and within, the District in a way that meets appropriate national standards.
- This is achieved by providing a network of roads, footpaths, bridges, car parks, signs and markers, street lights and associated drainage systems in what is known as the 'Transport Corridor'.
- Council's Land Transport Activities are planned for and overseen by the Roothing Team, who manage most aspects of the Activity internally. However, the physical maintenance of Council's land transport assets is externally contracted.
- This Activity is heavily influenced by the New Zealand Transport Agency (NZTA), which is Council's *co-investment partner* for roading and the Optimised Programme (Council's programme of roading works) which is approved on a three yearly cycle in the Regional Land Transport Plan. The Council operates, maintains and improves its land transport assets, utilising the budgets set within this programme.
- Central Government provides a high level of direction and regulation for the transportation sector through legislation, strategies, plans and policy statements. A large proportion of these documents are delivered through the NZTA. Relevant national strategies, legislation and plans are outlined in Council's Transportation Activity Management Plan.

## Levels of Service and how we will measure our performance

Service	How will we measure our performance	Target (17/18)
A safe road network.	The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network.*	0 change or less over a 5 year average.

Service	How will we measure our performance	Target (17/18)
Roads in good condition.	The average quality of ride on a sealed local road network measured by smooth travel exposure.*	Minimum 85%
Roads that are maintained well.	The percentage of the sealed local road network that is resurfaced annually.*	Minimum of 5% of total area
Footpaths are in an acceptable condition.	Target footpath condition rating (% compliant with Councils standards).*	Minimum 30% in excellent condition Maximum 10% in poor condition
Good response to service requests.	The percentage of customer service requests relating to roads and footpaths to which Council responds within 15 working days.*	>95%

\* These performance measurements are provided by the Department of Internal Affairs and they are mandatory.

### Major Projects

- Subsidised – renewals
- Footpath renewals
- Subsidised - road improvements

### Challenges Council faces for Land Transport

The main challenge facing Council in relation to Land Transport is service failure through ageing assets. However, this challenge is being mitigated by an increase in renewal expenditure.

Another challenge is associated with the Roads of National Significance (RoNS) projects which are expected to change the volume and nature of vehicle movements within the District, however until the final plans are confirmed, and perhaps even until the new roads themselves are open, the actual impact of RoNS on this District's transport network is unknown.

### Significant negative effects associated with Land Transport

There are adverse environmental effects associated with the construction and maintenance of roads and the use of these roads by vehicles. Roads generate significant amounts of stormwater run-off which is collected from the road network and inevitably carries wastes and chemical contaminants into urban and rural drains and subsequently into streams and rivers.

Severe traffic congestion, while generally caused by state highway use, can cause disruption for local road users. This notably occurs during public holiday periods and also during severe rain events. As congestion like this is normally related to state highway use, Council has limited ability to resolve this issue.

### **Key Risks and Assumptions associated with Land Transport**

The greatest risk associated with Council's Land Transport Activities is the potential business and personal consequences of road accidents. This risk is mitigated by maintaining the assets, including the surface and safety features, in good condition as well as by good road design and application of the mandatory safety standards.

## Capital Expenditure Programme for Land Transport

Annual Report 2015/16		LTP Forecast 2016/17	LTP Forecast 2017/18	Annual Plan Forecast 2017/18	Variance 2017/18
\$000		\$000	\$000	\$000	\$000
	<b>Renewals portion of project</b>				
2,555	Subsidised - renewals	2,715	2,714	3,263	549
355	Footpath renewal	400	400	400	-
83	Levin Mall carpark fix	-	-	-	-
86	Overheads	217	228	324	96
<b>3,079</b>	<b>Total renewals</b>	<b>3,332</b>	<b>3,342</b>	<b>3,987</b>	<b>645</b>
	<b>Level of service portion of project</b>				
622	Subsidised - road improvements	661	613	836	223
25	New footpath	100	100	100	-
105	Foxton townscape main street upgrade	750	-	840	840
186	Waitarere Beach Kent Gloucester upgrade	-	-	-	-
87	Overheads	94	98	99	1
<b>1,025</b>	<b>Total level of service</b>	<b>1,605</b>	<b>811</b>	<b>1,875</b>	<b>1,064</b>
	<b>Growth portion of project</b>				
-	Detritus & litter, general contract work	150	150	-	(150)
-	Overheads	10	11	-	(11)
-	<b>Total growth</b>	<b>160</b>	<b>161</b>	<b>-</b>	<b>(161)</b>
	<b>Make up of above projects by % of type</b>				
3,079	Renewals	3,332	3,342	3,987	645
1,025	Level of service	1,605	811	1,875	1,064
-	Growth	160	161	-	(161)
<b>4,104</b>	<b>Total</b>	<b>5,097</b>	<b>4,314</b>	<b>5,862</b>	<b>1,548</b>

## Funding Impact Statement for Land Transport

Annual Report 2015/16		LTP Forecast 2016/17	LTP Forecast 2017/18	Annual Plan Forecast 2017/18	Variance 2017/18
\$000		\$000	\$000	\$000	\$000
	<b>Sources of operating funding</b>				
-	General rates, uniform annual general charges, rates penalties	-	-	-	-
3,579	Targeted rates	4,467	4,754	4,103	(651)
1,486	Subsidies and grants for operating purposes	1,236	1,260	1,486	226
-	Fees and charges	-	-	-	-
382	Local authorities fuel tax, fines, infringement fees, and other receipts	310	325	275	(50)
	Internal charges and overheads recovered	-	-	-	-
<b>5,447</b>	<b>Total operating funding (A)</b>	<b>6,013</b>	<b>6,339</b>	<b>5,864</b>	<b>(475)</b>
	<b>Applications of operating funding</b>				
3,227	Payments to staff and suppliers	2,637	2,635	3,066	431
-	Finance costs	102	185	62	(123)
834	Internal charges and overheads applied	895	935	979	44
-	Other operating funding applications	-	-	-	-
<b>4,061</b>	<b>Total applications of operating funding (B)</b>	<b>3,634</b>	<b>3,755</b>	<b>4,107</b>	<b>352</b>
<b>1,386</b>	<b>Surplus (deficit) of operating funding (A - B)</b>	<b>2,379</b>	<b>2,584</b>	<b>1,757</b>	<b>(827)</b>
	<b>Sources of capital funding</b>				
1,675	Subsidies and grants for capital expenditure	1,722	1,730	2,132	402
158	Development and financial contributions	-	-	-	-
171	Increase (decrease) in debt	1,374	558	1,435	877
-	Gross proceeds from sale of assets	-	-	-	-
-	Lump sum contributions	-	-	-	-
-	Other dedicated capital funding	-	-	-	-
<b>2,004</b>	<b>Total sources of capital funding (C)</b>	<b>3,096</b>	<b>2,288</b>	<b>3,567</b>	<b>1,279</b>
	<b>Applications of capital funding</b>				
	<b>Capital expenditure</b>				
-	- to meet additional demand	160	161	-	(161)
1,025	- to improve the level of service	1,605	811	1,875	1,064
3,079	- to replace existing assets	3,332	3,342	3,987	645
(714)	Increase (decrease) in reserves	378	558	(538)	(1,096)
-	Increase (decrease) of investments	-	-	-	-
<b>3,390</b>	<b>Total applications of capital funding (D)</b>	<b>5,475</b>	<b>4,872</b>	<b>5,324</b>	<b>452</b>
<b>(1,386)</b>	<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(2,379)</b>	<b>(2,584)</b>	<b>(1,757)</b>	<b>827</b>
-	<b>Funding balance ((A-B)+(C-D))</b>	-	-	-	-
4,783	Depreciation	4,697	4,801	4,778	(23)

## Activity Expenditure

Annual Report 2015/16		LTP Forecast 2016/17	LTP Forecast 2017/18	Annual Plan Forecast 2017/18	Variance 2017/18
\$000		\$000	\$000	\$000	\$000
7,483	Subsidised Roothing	6,973	7,097	7,626	529
1,006	Footpaths	985	1,004	1,007	3
355	Unsubsidised Roothing	373	456	252	(204)
<b>8,844</b>	<b>Total Expenditure</b>	<b>8,331</b>	<b>8,557</b>	<b>8,885</b>	<b>328</b>

## Loans

	External	Internal	Total
	\$000	\$000	\$000
Anticipated loan balances at 1/7/2017	1,000	234	1,234
Raised during the year	1,400	84	1,484
Repaid during the year	-	(49)	(49)
<b>Anticipated loan balances 30/06/2018</b>	<b>2,400</b>	<b>269</b>	<b>2,669</b>
Budgeted interest expense	51	11	62

## How will it be funded?

<b>Funding Source</b>	This activity will be funded by Public Good Rates and NZTA subsidies.
<b>Rationale</b>	Land Transport is Council's single largest cost. For this reason Council has a targeted rate for land transport to enhance transparency and accountability. Rating for such a large expenditure item is practicable. The availability of funding from NZTA assists with the cost of the activity.

# Stormwater

Council collects stormwater from roads, footpaths, berms, and hardstanding areas in any connected residential and commercial properties and discharges it to piped stormwater drainage systems and open and culverted watercourses.

The provision of stormwater disposal helps to reduce the occurrence of flooding in urban areas during rainfall events by draining water from roads and private property and conveying it to larger natural watercourses.

## What does Stormwater involve?

- Council's Stormwater Activities provide piped and open drainage systems sufficient to collect the stormwater from roads, footpaths, berms and hardstanding areas in any connected residential and commercial properties, which is then discharged to piped stormwater drainage systems and open and culverted watercourses. This is to keep roads in a safe and trafficable condition during rainfall events and to also help reduce the risk of flooding of residential and commercial properties.
- Council owns and maintains piped stormwater drainage systems, pumping stations, and detention areas. Stormwater is closely aligned in both location and function with the Land Transport Group of Activities (more specifically the roading network). Council's Stormwater Activities are managed internally within the Council, with the operation and maintenance being carried out by an external contractor appointed by the Council.
- Preparing, applying for, and obtaining any relevant resource consents Council requires to construct new or alter/upgrade existing drainage systems and for any new or renewal of existing discharge consents to watercourses associated with the Council's Stormwater Activities.
- Responding to and resolving (if possible) any customer complaints that Council receives relating to its Stormwater Activities.
- Council provides Stormwater Activities in accordance with the requirements set out by the following pieces of legislation:
  - The Local Government Act 2002 which requires Council to provide water (including stormwater) services and to maintain its capacity to do so; and
  - The Health Act 1956 which requires Council to provide sanitary works including works for stormwater disposal.

## Levels of Service and how we will measure our performance

Service	How will we measure our performance	Target (17/18)
An adequate stormwater system.	Number of flooding events each that occur in the District.*	<5 per year
	For each flooding event the number of habitable	2 or less

Service	How will we measure our performance	Target (17/18)
	floors affected per 1000 connections to Council's stormwater networks.*	
Response to faults.	The median response time to attend a flooding event, measured from the time that Council receives notification to the time that service personnel reach the site.*	1 hour
Customer satisfaction.	The number of complaints received by Council about the performance of its stormwater system expressed per 1000 properties connected to the system.*	<10 per year
	Percentage of customers satisfied with the stormwater service. As per the Annual Customer Satisfaction Survey.	80%
A sustainable stormwater service.	The number of Abatement Notices, Infringement Notices, Enforcement Orders, and convictions received by the Council in relation to Horizons Regional Council resource consents.*	0

\* These performance measurements are provided by the Department of Internal Affairs and they are mandatory.

### Major Projects

- District-wide improvement works
- Improvements in North-East Levin

### Challenges Council faces for Stormwater Activities

Climate change is a challenge facing Council for its Stormwater Activities as it is expected that over time there will be a gradual change in the weather patterns including more frequent heavy rainfall events and an increase in the average annual rainfall. However these changes are likely to take place gradually over the next 25 years and beyond and as such, there is no action proposed within the next few years to specifically deal with this challenge.

Customer expectations are continually increasing and this presents a challenge for the future provision of Stormwater Activities as people's expectations are higher but Council can only do so much.

Another challenge faced by Council is that the quality of freshwater in streams, river systems and water catchments in general is affected by water runoff, erosion and contaminants (whether chemical or solid waste) which can be present in stormwater. These contaminants largely originate from sources outside of Council's control and yet they are still ultimately transported to natural systems by Council's stormwater drainage system. The National Policy Statement (NPS) for Freshwater Management 2014 is the key instrument for controlling this contamination and will impact on the Council's stormwater services in the future.

### **Significant negative effects associated with Stormwater Activities**

The stormwater systems are essentially a means of transporting surface water across urban landscapes to protect private and public property from flooding. A negative effect associated with this Group of Activities is that stormwater runoff can pick up contaminants (including rubbish and chemicals) and then discharge these contaminants into receiving natural systems such as rivers, lakes and the sea.

### **Key risks and assumptions associated with Stormwater Activities**

The significant risk associated with Stormwater Activities is lack of knowledge around both the built system and the complexities of the total catchments covering each urban area. This risk has the potential consequence of new development being vulnerable to heavy rainfall that additions to the system are not adequately designed to cope with. Proposed stormwater catchment management planning will help mitigate this risk.

Assumptions which may have a significant effect on this Group of Activities are the quality of asset data and information, the rate and nature of population and business growth, and the rate and nature of changes of weather patterns from climate change.

## Capital Expenditure Programme for Stormwater

Annual Report 2015/16		LTP Forecast 2016/17	LTP Forecast 2017/18	Annual Plan Forecast 2017/18	Variance 2017/18
\$000		\$000	\$000	\$000	\$000
	<b>Renewals portion of project</b>				
61	Districtwide reticulation - unplanned renewals	52	53	53	-
50	Total minor projects	19	-	-	-
3	Overheads	6	7	5	(2)
<b>114</b>	<b>Total renewals</b>	<b>77</b>	<b>60</b>	<b>58</b>	<b>(2)</b>
	<b>Level of service portion of project</b>				
116	Districtwide capex new	-	-	-	-
-	Districtwide improvement Works	-	508	508	-
62	Foxton Beach catchment management plan	79	-	-	-
-	Foxton catchment management plan	79	-	-	-
-	Hokio Beach catchment management plan	-	56	56	-
1	Improvements NE Levin	42	-	60	60
33	Levin catchment management plan	79	-	-	-
-	Ohau catchment management plan	-	56	56	-
-	Shannon catchment management plan	79	-	-	-
79	Stormwater strategy	-	-	-	-
82	Telemetry	21	-	-	-
-	Tokomaru catchment management plan	-	56	56	-
-	Waikawa Beach catchment management plan	-	56	56	-
23	Total minor projects	8	-	-	-
13	Overheads	36	38	63	25
<b>409</b>	<b>Total level of service</b>	<b>423</b>	<b>770</b>	<b>855</b>	<b>85</b>
	<b>Growth portion of project</b>				
-	Development planning Foxton Beach	148	-	-	-
66	Development planning North East Levin	-	-	-	-
20	Improvements NE Levin	789	-	1,140	1,140
2	Total minor projects	16	39	39	-
24	Overheads	28	28	47	19
<b>112</b>	<b>Total growth</b>	<b>981</b>	<b>67</b>	<b>1,226</b>	<b>1,159</b>
	<b>Make up of above projects by % of type</b>				
114	Renewals	77	60	58	(2)
409	Level of service	423	770	855	85
112	Growth	981	67	1,226	1,159
<b>635</b>	<b>Total</b>	<b>1,481</b>	<b>897</b>	<b>2,139</b>	<b>1,242</b>

## Funding Impact Statement for Stormwater

Annual Report 2015/16		LTP Forecast 2016/17	LTP Forecast 2017/18	Annual Plan Forecast 2017/18	Variance 2017/18
\$000		\$000	\$000	\$000	\$000
	<b>Sources of operating funding</b>				
-	General rates, uniform annual general charges, rates penalties	-	-	-	-
923	Targeted rates	970	1,470	1,186	(284)
-	Subsidies and grants for operating purposes	-	-	-	-
-	Fees and charges	-	-	21	21
74	Local authorities fuel tax, fines, infringement fees, and other receipts	99	104	84	(20)
	Internal charges and overheads recovered	-	-	-	-
<b>997</b>	<b>Total operating funding (A)</b>	<b>1,069</b>	<b>1,574</b>	<b>1,291</b>	<b>(283)</b>
	<b>Applications of operating funding</b>				
286	Payments to staff and suppliers	394	408	408	-
117	Finance costs	207	283	335	52
137	Internal charges and overheads applied	145	152	164	12
	Other operating funding applications	-	-	-	-
<b>540</b>	<b>Total applications of operating funding (B)</b>	<b>746</b>	<b>843</b>	<b>907</b>	<b>64</b>
<b>457</b>	<b>Surplus (deficit) of operating funding (A - B)</b>	<b>323</b>	<b>731</b>	<b>384</b>	<b>(347)</b>
	<b>Sources of capital funding</b>				
-	Subsidies and grants for capital expenditure	-	-	-	-
1	Development and financial contributions	-	-	-	-
426	Increase (decrease) in debt	1,266	649	1,813	1,164
-	Gross proceeds from sale of assets	-	-	-	-
-	Lump sum contributions	-	-	-	-
-	Other dedicated capital funding	-	-	-	-
<b>427</b>	<b>Total sources of capital funding (C)</b>	<b>1,266</b>	<b>649</b>	<b>1,813</b>	<b>1,164</b>
	<b>Applications of capital funding</b>				
	<b>Capital expenditure</b>				
112	- to meet additional demand	981	67	1,226	1,159
409	- to improve the level of service	423	770	855	85
114	- to replace existing assets	77	60	58	(2)
249	Increase (decrease) in reserves	108	483	58	(425)
-	Increase (decrease) of investments	-	-	-	-
<b>884</b>	<b>Total applications of capital funding (D)</b>	<b>1,589</b>	<b>1,380</b>	<b>2,197</b>	<b>817</b>
<b>(457)</b>	<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(323)</b>	<b>(731)</b>	<b>(384)</b>	<b>347</b>
	<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
500	Depreciation	545	673	500	(173)

## Activity Expenditure

Annual Report 2015/16		LTP Forecast 2016/17	LTP Forecast 2017/18	Annual Plan Forecast 2017/18	Variance 2017/18
\$000		\$000	\$000	\$000	\$000
1,040	Stormwater	1,292	1,515	1,407	(108)
<b>1,040</b>	<b>Total Expenditure</b>	<b>1,292</b>	<b>1,515</b>	<b>1,407</b>	<b>(108)</b>

## Loans

	External	Internal	Total
	\$000	\$000	\$000
Anticipated loan balances at 1/7/2017	6,600	96	6,696
Raised during the year	1,900	181	2,081
Repaid during the year	-	(268)	(268)
<b>Anticipated loan balances 30/06/2018</b>	<b>8,500</b>	<b>9</b>	<b>8,509</b>
Budgeted interest expense	335	(0)	335

## How will it be funded?

<b>Funding Source</b>	This activity will be funded by Public Good Rates.
<b>Rationale</b>	As the stormwater system and network is primarily an urban service to protect urban rating units Council decided to set a Targeted rate for stormwater to enhance transparency and accountability. Rating for such a large expenditure item is practicable.

