



**Gr@wing**

our future

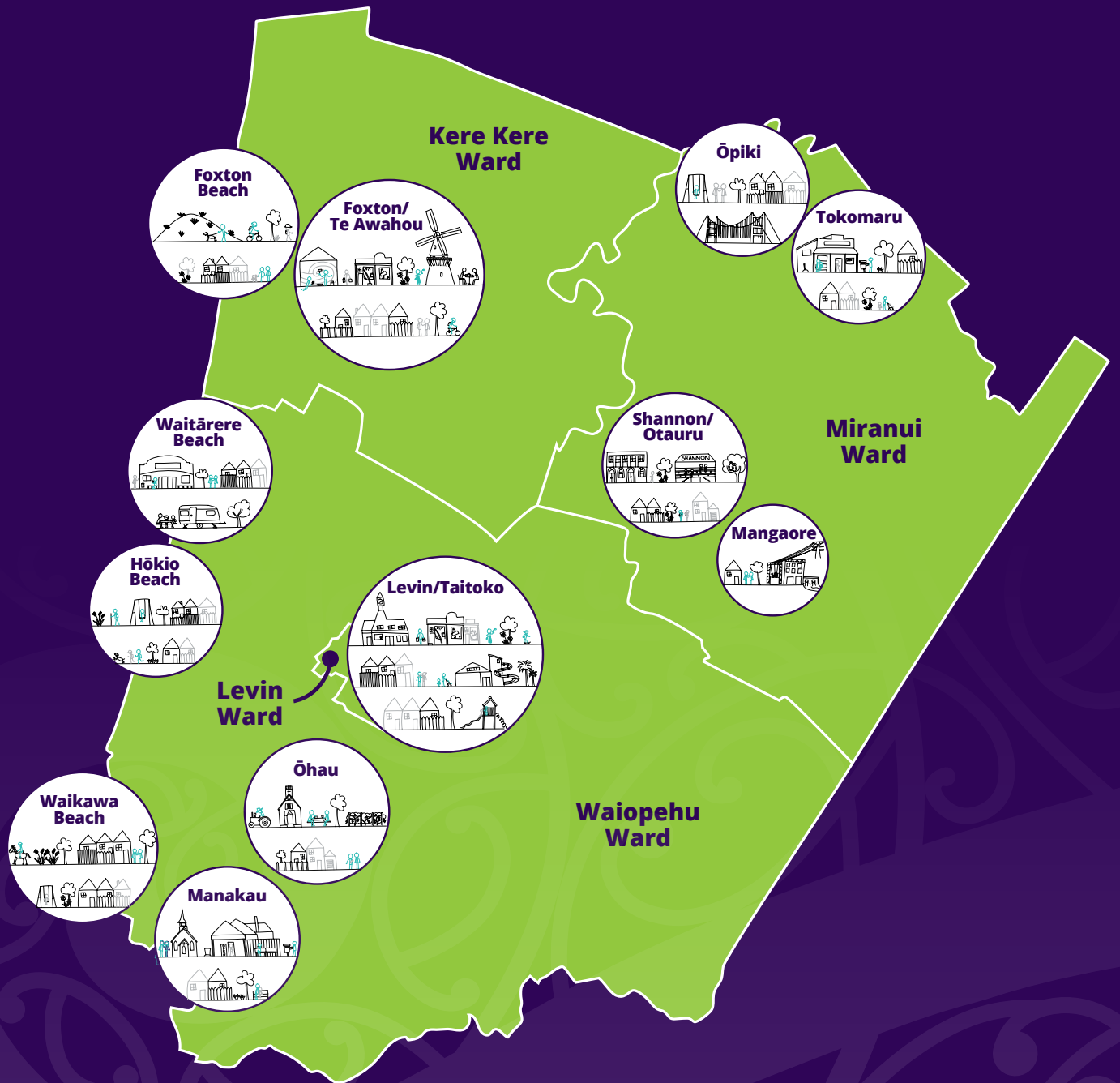
**Together**

**Long Term Plan 2021-2041**

**Horowhenua**  
DISTRICT COUNCIL 

# Welcome to our Long Term Plan 2021 - 2041.

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# Welcome to the 2021-2041 Long Term Plan

With our population estimated to almost double by June 2041, we are in a period of unprecedented growth. This means our Long Term Plan, needs to proactively plan for this.

Council's forecasting assumes the population will grow by just over 2.6% per year for the next 10 years and 2.9% the years after. That means by 2041 roughly 60,000 people will call Horowhenua home.

Several drivers are prompting this growth. Property prices remain lower than that of the surrounding areas of Wellington, Palmerston North and Kāpiti. Construction of the Wellington Northern Corridor expressways, resulting in more than 760,000 people living within an hour's drive of Horowhenua. And, our wonderful lifestyle and climate with multiple beaches, forests, parks, mountain ranges and rivers.

## Responding to Growth

Through community engagement, we've identified three key priorities. Delivering robust infrastructure. High-quality drinking water supply. And, funding infrastructure growth differently, so that these costs are fairly distributed.

Therefore, our focus over the next few years will be on the core infrastructure of our district. Whether it be building it new, upgrading, or improving what we already have.

Growth comes with its challenges. One of those challenges is how we pay for new infrastructure. While population growth means there will be more ratepayers, this does not increase the total amount of rates the Council collects. Instead, it means future rates increases can be spread over more ratepayers.

The decision to reintroduce Development Contributions ensures the community isn't paying for new growth infrastructure. In short, growth will pay for growth.

## Outcomes of consultation and key Council decisions

Community engagement was the first step in developing the Draft Long Term Plan.

Providing our community with context around growth, we asked which activity areas Council should be investing in and what facilities and services provide the greatest benefit. Given the investment required, we then asked our community to guide us on a suitable rates increase.

It was from these conversations and workshops with elected members that we created the 2021-2041 Draft Long Term Plan Consultation Document.

The Consultation Document asked the Community to consider -

- Four key topics
- Revised Community Outcomes,
- Revised Rates Remission Policy,
- Draft Revenue and Financing Policy and,
- Financial Strategy.

Council received a record 562 submissions on the Draft Long Term Plan. A total of 52 people presented at the Long Term Plan hearings. Council then deliberated on the submissions. The changes approved as part of the deliberations have been incorporated into this Long Term Plan.

## Council's decisions on the four key consultation topics:

- Topic 1 – The future of Foxton Pool:  
Council resolved to continue with the proposed option 2. To make no change to the existing pools, but replace the building covering the pools, upgrade the change rooms and restore the outdoor area to grass. The operating period would be extended to 12 months.
- Topic 2 – Infrastructure Funding – Development Contributions:  
Council adopted option 1. Reintroduce development contributions effective 1 July 2021.
- Topic 3 – Changes to the Land Transport Targeted Rate:  
Council adopted option 1. Remove the land transport rate differential. Change the classifications in the Rating Information Database to recognise this change.
- Topic 4 – Changes to the General Rate:  
Council adopted option 1. Create a farming differential. Add vacant lifestyle and vacant residential rating units to the farming differential definition.

Council resolved to fund other key projects, including -

- An alternative water source for Levin,
- Waitārere Beach Surf Lifesaving Club design and build,
- Roothing improvement due to O2NL
- Future water and wastewater for Ōhau and,
- Water for Waitārere Beach.

### **Concurrent Consultation**

Alongside the Draft LTP consultation, Council consulted on the Draft Development Contributions Policy.

The draft policy sets out in detail; when a Development Contribution is required, which Council activities are covered, the payment amount for each unit of demand, and when to pay.

### **Preparing for the future**

Our district is full of opportunity but we're constrained. We are aware that for many in our district, paying rates can be a struggle.

Managing Council's finances well and spending where it counts, is our number one focus. Because, everything else the community needs us to do, depends on us getting that right.

We have committed to a significant programme of increased capital expenditure that prioritises infrastructure for resilience and growth. The reintroduction of development contributions makes sure that growth is paying for growth.

To enable us to complete this programme we have set our debt limit at 225% of operating income. While we are in a position to borrow more than this, we believe this proportion of debt to income positions us well for growth, but leaves some reserves, should we need them.

We must manage our finances carefully so that we can afford what we will need to pay for in the future. Our core three waters infrastructure (water, stormwater and wastewater) will need to be renewed at a significant cost.

An indicator that we are heading in the right direction, is our relatively low operating expenditure. This includes all the day-to-day costs for providing services and all maintenance.

In comparison to all other New Zealand councils, we currently rank fourth-lowest for operating spending per ratepayer.

### **Reliance on rates income**

Rates are not as low as we'd like them to be, and there is more our community would like us to do.

Rates will be increasing in the first five years at an average of 6.4% and for 2021/22 the average rates increase will be 7.8%.

The increases are largely due to:

- Increasing asset maintenance costs
- Focus on asset modelling and condition assessments
- Future replacement costs of our assets (depreciation)

Horowhenua has many natural advantages, but we don't have the income-generating assets that other local authorities have to draw on.

For example, some councils have ports or funds set up from the sale of local power suppliers and, therefore they have more substantial income streams.

Unfortunately, we don't have this diversity of income, so rely heavily on our rates. This means we can't keep rates as low as we would like, it also ensures we are very focused on how we manage our money and where and when we invest in new initiatives.