# Water Supply

As part of the Water Supply Group of Activities the Council provides a safe and reliable supply of water to residential, industrial and commercial properties (primarily in urban areas). This supply also provides fire fighting capability.

An uninterrupted water supply ensures that residential areas have access to clean domestic water essential for basic health and hygiene. For most commercial and industrial business owners a reliable water supply is an essential component that enables their business to run.

## **What does this Group of Activities involve?**

- Providing water to defined urban and rural areas in (and land immediately adjoining) Levin, Foxton Beach, Foxton, Shannon and Tokomaru. These urban and rural areas and the controls and standards within them are defined in the Horowhenua District Council Water Supply Bylaw 2014.
- Council owns river intakes, groundwater bores, water treatment plants and storage facilities, pump stations, and underground pipe networks. Council's water supply is managed internally with operation and maintenance work being contracted externally.
- Prepare, apply for and obtain any relevant resource consents that are required to continue to take water from various water sources or to upgrade assets associated with the Water Supply Group of Activities.
- Respond to and resolve (if possible) any complaints that Council receives regarding its water supply.
- Council provides this Group of Activities in accordance with the requirements set out by the following pieces of legislation:
  - The Local Government Act 2002 (section 130) which requires Council to continue to provide water services and maintain its capacity to do so;
  - The Health (Drinking Water) Amendment Act 2007 which sets out the legal requirements for water supplies;
  - The Fire Service Act 1975 which sets out conditions of legal access to the public supply for firefighting purposes, and
  - The New Zealand Fire Service Firefighting Water Supplies Code of Practice SNZ PAS 4509:2008 which sets out minimum standards to which the fire fighting supply is to be provided.

## Levels of Service and how we will measure our performance

Service	How will we measure our performance	Target (17/18)
Safe water supply.	<p>Percentage in which the local authority's drinking water supply complies with:</p> <p>(a) part 4 of the Drinking Water Standards (bacteria compliance criteria) in Levin, Shannon, Foxton, Foxton Beach, Tokomaru.</p> <p>(b) part 5 of the Drinking Water Standards (protozoa compliance criteria) in:</p> <p>Levin</p> <p>Shannon</p> <p>Foxton</p> <p>Foxton Beach</p> <p>Tokomaru</p>	<p>100%</p> <p>100%</p> <p>100%</p> <p>100%</p> <p>100%</p>
Drinking water that tastes and looks satisfactory.	<p>The total number of complaints received about any of the following (expressed per 1000 connections):</p> <p>drinking water clarity, drinking water taste, drinking water pressure or flow, continuity of supply, and Council's response to any of these issues.*</p>	4
Response to faults.	<p>The median time from the time that Council received notification to the time that service personnel:</p> <ul style="list-style-type: none"> <li>reach the site for urgent call –outs*</li> <li>confirm resolution of the fault or interruption of urgent call-outs*</li> <li>reach the site for non-urgent call-outs*</li> <li>confirm resolution of the fault or interruption of no-urgent call-outs*</li> </ul>	<p>1 hour</p> <p>8 hours</p> <p>3 days</p> <p>3 days</p>
Water supply is continual.	Total number of unplanned water shut downs.*	30 per year
Firefighting needs are met.	Percentage of the network where firefighting flows in urban residential areas meet the NZ Fire Service firefighting water supplies Code of Practice SZ 4509:2008.	80%
Water supply has adequate flow and pressure.	Percentage of the network where supply pressure at the property boundary is not less than 250kPa for on demand connections and 150kPa for restricted flow connections.	100%
Consent conditions are met.	Compliance with all water-take limits of resource consents.	100%

Service	How will we measure our performance	Target (17/18)
Water supply is sustainable.	Average consumption of drinking water per day per resident within the water supply areas (target based on One Plan Section 6.4.3.1).	300lt per day
Minimal water losses.	Percentage of real water loss from the network as measured by the standard Infrastructure Leakage Index method.*	15%
Provide water conservation education to the public.	As provided in the Water Demand Management Plan 2014.	Achieved

\* These performance measurements are provided by the Department of Internal Affairs and they are mandatory.

## Major Projects

- Levin reticulation renewals

## Challenges Council faces for Water Supply Activities

A major challenge facing Council for its Water Supply Group of Activities is the increasing age of its water supply assets. Asset ageing affects reliability, maintenance costs and overall performance. Council's response to asset ageing has been an increase in carefully targeted renewal programmes for the water supply networks and treatment plants.

Achieving compliance with New Zealand Drinking Water Standards and the Horizons Regional Council's One Plan is also a challenge and is a major driver in capital expenditure as Council is required to increase some levels of service and to obtain resource consents.

## Significant negative effects associated with Water Supply Activities

A significant negative effect associated with this Group of Activities is the impact of water abstraction from rivers and the ground water supply. This is mitigated by continuing to monitor and comply with Council's various resource consents and their conditions which are reinforced through the Council's Water Demand Management Plan.

## Key Risks and Assumptions associated with Water Supply Activities

Risks associated with the Water Supply Group of Activities include service failures, inconsistent strategic planning, poor contract management and poor business/continuity planning. These are currently mitigated by ongoing renewals programming and by maintaining good asset management practices. Assumptions which may effect this Group of Activities are the rate and nature of population and business growth, the quality of asset data and information, and influential economic factors, particularly the future inflation rate and long term economic health.

## Capital Expenditure Programme for Water Supply

Annual Report 2015/16		LTP Forecast 2016/17	LTP Forecast 2017/18	Annual Plan Forecast 2017/18	Variance 2017/18
\$000		\$000	\$000	\$000	\$000
	<b>Renewals portion of project</b>				
158	Districtwide - reactive renewals	-	-	-	-
-	Foxton Beach consents - renewal	-	53	53	-
56	Foxton Beach treatment plant - renewal	27	28	28	-
-	Foxton consents - renewal	52	-	-	-
182	Foxton Water treatment plant - renewal	30	31	31	-
906	Levin reticulation - renewal	830	855	855	-
153	Levin treatment plant - renewals	52	53	53	-
-	Reactive renewals - district wide	156	160	160	-
12	Shannon - Mangaore consents - renewal	-	107	107	-
136	Shannon - Mangaore reticulation - renewal	6	6	6	-
99	Shannon reservoir structural work	-	-	-	-
-	Tokomaru consents - renewal	-	107	107	-
81	Total minor projects	75	76	76	-
162	Overheads	101	108	173	65
<b>1,945</b>	<b>Total renewals</b>	<b>1,329</b>	<b>1,584</b>	<b>1,649</b>	<b>65</b>
	<b>Level of service portion of project</b>				
1,507	Levin bore exploration, new reservoir, treatment plant upgrade	-	-	-	-
781	Levin clarifier installation	-	-	-	-
53	Levin new connections	-	-	-	-
-	Levin treatment plant upgrade	3,737	-	-	-
77	Total minor projects	25	-	-	-
89	Overheads	183	192	9	(183)
<b>2,507</b>	<b>Total level of service</b>	<b>3,945</b>	<b>192</b>	<b>9</b>	<b>(183)</b>
	<b>Growth portion of project</b>				
-	Foxton Beach development plan	100	-	-	-
646	Levin bore exploration, new reservoir, treatment plant upgrade	-	-	-	-
-	Overheads	23	24	41	17
<b>646</b>	<b>Total growth</b>	<b>123</b>	<b>24</b>	<b>41</b>	<b>17</b>
	<b>Make up of above projects by % of type</b>				
1,945	Renewals	1,329	1,584	1,649	65
2,507	Level of service	3,945	192	9	(183)
646	Growth	123	24	41	17
<b>5,098</b>	<b>Total</b>	<b>5,397</b>	<b>1,800</b>	<b>1,699</b>	<b>(101)</b>

## Funding Impact Statement for Water Supply

Annual Report 2015/16		LTP Forecast 2016/17	LTP Forecast 2017/18	Annual Plan Forecast 2017/18	Variance 2017/18
\$000		\$000	\$000	\$000	\$000
	<b>Sources of operating funding</b>				
-	General rates, uniform annual general charges, rates penalties	-	-	-	-
5,413	Targeted rates	5,682	6,230	5,762	(468)
-	Subsidies and grants for operating purposes	-	-	-	-
85	Fees and charges	-	-	26	26
107	Local authorities fuel tax, fines, infringement fees, and other receipts	151	170	116	(54)
-	Internal charges and overheads recovered	-	-	-	-
<b>5,605</b>	<b>Total operating funding (A)</b>	<b>5,833</b>	<b>6,400</b>	<b>5,904</b>	<b>(496)</b>
	<b>Applications of operating funding</b>				
1,889	Payments to staff and suppliers	1,991	2,120	2,131	11
321	Finance costs	640	859	694	(165)
919	Internal charges and overheads applied	963	1,002	1,054	52
-	Other operating funding applications	-	-	-	-
<b>3,129</b>	<b>Total applications of operating funding (B)</b>	<b>3,594</b>	<b>3,981</b>	<b>3,879</b>	<b>(102)</b>
<b>2,476</b>	<b>Surplus (deficit) of operating funding (A - B)</b>	<b>2,239</b>	<b>2,419</b>	<b>2,025</b>	<b>(394)</b>
	<b>Sources of capital funding</b>				
-	Subsidies and grants for capital expenditure	-	-	-	-
37	Development and financial contributions	-	-	-	-
2,786	Increase (decrease) in debt	3,641	(356)	(559)	(203)
-	Gross proceeds from sale of assets	-	-	-	-
-	Lump sum contributions	-	-	-	-
-	Other dedicated capital funding	-	-	-	-
<b>2,823</b>	<b>Total sources of capital funding (C)</b>	<b>3,641</b>	<b>(356)</b>	<b>(559)</b>	<b>(203)</b>
	<b>Applications of capital funding</b>				
	<b>Capital expenditure</b>				
646	- to meet additional demand	123	24	41	17
2,507	- to improve the level of service	3,945	192	9	(183)
1,945	- to replace existing assets	1,329	1,584	1,649	65
201	Increase (decrease) in reserves	483	263	(233)	(496)
-	Increase (decrease) of investments	-	-	-	-
<b>5,299</b>	<b>Total applications of capital funding (D)</b>	<b>5,880</b>	<b>2,063</b>	<b>1,466</b>	<b>(597)</b>
<b>(2,476)</b>	<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(2,239)</b>	<b>(2,419)</b>	<b>(2,025)</b>	<b>394</b>
	<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
1,996	Depreciation	2,037	2,250	1,996	(254)

## Activity Expenditure

Annual Report 2015/16		LTP Forecast 2016/17	LTP Forecast 2017/18	Annual Plan Forecast 2017/18	Variance 2017/18
\$000		\$000	\$000	\$000	\$000
838	Foxton Water	703	727	755	28
705	Foxton Beach Water	695	731	770	39
2,600	Levin Water	3,255	3,748	3,313	(435)
726	Shannon Water	717	744	736	(8)
256	Tokomaru Water	262	280	300	20
<b>5,125</b>	<b>Total Expenditure</b>	<b>5,632</b>	<b>6,230</b>	<b>5,874</b>	<b>(356)</b>

## Loans

	External	Internal	Total
	\$000	\$000	\$000
Anticipated loan balances at 1/7/2017	12,900	986	13,886
Raised during the year	-	41	41
Repaid during the year	(600)	-	(600)
<b>Anticipated loan balances 30/06/2018</b>	<b>12,300</b>	<b>1,027</b>	<b>13,327</b>
Budgeted interest expense	655	39	694

## How it will be funded?

<b>Funding Source</b>	This activity will be funded by Public Good Rates and Private Good Fees and Charges.
<b>Rationale</b>	Extraordinary users (and Foxton Beach universal meters) are charged by volume. All rates are by fixed charge to all properties connected whereby all properties connected pay the same fixed charge.

# Wastewater Disposal

As part of its Wastewater Group of Activities the Council collects wastewater from residential, industrial and commercial properties (primarily in urban areas). Council then treats the wastewater at the treatment plant, and discharges the treated wastewater onto land or into watercourses.

The collection, transportation, treatment and safe discharge of treated wastewater from properties ensures a basic level of health by continually removing potentially hazardous wastewater from populated urban environments, and treating this wastewater before discharging it into the receiving environment.

## What does Wastewater Activities involve?

- Council's Wastewater Activities provide for the collection, transportation, treatment and discharge of treated effluent of residential, commercial and industrial wastewater from urban sewerage schemes in Levin, Foxton, Foxton Beach, Shannon, Tokomaru and Waitarere Beach.
- Council owns and maintains piped wastewater sewerage systems, pumping stations, wastewater treatment plants and discharge facilities, throughout each of the urban schemes, which includes land. The Council's wastewater sewerage system is managed internally within the Council, with the operation and maintenance carried out by an external contractor appointed by the Council.
- Preparing, applying for and obtaining any relevant resource consents that are required to continue to discharge treated wastewater effluent to land/watercourses or to construct new or upgrade existing assets associated with the Wastewater Group of Activities.
- Responding to and resolving (if possible) any customer complaints that Council receives relating to Council's wastewater sewerage systems.
- This Group of Activities is provided in accordance with the requirements set out by the following pieces of legislation:
  - The Local Government Act 2002 which requires Council to provide water (including wastewater) services and maintain its capacity to do so;
  - The Health Act 1956 which requires Council to provide sanitary works including works for sewage (i.e. wastewater) disposal; and
  - The Resource Management Act 1991 which places the specific requirement on Council to incorporate Tangata Whenua interests into its decision making processes.

## Levels of Service and how we will measure our performance

Service	How will we measure our performance	Target (17/18)
Reliable Wastewater collection and disposal.	The number of dry weather overflows from the wastewater system per 1000 connections.*	<2
Council provides a good response to faults reported.	The median time (hrs) from the time that Council receives a notification, to the time that services personnel reach the site in responding to an overflow.*	<1 hour
	The median time (hrs) from the time that Council receives a notification, to the time that services personnel reach the site in responding to a wastewater blockage.*	<1 hour
	The median time (hrs) from the time that Council receives a notification, to the time that services personnel confirm a resolution of a blockage or other fault within the wastewater system.*	12 hours
The service is satisfactory.	The total number of complaints received (expressed per 1000 connections to the wastewater system) regarding: <ul style="list-style-type: none"> <li>Wastewater odour;</li> <li>Wastewater systems faults;</li> <li>Wastewater system blockages; and</li> <li>The Council's response to issues with its wastewater system.</li> <li>Total number of complaints received about any of the above.*</li> </ul>	<5 <8 <8 8 <29
	Percentage of customers satisfied with the service, based on the Annual Customer Satisfaction Survey.	84
Safe disposal of wastewater.	The number of Abatement Notices, Infringement Notices, Enforcement Orders, and convictions received by the Council in relation to Horizons Regional Council resource consents.*	0

\* These performance measurements are provided by the Department of Internal Affairs and they are mandatory.

## Major Projects

- Foxton wastewater treatment plant - pond desludge
- Foxton wastewater treatment plant - strategic upgrade
- Levin reticulation – renewals
- Levin treatment plant - planned renewals
- Levin wastewater treatment plant - strategic upgrade

## Challenges Council faces for Wastewater Activities

A major challenge facing the Council regarding its Wastewater Activities is the increasing age of Council's wastewater assets. Asset ageing affects reliability, maintenance costs and overall performance. Poor pipe condition is a major cause of groundwater infiltration which adds unnecessary volume to the amount of wastewater collected during wet weather events. The response to asset ageing is to increase carefully targeted renewal programmes for the wastewater collection networks and treatment plants.

Applying for and obtaining resource consents and then complying with consent conditions is another challenge faced by Council for this Group of Activities. This can be quite expensive, particularly with increased expectations from the public and stakeholder groups for land based effluent disposal instead of water course disposal of wastewater.

### **Significant negative effects associated with Wastewater Activities**

A significant negative effect associated with this Group of Activities is the long term effect of discharge of treated wastewater to the receiving environments which includes land and watercourses throughout the District. This effect is mitigated by ensuring the standards of treatment required by Horizons Regional Council are adhered to. Furthermore ensuring that these standards of treatment (which may increase overtime) can be met in the future is a major driver of significant capital expenditure planned for the near future.

Another significant negative effect of Council's Wastewater Activities is unintentional overflows of untreated wastewater from the collection system to private property, public land or watercourses. This is mitigated by a regime of pipe and pump inspections and maintenance.

### **Key Risks and Assumptions associated with Wastewater Activities**

Risks associated with the Wastewater Group of Activities include service failures, inconsistent strategic planning, poor contract management, loss of the telemetry system, and poor business/continuity planning. The process of securing resource consents also carries various risks for this Group of Activities including the requirement to increase some levels of service. These risks are currently mitigated by ongoing renewals programming and by maintaining good asset management practices. Council is also currently undertaking a major upgrade of the telemetry system.

Assumptions which may affect this Group of Activities include the rate and nature of population and business growth, the quality of asset data and information, and influential economic factors, particularly the future inflation rate and long term economic health.

## Capital Expenditure Programme for Wastewater Disposal

Annual Report 2015/16		LTP Forecast 2016/17	LTP Forecast 2017/18	Annual Plan Forecast 2017/18	Variance 2017/18
\$000		\$000	\$000	\$000	\$000
	<b>Renewals portion of project</b>				
217	Districtwide - reticulation unplanned renewals	197	193	193	-
-	Foxton Beach wastewater treatment plant - planned renewals	-	142	142	-
437	Foxton reticulation - renewals	131	167	167	-
-	Foxton wastewater treatment plant - pond desludge	-	770	770	-
1,226	Levin reticulation - renewals	536	434	434	-
436	Levin treatment plant - planned renewals	1,084	1,177	1,177	-
145	Levin treatment plant - unplanned renewals	92	95	95	-
18	Tokomaru wastewater treatment plant - consent renewal	52	-	-	-
408	Tokomaru WWTP desludging	-	-	-	-
62	Tokomaru WWTP oxidation pond relining	-	-	-	-
35	Waitarere wastewater treatment plant - planned renewals	78	24	24	-
12	Total minor projects	107	117	117	-
163	Overheads	216	226	210	(16)
<b>3,159</b>	<b>Total renewals</b>	<b>2,493</b>	<b>3,345</b>	<b>3,329</b>	<b>(16)</b>
	<b>Level of service portion of project</b>				
899	Foxton Beach wastewater treatment plant - strategic upgrade	-	254	254	-
-	Foxton wastewater treatment plant - pond desludge	-	192	192	-
-	Foxton wastewater treatment plant - strategic upgrade	2,414	3,075	4,244	1,169
869	Levin wastewater treatment plant - strategic upgrade	446	545	545	-
2,376	Shannon disposal system	-	-	-	-
133	Telemetry system	24	-	-	-
-	Waitarere wastewater treatment plant - strategic upgrade	47	241	241	-
43	Total minor projects	35	29	29	-
143	Overheads	304	318	331	13
<b>4,463</b>	<b>Total level of service</b>	<b>3,270</b>	<b>4,654</b>	<b>5,836</b>	<b>1,182</b>
	<b>Growth portion of project</b>				
-	Development planning Foxton Beach	156	-	-	-
-	Development planning Waitarere Beach	-	160	160	-
-	Development work - North East Levin	-	246	246	-
18	Total minor projects	-	-	-	-
38	Overheads	21	23	42	19
<b>56</b>	<b>Total growth</b>	<b>177</b>	<b>429</b>	<b>448</b>	<b>19</b>
	<b>Make up of above projects by % of type</b>				
3,159	Renewals	2,493	3,345	3,329	(16)
4,463	Level of service	3,270	4,654	5,836	1,182
56	Growth	177	429	448	19
<b>7,678</b>	<b>Total</b>	<b>5,940</b>	<b>8,428</b>	<b>9,613</b>	<b>1,185</b>

## Funding Impact Statement for Wastewater Disposal

Annual Report 2015/16 \$000		LTP Forecast 2016/17 \$000	LTP Forecast 2017/18 \$000	Annual Plan Forecast 2017/18 \$000	Variance 2017/18 \$000
	<b>Sources of operating funding</b>				
-	General rates, uniform annual general charges, rates penalties	-	-	-	-
6,122	Targeted rates	6,421	6,721	6,384	(337)
-	Subsidies and grants for operating purposes	-	-	-	-
838	Fees and charges	1,030	1,275	1,193	(82)
97	Local authorities fuel tax, fines, infringement fees, and other receipts	43	56	51	(5)
-	Internal charges and overheads recovered	-	-	-	-
<b>7,057</b>	<b>Total operating funding (A)</b>	<b>7,494</b>	<b>8,052</b>	<b>7,628</b>	<b>(424)</b>
	<b>Applications of operating funding</b>				
2,061	Payments to staff and suppliers	2,380	2,495	2,503	8
769	Finance costs	1,452	1,649	1,091	(558)
731	Internal charges and overheads applied	685	711	726	15
-	Other operating funding applications	-	-	-	-
<b>3,561</b>	<b>Total applications of operating funding (B)</b>	<b>4,517</b>	<b>4,855</b>	<b>4,320</b>	<b>(535)</b>
<b>3,496</b>	<b>Surplus (deficit) of operating funding (A - B)</b>	<b>2,977</b>	<b>3,197</b>	<b>3,308</b>	<b>111</b>
	<b>Sources of capital funding</b>				
-	Subsidies and grants for capital expenditure	-	-	-	-
32	Development and financial contributions	-	-	-	-
4,293	Increase (decrease) in debt	3,285	5,506	6,480	974
-	Gross proceeds from sale of assets	-	-	-	-
-	Lump sum contributions	-	-	-	-
-	Other dedicated capital funding	-	-	-	-
<b>4,325</b>	<b>Total sources of capital funding (C)</b>	<b>3,285</b>	<b>5,506</b>	<b>6,480</b>	<b>974</b>
	<b>Applications of capital funding</b>				
	<b>Capital expenditure</b>				
56	- to meet additional demand	177	429	448	19
4,463	- to improve the level of service	3,270	4,654	5,836	1,182
3,159	- to replace existing assets	2,493	3,345	3,329	(16)
143	Increase (decrease) in reserves	322	275	175	(100)
-	Increase (decrease) of investments	-	-	-	-
<b>7,821</b>	<b>Total applications of capital funding (D)</b>	<b>6,262</b>	<b>8,703</b>	<b>9,788</b>	<b>1,085</b>
<b>(3,496)</b>	<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(2,977)</b>	<b>(3,197)</b>	<b>(3,308)</b>	<b>(111)</b>
	<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
2,264	Depreciation	2,623	2,956	2,264	(692)

## Activity Expenditure

Annual Report 2015/16		LTP Forecast 2016/17	LTP Forecast 2017/18	Annual Plan Forecast 2017/18	Variance 2017/18
\$000		\$000	\$000	\$000	\$000
412	Foxton Wastewater	754	1,045	639	(406)
525	Foxton Beach Wastewater	578	638	612	(26)
3,564	Levin Wastewater	3,908	4,158	3,656	(502)
897	Shannon Wastewater	1,299	1,329	1,089	(240)
129	Tokomaru Wastewater	183	191	221	30
297	Waitarere Beach Wastewater	419	450	369	(81)
<b>5,824</b>	<b>Total Expenditure</b>	<b>7,141</b>	<b>7,811</b>	<b>6,586</b>	<b>(1,225)</b>

## Loans

	External	Internal	Total
	\$000	\$000	\$000
Anticipated loan balances at 1/7/2017	21,400	413	21,813
Raised during the year	6,600	753	7,353
Repaid during the year	(100)	(773)	(873)
<b>Anticipated loan balances 30/06/2018</b>	<b>27,900</b>	<b>393</b>	<b>28,293</b>
Budgeted interest expense	1,087	4	1,091

## How it will be funded?

<b>Funding Source</b>	This activity will be funded by Public Good Rates and Private Good Fees and Charges.
<b>Rationale</b>	Trade waste producers are charged by load and volume. All rates are by fixed charge to all properties connected whereby all properties connected pay the same fixed charge.

## Solid Waste

The Solid Waste Group of Activities consists of Council providing services to collect and safely dispose of residential and commercial solid waste. Council also provides education to the community on how to reduce its total solid waste output.

### What does this Activity involve?

- Council provides for the collection and disposal of solid waste produced in the Horowhenua and Kapiti Coast Districts. To provide for the disposal of solid waste Council manages kerbside recycling and refuse bag collection at specified times each week for urban areas in the District. It also operates waste transfer stations (for disposal of general and green waste as well as recycling), and it operates numerous static and temporary recycling stations.
- Council owns a landfill (and associated assets), waste transfer stations and recycling stations.
- Council also undertakes public education (on an ad hoc basis) in waste minimisation at local primary and intermediate schools in the District. The management of this Group of Activities is done by Council while the operation and maintenance is externally contracted.
- Council also ensures that the Levin Landfill is managed in a way that it complies with resource consents and so that it has sufficient air and land space available to meet future requirements.
- Legislative requirements that this Group of Activities operates within include, but are not limited to:
  - The Health Act 1956, which requires Council to provide for sanitary works including the collection and disposal of refuse;
  - The Waste Minimization Act 2008;
  - The Hazardous Substances and Noxious Organisms (HSNO) 2004; and
  - The Climate Change Response (Emissions Trading) Amendment Act 2008.

It is important to note that much of the Solid Waste Group of Activities is permissive rather than mandatory. This means that Council has the ability to opt out of many of the provisions of its solid waste services if it wishes.

### Levels of Service and how we will measure our performance

Service	How will we measure our performance	Target (17/18)
Waste Transfer Stations are available at convenient times.	Transfer Stations are available on agreed days at agreed times.	Achieved
Solid Waste Activities are undertaken in a healthy and safe manner.	No reported incidences of injury or illness attributable to use of the Council's Waste Transfer or Recycling Station facilities.	Achieved

Service	How will we measure our performance	Target (17/18)
Waste Transfer and Recycling Stations have a minimal impact on the immediate and surrounding environment.	No. odour complaints and minimal reports of solid waste in or around: <ul style="list-style-type: none"> <li>• Waste Transfer Stations; and</li> <li>• Recycling Stations</li> </ul>	3 per month 3 per month
Response to service requests regarding Council's Solid Waste Activities is timely.	Time that all requests are responded to within.	3 days
Levin landfill.	Conditions of resource consents are met.	100%
Kerbside recycling and refuse collection service is available.	Percentage of serviceable households that kerbside recycling shall be offered to.	91%
Recycling and refuse is collected on time and in a sanitary manner.	Number of complaints about non collection of: <ul style="list-style-type: none"> <li>• Kerbside recycling</li> <li>• Kerbside refuse</li> </ul>	5 per month 5 per month
Recycling stations are available and accessible in urban centres in Summer.	Recycling stations are available at the agreed locations on the agreed days and times.	Achieved
Information on Council's recycling and refuse services is available from service centres and on the website.	Narrative.	Achieved
Affordable recycling service is available.	No user charge set.	Achieved
Customers are content with Council's transfer stations, recycling collection, and refuse collection services offered.	Measured via the Annual Customer Satisfaction Survey.	75%
Customers are educated on waste minimization practices.	Education services provided in local schools.	Achieved

## **Major Projects**

- Landfill development

### **Challenges Council faces for this Group of Activities**

A key challenge for the future of the Solid Waste Group of Activities is the decision making required regarding the levels of service provision. Council will need to balance the solid waste disposal needs of the District with the ability to generate income by accepting waste from outside the District and also the extent to which it remains in the 'solid waste business'. All of these considerations have an effect on long term capital expenditure, income and the estimated longevity of Council's most significant solid waste asset which is the Levin Landfill.

### **Significant negative effects associated with this Group of Activities**

A key negative effect associated with this Group of Activities is the presence of both ground and airborne contaminants produced by the landfill and their potential harm to the immediate environment. This effect is mitigated by strict adherence to Horizons Regional Council resource consent conditions. Council also facilitates a neighbourhood group and monitors the airborne effects associated with the landfill.

### **Key Risks and Assumptions associated with this Group of Activities**

A key risk associated with this Group of Activities is the long term presence and longevity of hazardous contaminants in the environment. This risk is mitigated by legislative controls and constant monitoring of leachates and ground conditions.

A key assumption of the 2015-2025 Long Term Plan was that Council's current ownership of the Levin Landfill and being a provider of solid waste services will continue. As mentioned above, much of this Group of Activities is optional rather than mandatory. Future changes in the service provision model, especially the level of Council's participation in it, could change the overall funding requirements.

## Capital Expenditure Programme for Solid Waste

Annual Report 2015/16		LTP Forecast 2016/17	LTP Forecast 2017/18	Annual Plan Forecast 2017/18	Variance 2017/18
\$000		\$000	\$000	\$000	\$000
	<b>Renewals portion of project</b>				
67	Cap shape correction	-	62	62	-
13	Total minor projects	-	-	-	-
-	Overheads	3	4	4	-
<b>80</b>	<b>Total renewals</b>	<b>3</b>	<b>66</b>	<b>66</b>	<b>-</b>
	<b>Level of service portion of project</b>				
116	Leachate pre treatment	-	-	-	-
76	Total minor projects	-	-	-	-
1	Overheads	10	11	-	(11)
<b>193</b>	<b>Total level of service</b>	<b>10</b>	<b>11</b>	<b>-</b>	<b>(11)</b>
	<b>Growth portion of project</b>				
137	Landfill development	57	132	132	-
14	Overheads	14	14	6	(8)
<b>151</b>	<b>Total growth</b>	<b>71</b>	<b>146</b>	<b>138</b>	<b>(8)</b>
	<b>Make up of above projects by % of type</b>				
80	Renewals	3	66	66	-
193	Level of service	10	11	-	(11)
151	Growth	71	146	138	(8)
<b>424</b>	<b>Total</b>	<b>84</b>	<b>223</b>	<b>204</b>	<b>(19)</b>