### **Affordability Review**

The Council have committed to a rating review during the 2021/22 year. We will look at how total rates are shared across the district's ratepayers, and consider if these are distributed fairly and appropriately. We will consider factors like the level of rates as a % of household income for our residents.

### **Our Financial Strategy**

Our goal is to manage growth while living within our means. Our Financial Strategy is the foundation of this. We aim to deliver affordable rates, minimise borrowings, and pay back what we've already borrowed, so we can re-finance when we need to replace assets.

To reduce the need to borrow we intend to progressively pay for more future asset renewals (depreciation) from rates and operating surpluses as well as funding growth capital spending from Development Contributions.

**Have a look at our Financial Strategy for more information.**

# Community Outcomes

Ngā Putanga Hapori



- We are business friendly.
- We will work with others to enable our economy to grow.
- We support diversity and resilience in our local economy.
- We aspire for economic security for all of our people.
- We seize growth opportunities for our district.



- We contribute to improving our natural environment for current and future generations to enjoy.
- We protect the important natural features in our district.
- We ensure our built environment supports the wellbeing of our people.
- We manage competing pressures on resources sustainably.



- We develop and maintain facilities and infrastructure to meet the needs of current and future generations.
- We provide efficient, reliable and affordable infrastructure.
- We work with partners to develop infrastructure that enables growth.
- Our community facilities and infrastructure are resilient, helping us to respond to climate change and natural hazards



- We will uphold Te Tiriti o Waitangi and its principles.
- We build mutually respectful partnerships with tangata whenua.
- We support Mana Whenua to maintain and enhance tikanga with their ancestral lands and waterways, wāhi tapu and other taonga.
- We support whanau, marae, hapū and iwi in achieving their aspirations.
- We recognise the role of Mana Whenua as kaitiaki of their rohe.



- We value the diversity of our people.
- We recognise the value of our district's heritage and its contribution to our communities sense of identity and pride.
- We take an inclusive approach and encourage our people to participate in local decision making.
- We provide infrastructure and services as a foundation for resilient and connected communities.
- We build collaborative relationships with service providers to help enable all of our people to live positive and health lifestyles.
- We help create facilities and places where people of all ages and backgrounds feel included, safe and connected.



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# Activity Statements

## Ngā Tauākī Mahi

- Water Supply
- Wastewater Treatment
- Stormwater
- Land Transport
- Solid Waste
- Community Facilities
- Community Infrastructure
- Property
- Representation and Community Leadership
- Community Support
- Regulatory Services

# Water Supply

**The Water Supply Activity provides a safe and reliable supply of water to urban (residential, industrial and commercial) and agreed rural properties.**

## What Water Supply involves:

- The Council's water supply service treats and distributes water that we source from groundwater bores and rivers in the district. We plan, operate and maintain water treatment plants to meet water quality standards as well as maintain water supply reticulation networks, 422 km. Across the district, we provide fresh water to over 13,000 customers.
- Providing drinking water to defined urban and rural areas for Levin, Foxton Beach, Foxton, Shannon, Mangaore and Tokomaru.
- We ensure our water supply complies with the New Zealand Drinking Water Standards and that it is used sustainably, particularly when demand is high by implementing water demand management using NZ Water Loss Guideline. We also make sure there is water available for firefighting in urban areas.
- Managing our water resources through ensuring compliance with resource consents for water takes and managing our water resources more sustainably for future generations. We have 20 resource consents for Water supply.
- Respond to and resolve (if possible) complaints relating to the Water Supply Activity.

## What has changed since the 2018/38 LTP?

- All five water treatment plants are in compliance with NZ Drinking Water Standards. The compliances are being continuously monitored and reported annually and through inspections made by the Ministry of Health's appointed Drinking Water Assessor.
- We are continuously improving water leakage rate in Levin, Shannon and Tokomaru through Water Demand Management programme which is a requirement for our water intake consents.
- Council sought feedback on water sustainability and resolved to establish a 'Horowhenua Water Working Party'.

## Challenges Council face for Water Supply Activities

- A major challenge facing Council for its Water Supply Group of Activities is source of water supply for growth specifically in Levin.
- Aging infrastructure of water supply assets. Asset ageing affects reliability, maintenance costs, and overall performance. Council's response to ageing infrastructure is to increase renewal through investigations, collecting data and develop 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 and be compliant with 20 resource consents.
- An additional challenge for the District is water sustainability. Making sure the District's Communities have sufficient and safe drinking water is critical. There are quantity issues that need addressing to ensure Council can secure water supply to existing and future Communities.

## **Significant and negative effects on the social, cultural, economic and environmental wellbeing of the local community associated with this Activity**

- A significant negative effect associated with Water Supply Group of Activities is the impact of water abstraction from rivers/streams and underground aquifers. If over abstraction occurs it affects the rivers ecological habitat. This is mitigated by continued monitoring and compliance with Council's resource consents and their conditions, reinforced through the Water Demand Management Plan.

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

- Risks associated with the Water Supply Group of Activities include service failures/disruption, inconsistent strategic planning and poor business/continuity planning.

## Rationale for this Activity (why we do it):

Activity	Community Outcome	Council Role
Maintain a safe and reliable water supply for domestic and business activity use.	<p><b>Vibrant economy</b> Providing a safe and reliable water supply is essential for supporting existing businesses and enabling new businesses to establish.</p> <p><b>'Fit for purpose' infrastructure</b> Our water assets are maintained and developed to meet the current and future needs of the community. They support the ongoing growth of our community and are planned to reduce the risk from climate change and other natural hazards.</p>	Funder/Provider
Resource consents restricting water usage are monitored and adhered to through Water Demand Management.	<p><b>Outstanding environment</b> We are continuously improving water leakage in our water networks and consumption through public education and Water Demand Management so that less water is required to be taken from bores and rivers.</p>	Funder/Provider
Deliver education to the Community to encourage sustainable use of the natural water resource.	<p><b>Outstanding environment</b> We are encouraging the public to report leakages and advocate for sustainable use of water to reduce the volume of water required to be taken from bores and rivers.</p>	Provider/Advocate
The water supply is safe to drink.	<p><b>Strong communities</b> Providing safe drinking water supply for our community and meeting with NZ Drinking Water Standards. Safe water is essential for protecting the health and wellbeing of our community.</p>	Funder/Provider
There is adequate supply of water for firefighting.	<p><b>Strong communities</b> Providing sufficient water for firefighting for residential or up to FW3 level to protect our community. This provides a reliable supply of water in case of a fire emergency.</p> <p><b>'Fit for purpose' infrastructure</b> There is sufficient capacity in our networks to provide up to FW3 level firefighting flow.</p>	Funder/Provider
The water supply can be quickly restored following a natural disaster event.	<p><b>Strong communities</b> Providing safe drinking water supply for our community is an essential part of ensuring community health and wellbeing.</p> <p><b>'Fit for purpose' infrastructure</b> We are improving the resilience of our infrastructure so that it can be restored quickly in a natural disaster event.</p>	Funder/Provider

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

Service	Community Outcomes	How will we measure our performance	Target 21/22	Target 22/23	Target 23/24	Target 24/41
Safe water supply*.	Strong communities	Council's drinking water supply complies with: (a) part 4 of the Drinking Water Standards (bacteria compliance criteria) in Levin Shannon Foxton Foxton Beach Tokomaru  (b) part 5 of the Drinking Water Standards (protozoa compliance criteria) in: Levin** Shannon Foxton  Foxton Beach Tokomaru  ** This measure previously has not been met but after extensive upgrades to the Levin treatment plant this target is expected to be met.	Achieve	Achieve	Achieve	Achieve
			Achieve	Achieve	Achieve	Achieve
			Achieve	Achieve	Achieve	Achieve
			Achieve	Achieve	Achieve	Achieve
			Achieve	Achieve	Achieve	Achieve
			Achieve	Achieve	Achieve	Achieve
			Achieve	Achieve	Achieve	Achieve
			Achieve	Achieve	Achieve	Achieve
			Achieve	Achieve	Achieve	Achieve
			Achieve	Achieve	Achieve	Achieve
			Achieve	Achieve	Achieve	Achieve
			Achieve	Achieve	Achieve	Achieve
			Achieve	Achieve	Achieve	Achieve
			Achieve	Achieve	Achieve	Achieve

### What does this tell me?

This measure informs ratepayers and consumers on whether the water supplied is safe to drink. The New Zealand Drinking Water Standards, monitored by the Ministry of Health, provide a recognised standard for public safety.

Service	Community Outcomes	How will we measure our performance	Target 21/22	Target 22/23	Target 23/24	Target 24/41
Drinking water that tastes and looks satisfactory*.	Strong communities	The total number of complaints received about any of the following (expressed per 1000 connections):	1	1	1	1
		Drinking water clarity;	1	1	1	1
		Drinking water taste;	1	1	1	1
		Drinking water odour;	1	1	1	1
		Drinking water pressure or flow;	1	1	1	1
		Continuity of supply; and	1	1	1	1
		Council's response to any of these issues.	1	1	1	1
Total: *	≤ 6	≤ 6	≤ 6	≤ 6		

#### What does this tell me?

The number of complaints provides an indication of the quality of the service provided. This measure also provides information on problems requiring attention, such as the need for maintenance, repair, upgrading or new infrastructure.