## Funding Impact Statement for Solid Waste

Annual Report 2015/16		LTP Forecast 2016/17	LTP Forecast 2017/18	Annual Plan Forecast 2017/18	Variance 2017/18
\$000		\$000	\$000	\$000	\$000
	<b>Sources of operating funding</b>				
-	General rates, uniform annual general charges, rates penalties	-	-	-	-
321	Targeted rates	356	342	338	(4)
-	Subsidies and grants for operating purposes	-	-	-	-
2,027	Fees and charges	1,785	1,832	1,859	27
19	Local authorities fuel tax, fines, infringement fees, and other receipts	18	17	13	(4)
-	Internal charges and overheads recovered	-	-	-	-
<b>2,367</b>	<b>Total operating funding (A)</b>	<b>2,159</b>	<b>2,191</b>	<b>2,210</b>	<b>19</b>
	<b>Applications of operating funding</b>				
1,493	Payments to staff and suppliers	1,415	1,454	1,553	99
227	Finance costs	324	316	250	(66)
222	Internal charges and overheads applied	220	227	245	18
-	Other operating funding applications	-	-	-	-
<b>1,942</b>	<b>Total applications of operating funding (B)</b>	<b>1,959</b>	<b>1,997</b>	<b>2,048</b>	<b>51</b>
<b>425</b>	<b>Surplus (deficit) of operating funding (A - B)</b>	<b>200</b>	<b>194</b>	<b>162</b>	<b>(32)</b>
	<b>Sources of capital funding</b>				
-	Subsidies and grants for capital expenditure	-	-	-	-
-	Development and financial contributions	-	-	-	-
161	Increase (decrease) in debt	(143)	(58)	(62)	(4)
-	Gross proceeds from sale of assets	-	-	-	-
-	Lump sum contributions	-	-	-	-
-	Other dedicated capital funding	-	-	-	-
<b>161</b>	<b>Total sources of capital funding (C)</b>	<b>(143)</b>	<b>(58)</b>	<b>(62)</b>	<b>(4)</b>
	<b>Applications of capital funding</b>				
	<b>Capital expenditure</b>				
151	- to meet additional demand	71	146	138	(8)
193	- to improve the level of service	10	11	-	(11)
80	- to replace existing assets	3	66	66	-
162	Increase (decrease) in reserves	(27)	(87)	(104)	(17)
-	Increase (decrease) of investments	-	-	-	-
<b>586</b>	<b>Total applications of capital funding (D)</b>	<b>57</b>	<b>136</b>	<b>100</b>	<b>(36)</b>
<b>(425)</b>	<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(200)</b>	<b>(194)</b>	<b>(162)</b>	<b>32</b>
	<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
268	Depreciation	327	328	268	(60)

## Activity Expenditure

Annual Report 2015/16		LTP Forecast 2016/17	LTP Forecast 2017/18	Annual Plan Forecast 2017/18	Variance 2017/18
\$000		\$000	\$000	\$000	\$000
1,107	Landfill	1,107	1,115	1,113	(2)
303	Waste Transfer Stations	290	297	289	(8)
188	Roadside Collection	200	206	211	5
612	Recycling	689	707	703	(4)
<b>2,210</b>	<b>Total Expenditure</b>	<b>2,286</b>	<b>2,325</b>	<b>2,316</b>	<b>(9)</b>

## Loans

	External	Internal	Total
	\$000	\$000	\$000
Anticipated loan balances at 1/7/2017	4,900	100	5,000
Raised during the year	-	138	138
Repaid during the year	-	(200)	(200)
<b>Anticipated loan balances 30/06/2018</b>	<b>4,900</b>	<b>38</b>	<b>4,938</b>
Budgeted interest expense	249	1	250

## How it will be funded?

<b>Activity</b>	<b>Landfill and Waste Transfer Stations</b>
<b>Funding Source</b>	This activity will be funded by Public Good Rates and Private Good Fees and Charges.
<b>Rationale</b>	User fees are those charged to dispose of District refuse into the transfer station and from there, through to the landfill. Any recovered cost to be included in the Solid Waste Rate.

<b>Activity</b>	<b>Roadside Refuse Collection</b>
<b>Funding Source</b>	This activity will be funded by Public Good Rates and Private Good Fees and Charges.
<b>Rationale</b>	Those who create the need for the service are the users and beneficiaries. Any unrecovered cost to be included in the Solid Waste Rate.

<b>Activity</b>	<b>Waste Minimisation and Recycling</b>
<b>Funding Source</b>	This activity will be funded by Public Good Rates.
<b>Rationale</b>	Primarily for waste education and minimisation, with costs funded by the Solid Waste Rate.

# Regulatory Services

Regulatory Services is a delivery arm of Council that provides advice, consenting services, assessment, education, compliance, and enforcement. The Activities that are undertaken within the Regulatory Services Group of Activities provide for the development and review as well as the implementation and enforcement of plans, bylaws, and policies needed to protect the health and safety of the community and the environment it lives in.

## District Planning

This Activity principally involves various Council functions and obligations under the Resource Management Act (RMA) 1991 designed to ensure the natural and physical resources of the District are sustainably managed.

Generally this Activity can be broken down into three core areas being the preparation, review and monitoring of the District Plan; the processing of resource consent and other applications made under the RMA; and monitoring aspects associated with potential non-compliances with the District Plan and compliance with resource consent conditions.

### What does this Activity involve?

- Reviewing the District Plan.
- Preparing or processing Plan Changes and Notices of Requirements.
- Monitoring the District's State of the Environment.
- Monitoring the efficiency and effectiveness of the policies and rules in the District Plan and reporting the results of this monitoring at 5 yearly intervals.
- Processing resource consents and other applications made under the RMA.
- Monitoring and enforcing compliance with resource consent conditions.
- Responding to complaints relating to non-compliances with the District Plan or conditions of resource consents, and other RMA related complaints. Taking appropriate action when a non-compliance is observed.
- Providing advice to the public on the District Plan and RMA.

### Levels of Service and how we will measure our performance

Service	How will we measure our performance	Target (17/18)
Processing of applications under the Resource Management Act (RMA).	Applications under the RMA will be processed within statutory timeframes.	100% compliance with relevant statutory timeframes.
Monitoring of District Plan requirements, resource consent	Known and reported instances of non-compliance with the District Plan and any resource consents will be responded to and	100% responded to within 2 working days

Service	How will we measure our performance	Target (17/18)
compliance and complaints.	appropriate action will be taken. Resource consents are monitored for compliance with conditions.	100%
The District Plan provides for a balanced regulatory framework that protects important community and environmental values.	Percent of non-complying resource consents approved as a proportion of all approved consents.	<10%

### **Major Projects**

There are no major projects for District Planning for 2017/18. Targeted plan changes and updates to the District Plan in response to legislative changes are proposed for 2017/18.

### **Challenges Council faces for this Activity**

A key challenge facing Council for this Activity is that there is a level of uncertainty about the implications for Council of the current reforms to the RMA, as well as the development or amendment of National Environmental Standards or National Policy Statements. For example, implications could result in changes to how resource consent applications are processed or could require the District Plan to be updated or amended.

Another challenge is balancing the need to provide for and encourage economic development with the desire to ensure that any adverse effects that businesses and their associated activities may have on the natural environment are acceptable, and will not compromise future generations use and enjoyment of natural resources.

Review of the District Plan, resource consents, and enforcement of District Plan rules or resource consent conditions can be perceived by some people as encroaching on private property rights and frustrate property owners who perceive 'over-regulation'. However, requirements relating to the District Plan and resource consents are deemed necessary to protect and sustainably manage the District's natural and physical resources. Reviewing the District Plan ensures that any rules are reflective of the current environment and the aspirations of our community and meet legislative requirements.

### **Significant negative effects associated with this Activity**

There are no known significant negative effects surrounding Council's planned District Planning Activity.

## Key Risks and Assumptions associated with this Activity

Changes in legislation could result in requiring subsequent changes to the District Plan or changes to how resource consents are processed or monitored which have not been anticipated or appropriately budgeted for.

However, it is assumed that Central Government will give Local Government adequate notice/warning of any potential changes and that where major changes are required there will be an appropriate transition period provided to allow for Council to plan and budget for any required changes.

## Building Control

This Activity is undertaken by the Council to ensure that buildings are safely constructed and so that people have confidence that they are safe to use. The Council has legislative responsibilities for implementing these requirements under the Building Act 2004.

### What does this Activity involve?

- Processing building consent applications by assessing their compliance with the building code.
- Undertaking inspections of the consented building work to ensure compliance with the approved building consent.
- Respond to complaints relating to non-compliances with the Building Act 2004 and take appropriate action when a non-compliance is observed.
- Providing advice to the public on building consent applications and the Building Act 2004.
- Monitoring and enforcing other relevant legislation.

### Levels of Service and how we will measure our performance

Service	How will we measure our performance	Target (17/18)
Carry out Building Consent Authority accreditation functions including enforcement of legislation relating to construction of buildings and structures.	Percent of building consent applications granted within 20 working days or less.	100% of applications
	Consent applications for new residential dwellings are processed in 18 days or less.	100% of applications
	Reported cases of illegal building work will be responded to within 3 working days.	100% of cases
	Percent of private swimming pools on register inspected annually for compliance.	33% of private swimming pools are inspected.
	Council will maintain its accredited status as a Building Consent Authority.	Accreditation maintained

## **Major Projects**

There are no major projects for Building Control for 2017/18.

## **Challenges Council faces for this Activity**

A key challenge facing Council for this Activity is that there is uncertainty around future amendments to current legislation or the introduction of new legislation, and the implications that this would have on the levels of service for this Activity.

Another challenge for this Activity is the requirements around earthquake prone buildings which are coming into place as a result of the Building (Earthquake-prone Buildings) Amendment Bill. The requirements would mean that Council will have to update its policy on earthquake prone buildings and complete the seismic assessment of all non-residential buildings and all multi-unit, multi-storey residential buildings within a few years of the amendment taking effect.

## **Significant negative effects associated with this Activity**

There are no known significant negative effects surrounding Council's planned Building Control Activity.

## **Key Risks and Assumptions associated with this Activity**

The major risk for this Activity is that Council may not maintain its Building Consent Authority Accreditation and this would mean that Council would no longer be able to process building consent applications in-house. However, Council assumes that it has the appropriate systems in place to ensure that it will get its accreditation each time that it comes up for review as per historical results.

Changes in legislation could result in an increase to the levels of service or require changes to be made to how the Council currently undertakes this Activity. However, it is assumed that Central Government will give Local Government adequate notice/warning of any potential changes and that where major changes are required there will be an appropriate transition period provided to allow for Council to plan and budget for these.

## **Environmental Health**

The Environmental Health Activity has two distinct areas being: Food Safety, which ensures that food services used by the Community are healthy and safe; and General Compliance, which ensures that other health legislative requirements are complied with.

## **What does this Activity involve?**

- Investigating health complaints and carrying out associated enforcement action when necessary/appropriate.

- Inspecting food premises registered under the Food Hygiene Regulations 1974 and other business premises registered under the Health Act 1956 to ensure compliance with relevant legislation.
- Auditing food businesses operating under the Food Act 2014 at a frequency determined in the Food Regulations 2015.

### Levels of Service and how we will measure our performance

Service	How will we measure our performance	Target (17/18)
Food safety – Food businesses are monitored to ensure compliance with legislation.	Food businesses operating under the Food Act 2014 are verified at the frequency determined by the Food Regulation 2015.	100%
	Food premises operating under the Food Hygiene Regulations 1974 are inspected.	100%
Food Safety – Existing food businesses are provided with assistance to transition onto the requirements of the Food Act 2014.	Food businesses are provided with written material about the Food Act 2014 and have opportunities to attend training sessions/seminars	100% of businesses required to transition in Year 2 of the Act (by 30 June 2018) are provided with written information and access to training/mentoring activities.

### Major Projects

No major projects are planned for the Environmental Health Activity for 2017/18.

### Challenges Council faces for this Activity

A key challenge facing Council for this Activity is that there is uncertainty around future amendments to current legislation or the introduction of new legislation, and the implications that this would have on the levels of service for this Activity.

### Significant negative effects associated with this Activity

The cost of this Activity for ratepayers is a significant negative effect associated with this Activity as currently fees and charges for this Activity only cover 25-35% of the cost of this Activity with the rest being ratepayer funded. Council can explore increasing the fees and charges so that the 'user payers' percentage of funding is higher. However, it is noted that in most cases there is a public good associated with this Activity as it helps to ensure that food premises, and other premises frequented by the public, are hygienic.

### Key Risks and Assumptions associated with this Activity

Following the full implementation of the Food Act 2014 from 1 March 2016, businesses on National Food Programmes, such as dairies, can choose their

verification agency and therefore there is a risk of a reduction in our food premises client base.

## Liquor Licensing

This Activity involves the monitoring of all licensed premises to ensure that the sale and supply of alcohol is conducted in accordance with the Sale and Supply of Alcohol Act 2012 as well as monitoring licence conditions to ensure that the sale and supply of alcohol is conducted responsibly.

### What does this Activity involve?

- Processing applications for liquor licences and manager's certificates.
- Monitoring and inspection of all licensed premises to ensure compliance with both legislation and licence conditions.
- Joint undertakings such as "Controlled Purchase Operations" are carried out in conjunction with partner agencies MidCentral Public Health and New Zealand Police.
- Providing information and advice to customers on licensing requirements.

### Levels of Service and how we will measure our performance

Service	How will we measure our performance	Target (17/18)
Monitoring of licensed premises to ensure compliance with relevant legislation.	Percent of premises that are inspected annually to check for compliance with their licence conditions.	100% of premises are inspected.
	Percent of applications for a licence that will be forwarded to Public Health and the Police for comment.	100% of applications

### Major Projects

There are no major projects planned for Council's Liquor Licensing Activity for 2017/18.

### Challenges Council faces for this Activity

A key challenge facing Council for this Activity is that there is uncertainty around future amendments to current legislation or the introduction of new legislation, and the implications that this would have on the levels of service for this Activity.

### Significant negative effects associated with this Activity

The cost of this Activity for ratepayers is a significant negative effect associated with this Activity as currently fees and charges for this Activity only cover 40-50% of the cost of this Activity with the rest being ratepayer funded. However, these fees are set by Central Government and as such Council is unable to change them.

## Key Risks and Assumptions associated with this Activity

Changes in legislation could result in unanticipated changes in levels of service for this Activity. However, it is assumed that Central Government will give Local Government adequate notice/warning of any potential changes and that where major changes are required there will be an appropriate transition period provided to allow for Council to plan and budget for any required changes.

## Animal Control

This Activity principally involves Council administering, implementing, and enforcing the Dog Control Act 1996 and implement or enforcing other relevant legislation from time to time as such the Impounding Act 1955. The Dog Control Act 1996 seeks to improve public safety by mitigating the risk of harm, injury, or nuisance from dogs in our Community.

### What does this Activity involve?

- Registering dogs.
- Patrolling the District on the outlook for animal nuisances.
- Responding to complaints about dogs and livestock.
- Providing impounding facilities for dogs and livestock.
- Educating the public on the responsibilities of dog ownership.
- Protecting against damage to fragile areas.
- Re-homing or euthanizing unclaimed animals.

### Levels of Service and how we will measure our performance

Service	How will we measure our performance	Target (17/18)
Reported instances of non-compliance and dog nuisance will be responded to.	Percent of reported instances of non-compliance and dog nuisance will be responded to.	100%
	An after-hours emergency response will be continuously provided.	Achieved
Registration and classification of all known dogs within the District.	Percent of known dogs that will be registered or accounted for annually by 31 October.	100%

### Major Projects

There are no major projects planned for Council's Animal Control Activity for 2017/18.

### **Challenges Council faces for this Activity**

A key challenge facing Council for this Activity is that there is uncertainty around future amendments to current legislation or the introduction of new legislation and the implications that this would have on the levels of service for this Activity.

### **Significant negative effects associated with this Activity**

There are no known significant negative effects associated with Council's planned Animal Control Activity.

### **Key Risks and Assumptions associated with this Activity**

A key risk is that changes in legislation could result in unanticipated changes in levels of service for this Activity. However, it is assumed that Central Government will give Local Government adequate notice/warning of any potential changes and that where major changes are required there will be an appropriate transition period provided to allow for Council to plan/budget for any required changes.

## **Parking Enforcement**

Council provides on and off-street parking in Levin, including metered and time restricted areas with a goal that people can access car parks. This Activity involves the implementation and enforcement of the parking control measures specified in the Council's Traffic and Parking Bylaw.

### **What does this Activity involve?**

- Enforcing the parking control measures of the Council's Traffic and Parking Bylaw including issuing tickets for non-compliances.
- Policing expired vehicle registrations and warrants of fitness.

### **Levels of Service and how we will measure our performance**

<b>Service</b>	<b>How will we measure our performance</b>	<b>Target (17/18)</b>
All parking restricted areas in Levin will be enforced under the provisions of Council's Bylaw and the Transport Regulations.	Enforcement conducted each working day.	Achieved

### **Major Projects**

There are no major projects planned for Council's Parking Enforcement Activity for 2017/18.

### **Challenges Council faces for this Activity**

No challenges have been identified as facing Council for the Parking Enforcement Activity.

### **Significant negative effects associated with this Activity**

There are no known significant negative effects surrounding Council's planned Parking Enforcement Activity.

### **Key Risks and Assumptions associated with this Activity**

No key risks or assumptions have been identified for the Park Enforcement Activity.

## **General Regulatory Services**

The General Regulatory Services Activity consists of a number sub-activities undertaken as part of Council's general regulatory functions including bylaw and policy reviews, inspection of non-food premises (such as hairdressers), dealing with abandoned vehicles, following up on noise and litter complaints and gaming machine venue consents.

### **What does this Activity involve?**

- Review or develop relevant bylaws e.g. Council's Public Places Bylaw.
- Inspection of premises relating to Burial Regulations, Camping Grounds, Clubs and Hairdressers for compliance with relevant legislation.
- Respond to general noise complaints Council receives and take appropriate action if noise is considered to be excessive. Note that Council's noise control functions are largely contracted externally.
- Respond to complaints regarding vehicles that have been abandoned in public spaces and take appropriate action.
- Respond to complaints about the dumping of litter on private and public land and take action under the Litter Act 1979 as appropriate.

### **Levels of Service and how we will measure our performance**

<b>Service</b>	<b>How will we measure our performance</b>	<b>Target (17/18)</b>
Noise complaints response service will be provided.	Noise complaints services are provided all year round and 90% of complaints will be responded to within 60 minutes.	Achieved
Public safety bylaws and other legislation will be enforced.	Percent of reported non compliances and complaints that are responded to within 5 working days.	100%

### **Major Projects**

There are no major projects planned for Council's General Regulatory Services Activity for 2017/18.

**Challenges Council faces for this Activity**

A key challenge facing Council for this Activity is that there is uncertainty around future amendments to current legislation or the introduction of new legislation and the implications that this would have on the levels of service for this Activity.

**Significant negative effects associated with this Activity**

There are no known significant negative effects surrounding Council's planned General Regulatory Services Activity.

**Key Risks and Assumptions associated with this Activity**

No key risks or assumptions have been identified for this Activity.

## Capital Expenditure Programme for Regulatory Services

Annual Report 2015/16		LTP Forecast 2016/17	LTP Forecast 2017/18	Annual Plan Forecast 2017/18	Variance 2017/18
\$000		\$000	\$000	\$000	\$000
	<b>Renewals portion of project</b>				
91	Vehicles	-	34	34	-
-	Overheads	2	2	3	1
<b>91</b>	<b>Total renewals</b>	<b>2</b>	<b>36</b>	<b>37</b>	<b>1</b>
	<b>Level of service portion of project</b>				
3	Body worn video equipment - animal control	-	-	-	-
4	Body worn video equipment - parking	-	-	-	-
15	Dog pound pup kennels. concreting extensions	-	-	-	-
12	Parking mobile ticket device	-	-	-	-
1	Resource management furniture	-	-	-	-
-	Overheads	1	1	1	-
<b>35</b>	<b>Total level of service</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>-</b>
	<b>Growth portion of project</b>				
-	<b>Total growth</b>	-	-	-	-
	<b>Make up of above projects by % of type</b>				
91	Renewals	2	36	37	1
35	Level of service	1	1	1	-
-	Growth	-	-	-	-
<b>126</b>	<b>Total</b>	<b>3</b>	<b>37</b>	<b>38</b>	<b>1</b>

## Funding Impact Statement for Regulatory Services

Annual Report 2015/16 \$000		LTP Forecast 2016/17 \$000	LTP Forecast 2017/18 \$000	Annual Plan Forecast 2017/18 \$000	Variance 2017/18 \$000
	<b>Sources of operating funding</b>				
1,974	General rates, uniform annual general charges, rates penalties	2,008	1,974	1,997	23
-	- Targeted rates	-	-	-	-
-	- Subsidies and grants for operating purposes	-	-	-	-
16	Fees and charges	3	3	4	1
2,007	Local authorities fuel tax, fines, infringement fees, and other receipts	2,313	2,395	2,657	262
-	- Internal charges and overheads recovered	-	-	-	-
<b>3,997</b>	<b>Total operating funding (A)</b>	<b>4,324</b>	<b>4,372</b>	<b>4,658</b>	<b>286</b>
	<b>Applications of operating funding</b>				
493	Payments to staff and suppliers	471	403	398	(5)
122	Finance costs	155	149	107	(42)
3,085	Internal charges and overheads applied	3,513	3,632	3,986	354
-	- Other operating funding applications	-	-	-	-
<b>3,700</b>	<b>Total applications of operating funding (B)</b>	<b>4,139</b>	<b>4,184</b>	<b>4,491</b>	<b>307</b>
<b>297</b>	<b>Surplus (deficit) of operating funding (A - B)</b>	<b>185</b>	<b>188</b>	<b>167</b>	<b>(21)</b>
	<b>Sources of capital funding</b>				
-	- Subsidies and grants for capital expenditure	-	-	-	-
-	- Development and financial contributions	-	-	-	-
(247)	Increase (decrease) in debt	(100)	(65)	(129)	(64)
64	Gross proceeds from sale of assets	-	-	-	-
-	- Lump sum contributions	-	-	-	-
-	- Other dedicated capital funding	-	-	-	-
<b>(183)</b>	<b>Total sources of capital funding (C)</b>	<b>(100)</b>	<b>(65)</b>	<b>(129)</b>	<b>(64)</b>
	<b>Applications of capital funding</b>				
	<b>Capital expenditure</b>				
-	- to meet additional demand	-	-	-	-
35	- to improve the level of service	1	1	1	-
91	- to replace existing assets	2	36	37	1
(12)	Increase (decrease) in reserves	82	86	-	(86)
-	- Increase (decrease) of investments	-	-	-	-
<b>114</b>	<b>Total applications of capital funding (D)</b>	<b>85</b>	<b>123</b>	<b>38</b>	<b>(85)</b>
<b>(297)</b>	<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(185)</b>	<b>(188)</b>	<b>(167)</b>	<b>21</b>
	<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
75	Depreciation	81	81	81	-

## Activity Expenditure

Annual Report 2015/16		LTP Forecast 2016/17	LTP Forecast 2017/18	Annual Plan Forecast 2017/18	Variance 2017/18
\$000		\$000	\$000	\$000	\$000
217	Animal Control	229	239	240	1
675	Building Consents	803	812	1,043	231
157	Building Policy	200	202	265	63
506	Dog Control	576	600	560	(40)
178	Environmental Health	232	239	264	25
38	Environmental Health Policy	50	51	67	16
180	Liquor Licences	203	214	204	(10)
12	Liquor Policy	20	20	35	15
326	Parking	492	508	519	11
569	Planning Policy	649	581	548	(33)
682	Resource Planning	547	570	585	15
236	Safety Licencing	220	229	242	13
<b>3,776</b>	<b>Total Expenditure</b>	<b>4,221</b>	<b>4,265</b>	<b>4,572</b>	<b>307</b>

## Loans

	External	Internal	Total
	\$000	\$000	\$000
Anticipated loan balances at 1/7/2017	2,000	137	2,137
Raised during the year	-	-	-
Repaid during the year	-	(129)	(129)
<b>Anticipated loan balances 30/06/2018</b>	<b>2,000</b>	<b>8</b>	<b>2,008</b>
Budgeted interest expense	102	5	107

## How it will be funded?

<b>Activity</b>	<b>District Planning Consenting</b>
<b>Funding Source</b>	This activity will be funded by Public Good Rates and Private Good Fees.
<b>Rationale</b>	Although primarily a private benefit, the Resource Management Act exists to protect the wider environment for the benefit of all residents.

<b>Activity</b>	<b>District Plan Policy</b>
<b>Funding Source</b>	This activity will be funded by Public Good Rates.
<b>Rationale</b>	This activity is strategic in nature and is primarily involved in protection of the environment for the benefit of the wider community. The activity also aids in public understanding and compliance with the Resource Management Act.

<b>Activity</b>	<b>Building Consents</b>
<b>Funding Source</b>	This activity will be funded by Public Good Rates and Private Good Fees.
<b>Rationale</b>	Although primarily a private benefit, the Building Act exists to protect the wider community from poor building practices.

<b>Activity</b>	<b>Building Policy</b>
<b>Funding Source</b>	This activity will be funded by Public Good Rates.
<b>Rationale</b>	Although the building consenting activity is a private benefit, the Building Act and the accreditation process exists to ensure standards set by regulatory agencies are met to protect the wider community from poor building practices.

<b>Activity</b>	<b>Environmental Health</b>
<b>Funding Source</b>	This activity will be funded by Private Good Fees and Charges and Public Good Rates.
<b>Rationale</b>	This activity is serviced by specifically qualified staff with direct responsibility for licensing, inspections and work associated with enquiries and complaints in relation to public health matters for which the Council is responsible. The general ratepayer is the widest beneficiary of the service, which is a statutory requirement.

<b>Activity</b>	<b>Liquor Licensing</b>
<b>Funding Source</b>	This activity will be funded by Private Good Fees and Charges and Public Good Rates.
<b>Rationale</b>	Licence fees are set by regulation and cannot be altered by Council.

<b>Activity</b>	<b>Dog Control</b>
<b>Funding Source</b>	This activity will be funded by Private Good Fees and Charges and Public Good Rates.
<b>Rationale</b>	Although primarily a private benefit, the Dog Control Act exists to protect the wider community from errant dogs.

<b>Activity</b>	<b>Parking Enforcement</b>
<b>Funding Source</b>	This activity will be funded by Private Good Fees and Charges and Public Good Rates.
<b>Rationale</b>	It is predominantly funded from those who use the car parks.

<b>Activity</b>	<b>General Regulatory Services</b>
<b>Funding Source</b>	This activity will be funded by Public Good Rates.
<b>Rationale</b>	It is not practicable to charge the beneficiaries of the service as they are not the cause of the need for the service.

# Community Facilities and Services

## Reserves, Public Halls, Sports Grounds, Cemeteries and Beautification

This Activity involves the management of reserves, sports grounds and cemeteries as well as for the provision of street beautification within the District.

### What does this Activity involve?

#### Reserves and Beautification

Key to the provision of this Activity is ownership of a large number of reserves and parks including (but not limited to) neighbourhood reserves, riverside and lakeside picnic areas, and public gardens. These have management and/or development plans, which have been developed with substantial community involvement. Council has begun a review of all of its existing Reserve Management Plans and it will also be preparing plans for some reserves that do not currently have an adopted plan. Reserves allow a diverse range of pursuits important to the enjoyment of healthy lifestyles, and are an attraction to visitors. The Council owns 29 individual public toilet blocks throughout the District which are largely located on reserves.

#### Public Halls

The Council owns community halls in Levin, Foxton and Shannon and meeting rooms at Holben Reserve in Foxton Beach. The halls are provided and maintained for the use and enjoyment of these communities and the surrounding areas.

#### Sports Grounds

Some reserves function as sports grounds, with added facilities for both casual and structured sporting activities as well as other events.

#### Cemeteries

Cemeteries are subject to the Burial and Cremation Act 1964 which states that a local authority shall, where sufficient provision is not otherwise made, establish and maintain a suitable cemetery for the burial of those who die in its District. It is estimated that between 50% and 60% of the deaths registered in the Horowhenua result in interments in Council's cemeteries.

In recent years, there has been a trend towards lawn cemeteries, memorial parks, and cremation.

## Levels of Service and how we will measure our performance

Service	How will we measure our performance	Target (17/18)
Reserves are available for community use.	Sufficient space is available (ha/1000 pop).	1
Community Halls are available for public use.	Number of uses per fortnight for the Levin, Foxton and Shannon Halls.	10
Sports grounds are available for community use.	Percent of time that sport grounds are available for use during their opening hours.	95%
Playgrounds are safe for users.	Playground facilities comply with relevant standards.	100%
Cemeteries are managed and maintained to an appropriate standard.	Meet needs according to legal requirements.	Meet
Cemeteries operate to an acceptable level.	All arrangements and internments at Council cemeteries are made satisfactorily before 24 hours from internment.	Achieved

## Major Projects

There are no major projects for Reserves, Public Halls, Sports Grounds, Cemeteries and Beautification for 2017/18.

## Challenges Council faces for this Activity

Changes in levels of demand and Community expectations are challenges facing Council for this Activity. These challenges are addressed by ensuring that reserves, sports grounds, and cemeteries are developed to be multi-use and flexible enough to cope with changes in demands and expectations. Use of some facilities may also be a challenge, with usage lessening but operational costs increasing.

Another challenge faced by the Council is that there are capacity issues at the Manakau Cemetery and steps will need to be taken to secure and/or develop more land, with other works programmes undertaken to maintain current levels of service for this part of the Community.

Conservation is also a challenge faced by Council and there a number of projects that are proposed to address conservation issues in the District including the implementation of the Waitarere Beach and Foxton Beach Coastal Dune Management Plans and the development of the Wairarawa Walkway system. These projects address sensitive areas in establishing and maintaining coastal and riparian plantings.

Vandalism and graffiti are challenges faced by Council for this Activity. Where possible the Council designs assets to be vandal resistant which involves not just the

type of construction but also good design, well considered location and responsive maintenance.

Another challenge facing Council is that the halls in Levin and Foxton have been identified as earthquake prone and with new legislation around requirements to upgrade earthquake prone buildings Council must decide what it wants to do with these buildings.

The final challenge faced by the Council for this Activity is that demographic projections are signalling that the population of the Horowhenua District is ageing. As there will be a growing proportion of the population over 65 years of age the Council needs to design its reserves and leisure spaces to better suit the needs of this age group.

### **Significant negative effects associated with this Activity**

There are no known significant negative effects surrounding Council's planned Reserves and Beautification, Sports Grounds, and Cemeteries Activity.

### **Key Risks and Assumptions associated with this Activity**

Due to the active nature of some assets used within this Activity, there are varying levels of personal and social risks within some sub-activities. For example, playgrounds contain a range of inherent risks to personal safety. These types of risks are removed or managed by adherence to a range of standards regulating how these assets and activities are to be run.

Earthquake prone buildings owned by the Council are possibly a risk if they continue to be utilised without being earthquake strengthened.

## **Aquatic Centres and Recreation**

Public access to swimming pools and fitness, rehabilitation and swimming programmes enhances wellbeing through providing healthy recreational and social opportunities in Horowhenua District. As part of this Activity the Council has two Aquatic Centres in Levin and Foxton and manages the Shannon School swimming pool for a period during the summer. Aquatic Centres provide for a wide range of land and water-based activities including swim schools, fitness and rehabilitation classes, as well as holiday, social and club events.

### **What does this Activity involve?**

- Providing public swimming pools for general use in Levin (all year round) and Foxton (between December and April) as well as managing the Shannon School swimming pool for a period during the summer.
- Providing facilities for local aquatic clubs and organisations to utilise.
- Providing a certified Swim School in Levin and Foxton.

- Supporting local sports/recreation clubs and organisations to host and run events on and off site.
- Providing land and water based fitness and rehabilitation classes both on and off site.

### Levels of Service and how we will measure our performance

Service	How will we measure our performance	Target (17/18)
Safe aquatic facilities are operating in the District.	Compliance with relevant standards including Pool Safe Accreditation.	100% compliant
Aquatics Centres meet customer needs.	Percent of customer satisfaction, based on the Annual Customer Satisfaction Survey.	90% Satisfied
A high quality Swim School operates at the Levin and Foxton Aquatic Centres.	Number of participants in Learn to Swim classes.	400 per term
Local clubs are supported to deliver their own events.	Number of events per year held by clubs- clubs growing and taking ownership of their own events and future.	5 per year
Growing existing events and developing new ones for the following areas; children, general public, and retirees.	Number of events per year for children, general public, and retirees.	3 events per group each year

### Major Projects

There are no major projects planned for Aquatic Centres and Recreation for 2017/18.

### Challenges Council faces for this Activity

A major challenge facing Council for this Activity is the change in demand and community expectations as well as the on-going increases in operational costs, coupled with a predominantly lower socioeconomic local population being unable to afford significant increases in fees and charges. The recent upgrade of Levin Aquatic Centre as well as increased programming for learning to swim, rehabilitation and fitness are ways that Council is addressing this challenge. Council is also continuing to actively investigate areas for increasing targeted revenue generation to effectively subsidise other areas of public access.

Another challenge faced by Council for this Activity is that there has been interest expressed in keeping the Foxton Swimming Pool open for a longer period, although to date it has not been utilised enough to justify opening for an extended season. Furthermore additional work would need to be done to the Foxton Swimming Pool if it was to be kept open for an extended season.

## **Significant negative effects associated with this Activity**

There are no known significant negative effects surrounding Council's planned Aquatic Centres and Recreation Activity.

## **Key Risks and Assumptions associated with this Activity**

The major risks associated with this Activity are health and safety risks inherently associated with publicly accessible swimming pools and with undertaking physical exercise. These types of risks are addressed or managed by adherence to a range of standards regulating how these assets and activities are to be run.

## **Community Centres and Libraries**

Community Centres and Libraries are important resources as they enrich the the social, economic and cultural wellbeing of communities. As part of this Activity the Council owns and operates the Levin Culture and Community Centre (Te Takeretanga o Kura-Hau-Pō or Te Takere for short) as well as the Library buildings in Shannon and Foxton.

Council is also developing Te Awahou-Nieuwe Stroom which will serve as a community centre for Foxton and is a major project for Council's Community Centres and Libraries Activity.