Response to faults*.	Strong communities	The median time from the time that Council received notification, to the time that service personnel:				
	'Fit for purpose' infrastructure	Reach the site for urgent call-outs;^	< 1 hour	< 1 hour	< 1 hour	< 1 hour
		Confirm resolution of the fault or interruption of urgent call-outs;^	< 8 hours	< 8 hours	< 8 hours	< 8 hours
		Reach the site for non-urgent call-outs; and*^	< 3 days	< 3 days	< 3 days	< 3 days
		Confirm resolution of the fault or interruption of no-urgent call-outs.*^	< 3 days	< 3 days	< 3 days	< 3 days

#### What does this tell me?

Households and businesses rely heavily on water, so it's important that we provide a timely response when something goes wrong. An **urgent** call-out is one when no water is being delivered. A **non-urgent** call-out is where there is still a supply of water.

Service	Community Outcomes	How will we measure our performance	Target 21/22	Target 22/23	Target 23/24	Target 24/41
Firefighting needs are met.	Strong communities  'Fit for purpose' infrastructure	Percentage of sampled network where firefighting flows in urban residential areas meet the NZ Fire Service firefighting water supplies Code of Practice SZ 4509:2008.	≥ 80%	≥ 80%	≥ 80%	≥ 80%

#### What does this tell me?

The fire service requires a minimum pressure from a water network to effectively control fires. This measure indicates the adequacy of our water network for firefighting.

Water supply has adequate flow and pressure.	Strong communities  'Fit for purpose' infrastructure	Network supply pressure at the property boundary is not less than 250kPa for on demand connections and 150kPa for restricted flow connections.	Achieve	Achieve	Achieve	Achieve
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#### What does this tell me?

The water in the supply network is maintained at positive pressure to ensure that water reaches all parts of the network, that a sufficient flow is available at every take-off point and to ensure that untreated water in the ground cannot enter the network. This measure is used to ensure that these objectives are met.

Water supply is sustainable*.	Strong communities  Outstanding environment	Average consumption of drinking water per person per day (lpcd) within the water supply areas (target based on Horizons One Plan - Section 5.4.3.1). <i>lpcd – litres per capita per day.</i>	≤ 300 lpcd	≤ 300 lpcd	≤ 300 lpcd	≤ 300 lpcd
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#### What does this tell me?

Careful water management ensures demand does not exceed capacity, that water is allocated efficiently, and that productivity is maximised. A system that treats and transfers less water maximises the value of existing infrastructure. It costs less to construct and maintain, uses fewer chemicals, and less energy. Where there is increasing demand for water, managing demand provides a means for a Community to defer investment in new water infrastructure through more efficient use of existing resources.



Service	Community Outcomes	How will we measure our performance	Target 21/22	Target 22/23	Target 23/24	Target 24/41
Minimal water losses*.	Outstanding environment	Percentage of real water loss from the network as measured by the standard World Bank Institute Band for Leakage.*	Band "B"	Band "B"	Band "B"	Band "B"

#### What does this tell me?

Water lost from leaking pipes is a key indicator of the performance of our water network. High levels of water loss can show that the network is in poor condition or that it is being operated inefficiently. To reduce the amount of water lost from the network, we will continue with our programme to find and fix leaks. We use the World Bank Institute Band for leakage to calculate how much water is lost from the network. This uses a grading system ranked from Band "A to D". Specifically Council's target is Band "B" and represents potential for marked improvements; consider pressure management, better active leakage control practices, and better network maintenance.

Sustainable water supply management	Outstanding environment	The number of:				
		Abatement Notices;	0	0	0	0
	Strong communities	Infringement Notices;	0	0	0	0
		Enforcement Orders; and	0	0	0	0
		Convictions	0	0	0	0

received by Council in relation to Horizons Regional Council resource consents.\*

#### What does this tell me?

This measure indicates how well Council is managing the environmental impacts of the water network. Not complying with consent conditions may indicate that Council is not managing its processes adequately or that the infrastructure is no longer adequate.

Customer Satisfaction	Strong communities	Percentage of customers not dissatisfied with the service, based on the Annual Customer Satisfaction Survey.	≥ 84%	≥ 84%	≥ 84%	≥ 84%
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#### What does this tell me?

The percentage of satisfied customers gives us an indication of the quality of service we are providing.

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

^ Urgent call-out is defined as a complete loss of service to the water supply

## Capital Expenditure for Water Supply

Water Supply Projects <i>Primary Type – to replace existing assets</i>	AP 20/21	Yr 1 21/22	Yr 2 22/23	Yr 3 23/24	Yr 4 24/25	Yr 5 25/26	Yr 6 26/27	Yr 7 27/28	Yr 8 28/29	Yr 9 29/30	Yr 10 30/31
Firefighting reservoir capacity increase - tanks (Waitāre Beach/Waikawa/Hōkio Beach)	-	74,880	-	-	-	-	-	-	-	-	-
Foxton - resource consents expiring 2038	-	-	-	-	-	-	-	-	-	-	-
Foxton Beach reticulation - Renewals	165,000	201,600	210,312	242,113	314,093	228,929	263,021	238,100	550,950	345,875	351,348
Foxton Beach treatment plant - Renewals	28,000	54,720	57,960	59,466	61,074	62,843	64,602	66,668	68,869	71,210	73,416
Foxton reticulation – Renewals	97,000	360,000	339,480	348,303	357,717	368,082	378,381	390,484	403,374	417,085	430,008
Foxton water treatment plant – Renewals	30,000	159,360	124,200	59,466	61,074	62,843	64,602	142,860	68,869	71,210	178,296
Levin reticulation – Renewals	1,506,000	1,017,600	910,800	934,472	959,728	987,536	1,015,168	1,047,640	1,082,224	1,119,008	1,153,680
Reactive renewals - District wide	129,000	96,000	91,080	89,200	87,248	85,287	83,059	80,954	78,707	76,296	73,416
Shannon resource consent renewal	-	159,360	-	-	-	-	-	-	-	-	-
Shannon Treatment Plant - Renewals	133,000	360,000	87,975	90,262	92,701	95,387	98,056	101,193	104,533	108,086	111,435
Shannon/Mangaore - reticulation - Renewals	-	1,302,000	310,500	318,570	327,180	336,660	346,080	357,150	368,940	158,950	132,411
Tokomaru treatment plant - Renewals	101,000	100,000	31,050	31,857	32,718	33,666	34,608	35,715	36,894	38,148	39,330
Water Supply property renewals	-	13,851	15,339	17,212	40,898	42,083	43,260	44,644	46,118	47,685	49,163
Condition assessment for renewals	33,000	-	-	-	-	-	-	-	-	-	-
Levin treatment plant – Renewals	53,000	-	-	-	-	-	-	-	-	-	-
Shannon - Mangaore reticulation - Renewals	341,000	-	-	-	-	-	-	-	-	-	-
<b>Total renewal</b>	<b>2,616,000</b>	<b>3,899,371</b>	<b>2,178,696</b>	<b>2,190,922</b>	<b>2,334,429</b>	<b>2,303,316</b>	<b>2,390,836</b>	<b>2,505,407</b>	<b>2,809,478</b>	<b>2,453,552</b>	<b>2,592,503</b>

Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	Water Supply Projects <i>Primary Type – to replace existing assets</i>
-	-	-	-	-	-	-	-	-	-	Firefighting reservoir capacity increase - tanks (Waitāre Beach/Waikawa/Hōkio Beach)
100,624	82,644	42,354	43,413	88,998	91,224	-	-	-	-	Foxton - resource consents expiring 2038
344,013	269,970	271,066	1,273,448	308,526	310,162	430,118	447,272	464,993	469,896	Foxton Beach reticulation - Renewals
75,253	77,134	79,061	81,038	83,065	85,142	87,270	89,454	91,689	93,979	Foxton Beach treatment plant - Renewals
440,766	451,787	463,070	474,649	486,522	498,691	511,155	523,947	537,034	550,450	Foxton reticulation - Renewals
75,253	77,134	79,061	81,038	83,065	85,142	87,270	89,454	91,689	93,979	Foxton water treatment plant - Renewals
1,182,544	1,212,112	1,242,384	1,273,448	1,305,304	1,337,952	1,371,392	1,405,712	1,440,824	1,476,816	Levin reticulation - Renewals
69,878	66,115	-	-	-	-	-	-	-	-	Reactive renewals - District wide
-	-	-	-	-	-	-	-	-	-	Shannon resource consent renewal
114,223	117,079	120,003	123,004	126,080	129,234	132,464	135,779	139,170	142,647	Shannon Treatment Plant - Renewals
129,005	123,966	120,003	115,768	111,248	114,030	116,880	119,805	122,798	125,865	Shannon/Mangaore - reticulation - Renewals
40,314	41,322	42,354	43,413	44,499	45,612	46,752	47,922	49,119	50,346	Tokomaru treatment plant - Renewals
50,393	51,652	52,942	54,266	55,624	57,015	58,440	59,902	61,399	62,932	Water Supply property renewals
-	-	-	-	-	-	-	-	-	-	Condition assessment for renewals
-	-	-	-	-	-	-	-	-	-	Levin treatment plant - Renewals
-	-	-	-	-	-	-	-	-	-	Shannon - Mangaore reticulation - Renewals
<b>2,622,266</b>	<b>2,570,915</b>	<b>2,512,298</b>	<b>3,563,485</b>	<b>2,692,931</b>	<b>2,754,204</b>	<b>2,841,741</b>	<b>2,919,247</b>	<b>2,998,715</b>	<b>3,066,910</b>	<b>Total renewals</b>

<b>Water Supply Projects</b> <i>Primary Type – to improve the Level of Service</i>	<b>AP</b> <b>20/21</b>	<b>Yr 1</b> <b>21/22</b>	<b>Yr 2</b> <b>22/23</b>	<b>Yr 3</b> <b>23/24</b>	<b>Yr 4</b> <b>24/25</b>	<b>Yr 5</b> <b>25/26</b>	<b>Yr 6</b> <b>26/27</b>	<b>Yr 7</b> <b>27/28</b>	<b>Yr 8</b> <b>28/29</b>	<b>Yr 9</b> <b>29/30</b>	<b>Yr 10</b> <b>30/31</b>
Districtwide - Marae water treatment assessment & upgrade	-	259,200	-	-	-	-	-	-	-	-	-
Firefighting reservoir capacity increase - tanks (Waitārere Beach/Waikawa/Hōkio Beach)	-	24,960	-	-	-	-	-	-	-	-	-
Foxton - resource consents expiring 2038	-	-	-	-	-	-	-	-	-	-	-
Hydraulic Modelling	25,000	-	-	-	-	-	-	-	-	-	-
Levin WTP - resilience (secondary pipeline from River to WTP)	-	192,800	-	-	-	-	-	-	-	-	-
Ōhau future water supply services option	-	-	-	-	-	-	-	-	-	9,537	78,660
Shannon resource consent renewal	-	39,840	-	-	-	-	-	-	-	-	-
Waitārere Beach future water supply services option	-	-	-	-	-	-	-	-	-	-	-
New Water Connections Foxton - Lateral	5,000	-	-	-	-	-	-	-	-	-	-
New Water Connections Foxton Beach - Lateral	5,000	-	-	-	-	-	-	-	-	-	-
New Water Connections Levin - Lateral	20,000	-	-	-	-	-	-	-	-	-	-
New Water Connections Shannon - Lateral	1,000	-	-	-	-	-	-	-	-	-	-
<b>Total level of service</b>	<b>56,000</b>	<b>516,800</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,537</b>	<b>78,660</b>

Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	Water Supply Projects <i>Primary Type – to improve the Level of Service</i>
-	-	-	-	-	-	-	-	-	-	Districtwide - Marae water treatment assessment & upgrade
-	-	-	-	-	-	-	-	-	-	Firefighting reservoir capacity increase - tanks (Waitārere Beach/Waikawa/Hökio Beach)
33,541	27,548	14,118	14,471	29,666	30,408	-	-	-	-	Foxton - resource consents expiring 2038
-	-	-	-	-	-	-	-	-	-	Hydraulic Modelling
-	-	-	-	-	-	-	-	-	-	Levin WTP - resilience (secondary pipeline from River to WTP)
1,007,850	1,239,660	1,270,620	1,302,390	-	-	-	-	-	-	Ōhau future water supply services option
-	-	-	-	-	-	-	-	-	-	Shannon resource consent renewal
-	-	10,588	86,826	1,334,970	1,368,360	1,402,560	1,437,660	1,473,570	-	Waitārere Beach future water supply services option
-	-	-	-	-	-	-	-	-	-	New Water Connections Foxton - Lateral
-	-	-	-	-	-	-	-	-	-	New Water Connections Foxton Beach - Lateral
-	-	-	-	-	-	-	-	-	-	New Water Connections Levin - Lateral
-	-	-	-	-	-	-	-	-	-	New Water Connections Shannon - Lateral
<b>1,041,391</b>	<b>1,267,208</b>	<b>1,295,326</b>	<b>1,403,687</b>	<b>1,364,636</b>	<b>1,398,768</b>	<b>1,402,560</b>	<b>1,437,660</b>	<b>1,473,570</b>	-	<b>Total level of service</b>

<b>Water Supply Projects Primary Type – to meet additional demand</b>	<b>AP 20/21</b>	<b>Yr 1 21/22</b>	<b>Yr 2 22/23</b>	<b>Yr 3 23/24</b>	<b>Yr 4 24/25</b>	<b>Yr 5 25/26</b>	<b>Yr 6 26/27</b>	<b>Yr 7 27/28</b>	<b>Yr 8 28/29</b>	<b>Yr 9 29/30</b>	<b>Yr 10 30/31</b>
Alternative water source for Levin	-	200,000	-	-	109,060	112,220	288,400	3,571,500	3,689,400	5,086,400	5,244,000
Firefighting reservoir capacity increase - tanks (Waitāreere Beach/Waikawa/Hökio Beach)	-	24,960	-	-	-	-	-	-	-	-	-
Foxton - resource consents expiring 2038	-	-	-	-	-	-	-	-	-	-	-
Foxton Beach reticulation - Renewals	-	50,400	52,578	60,528	78,523	57,232	65,755	59,525	137,738	86,469	87,837
Foxton Beach treatment plant - Renewals	-	13,680	14,490	14,867	15,268	15,711	16,150	16,667	17,217	17,802	18,354
Foxton reticulation - Renewals	-	90,000	84,870	87,076	89,429	92,020	94,595	97,621	100,844	104,271	107,502
Foxton water treatment plant - Renewals	-	39,840	31,050	14,867	15,268	15,711	16,150	35,715	17,217	17,802	44,574
Levin growth area	873,690	530,400	552,690	580,859	611,827	645,265	667,934	709,538	751,408	813,824	773,490
Levin reticulation - Renewals	-	254,400	227,700	233,618	239,932	246,884	253,792	261,910	270,556	279,752	288,420
Levin WTP - resilience (secondary pipeline from River to WTP)	-	192,800	-	-	-	-	-	-	-	-	-
Ōhau future water supply services option	-	-	-	-	-	-	-	-	-	22,253	183,540
Reactive renewals - District wide	-	24,000	22,770	22,300	21,812	21,322	20,765	20,239	19,677	19,074	18,354
Taraika - Water Reticulation	-	-	2,380,500	-	-	-	-	-	-	-	-
Waitāreere Beach future water supply services option	-	-	-	-	-	-	-	-	-	-	-
<b>Total Growth</b>	<b>873,690</b>	<b>1,420,480</b>	<b>3,366,648</b>	<b>1,014,115</b>	<b>1,181,120</b>	<b>1,206,365</b>	<b>1,423,542</b>	<b>4,772,715</b>	<b>5,004,056</b>	<b>6,447,648</b>	<b>6,766,071</b>

Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	Water Supply Projects <i>Primary Type – to meet additional demand</i>
-	-	-	-	-	-	-	-	-	-	Alternative water source for Levin
-	-	-	-	-	-	-	-	-	-	Firefighting reservoir capacity increase - tanks (Waitāre Beach/Waikawa/Hōkio Beach)
33,541	27,548	14,118	14,471	29,666	30,408	-	-	-	-	Foxton - resource consents expiring 2038
86,003	67,493	67,766	318,362	77,132	77,540	107,530	111,818	116,248	117,474	Foxton Beach reticulation - Renewals
18,813	19,284	19,765	20,259	20,766	21,286	21,818	22,364	22,922	23,495	Foxton Beach treatment plant - Renewals
110,192	112,947	115,768	118,662	121,631	124,673	127,789	130,987	134,259	137,612	Foxton reticulation - Renewals
18,813	19,284	19,765	20,259	20,766	21,286	21,818	22,364	22,922	23,495	Foxton water treatment plant - Renewals
792,842	812,666	832,962	853,789	875,147	897,036	919,456	942,466	966,007	990,138	Levin growth area
295,636	303,028	310,596	318,362	326,326	334,488	342,848	351,428	360,206	369,204	Levin reticulation - Renewals
-	-	-	-	-	-	-	-	-	-	Levin WTP - resilience (secondary pipeline from River to WTP)
2,351,650	2,892,540	2,964,780	3,038,910	-	-	-	-	-	-	Ōhau future water supply services option
17,469	16,529	-	-	-	-	-	-	-	-	Reactive renewals - District wide
-	-	-	-	-	-	-	-	-	-	Taraika - Water Reticulation
-	-	24,706	202,594	3,114,930	3,192,840	3,272,640	3,354,540	3,438,330	-	Waitāre Beach future water supply services option
<b>3,724,959</b>	<b>4,271,319</b>	<b>4,370,226</b>	<b>4,905,668</b>	<b>4,586,364</b>	<b>4,699,557</b>	<b>4,813,899</b>	<b>4,935,967</b>	<b>5,060,894</b>	<b>1,661,418</b>	<b>Total Growth</b>