## **What does this Activity involve?**

- Library service delivery including online and wireless access and outreach (in Levin, Foxton, Shannon and Tokomaru/Opiki)
- Programmes that foster and enhance literacy (including digital) and lifelong learning as well as local history
- Events, exhibitions and performances
- IT technology resources and facilities
- Children's events and activities
- Youth events and activities
- Events and activities for older people
- Meetings, functions and conventions
- Provision of community and visitor information
- Council services
- Social and community spaces
- Social lounges and café
- Te Ao Māori.

## **Levels of Service and how we will measure our performance**

Service	How will we measure our performance	Target (17/18)
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Service	How will we measure our performance	Target (17/18)
Council provides Community facilities for residents, ratepayers, and visitors to access community services including library services.	Communities with library and community facilities providing an integrated and District wider service.	Levin, Foxton, and Shannon
	Percent of residents and non-residents satisfied with library and community services.	>85%
	Number of booking counts for community facilities.	380
	Number of visitor counts* to Te Takere, Foxton Library & Service Centre and Shannon Library.	650,000 people across all sites annually*
Customers have access to a range of current information in both print and digital format.	Number of items loaned from the Library across District, including books, magazines etc.	350,000
	Percent of increase in use of website.	+>1%
Customers have access to programmes and initiatives that enhance wellbeing of the District.	Number of programmes delivered.	100

\* Visitor counts include people passing through the buildings as the Council is not currently able to differentiate between actual visitors and people just passing through the building.

\* This measure will include increased emphasis on monitoring online and wireless access and usage of library services and resources.

## Major Projects

Completion and opening of Te Awahou-Nieuwe Stroom in 2017/18.

## Challenges Council faces for this Activity

Major challenges facing Council for this Activity are the increased costs in building and maintaining facilities, increases in operational costs, and increases in demand and community expectations for these facilities.

These challenges will be addressed by ensuring that as Community Centres and Libraries, and their associated operations, are developed, upgraded or reviewed, they are designed to be flexible enough to cope with changing community demands/expectations.

They will also be addressed by obtaining funding from external sources for the development of Te Awahou-Nieuwe Stroom and by pursuing revenue generating opportunities that enhance community wellbeing within its community facilities as well as pursuing external funding for operational activities.

Access to facilities has also been identified as a challenge for some communities. Council is working in partnership with Palmerston North City Council in its library

service delivery to Tokomaru and Opiki to improve community access to library services in this part of the District.

**Significant negative effects associated with this Activity**

There are no known significant negative effects surrounding Council's planned Community Centres and Libraries Centres Activity.

**Key Risks and Assumptions associated with this Activity**

No key risks or assumptions have been identified for this Activity.

## Capital Expenditure Programme for Community Facilities and Services

Annual Report 2015/16		LTP Forecast 2016/17	LTP Forecast 2017/18	Annual Plan Forecast 2017/18	Variance 2017/18
\$000		\$000	\$000	\$000	\$000
	<b>Renewals portion of project</b>				
25	Arapaepae Rd beautification strip remedial landscaping and tree removal	-	-	-	-
-	Beautification South bound carriageway SH1	-	-	25	25
217	Community Centre	1,155	-	567	567
-	Community Centre - Site works and museum fitout	-	-	812	812
-	Cousins Ave Reserve pathways improvement	-	-	25	25
29	District halls (& pavilions) reactive renewals (including vandalism)	26	26	26	-
42	District play equipment	41	-	-	-
34	District play equipment bark mulch	26	26	26	-
-	Donnelly Park reroof amenity block / toilet	26	-	-	-
-	Driscoll Reserve beautification	-	-	25	25
-	Foreshore improvement - Spinifex purchase	-	-	-	-
-	Waitare Beach	-	-	40	40
14	Foxton Aquatic Centre plan renewals	20	10	10	-
30	Foxton Beach Reserves (FHA)	102	105	105	-
-	Halls renewals	447	-	-	-
-	Levin Adventure Park playground renewals	-	157	157	-
-	Levin Aquatic - Replace the Hydroslide	-	-	120	120
34	Levin Aquatic Centre plan renewals	41	21	21	-
27	Levin hydroslide rust prevention and repair	-	-	-	-
-	Library Books / E-Books / Talking Books / DVDs	-	-	200	200
-	Pollard management Oxford Street	-	-	25	25
57	Public toilets programmed renewals	44	46	46	-
36	Reserve carpark reseal	-	-	-	-
10	Reserves renewals	61	159	159	-
-	Shared pathways funding to raise profile of existing cycleways on rural roads	-	-	40	40
-	Te Takere - Couches and round seats across facility (x 50) in blue, yellow and black	-	-	25	25
-	Te Takere - Replace boiler in Te Takere	-	-	25	25
48	Te Takere façade	-	-	-	-
-	Te Takere IT urgent IT capital replacement including frameless TV Shannon, HPElite One, public computers	-	-	30	30
-	Vehicles	27	29	29	-
-	Waitare dune management dune management - flatten recountour	-	-	103	103
34	Total minor projects	78	57	162	105
2	Overheads	107	115	131	16
<b>639</b>	<b>Total renewals</b>	<b>2,201</b>	<b>751</b>	<b>2,934</b>	<b>2,183</b>
	<b>Level of service portion of project</b>				
-	Cemetery - Avenue extend burial and cremation sites	92	-	92	92
-	Cemetery - Avenue redevelop front entrance and update information signage	-	31	31	-
-	Cemetery - Foxton land development	134	-	-	-

Annual Report 2015/16		LTP Forecast 2016/17	LTP Forecast 2017/18	Annual Plan Forecast 2017/18	Variance 2017/18
\$000		\$000	\$000	\$000	\$000
269	Community Centre	1,430	-	702	702
-	Community Centre - Site works and museum	-	-	1,005	1,005
30	District fencing contingency	31	31	31	-
53	FlagTrax	-	-	-	-
26	Foxton water tower lights	-	-	-	-
-	Ihakara Gardens landscaping	20	-	-	-
-	Levin Adventure Park toilet upgrade buildings	41	-	-	-
342	Levin disable facilities upgrade, hydrotherapy pool, zero depth pool and play equipment, upgrade reception	1,652	-	-	-
-	Levin install Centaman - online booking	-	58	-	(58)
27	Levin pump VSD	-	-	-	-
25	Levin pumps	5	5	5	-
-	Levin UV disinfection investigation, and	51	44	44	-
89	Public toilets-Salisbury Street upgrade, reroof, renew flooring, change doors	-	-	-	-
33	Redevelopment Donnelly Park	-	-	-	-
26	Te Takere Capital	-	-	-	-
84	Upgrade ablutions block Donnelly Park	-	-	-	-
20	Total minor projects	92	20	90	70
297	Overheads	130	137	67	(70)
<b>1,321</b>	<b>Total level of service</b>	<b>3,678</b>	<b>326</b>	<b>2,067</b>	<b>1,741</b>
	<b>Growth portion of project</b>				
31	Community Centre	165	-	81	81
-	Community Centre - Site works and museum	-	-	116	116
-	IT equipment Te Awahou	-	-	109	109
-	Tokomaru walkways	-	-	25	25
-	Total minor projects	28	-	12	12
-	Overheads	8	9	11	2
<b>31</b>	<b>Total growth</b>	<b>201</b>	<b>9</b>	<b>354</b>	<b>345</b>
	<b>Make up of above projects by % of type</b>				
639	Renewals	2,201	751	2,934	2,183
1,321	Level of service	3,678	326	2,067	1,741
31	Growth	201	9	354	345
<b>1,991</b>	<b>Total</b>	<b>6,080</b>	<b>1,086</b>	<b>5,355</b>	<b>4,269</b>

## Funding Impact Statement for Community Facilities and Services

Annual Report 2015/16		LTP Forecast 2016/17	LTP Forecast 2017/18	Annual Plan Forecast 2017/18	Variance 2017/18
\$000		\$000	\$000	\$000	\$000
	<b>Sources of operating funding</b>				
4,620	General rates, uniform annual general charges, rates penalties	4,736	4,974	4,867	(107)
5,357	Targeted rates	5,597	5,916	5,887	(29)
5	Subsidies and grants for operating purposes	7	8	72	64
683	Fees and charges	730	747	1,319	572
197	Local authorities fuel tax, fines, infringement fees, and other receipts	216	201	225	24
-	Internal charges and overheads recovered	-	-	-	-
<b>10,862</b>	<b>Total operating funding (A)</b>	<b>11,286</b>	<b>11,846</b>	<b>12,370</b>	<b>524</b>
	<b>Applications of operating funding</b>				
7,224	Payments to staff and suppliers	7,608	7,794	7,986	192
704	Finance costs	866	1,026	857	(169)
1,491	Internal charges and overheads applied	1,583	1,654	2,299	645
-	Other operating funding applications	-	-	-	-
<b>9,419</b>	<b>Total applications of operating funding (B)</b>	<b>10,057</b>	<b>10,474</b>	<b>11,142</b>	<b>668</b>
<b>1,443</b>	<b>Surplus (deficit) of operating funding (A - B)</b>	<b>1,229</b>	<b>1,372</b>	<b>1,228</b>	<b>(144)</b>
	<b>Sources of capital funding</b>				
375	Subsidies and grants for capital expenditure	2,327	-	1,455	1,455
53	Development and financial contributions	-	-	-	-
588	Increase (decrease) in debt	2,672	(47)	2,971	3,018
74	Gross proceeds from sale of assets	-	-	-	-
-	Lump sum contributions	-	-	-	-
-	Other dedicated capital funding	-	-	-	-
<b>1,090</b>	<b>Total sources of capital funding (C)</b>	<b>4,999</b>	<b>(47)</b>	<b>4,426</b>	<b>4,473</b>
	<b>Applications of capital funding</b>				
	<b>Capital expenditure</b>				
31	- to meet additional demand	201	9	354	345
1,321	- to improve the level of service	3,678	326	2,067	1,741
639	- to replace existing assets	2,201	751	2,934	2,183
542	Increase (decrease) in reserves	148	239	299	60
-	Increase (decrease) of investments	-	-	-	-
<b>2,533</b>	<b>Total applications of capital funding (D)</b>	<b>6,228</b>	<b>1,325</b>	<b>5,654</b>	<b>4,329</b>
<b>(1,443)</b>	<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(1,229)</b>	<b>(1,372)</b>	<b>(1,228)</b>	<b>144</b>
	<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
917	Depreciation	994	1,151	932	(219)

## Activity Expenditure

Annual Report 2015/16		LTP Forecast 2016/17	LTP Forecast 2017/18	Annual Plan Forecast 2017/18	Variance 2017/18
\$000		\$000	\$000	\$000	\$000
299	Cemeteries	339	369	502	133
299	Public Toilets	341	353	334	(19)
634	Beautification	519	534	675	141
1,563	Reserves	2,033	2,109	1,814	(295)
1,361	Sportsgrounds	1,161	1,204	1,136	(68)
223	Halls	302	341	276	(65)
3,067	Libraries & Community Services	3,388	3,493	4,176	683
2,539	Aquatic Centres	2,640	2,888	2,780	(108)
350	Urban Cleansing	327	335	380	45
<b>10,335</b>	<b>Total Expenditure</b>	<b>11,050</b>	<b>11,626</b>	<b>12,073</b>	<b>447</b>

## Loans

	External	Internal	Total
	\$000	\$000	\$000
Anticipated loan balances at 1/7/2017	14,800	2,332	17,132
Raised during the year	3,000	671	3,671
Repaid during the year	(700)	-	(700)
<b>Anticipated loan balances 30/06/2018</b>	<b>17,100</b>	<b>3,003</b>	<b>20,103</b>
Budgeted interest expense	752	105	857

## How it will be funded?

<b>Activity</b>	<b>Reserves and Beautification</b>
<b>Funding Source</b>	This activity will be funded by Public Good Rates and Private Good Fees and Charges.
<b>Rationale</b>	As reserves can be used by anyone and any charge or fee would limit accessibility and participation, the general rate is the most appropriate method of funding passive reserves.

<b>Activity</b>	<b>Cemeteries</b>
<b>Funding Source</b>	This activity will be funded by Public Good Rates and Private Good Fees and Charges.
<b>Rationale</b>	Cemeteries have a degree of private benefit. The true cost of burials has never been able to be collected. It would be onerous for some families to bear the full cost.

<b>Activity</b>	<b>Halls</b>
<b>Funding Source</b>	This activity will be funded by Public Good Rates and Private Good Fees and Charges.
<b>Rationale</b>	These facilities are an integral part of the communities that they are located in. Attempts to recover higher levels of rental income from users would reduce usage dramatically, which would be counterproductive in trying to foster usage.

<b>Activity</b>	<b>Public Toilets</b>
<b>Funding Source</b>	This activity will be funded by Public Good Rates.
<b>Rationale</b>	Not practicable or desirable to charge for the use of public toilets when usage is to be encouraged for the wider community benefit.

<b>Activity</b>	<b>Sports Grounds</b>
<b>Funding Source</b>	This activity will be funded by Public Good Rates and Private Good Fees and Charges.
<b>Rationale</b>	Providing sports grounds is regarded as core business of Council. They are not self-funding and are used extensively for passive recreation. To charge the full cost of the facility to the users would dramatically impact on use and participation and deny accessibility by the public. The grounds are unavailable at peak times during the weekends but remain available during the week for passive recreational use. The funding mechanism reflects the fact that sports grounds are unavailable to the public at those peak times.

<b>Activity</b>	<b>Swimming Pools</b>
<b>Funding Source</b>	This activity will be funded by Public Good Rates and Private Good Fees and Charges.
<b>Rationale</b>	Providing swimming pools is regarded as core business of Council. They are not self-funding. To charge the full cost of the facility to the users would dramatically impact on use and participation and deny accessibility by the public.

<b>Activity</b>	<b>Library</b>
<b>Funding Source</b>	This activity will be funded by Public Good Rates.
<b>Rationale</b>	The private benefit is retained by the Te Horowhenua Trust to offset the cost Council's grant to the Trust. Council will therefore fund the Library and Community Centre operations and asset/debt costs 100% from a Targeted rate.

## Property

The Property Activity supports all activities of Council that are dependent on physical land and buildings. Council holds a selection of property assets to support the delivery of Council's activities which also contribute to the wellbeing of the Community. This ranges from direct support e.g. provision of a community centre, to indirect support e.g. through investment and endowment property which contributes revenue to rates or facilities. Council also provides tenancy services to a wide range of stakeholders and customers.

Council has developed a Property Strategy. This Strategy will identify and consider all property assets across the wider District by way of determining the relevance to core Council business in line with recent changes to the Local Government Act. This process will inform decision making on future maintenance, investment and/or disposal of current assets.

The Strategy looks at ten key criteria in evaluating Council's existing property portfolio that includes whether the property has a strategic or core purpose; the capital cost required to maintain the property including earthquake strengthening amongst other factors.

### What does this Activity involve?

- The Council owns various properties throughout the District and through the Property Activity the Council ensures that these properties are managed and maintained.
- Council owns the following properties:
  - The Council building in Levin;
  - Commercial properties which are leased to tenants;
  - Endowment property e.g. Council owns land in Foxton Beach that was formerly owned by the Foxton Harbour Board. Much of this land is leased for residential purposes with rights of purchase. Some of the land has been subdivided to create 70 residential sections down Forbes Road; and
  - Other community facilities including motor camps, historic and cultural buildings, and depots and car parks.

### Levels of Service and how we will measure our performance

Service	How will we measure our performance	Target (17/18)
Council operated facilities are available for public hire.	Facilities availability (hrs) and hire charges by annual review.	8 hrs per day and review annually
Residential housing is provided for the elderly.	Occupancy Rate (Percent).	95% occupied
Endowment property	Number of sections available for sale.	20 sections

Service	How will we measure our performance	Target (17/18)
is appropriately managed.		
Council's properties will comply with relevant legislation.	All buildings with compliance schedules will have current building WOF.	Achieved
Commercial property is appropriately managed.	Rent is within a percentage range of current market rentals at time of review/renewal.	10%

## Major Projects

There are no major projects for Property for 2017/18.

## Challenges Council faces for this Activity

A key challenge facing Council for this Activity is changing demands and Community expectations with the use of some of Council's facilities declining in some areas but the operational costs increasing. However, demand for other Council owned facilities is increasing and therefore the Council needs to decide where to focus its funds. This issue will be met by ensuring that as key property assets are developed they are designed to be multi-use and flexible enough to cope with the change in demands and expectations.

Another challenge is that the District's demographic projections are signalling an ageing population and with this comes additional requirements in regards to accessibility such as provision of appropriate car parking and entrance ways to buildings.

Vandalism of Council's property is also a challenge faced by Council for this Activity. Council's response to vandalism is to ensure that assets are designed to be vandal resistant which involves not just the type of materials used for construction but also good design, well considered location, and responsive maintenance.

Finally a number of Council's buildings have been identified as earthquake prone and with new legislation around requirements to upgrade earthquake prone buildings Council must decide what it wants to do with these buildings. Council's response to potentially earthquake prone buildings has been to remove all associated renewal and capital development funding for these buildings, until a decision on the retention/strengthening or disposal of these buildings has been made. The impact of this in the short term is an expected increase in reactive and unplanned maintenance as planned renewals are not funded.

## Significant negative effects associated with this Activity

There are no known significant negative effects surrounding Council's planned Property Activity.

### **Key Risks and Assumptions associated with this Activity**

Earthquake prone buildings owned by the Council are possibly a risk if they continue to be utilised without being earthquake strengthened. The Council has already ceased using and demolished the former service building in Foxton due to the fact that it is an earthquake prone building (and that it was no longer needed), and Council will decide what to do with the other earthquake prone properties that it owns in the near future.

A key assumption for this Activity is that properties will be maintained in a fit for purpose state; however, some properties are showing signs of changes in demand and drop of utilisation. Existing trends are expected to continue.

## Capital Expenditure Programme for Property

Annual Report 2015/16		LTP Forecast 2016/17	LTP Forecast 2017/18	Annual Plan Forecast 2017/18	Variance 2017/18
\$000		\$000	\$000	\$000	\$000
	<b>Renewals portion of project</b>				
	Chip seal of driveway and repaint park lines				
-	Parsons Ave kindergarten	-	-	25	25
	- Commercial property renewals	-	262	262	-
31	Community buildings programmed renewals	46	49	49	-
3	Focal Point Cinema air conditioning	187	-	-	-
-	Focal Point Cinema exterior fire exit doors	23	-	-	-
-	Focal Point Cinema exterior paint	-	35	35	-
-	Focal Point Cinema exterior renewal & paint	-	59	59	-
	Focal Point Cinema replacement of internal membrane gutter	23	-	-	-
15	General property renewals	287	-	-	-
-	Jack Allen Centre exterior renewals & paint	-	-	38	38
-	Levin Depot pole shed reroof	51	-	80	80
34	Pensioner residential property reactive renewals	-	-	-	-
16	Total minor projects	-	-	-	-
-	Overheads	30	30	41	11
<b>99</b>	<b>Total renewals</b>	<b>647</b>	<b>435</b>	<b>589</b>	<b>154</b>
	<b>Level of service portion of project</b>				
-	Levin Depot new sewer connection	58	-	250	250
36	Thompson House exterior fire escape, egress improvements and disability access including toilet provision	-	-	-	-
-	Overheads	5	5	15	10
<b>36</b>	<b>Total level of service</b>	<b>63</b>	<b>5</b>	<b>265</b>	<b>260</b>
	<b>Growth portion of project</b>				
280	Tararua industrial development	502	-	-	-
-	Overheads	11	12	-	(12)
<b>280</b>	<b>Total growth</b>	<b>513</b>	<b>12</b>	<b>-</b>	<b>(12)</b>
	<b>Make up of above projects by % of type</b>				
99	Renewals	647	435	589	154
36	Level of service	63	5	265	260
280	Growth	513	12	-	(12)
<b>415</b>	<b>Total</b>	<b>1,223</b>	<b>452</b>	<b>854</b>	<b>402</b>

## Funding Impact Statement for Property

Annual Report 2015/16		LTP Forecast 2016/17	LTP Forecast 2017/18	Annual Plan Forecast 2017/18	Variance 2017/18
\$000		\$000	\$000	\$000	\$000
	<b>Sources of operating funding</b>				
665	General rates, uniform annual general charges, rates penalties	326	523	315	(208)
-	- Targeted rates	-	-	-	-
-	- Subsidies and grants for operating purposes	-	-	-	-
1,642	Fees and charges	1,657	797	733	(64)
103	Local authorities fuel tax, fines, infringement fees, and other receipts	137	140	138	(2)
449	Internal charges and overheads recovered	511	530	464	(66)
<b>2,859</b>	<b>Total operating funding (A)</b>	<b>2,631</b>	<b>1,990</b>	<b>1,650</b>	<b>(340)</b>
	<b>Applications of operating funding</b>				
1,602	Payments to staff and suppliers	1,282	817	1,120	303
668	Finance costs	765	475	365	(110)
383	Internal charges and overheads applied	408	422	290	(132)
-	- Other operating funding applications	-	-	-	-
<b>2,653</b>	<b>Total applications of operating funding (B)</b>	<b>2,455</b>	<b>1,714</b>	<b>1,775</b>	<b>61</b>
<b>206</b>	<b>Surplus (deficit) of operating funding (A - B)</b>	<b>176</b>	<b>276</b>	<b>(125)</b>	<b>(401)</b>
	<b>Sources of capital funding</b>				
-	- Subsidies and grants for capital expenditure	-	-	-	-
14	Development and financial contributions	-	-	-	-
(346)	Increase (decrease) in debt	(1,585)	(6,960)	(7,259)	(299)
1,251	Gross proceeds from sale of assets	655	7,721	8,766	1,045
-	- Lump sum contributions	-	-	-	-
-	- Other dedicated capital funding	-	-	-	-
<b>919</b>	<b>Total sources of capital funding (C)</b>	<b>(930)</b>	<b>761</b>	<b>1,507</b>	<b>746</b>
	<b>Applications of capital funding</b>				
	<b>Capital expenditure</b>				
280	- to meet additional demand	513	12	-	(12)
36	- to improve the level of service	63	5	265	260
99	- to replace existing assets	647	435	589	154
710	Increase (decrease) in reserves	71	585	528	(57)
-	- Increase (decrease) of investments	(2,048)	-	-	-
<b>1,125</b>	<b>Total applications of capital funding (D)</b>	<b>(754)</b>	<b>1,037</b>	<b>1,382</b>	<b>345</b>
<b>(206)</b>	<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(176)</b>	<b>(276)</b>	<b>125</b>	<b>401</b>
	<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
355	Depreciation	369	268	208	(60)

## Activity Expenditure

Annual Report 2015/16		LTP Forecast 2016/17	LTP Forecast 2017/18	Annual Plan Forecast 2017/18	Variance 2017/18
\$000		\$000	\$000	\$000	\$000
337	Council Building	348	361	310	(51)
2	Camping Grounds	14	15	9	(6)
276	Commercial Properties	238	254	254	-
509	Endowment Property	249	255	356	101
530	General Property	383	567	590	23
906	Residential Housing	1,083	-	-	-
<b>2,560</b>	<b>Total Expenditure</b>	<b>2,315</b>	<b>1,452</b>	<b>1,519</b>	<b>67</b>

## Loans

	External	Internal	Total
	\$000	\$000	\$000
Anticipated loan balances at 1/7/2017	12,000	384	12,384
Raised during the year	-	456	456
Repaid during the year	(7,000)	(715)	(7,715)
<b>Anticipated loan balances 30/06/2018</b>	<b>5,000</b>	<b>125</b>	<b>5,125</b>
Budgeted interest expense	356	9	365

## How it will be funded?

<b>Activity</b>	<b>Commercial and Endowment</b>
<b>Funding Source</b>	Commercial will be funded by Private Good Fees and Charges. Endowment by Private Good Fees and Charges or alternatively Public Good Rates where the property provides public benefit.
<b>Rationale</b>	Commercial total private good to the lessees, endowment public and private good dependent on the function of the property.

<b>Activity</b>	<b>Residential Housing</b>
<b>Funding Source</b>	This activity will be funded by Private Good Rents.
<b>Rationale</b>	Total private good to the tenants.

<b>Activity</b>	<b>Motor Camps</b>
<b>Funding Source</b>	This activity will be funded by Private Good Fees and Charges.
<b>Rationale</b>	Total private good to the lessees of the camps.

# Representation and Community Leadership

This Group of Activities comprises of how Council meets its responsibility to represent the Community as well as to provide leadership for the Community and to involve it in decision making processes and long term strategic planning.

## What does this Activity involve?

The Council is elected every three years by those eligible to vote, who live or own property, in the District. The Council is made up of a Mayor (elected at large) and 10 Councillors (representing four Wards). The Council is supported at a governance level by the Foxton Community Board and a number of subcommittees. The core functions of the Representation and Community Leadership Activity are:

- Setting the policy direction of Council.
- Monitoring the performance of Council.
- Representing the interests of the District (on election all members must make a declaration that they will perform their duties faithfully and impartially, and according to their best skill and judgment in the best interests of the District).
- Wherever and whenever possible, facilitating solutions to local needs/issues.
- Employing the Chief Executive (under the Local Government Act 2002, the local authority employs the Chief Executive who in turn employs all other staff on its behalf).

These core functions are achieved by:

- Holding regular meetings which are open to the public.
- Preparing the key policy and planning documents.
- Consulting the public on major decisions.
- Providing Council representation on a wide range of community groups.
- Holding civic functions, including citizenship ceremonies.
- Advocating the District's interests to agencies at Regional and National levels.
- Keeping abreast of issues, legislation, and best practice.
- Balancing the books.

## Levels of Service and how we will measure our performance

Service	How will we measure our performance	Target (17/18)
Council provides open, accessible processes to local government.	Local body elections will be held in compliance with relevant legislation.	Achieved (only measured in election year)
	Number of complaints upheld against the election process.	0
Council supports residents and ratepayers to have their views heard and	Percent of residential and non-residential ratepayers who are satisfied with the way the Council involves the public in its decision making.	>50%

Service	How will we measure our performance	Target (17/18)
considered in Council decision making.	Council's Community Engagement Strategy * is implemented and reviewed every 3 years.	90% of Annual Work Plan is completed
Council's planning documents meet statutory requirements and meet Audit NZ standards.	The LTP is completed within the statutory timeframe, including a Financial Strategy which meets the new requirements of the Local Government Act.	Adopted before 30 June (every 3 years)
	The Annual Plan will be adopted annual before 30 June annually.**	Achieved
	The Annual Report will include an unqualified audit opinion.	Achieved

\* New requirement in accordance with the changes to the Local Government Act.

\*\* Every third year a LTP is prepared in the place of the Annual Plan. The next LTP will be prepared for 2018-2028.

## Major Projects

In 2017/18 Council will continue work on the Levin Town Centre Project. Engagement with property owners and members of the community commenced in 2016 and focuses on exploring opportunities for developing Levin's town centre in the coming years to ensure that it continues to meet the needs of our growing community, especially in light of potential future changes to State Highway 1.

## Challenges Council faces for this Activity

A key challenge faced by Council is how to make Local Government more relevant for our residents and ratepayers as well as how to encourage positive and active engagement in Council's decision making processes.

Another challenge is the impact that future changes in legislation could have on the Council and its responsibilities and functions.

## Significant negative effects associated with this Activity

There are no known significant negative effects surrounding Council's planned Representation and Community Leadership Activity.

## Key Risks and Assumptions associated with this Activity

There are no known risks or assumptions associated with Council's planned Representation and Community Leadership Activity.

## Capital Expenditure Programme for Representation and Community Leadership

Annual Report 2015/16		LTP Forecast 2016/17	LTP Forecast 2017/18	Annual Plan Forecast 2017/18	Variance 2017/18
\$000		\$000	\$000	\$000	\$000
	<b>Renewals portion of project</b>				
-	<b>Total renewals</b>	-	-	-	-
	<b>Level of service portion of project</b>				
-	<b>Total level of service</b>	-	-	-	-
	<b>Growth portion of project</b>				
-	Levin Town Centre Projects - Phase 1	-	-	143	143
-	Overheads	-	-	4	4
-	<b>Total growth</b>	-	-	<b>147</b>	<b>147</b>
	<b>Make up of above projects by % of type</b>				
-	Renewals	-	-	-	-
-	Level of service	-	-	-	-
-	Growth	-	-	147	147
-	<b>Total</b>	-	-	<b>147</b>	<b>147</b>

## Funding Impact Statement for Representation and Leadership

Annual Report 2015/16		LTP Forecast 2016/17	LTP Forecast 2017/18	Annual Plan Forecast 2017/18	Variance 2017/18
\$000		\$000	\$000	\$000	\$000
	<b>Sources of operating funding</b>				
-	General rates, uniform annual general charges, rates penalties	-	-	-	-
2,835	Targeted rates	2,891	3,166	3,597	431
-	Subsidies and grants for operating purposes	-	-	-	-
-	Fees and charges	-	-	-	-
122	Local authorities fuel tax, fines, infringement fees, and other receipts	3	-	-	-
-	Internal charges and overheads recovered	-	-	-	-
<b>2,957</b>	<b>Total operating funding (A)</b>	<b>2,894</b>	<b>3,166</b>	<b>3,597</b>	<b>431</b>
	<b>Applications of operating funding</b>				
1,275	Payments to staff and suppliers	1,002	1,089	1,208	119
-	Finance costs	-	-	-	-
1,974	Internal charges and overheads applied	1,952	2,035	2,348	313
-	Other operating funding applications	-	-	-	-
<b>3,249</b>	<b>Total applications of operating funding (B)</b>	<b>2,954</b>	<b>3,124</b>	<b>3,556</b>	<b>432</b>
<b>(292)</b>	<b>Surplus (deficit) of operating funding (A - B)</b>	<b>(60)</b>	<b>42</b>	<b>41</b>	<b>(1)</b>
	<b>Sources of capital funding</b>				
-	Subsidies and grants for capital expenditure	-	-	-	-
-	Development and financial contributions	-	-	-	-
-	Increase (decrease) in debt	1	(2)	147	149
-	Gross proceeds from sale of assets	-	-	-	-
-	Lump sum contributions	-	-	-	-
-	Other dedicated capital funding	-	-	-	-
-	<b>Total sources of capital funding (C)</b>	<b>1</b>	<b>(2)</b>	<b>147</b>	<b>149</b>
	<b>Applications of capital funding</b>				
	<b>Capital expenditure</b>				
-	- to meet additional demand	-	-	147	147
-	- to improve the level of service	-	-	-	-
-	- to replace existing assets	-	-	-	-
(292)	Increase (decrease) in reserves	(60)	42	41	(1)
-	Increase (decrease) of investments	1	(2)	-	2
<b>(292)</b>	<b>Total applications of capital funding (D)</b>	<b>(59)</b>	<b>40</b>	<b>188</b>	<b>148</b>
<b>292</b>	<b>Surplus (deficit) of capital funding (C - D)</b>	<b>60</b>	<b>(42)</b>	<b>(41)</b>	<b>1</b>
	<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
-	Depreciation	-	-	-	-

## Activity Expenditure

Annual Report 2015/16		LTP Forecast 2016/17	LTP Forecast 2017/18	Annual Plan Forecast 2017/18	Variance 2017/18
\$000		\$000	\$000	\$000	\$000
153	Community Board	158	170	203	33
18	Elections	125	8	8	-
2,060	Governance	1,630	1,695	1,917	222
1,017	LTP/Annual Plan/Annual Report	1,042	1,252	1,427	175
<b>3,248</b>	<b>Total Expenditure</b>	<b>2,955</b>	<b>3,125</b>	<b>3,555</b>	<b>430</b>

## Loans

	External	Internal	Total
	\$000	\$000	\$000
Anticipated loan balances at 1/7/2017	-	-	-
Raised during the year	-	147	147
Repaid during the year	-	-	-
<b>Anticipated loan balances 30/06/2018</b>	<b>-</b>	<b>147</b>	<b>147</b>
Budgeted interest expense	-	-	-

## How it will be funded?

<b>Funding Source</b>	This activity will be funded by Public Good Rates.
<b>Rationale</b>	All residents and ratepayers gain equal benefit regardless of the value attributable to their properties. A fixed charge rated based on separately used or inhabited portions of each rating unit over the whole District would be most appropriate.

# Community Support

## Emergency Management

As part of this Activity Council is an active member of the Manawatu-Wanganui Civil Defence Emergency Management Group, and is responsible for facilitating the Horowhenua Emergency Management Group and the Horowhenua Welfare Committee.

The Emergency Management Activity ensures the District is ready for, and able to respond to, emergencies or natural hazards that may cause loss of life, injury or illness.

### What does this Activity involve?

- Facilitating community resilience and emergency preparedness planning with a range of external agencies and community groups through the Horowhenua Emergency Management Group and the Horowhenua Welfare Committee. This includes identifying potential hazards, and developing and implementing measures to minimise impacts (i.e. reduction).
- Ensuring plans are in place and that the community is aware of the “hazardscape” and is prepared. Engaging with, and educating, our community about “Being Prepared” (i.e. readiness).
- Preparing for the provision of a fully functional Emergency Operating Centre (EOC) to co-ordinate response activities during an emergency. Ensuring critical services can be provided during and after an emergency (i.e. response).
- Co-ordination of recovery activities planned for (i.e. recovery).