Total Water Supply Projects by Type	AP 20/21	Yr 1 21/22	Yr 2 22/23	Yr 3 23/24	Yr 4 24/25	Yr 5 25/26	Yr 6 26/27	Yr 7 27/28	Yr 8 28/29	Yr 9 29/30	Yr 10 30/31
Renewals	2,616,000	3,899,371	2,178,696	2,190,922	2,334,429	2,303,316	2,390,836	2,505,407	2,809,478	2,453,552	2,592,503
Level of Service	56,000	516,800	-	-	-	-	-	-	-	9,537	78,660
Growth	873,690	1,420,480	3,366,648	1,014,115	1,181,120	1,206,365	1,423,542	4,772,715	5,004,056	6,447,648	6,766,071
<b>Total Water Supply Projects</b>	<b>3,545,690</b>	<b>5,836,651</b>	<b>5,545,344</b>	<b>3,205,036</b>	<b>3,515,549</b>	<b>3,509,681</b>	<b>3,814,378</b>	<b>7,278,122</b>	<b>7,813,534</b>	<b>8,910,737</b>	<b>9,437,234</b>



Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	Total Water Supply Projects by Type
2,622,266	2,570,915	2,512,298	3,563,485	2,692,931	2,754,204	2,841,741	2,919,247	2,998,715	3,066,910	Renewals
1,041,391	1,267,208	1,295,326	1,403,687	1,364,636	1,398,768	1,402,560	1,437,660	1,473,570	-	Level of Service
3,724,959	4,271,319	4,370,226	4,905,668	4,586,364	4,699,557	4,813,899	4,935,967	5,060,894	1,661,418	Growth
<b>7,388,616</b>	<b>8,109,442</b>	<b>8,177,850</b>	<b>9,872,840</b>	<b>8,643,931</b>	<b>8,852,529</b>	<b>9,058,200</b>	<b>9,292,874</b>	<b>9,533,179</b>	<b>4,728,328</b>	<b>Total Water Supply Projects</b>

## Forecast Funding Impact Statement for Water Supply

Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Water Supply Group of Activities	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
<b>Sources of Operating Funding</b>											
General rates, uniform annual general charges, rates penalties	-	-	-	-	-	-	-	-	-	-	-
Targeted rates	6,600	7,165	7,637	8,317	9,389	10,903	11,376	12,072	13,043	13,897	15,031
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	128	62	64	66	68	70	72	74	76	79	82
Local authorities fuel tax, fines, infringement fees, and other receipts	-	128	90	87	89	96	129	248	405	593	804
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
<b>Total Operating Funding (A)</b>	<b>6,728</b>	<b>7,355</b>	<b>7,791</b>	<b>8,470</b>	<b>9,546</b>	<b>11,069</b>	<b>11,577</b>	<b>12,394</b>	<b>13,524</b>	<b>14,569</b>	<b>15,917</b>
<b>Applications of Operating Funding</b>											
Payments to staff and suppliers	3,114	3,804	3,791	3,797	3,894	3,928	4,037	4,166	4,305	4,449	4,588
Finance costs	523	471	572	607	569	520	475	497	656	848	1,056
Internal charges and overheads applied	747	852	870	887	904	916	938	960	980	1,005	1,029
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>4,384</b>	<b>5,127</b>	<b>5,233</b>	<b>5,291</b>	<b>5,367</b>	<b>5,364</b>	<b>5,450</b>	<b>5,623</b>	<b>5,941</b>	<b>6,302</b>	<b>6,673</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>2,344</b>	<b>2,228</b>	<b>2,558</b>	<b>3,179</b>	<b>4,179</b>	<b>5,705</b>	<b>6,127</b>	<b>6,771</b>	<b>7,583</b>	<b>8,267</b>	<b>9,244</b>
<b>Sources of capital funding</b>											
Subsidies and grants for capital expenditure	-	1,254	1,587	-	-	-	-	-	-	-	-
Development and financial contributions	-	220	220	1,275	1,309	1,309	1,309	1,309	1,309	1,309	1,309

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Water Supply Group of Activities
<b>Sources of Operating Funding</b>										
-	-	-	-	-	-	-	-	-	-	General rates, uniform annual general charges, rates penalties
15,762	16,662	17,167	17,911	18,466	18,332	19,064	20,185	20,582	21,145	Targeted rates
-	-	-	-	-	-	-	-	-	-	Subsidies and grants for operating purposes
84	86	88	90	92	95	97	99	102	104	Fees and charges
1,044	1,301	1,594	1,905	2,206	2,560	2,899	3,262	3,661	4,071	Local authorities fuel tax, fines, infringement fees, and other receipts
-	-	-	-	-	-	-	-	-	-	Internal charges and overheads recovered
<b>16,890</b>	<b>18,049</b>	<b>18,849</b>	<b>19,906</b>	<b>20,764</b>	<b>20,987</b>	<b>22,060</b>	<b>23,546</b>	<b>24,345</b>	<b>25,320</b>	<b>Total Operating Funding (A)</b>
<b>Applications of Operating Funding</b>										
4,704	4,822	4,942	5,064	5,191	5,321	5,454	5,591	5,730	5,875	Payments to staff and suppliers
1,273	1,413	1,588	1,646	1,832	2,008	2,184	2,357	2,526	2,696	Finance costs
1,048	1,068	1,088	1,107	1,129	1,149	1,171	1,193	1,215	1,238	Internal charges and overheads applied
-	-	-	-	-	-	-	-	-	-	Other operating funding applications
<b>7,025</b>	<b>7,303</b>	<b>7,618</b>	<b>7,817</b>	<b>8,152</b>	<b>8,478</b>	<b>8,809</b>	<b>9,141</b>	<b>9,471</b>	<b>9,809</b>	<b>Total applications of operating funding (B)</b>
<b>9,865</b>	<b>10,746</b>	<b>11,231</b>	<b>12,089</b>	<b>12,612</b>	<b>12,509</b>	<b>13,251</b>	<b>14,405</b>	<b>14,874</b>	<b>15,511</b>	<b>Surplus (deficit) of operating funding (A-B)</b>
<b>Sources of capital funding</b>										
-	-	-	-	-	-	-	-	-	-	Subsidies and grants for capital expenditure
258	58	2,809	136	136	141	150	154	156	158	Development and financial contributions

<b>Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Water Supply Group of Activities</b>	<b>AP 20/21 \$000</b>	<b>Yr 1 21/22 \$000</b>	<b>Yr 2 22/23 \$000</b>	<b>Yr 3 23/24 \$000</b>	<b>Yr 4 24/25 \$000</b>	<b>Yr 5 25/26 \$000</b>	<b>Yr 6 26/27 \$000</b>	<b>Yr 7 27/28 \$000</b>	<b>Yr 8 28/29 \$000</b>	<b>Yr 9 29/30 \$000</b>	<b>Yr 10 30/31 \$000</b>
Increase (decrease) in debt	1,388	1,912	1,081	(1,187)	(1,748)	(2,716)	(607)	2,696	2,746	4,350	4,542
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>1,388</b>	<b>3,386</b>	<b>2,888</b>	<b>88</b>	<b>(439)</b>	<b>(1,407)</b>	<b>702</b>	<b>4,005</b>	<b>4,055</b>	<b>5,659</b>	<b>5,851</b>
<b>Applications of capital funding</b>											
Capital expenditure											
- to meet additional demand	874	1,420	3,367	1,014	1,181	1,206	1,424	4,773	5,004	6,448	6,766
- to improve the level of service	56	517	-	-	-	-	-	-	-	10	79
- to replace existing assets	2,616	3,899	2,179	2,191	2,334	2,303	2,391	2,505	2,809	2,454	2,593
Increase (decrease) in reserves	186	(222)	(100)	62	225	789	3,014	3,498	3,825	5,014	5,657
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>3,732</b>	<b>5,614</b>	<b>5,446</b>	<b>3,267</b>	<b>3,740</b>	<b>4,298</b>	<b>6,829</b>	<b>10,776</b>	<b>11,638</b>	<b>13,926</b>	<b>15,095</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(2,344)</b>	<b>(2,228)</b>	<b>(2,558)</b>	<b>(3,179)</b>	<b>(4,179)</b>	<b>(5,705)</b>	<b>(6,127)</b>	<b>(6,771)</b>	<b>(7,583)</b>	<b>(8,267)</b>	<b>(9,244)</b>
<b>Funding Balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Depreciation	2,742	1,912	1,081	(1,187)	(1,748)	(2,716)	(607)	2,696	2,746	4,350	4,542

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Water Supply Group of Activities
3,314	4,194	1,450	4,728	4,225	4,238	4,200	4,123	4,146	(936)	Increase (decrease) in debt
-	-	-	-	-	-	-	-	-	-	Gross proceeds from sale of assets
-	-	-	-	-	-	-	-	-	-	Lump sum contributions
-	-	-	-	-	-	-	-	-	-	Other dedicated capital funding
<b>3,572</b>	<b>4,252</b>	<b>4,259</b>	<b>4,864</b>	<b>4,361</b>	<b>4,379</b>	<b>4,350</b>	<b>4,277</b>	<b>4,302</b>	<b>(778)</b>	<b>Total sources of capital funding (C)</b>
										<b>Applications of capital funding</b>
										Capital expenditure
3,725	4,271	4,370	4,906	4,586	4,700	4,814	4,936	5,061	1,661	- to meet additional demand
1,041	1,267	1,295	1,404	1,365	1,399	1,403	1,438	1,474	-	- to improve the level of service
2,622	2,571	2,512	3,563	2,693	2,754	2,842	2,919	2,999	3,067	- to replace existing assets
6,049	6,889	7,313	7,080	8,329	8,035	8,542	9,389	9,642	10,005	Increase (decrease) in reserves
-	-	-	-	-	-	-	-	-	-	Increase (decrease) of investments
<b>13,437</b>	<b>14,998</b>	<b>15,490</b>	<b>16,953</b>	<b>16,973</b>	<b>16,888</b>	<b>17,601</b>	<b>18,682</b>	<b>19,176</b>	<b>14,733</b>	<b>Total applications of capital funding (D)</b>
<b>(9,865)</b>	<b>(10,746)</b>	<b>(11,231)</b>	<b>(12,089)</b>	<b>(12,612)</b>	<b>(12,509)</b>	<b>(13,251)</b>	<b>(14,405)</b>	<b>(14,874)</b>	<b>(15,511)</b>	<b>Surplus (deficit) of capital funding (C-D)</b>
-	-	-	-	-	-	-	-	-	-	<b>Funding Balance ((A-B)+(C-D))</b>
4,164	4,393	4,483	4,736	4,840	5,134	5,241	5,575	5,689	6,070	Depreciation