### Levels of Service and how we will measure our performance

Service	How will we measure our performance	Target (17/18)
Community awareness is promoted and encouraged.	5 media messages promoting preparedness for an emergency will be made to residents and ratepayers annually*.	Achieved
Council maintains a functional EOC and trained staff.	Civil Defence and Emergency Management assessment of readiness and capability.	100% of Council staff

\* This measure will include increased emphasis on monitoring activity associated with individual, household, neighbourhood and community preparedness.

## **Major Projects**

### **Review of Emergency Management Service**

With the removal of the Council's obligation to deliver Rural Fire Services, it is timely for Council to review its Emergency Management service delivery as both Rural Fire and Emergency Services are currently delivered under contract with Horizons Regional Council.

This review will take the form of a Section 17A review under the Local Government Act 2002. Council is working with Rangitikei and Manawatu District Councils to undertake this review, as the three (3) Councils share many of the same risks and issues, and also presently operate a similar arrangement with Horizons Regional Council.

Section 17A requires Councils to review the cost-effectiveness of current arrangements for meeting the community's needs for local public services including current and projected future levels of performance required. This section 17A review will consider the costs and benefits of different options for funding, governance and delivery of Emergency Management services in 2017/2018 for the 3 Councils involved.

### **Challenges Council faces for this Activity**

A challenge Council now faces for this Activity is a much higher level of scrutiny and audit as result of recent disasters in this country including the Canterbury Earthquakes. This will mean a deeper level of commitment of staff time for EOC training and exercises as well as from Council managers and Civil Defence Emergency Management EOC function managers (and associated team members), for regular planning and reviewing of processes associated with the various emergency management functions.

Another challenge Council faces for this Activity is obtaining accurate and up-to-date information on potential hazards (e.g. liquefaction and sea level rise) and how they might affect this District.

### **Significant negative effects associated with this Activity**

Aside from providing increased time for staff to be trained and to plan/review processes (which will take these staff away from their core roles and cost money) there are no negative effects arising from this Activity.

### **Key Risks and Assumptions associated with this Activity**

There are no known risks or assumptions associated with Council's planned Emergency Management Activity.

### Rural Fire – No Longer Part of Council’s Emergency Management Activity

The government is combining all firefighting and fire control responsibilities (including rural fire) into a single Crown entity (Fire and Emergency New Zealand) and it has given it the legislative mandate to perform certain non-fire-related work.

The result will be that from 1 July 2017 wherever in New Zealand a fire happens (or indeed most emergencies) Fire and Emergency New Zealand will respond.

Horowhenua District Council will cease to have responsibility for rural fire control in the District and Councils’ powers to collect funding for rural fire have been repealed, although Councils retain civil defence responsibilities.

It is expected that firefighters will continue to respond rapidly to fires and other emergencies, and deal with them efficiently and professionally. Many of the changes planned will involve behind-the-scenes changes such as co-ordination of crews, lines of management and interaction with other emergency management agencies.

With the advent of a Crown entity to take responsibility for firefighting and fire control across New Zealand the Fire Service Levy (part of the Insurance Levy) will be recalculated and is likely to significantly increase Council costs for material damage.

## **Community Engagement**

The Community Engagement Activity helps to provide a platform for community engagement and social wellbeing within the Horowhenua District. This includes the implementation of Council's Community Wellbeing Strategy and Action Plans, grants and funding schemes, public communications, media engagement, and District marketing.

### **What does this Activity involve?**

- Council leading the development and implementation of the Horowhenua Community Wellbeing Strategy as well as the Education, Youth, Disability, Arts Culture and Heritage, Pride and Vibrancy, and Positive Ageing Action Plans.
- Council taking a lead role in advocating, facilitating and coordinating on behalf of the Community to assist Community groups or find solutions to respond to local needs.
- Advocating on behalf of the Community for better health, transport and social outcomes through the Community Wellbeing Executive and Community Wellbeing Forum.
- Providing funding support to Surf Life Saving, Waitarere and Foxton Beach Wardens and Neighbourhood Support, on contract.
- Funding and operating several small contestable grant schemes which are:
  - Community Development Grant.
  - Community Consultation Grant.
  - International Representation Grant.

- Rural Halls Grant.
- Vibrant Communities Fund.
- Administrating or providing administrative support to externally funded contestable grant schemes which are:
  - Horowhenua Creative Communities Scheme.
  - Shannon Community Development Trust.
- Facilitating a Community Capacity Building Programme, providing free or subsidised training to the not-for-profit sector with the aim to increase the capability at a governance and operational level.
- Produce and distribute Council publications.
- Produce sector specific publications, such as resource consent guides.
- Monitor and update social and traditional media.
- Provide communications support to internal staff and departments.
- Maintain and update Council's website presence, namely [www.horowhenua.govt.nz](http://www.horowhenua.govt.nz)
- Respond and provide information to media outlets, as required.

### Levels of Service and how we will measure our performance

Service	How will we measure our performance	Target (17/18)
Council provides effective leadership in advocating, coordinating and facilitating on behalf of community needs.	Number of Community Wellbeing Executive meetings per year. ( <b>Note:</b> the schedule for 2015 onwards has changed from 6 weekly to bi-monthly).	5
Council supports the vision that young people in the Horowhenua live in a safe and supportive environment, which empowers them to make positive life choices.	Number of Youth Voice meetings per year. Number of Programmes or projects implemented by Youth Voice. Number of Youth Network meetings per year. ( <b>Note:</b> the schedule for 2015 onwards has changed from monthly to bi-monthly).	8 4 6
Council supports the vision that Horowhenua residents are empowered to make choices enabling them to live a satisfying and healthy lifestyle.	Number of Older Person Network meetings per year. Number of Elder Berries Magazine Publications annually.	10 4
Council supports the vision that Horowhenua is a vibrant, creative and friendly community with an abundance of art, rich cultures and a strong sense of heritage.	Number of Creative Communities funding rounds per year.	2

Service	How will we measure our performance	Target (17/18)
Council supports the vision that Horowhenua is New Zealand's foremost region in taking joint responsibility for the success of our community through education.	Number of Education Horowhenua meetings per year. ( <b>Note:</b> the schedule for 2015 onwards has changed from ad-hoc to quarterly).	4
Council supports the vision that the Horowhenua is fully accessible to all people.	Number of Disability Leadership Forums per year.	4
Council promotes community empowerment and provides opportunities for community driven initiatives and projects.	Percent of funds distributed through contestable Community Grants and Funding schemes that comply with grant criteria.	100%
Council promotes community group empowerment, and provides opportunity for community groups to grow and develop.	Number of Community Capacity and Capability Building Programme workshops or trainings offered.	10
	Percent of satisfaction with Capacity and Capability Building Programme workshops or training.	80%
	Number of individuals participating in Capacity and Capability Building Programme workshops or training over the year.	100
Council supports beach safety initiatives within communities by providing financial support.	Number of weeks Council funded surf life saving service is provided at Foxton and Waitarere Beaches.	6
Council effectively communicates with its ratepayers and residents.	Number of Council "Community Connections" Newsletters published annually.	10
	Number of media releases published annually.	100
	Council provides a 24/7 telephone contact centre operation for people to phone.	100%

## Major Projects

There are no major projects planned for the Community Engagement Activity for 2017/18.

## Challenges Council faces for this Activity

A challenge facing Council for this Activity is the change in demand and community expectations. This challenge will be met by ensuring that the services provided by

the Community Engagement Activity will be developed to ensure that they are meeting the needs of their target audience as well as the wider community and to ensure that they are flexible enough to cope with these changing demands and expectations.

Another challenge is the need to stay connected to Central Government's Strategic Policies and Direction for providing for community engagement while maintaining a focus on the needs of our local communities.

Funding requests are regularly higher than the funding available and unfortunately there are limited funds available for this Activity and these funds must be allocated to a wide range of community organisations not just a few.

### **Significant negative effects associated with this Activity**

There are no known significant negative effects surrounding Council's planned Community Engagement Activity.

### **Key Risks and Assumptions associated with this Activity**

An assumption is that the role of Local Government will continue to include community wellbeing as a core service and outcome.

### **Visitor Information**

As part of this Activity Council manages the provision of visitor information services in Levin, Foxton, and Shannon.

### **What does this Activity involve?**

- As part of this Activity the Council manages contracts which provide the following services:
  - Domestic travel ticketing;
  - Horowhenua attraction, activity and accommodation bookings;
  - Local and regional visitor information, travel maps and resources; and
  - Integrated communications and working partnerships with local service providers.

### **Levels of Service and how we will measure our performance**

Service	How will we measure our performance	Target (17/18)
Council supports the promotion of Horowhenua as a tourism destination.	Communities with Visitor Information financially supported.	Levin, Foxton and Foxton Beach, Shannon
	Percent of key performance indicators achieved by providers of Visitor Information as set out in annual service level agreement.	>85%
	Percent of key performance indicators achieved by Destination Manawatu (Regional Tourism Organisation) as set out in annual service level agreement.	>85%

## Major Projects

There are no major projects planned for the Visitor Information Activity for 2017/18.

## Challenges Council faces for this Activity

A main challenge facing Council for this Activity is maintaining the current levels of funding support in the absence of receiving income generated from this Activity.

Another challenge is balancing the requirements of visitor and local customers as this blurs the line between economic and community wellbeing outcomes and funding mechanisms.

## Significant negative effects associated with this Activity

There are no known significant negative effects surrounding Council's planned Visitor Information Activity.

## Key Risks and Assumptions associated with this Activity

There are no known risks or assumptions associated with Council's planned Visitor Information Activity.

## Economic Development

The purpose of this Activity is to facilitate economic growth and improved social and economic wellbeing in the Horowhenua District through the support and implementation of strategies targeting increased investment, job growth, skill growth, income growth and an enhanced reputation for the District. New Zealand Institute of Economic Research's (NZIER) analysis has confirmed that the Horowhenua District is poised for significant change and has the opportunity to considerably advance its economic wellbeing and prosperity.

## What does this Activity involve?

Economic Development advocacy, support and facilitation across the following service areas:

- Business sector growth and performance;
- Sustainable natural resource utilisation;
- Infrastructure and policy development/implementation;
- Workforce skill development, training and education; and
- Horowhenua as a vibrant and sustainable place to live and visit.

## Levels of Service and how we will measure our performance

Service	How will we measure our performance	Target (17/18)
Council provides strategic leadership in coordinating Economic Development activities across the District.	Councils Economic Development function will meet performance indicators and objectives as defined in the Horowhenua Economic Development Strategy.*	90% of annual work plan is completed

Service	How will we measure our performance	Target (17/18)
	Number of Economic Development Board meetings held per year.	10
Council provides opportunities for businesses to collaborate and network resulting in a stronger business sector.	Number of Business networking meetings held per year.	10
Council advocates for and facilitates business development and new business investment in the Horowhenua.	Percent of the District's business community that are satisfied or more than satisfied with the Council's overall performance in the Economic Development Activity.	>75%

\* Performance indicators and objectives for key projects will be identified as part of the Economic Development Strategy implementation and will inform the annual works plan.

### Major Projects

There are no major projects planned for the Economic Development Activity for 2017/18.

### Challenges Council faces for this Activity

A challenge faced by the Council in relation to economic development is realising Horowhenua District's economic potential over the coming years. This will require quality leadership and decision making with an appropriate level of strategic and operational resourcing. Co-ordinated action is imperative if the District is to fully realise its opportunities. The Council needs the support of businesses and the wider community to help facilitate economic growth and prosperity in Horowhenua.

### Significant negative effects associated with this Activity

There are no known significant negative effects surrounding Council's planned Economic Development Activity.

### Key Risks and Assumptions associated with this Activity

There are no known risks or assumptions associated with Council's planned Economic Development Activity.

## Capital Expenditure Programme for Community Support

Annual Report 2015/16		LTP Forecast 2016/17	LTP Forecast 2017/18	Annual Plan Forecast 2017/18	Variance 2017/18
\$000		\$000	\$000	\$000	\$000
	<b>Renewals portion of project</b>				
-	<b>Total renewals</b>	-	-	-	-
	<b>Level of service portion of project</b>				
-	Total minor projects	-	-	5	5
-	<b>Total level of service</b>	-	-	<b>5</b>	<b>5</b>
	<b>Growth portion of project</b>				
-	<b>Total growth</b>	-	-	-	-
	<b>Make up of above projects by % of type</b>				
-	Renewals	-	-	-	-
-	Level of service	-	-	5	5
-	Growth	-	-	-	-
-	<b>Total</b>	-	-	<b>5</b>	<b>5</b>

## Funding Impact Statement for Community Support

Annual Report 2015/16 \$000		LTP Forecast 2016/17 \$000	LTP Forecast 2017/18 \$000	Annual Plan Forecast 2017/18 \$000	Variance 2017/18 \$000
	<b>Sources of operating funding</b>				
1,840	General rates, uniform annual general charges, rates penalties	1,885	1,922	2,385	463
-	- Targeted rates	-	-	-	-
29	Subsidies and grants for operating purposes	28	28	27	(1)
-	- Fees and charges	-	-	-	-
69	Local authorities fuel tax, fines, infringement fees, and other receipts	14	16	131	115
-	- Internal charges and overheads recovered	-	-	-	-
<b>1,938</b>	<b>Total operating funding (A)</b>	<b>1,927</b>	<b>1,966</b>	<b>2,543</b>	<b>577</b>
	<b>Applications of operating funding</b>				
1,045	Payments to staff and suppliers	957	956	1,122	166
-	- Finance costs	-	-	-	-
838	Internal charges and overheads applied	936	975	1,408	433
-	- Other operating funding applications	-	-	-	-
<b>1,883</b>	<b>Total applications of operating funding (B)</b>	<b>1,893</b>	<b>1,931</b>	<b>2,530</b>	<b>599</b>
<b>55</b>	<b>Surplus (deficit) of operating funding (A - B)</b>	<b>34</b>	<b>35</b>	<b>13</b>	<b>(22)</b>
	<b>Sources of capital funding</b>				
-	- Subsidies and grants for capital expenditure	-	-	-	-
-	- Development and financial contributions	-	-	-	-
-	- Increase (decrease) in debt	-	-	29	29
-	- Gross proceeds from sale of assets	-	-	-	-
-	- Lump sum contributions	-	-	-	-
-	- Other dedicated capital funding	-	-	-	-
-	<b>Total sources of capital funding (C)</b>	<b>-</b>	<b>-</b>	<b>29</b>	<b>29</b>
	<b>Applications of capital funding</b>				
	<b>Capital expenditure</b>				
-	- to meet additional demand	-	-	-	-
-	- to improve the level of service	-	-	5	5
-	- to replace existing assets	-	-	-	-
55	Increase (decrease) in reserves	34	35	37	2
-	- Increase (decrease) of investments	-	-	-	-
<b>55</b>	<b>Total applications of capital funding (D)</b>	<b>34</b>	<b>35</b>	<b>42</b>	<b>7</b>
<b>(55)</b>	<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(34)</b>	<b>(35)</b>	<b>(13)</b>	<b>22</b>
	<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
36	Depreciation	33	33	37	4

## Activity Expenditure

Annual Report 2015/16		LTP Forecast 2016/17	LTP Forecast 2017/18	Annual Plan Forecast 2017/18	Variance 2017/18
\$000		\$000	\$000	\$000	\$000
310	Community Development	294	299	361	62
552	Economic Development	544	537	915	378
-	Visitor Information	-	-	162	162
327	Community Grants	349	361	390	29
190	District Marketing	183	188	360	172
253	Rural Fire	230	239	24	(215)
287	Emergency Management	326	339	354	15
<b>1,919</b>	<b>Total Expenditure</b>	<b>1,926</b>	<b>1,963</b>	<b>2,566</b>	<b>603</b>

## Loans

	External	Internal	Total
	\$000	\$000	\$000
Anticipated loan balances at 1/7/2017	-	-	-
Raised during the year	-	29	29
Repaid during the year	-	-	-
<b>Anticipated loan balances 30/06/2018</b>	<b>-</b>	<b>29</b>	<b>29</b>
Budgeted interest expense	-	-	-

## How it will be funded?

<b>Activity</b>	<b>Emergency Management</b>
<b>Funding Source</b>	This activity will be funded by Public Good Rates.
<b>Rationale</b>	The majority of the costs for this Activity are for the preparedness for an emergency event. The beneficiaries could be anyone in the District at any time.

<b>Activity</b>	<b>Community Engagement</b>
<b>Funding Source</b>	This activity will be funded by Public Good Rates.
<b>Rationale</b>	This Activity should be funded as a true tax with no user charge element.

<b>Activity</b>	<b>Economic Development</b>
<b>Funding Source</b>	This activity will be funded by Public Good Rates.
<b>Rationale</b>	The activity should be funded as a true tax with no user charge element. Beneficiaries would be hard to identify.