## Activity Expenditure for Water Supply

<b>Activity Operating Expenditure Including depreciation</b>	<b>AP 20/21 \$000</b>	<b>Yr 1 21/22 \$000</b>	<b>Yr 2 22/23 \$000</b>	<b>Yr 3 23/24 \$000</b>	<b>Yr 4 24/25 \$000</b>	<b>Yr 5 25/26 \$000</b>	<b>Yr 6 26/27 \$000</b>	<b>Yr 7 27/28 \$000</b>	<b>Yr 8 28/29 \$000</b>	<b>Yr 9 29/30 \$000</b>	<b>Yr 10 30/31 \$000</b>
Foxton Water Supply	1,076	1,235	1,283	1,223	1,255	1,279	1,317	1,351	1,398	1,435	1,483
Foxton Beach Water Supply	862	937	956	971	985	1,001	1,027	1,047	1,078	1,101	1,138
Levin Water Supply	3,873	4,523	4,532	4,650	4,749	4,711	4,810	4,935	5,337	5,700	6,207
Shannon Water Supply	793	960	1,014	1,031	1,049	1,054	1,069	1,072	1,092	1,114	1,153
Tokomaru Water Supply	497	534	550	560	572	581	597	612	631	648	668
Ōhau Water Supply	12	18	19	19	19	20	20	21	21	22	23
Waitāre Beach Water Supply	12	20	22	22	23	23	24	24	25	26	26
<b>Total Expenditure</b>	<b>7,125</b>	<b>8,227</b>	<b>8,376</b>	<b>8,476</b>	<b>8,652</b>	<b>8,669</b>	<b>8,864</b>	<b>9,062</b>	<b>9,582</b>	<b>10,046</b>	<b>10,698</b>

*Note: there are no internal loans associated with the Group of Activities*

<b>Yr 11</b>	<b>Yr 12</b>	<b>Yr 13</b>	<b>Yr 14</b>	<b>Yr 15</b>	<b>Yr 16</b>	<b>Yr 17</b>	<b>Yr 18</b>	<b>Yr 19</b>	<b>Yr 20</b>	<b>Activity Operating Expenditure Including depreciation</b>
<b>31/32</b>	<b>32/33</b>	<b>33/34</b>	<b>34/35</b>	<b>35/36</b>	<b>36/37</b>	<b>37/38</b>	<b>38/39</b>	<b>39/40</b>	<b>40/41</b>	
<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	
1,511	1,560	1,593	1,639	1,672	1,725	1,762	1,815	1,848	1,906	Foxton Water Supply
1,156	1,190	1,208	1,243	1,265	1,305	1,326	1,369	1,391	1,439	Foxton Beach Water Supply
6,605	6,793	6,888	6,968	7,072	7,289	7,400	7,637	7,755	8,012	Levin Water Supply
1,170	1,204	1,223	1,257	1,276	1,312	1,333	1,371	1,393	1,434	Shannon Water Supply
681	697	711	728	742	760	775	795	810	831	Tokomaru Water Supply
38	224	450	689	918	926	911	920	901	908	Ōhau Water Supply
27	28	28	31	47	294	543	809	1,062	1,348	Waitārere Beach Water Supply
<b>11,188</b>	<b>11,696</b>	<b>12,101</b>	<b>12,555</b>	<b>12,992</b>	<b>13,611</b>	<b>14,050</b>	<b>14,716</b>	<b>15,160</b>	<b>15,878</b>	<b>Total Expenditure</b>

# Wastewater Treatment

**The Wastewater Treatment Activity aims to protect human health and environment by treating wastewater from residential and industrial properties and discharging treated effluent back into the environment.**

## What Wastewater Treatment involves:

- Council's Wastewater (sewage) reticulation network and pump stations collect sewage from households, businesses and industrial customers. It is then transported to wastewater treatment plants (Levin, Foxton, Foxton Beach, Shannon, Tokomaru and Waitārere Beach) where it is biologically treated and treated effluent from wastewater treatment plants is then applied to land (except from Tokomaru)<sup>1</sup>.
- Our activities include operating and maintaining Levin Wastewater treatment plant (advance wastewater treatment plant), five oxidation pond type WWTPs, 78 pump stations, 342 kilometres of sewer network and 12,429 service connections. We also monitor the flow of trade waste into the sewer reticulation network in Levin and Foxton.
- Meeting resource consent conditions for the discharge of treated effluent wastewater or for the construction or upgrade of assets. There are 28 resource consents for the Wastewater activities.
- Responding to and resolving (if possible) customer complaints relating to the Wastewater Treatment Activity.

## What has changed since the 2018-38 LTP?

- Council is continually planning for wastewater upgrades to service the anticipated growth in the District. With improved asset information,

planning for asset renewals and Level of Service upgrades can be done more efficiently and effectively.

- Council have undertaken feasibility studies on wastewater for Ōhau during last LTP. The review of feasibility study will be completed during 2021-2022 financial year. The decision on whether to undertake a feasibility study on wastewater for Manakau has been deferred until 2023-2024 (Year 3 of the Long Term Plan).

## Challenges Council faces for Wastewater Activities

- A major challenge facing Council regarding its Wastewater Activities is the increasing age of Council's wastewater assets especially within Levin reticulation and treatment plant. Asset ageing affects reliability of asset, increased maintenance costs, and overall performance of assets would be lower. 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.
- Meeting with growth demand. Anticipated growth is leading to increased residential, commercial and industrial demand. We plan to undertake a Master Plan (taking a long-term view) on wastewater treatment activity focusing in Levin area. This takes into account legislative framework (Freshwater National Policy Statement, Plan Change) and projected growth.
- Resource consent process and complying with consent conditions, is another challenge faced by Council for this Group of Activities. It can be expensive, particularly with increased expectations from the public and stakeholder groups.

<sup>1</sup> Council does not provide a wastewater disposal service for Waikawa Beach, Hokio Beach, Manakau and Ōhau (although it accepts septic waste from these areas at the Levin treatment plant)



## **Significant negative effects on the social, cultural, economic and environmental wellbeing of the local community 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 meeting the standards of treatment required by Horizons Regional Council. As these standards increase in the future, Council will need to obtain further significant capital expenditure.
- 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 during heavy rain events. This is mitigated by a regime of pipe and pump inspections and maintenance. We also plan to increase resilience programme and data monitoring for pump stations especially for critical pump stations.

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

- Risks associated with the Wastewater Group of Activities include service failures/disruption to services, inconsistent strategic and poor business/continuity planning. Three Waters reform bill which has been initiated by the government.
- Assumptions which may affect this Group of Activities include population projection.

## Rationale for this Activity (why we do it):

Activity	Community Outcome	Council Role
<p>Maintain the safe collection, treatment, and disposal of wastewater produced by residential and business activities.</p>	<p><b>Vibrant economy</b>            Providing a safe collection and treatment of wastewater is essential for supporting existing businesses and enabling new businesses to establish.</p> <p><b>'Fit for purpose' infrastructure</b>            Our wastewater assets are maintained and developed to meet the current and future needs of our community. They support the ongoing growth of our community and are planned to reduce the risk from climate change and other natural hazards.</p>	<p>Funder/Provider</p>
<p>Resource consent conditions on the quality of discharges are met.</p>	<p><b>Outstanding environment</b>            Making sure that wastewater treatment plants are designed to incorporate resource consent requirements, and operated and monitored to meet resource consent conditions to ensure the quality of discharges are met.</p>	<p>Funder/Provider</p>
<p>The collection network is reliable and has minimal blockages or overflows.</p>	<p><b>'Fit for purpose' infrastructure</b>            We are improving the resilience of our infrastructure so that it can be restored quickly in a natural disaster event.</p> <p><b>Outstanding environment</b>            Our infrastructure are resilient during wet-weather events and has minimal impact on environment by ensuring overflows or blockages are reduced.</p>	<p>Funder/Provider</p>

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

Service	Community Outcomes	How will we measure our performance	Target 21/22	Target 22/23	Target 23/24	Target 24/41
Reliable wastewater collection and disposal*.	Outstanding environment  'Fit for purpose' infrastructure	The number of dry weather wastewater overflows from the wastewater system per 1000 connections.*	≤ 2	≤ 2	≤ 2	≤ 2

### What does this tell me?

This measure provides information on whether the wastewater system is designed to an adequate standard and is being maintained in a way that minimises harm to the Community. Overflows are when wastewater escapes the wastewater system and enters the environment.

Council provides a good response to wastewater system 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 resulting from a wastewater blockage or other fault.*	< 1 hour	< 1 hour	< 1 hour	< 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 causing the overflow.*	< 12 hours	< 12 hours	< 12 hours	< 12 hours

### What does this tell me?

This measure shows how quickly we respond when there is a problem with the sewerage system, and how quickly the problem is resolved.

Service	Community Outcomes	How will we measure our performance	Target 21/22	Target 22/23	Target 23/24	Target 24/41
The service is satisfactory*.	'Fit for purpose' infrastructure	The total number of complaints received (expressed per 1000 connections to the wastewater system) regarding:				
		Wastewater odour;	<4	<4	<3	<3
		Wastewater systems faults;	<6	<6	<6	<6
		Wastewater system blockages;	<8	<8	<8	<8
		and	<4	<4	<3	<3
		Council's response to issues with its wastewater system.	<22	<22	<20	<20
Total number of complaints received about any of the above.*						
Percentage of customers not dissatisfied with the service, based on the Annual Customer Satisfaction Survey.		≥84%	≥84%	≥84%	≥84%	

#### What does this tell me?

The number of complaints provides an indication of the quality of the service provided. This measure also provides information on problems requiring attention, such as the need for maintenance, renewals, upgrades, or new infrastructure.

Service	Community Outcomes	How will we measure our performance	Target 21/22	Target 22/23	Target 23/24	Target 24/41
Safe disposal of wastewater*.	Outstanding environment	The number of				
		Abatement Notices;	0	0	0	0
		Infringement Notices;	0	0	0	0
		Enforcement Orders; and	0	0	0	0
		Convictions	0	0	0	0
		received by Council in relation to Horizons Regional Council resource consents for discharge from its wastewater system.*				

**What does this tell me?**

This measure indicates how well we are managing the environmental impacts of the District's wastewater system. It only includes formal actions taken, as they represent incidents that may have the greatest adverse impact on the environment.

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

## Capital Expenditure for Wastewater Treatment

Wastewater Treatment Projects <i>Primary Type – to replace existing assets</i>	AP 20/21	Yr 1 21/22	Yr 2 22/23	Yr 3 23/24	Yr 4 24/25	Yr 5 25/26	Yr 6 26/27	Yr 7 27/28	Yr 8 28/29	Yr 9 29/30	Yr 10 30/31
Districtwide - Reticulation unplanned renewals	165,000	80,400	81,765	81,766	83,431	86,409	88,827	91,669	94,695	97,913	100,947
Districtwide pump stations - improvement & resilience	-	19,920	32,085	31,857	33,154	32,544	32,301	33,334	32,467	34,333	35,397
Foxton Beach - Reticulation renewals	100,000	264,000	91,080	93,447	95,973	98,754	101,517	104,764	108,222	111,901	115,368
Foxton Beach wastewater treatment plant - Planned renewals	47,000	52,800	56,304	57,767	59,329	61,048	62,756	550,487	66,901	69,175	71,318
Foxton Reticulation Renewals	-	264,000	248,400	254,856	261,744	269,328	276,864	285,720	295,152	305,184	314,640
Foxton wastewater treatment plant - Planned renewals	18,000	40,500	46,575	49,697	53,003	56,559	60,218	64,287	68,623	73,244	77,873
Foxton wastewater treatment plant - Pond desludge	415,000	-	-	-	-	-	784,448	-	-	-	-
Levin - Reticulation renewals	737,000	1,564,800	1,242,000	1,274,280	2,181,200	2,244,400	1,845,760	1,904,800	1,967,680	2,034,560	2,097,600
Levin reticulation upgrade - growth	-	601,200	248,400	254,856	261,744	269,328	276,864	285,720	295,152	305,184	314,640
Levin Taraika growth area - wastewater	-	780,000	724,500	-	-	-	-	-	-	-	-
Levin wastewater treatment plant - Renewals	-	1,225,000	1,014,300	111,500	496,223	510,601	524,888	541,678	559,559	445,060	458,850
Shannon reticulation - Infiltration&Inflow	-	120,000	-	-	-	-	-	-	-	-	-
Shannon wastewater treatment plant - Planned renewals	174,000	205,200	46,575	47,786	49,077	50,499	744,072	53,573	55,341	57,222	58,995
Tokomaru reticulation - Infiltration&Inflow	-	120,000	-	-	-	-	-	-	-	-	-
Tokomaru wastewater - treated effluent disposal options & consents	-	60,000	258,750	265,475	1,635,900	2,244,400	-	-	-	-	-
Tokomaru wastewater treatment plant - Planned renewals	23,000	36,000	36,225	38,228	40,352	42,644	44,990	47,620	50,422	53,407	56,373

Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	Wastewater Treatment Projects <i>Primary Type – to replace existing assets</i>
103,473	106,060	108,709	111,427	114,214	117,071	119,997	123,000	126,072	129,221	Districtwide - Reticulation unplanned renewals
34,939	34,435	33,883	34,730	34,116	34,969	35,843	35,143	36,021	36,920	Districtwide pump stations - improvement & resilience
118,254	121,211	124,238	127,345	130,530	133,795	137,139	140,571	144,082	147,682	Foxton Beach - Reticulation renewals
73,103	74,931	76,802	801,115	80,692	116,767	119,685	122,680	125,745	128,886	Foxton Beach wastewater treatment plant - Planned renewals
322,512	330,576	338,832	347,304	355,992	364,896	374,016	383,376	392,952	402,768	Foxton Reticulation Renewals
82,241	86,776	88,943	93,772	98,788	101,259	103,789	106,387	109,044	111,768	Foxton wastewater treatment plant - Planned renewals
-	-	1,072,968	-	-	-	-	-	-	-	Foxton wastewater treatment plant - Pond desludge
2,150,080	2,203,840	2,258,880	2,315,360	2,373,280	2,432,640	2,493,440	2,555,840	2,619,680	2,685,120	Levin - Reticulation renewals
322,512	330,576	338,832	347,304	355,992	364,896	374,016	383,376	392,952	402,768	Levin reticulation upgrade - growth
-	-	-	-	-	-	-	-	-	-	Levin Taraika growth area - wastewater
470,330	482,090	494,130	405,188	415,324	425,712	436,352	447,272	458,444	469,896	Levin wastewater treatment plant - Renewals
-	-	-	-	-	-	-	-	-	-	Shannon reticulation - Infiltration&Inflow
60,471	61,983	63,531	1,078,090	66,748	68,418	70,128	71,883	73,678	75,519	Shannon wastewater treatment plant - Planned renewals
-	-	-	-	-	-	-	-	-	-	Tokomaru reticulation - Infiltration&Inflow
-	-	-	-	-	-	-	-	-	-	Tokomaru wastewater - treated effluent disposal options & consents
59,127	61,983	64,943	68,014	71,198	74,500	77,920	81,467	86,777	92,301	Tokomaru wastewater treatment plant - Planned renewals

<b>Wastewater Treatment Projects Primary Type – to replace existing assets</b>	<b>AP 20/21</b>	<b>Yr 1 21/22</b>	<b>Yr 2 22/23</b>	<b>Yr 3 23/24</b>	<b>Yr 4 24/25</b>	<b>Yr 5 25/26</b>	<b>Yr 6 26/27</b>	<b>Yr 7 27/28</b>	<b>Yr 8 28/29</b>	<b>Yr 9 29/30</b>	<b>Yr 10 30/31</b>
Waitāre Beach wastewater treatment plant - Planned renewals	94,000	54,000	62,100	63,714	65,436	67,332	415,296	71,430	73,788	76,296	78,660
Wastewater property renewals	-	2,929	-	3,043	17,537	18,045	18,550	19,143	19,775	20,447	21,081
Foxton wastewater treatment plant - Unplanned renewals	19,000	-	-	-	-	-	-	-	-	-	-
New WW Connections	5,000	-	-	-	-	-	-	-	-	-	-
Foxton Beach wastewater treatment plant - Unplanned renewals	18,000	-	-	-	-	-	-	-	-	-	-
Levin wastewater treatment plant – Planned renewals	1,423,000	-	-	-	-	-	-	-	-	-	-
Levin wastewater treatment plant - Unplanned renewals	95,000	-	-	-	-	-	-	-	-	-	-
Condition assessment for renewals	64,000	-	-	-	-	-	-	-	-	-	-
Shannon wastewater treatment plant - Unplanned renewals	25,000	-	-	-	-	-	-	-	-	-	-
Tokomaru wastewater treatment plant - Unplanned renewals	6,000	-	-	-	-	-	-	-	-	-	-
Waitāre Beach wastewater treatment plant - Unplanned renewals	9,000	-	-	-	-	-	-	-	-	-	-
<b>Total renewals</b>	<b>3,437,000</b>	<b>5,490,749</b>	<b>4,189,059</b>	<b>2,628,273</b>	<b>5,334,103</b>	<b>6,051,890</b>	<b>5,277,351</b>	<b>4,054,224</b>	<b>3,687,777</b>	<b>3,683,927</b>	<b>3,801,743</b>



Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	Wastewater Treatment Projects <i>Primary Type – to replace existing assets</i>
80,628	82,644	84,708	607,782	88,998	91,224	93,504	95,844	98,238	100,692	Waitārere Beach wastewater treatment plant - Planned renewals
21,608	22,149	22,702	23,269	23,851	24,448	25,059	25,686	26,328	26,985	Wastewater property renewals
-	-	-	-	-	-	-	-	-	-	Foxton wastewater treatment plant - Unplanned renewals
-	-	-	-	-	-	-	-	-	-	New WW Connections
-	-	-	-	-	-	-	-	-	-	Foxton Beach wastewater treatment plant - Unplanned renewals
-	-	-	-	-	-	-	-	-	-	Levin wastewater treatment plant - Planned renewals
-	-	-	-	-	-	-	-	-	-	Levin wastewater treatment plant - Unplanned renewals
-	-	-	-	-	-	-	-	-	-	Condition assessment for renewals
-	-	-	-	-	-	-	-	-	-	Shannon wastewater treatment plant - Unplanned renewals
-	-	-	-	-	-	-	-	-	-	Tokomaru wastewater treatment plant - Unplanned renewals
-	-	-	-	-	-	-	-	-	-	Waitārere Beach wastewater treatment plant - Unplanned renewals
<b>3,899,278</b>	<b>3,999,254</b>	<b>5,172,101</b>	<b>6,360,700</b>	<b>4,209,723</b>	<b>4,350,595</b>	<b>4,460,888</b>	<b>4,572,525</b>	<b>4,690,013</b>	<b>4,810,526</b>	<b>Total renewals</b>

<b>Wastewater Treatment Projects Primary Type – to improve the Level of Service</b>	<b>AP 20/21</b>	<b>Yr 1 21/22</b>	<b>Yr 2 22/23</b>	<b>Yr 3 23/24</b>	<b>Yr 4 24/25</b>	<b>Yr 5 25/26</b>	<b>Yr 6 26/27</b>	<b>Yr 7 27/28</b>	<b>Yr 8 28/29</b>	<b>Yr 9 29/30</b>	<b>Yr 10 30/31</b>
Districtwide - Marae wastewater assessment & upgrade	-	259,200	-	-	-	-	-	-	-	-	-
Districtwide - WTP & WWTP structural improvements	-	300,000	-	-	-	-	-	-	-	-	-
Districtwide pump stations - improvement & resilience	-	39,840	64,170	63,714	66,308	65,088	64,602	66,668	64,933	68,666	70,794
Foxton wastewater treatment plant - Pond desludge	-	-	-	-	-	-	-	-	-	-	-
Foxton wastewater treatment plant - Strategic upgrade	1,539,000	650,000	-	-	-	-	-	-	-	-	-
Hydraulic modelling	32,000	-	-	-	-	-	-	-	-	-	-
Levin Treated Eff. Discharge - Strategic upgrade POT	-	1,050,012	3,757,050	955,710	677,917	633,897	620,487	653,549	666,638	709,133	671,717
Levin wastewater treatment plant - Strategic Upgrade	-	-	-	-	-	-	-	-	-	1,271,600	1,311,000
Ōhau future supply of wastewater services	-	-	-	-	-	-	-	-	-	9,537	98,325
Shannon reticulation - Infiltration&Inflow	-	30,000	-	-	-	-	-	-	-	-	-
Tokomaru reticulation - Infiltration&Inflow	-	30,000	-	-	-	-	-	-	-	-	-
Tokomaru wastewater - treated effluent disposal options & consents	-	60,000	258,750	265,475	1,635,900	2,244,400	-	-	-	-	-
Waitārere Beach wastewater treatment plant - Planned renewals	-	9,000	10,350	10,619	10,906	11,222	69,216	11,905	12,298	12,716	13,110
Waitārere Beach wastewater treatment plant - Strategic upgrade	183,000	36,000	-	-	-	44,888	369,152	380,960	-	-	-
Wastewater property renewals	-	732	-	760	4,384	4,511	4,637	4,786	4,944	5,112	5,270
Foxton Beach Wastewater treatment plant - Strategic upgrade	170,000	-	-	-	-	-	-	-	-	-	-
New WW Connections Foxton Beach - Lateral	5,000	-	-	-	-	-	-	-	-	-	-
District reticulation - Planned pump renewals	33,000	-	-	-	-	-	-	-	-	-	-

Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	Wastewater Treatment Projects <i>Primary Type – to improve the Level of Service</i>
-	-	-	-	-	-	-	-	-	-	Districtwide - Marae wastewater assessment & upgrade
-	-	-	-	-	-	-	-	-	-	Districtwide - WTP & WWTP structural improvements
69,878	68,870	67,766	69,461	68,232	69,938	71,686	70,286	72,041	73,841	Districtwide pump stations - improvement & resilience
-	-	134,121	-	-	-	-	-	-	-	Foxton wastewater treatment plant - Pond desludge
-	-	-	-	-	-	-	-	-	-	Foxton wastewater treatment plant - Strategic upgrade
-	-	-	-	-	-	-	-	-	-	Hydraulic modelling
686,910	695,408	747,082	797,888	769,343	767,604	796,607	830,440	913,073	857,342	Levin Treated Eff. Discharge - Strategic upgrade POT
1,343,800	1,377,400	1,411,800	-	-	-	-	-	-	-	Levin wastewater treatment plant - Strategic Upgrade
1,209,420	1,239,660	1,270,620	1,172,151	-	-	-	-	-	-	Ōhau future supply of wastewater services
-	-	-	-	-	-	-	-	-	-	Shannon reticulation - Infiltration&Inflow
-	-	-	-	-	-	-	-	-	-	Tokomaru reticulation - Infiltration&Inflow
-	-	-	-	-	-	-	-	-	-	Tokomaru wastewater - treated effluent disposal options & consents
13,438	13,774	14,118	101,297	14,833	15,204	15,584	15,974	16,373	16,782	Waitārere Beach wastewater treatment plant - Planned renewals
-	-	-	-	-	-	-	-	-	-	Waitārere Beach wastewater treatment plant - Strategic upgrade
5,402	5,537	5,675	5,817	5,963	6,112	6,265	6,422	6,582	6,746	Wastewater property renewals
-	-	-	-	-	-	-	-	-	-	Foxton Beach Wastewater treatment plant - Strategic upgrade
-	-	-	-	-	-	-	-	-	-	New WW Connections Foxton Beach - Lateral
-	-	-	-	-	-	-	-	-	-	District reticulation - Planned pump renewals

<b>Wastewater Treatment Projects</b> <i>Primary Type – to improve the Level of Service</i>	<b>AP 20/21</b>	<b>Yr 1 21/22</b>	<b>Yr 2 22/23</b>	<b>Yr 3 23/24</b>	<b>Yr 4 24/25</b>	<b>Yr 5 25/26</b>	<b>Yr 6 26/27</b>	<b>Yr 7 27/28</b>	<b>Yr 8 28/29</b>	<b>Yr 9 29/30</b>	<b>Yr 10 30/31</b>
New WW Connections Levin - Lateral	10,000	-	-	-	-	-	-	-	-	-	-
Forestry at The Pot - MfE Trial of Native Ecosystem Planting - Specialist Technical Advice	23,686	-	-	-	-	-	-	-	-	-	-
Levin wastewater treatment plant - Strategic upgrade POT	333,000	-	-	-	-	-	-	-	-	-	-
New WW Connections Shannon	1,000	-	-	-	-	-	-	-	-	-	-
Tokomaru wastewater disposal project	152,000	-	-	-	-	-	-	-	-	-	-
Tokomaru waster treatment plant upgrade	283,000	-	-	-	-	-	-	-	-	-	-
New WW Connections Waitārere	500	-	-	-	-	-	-	-	-	-	-
<b>Total Level of Service</b>	<b>3,437,000</b>	<b>2,464,784</b>	<b>4,090,320</b>	<b>1,296,278</b>	<b>2,395,416</b>	<b>3,004,006</b>	<b>1,226,150</b>	<b>1,117,868</b>	<b>748,813</b>	<b>2,076,764</b>	<b>2,170,216</b>

Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	Wastewater Treatment Projects <i>Primary Type – to improve the Level of Service</i>
-	-	-	-	-	-	-	-	-	-	New WW Connections Levin - Lateral
-	-	-	-	-	-	-	-	-	-	Forestry at The Pot - MfE Trial of Native Ecosystem Planting - Specialist Technical Advice
-	-	-	-	-	-	-	-	-	-	Levin wastewater treatment plant - Strategic upgrade POT
-	-	-	-	-	-	-	-	-	-	New WW Connections Shannon
-	-	-	-	-	-	-	-	-	-	Tokomaru wastewater disposal project
-	-	-	-	-	-	-	-	-	-	Tokomaru waster treatment plant upgrade
-	-	-	-	-	-	-	-	-	-	New WW Connections Waitāreare
3,328,848	3,400,649	3,651,182	2,146,614	858,371	858,858	890,142	923,122	1,008,069	954,711	<b>Total Level of Service</b>

<b>Wastewater Treatment Projects Primary Type – to meet additional demand</b>	<b>AP 20/21</b>	<b>Yr 1 21/22</b>	<b>Yr 2 22/23</b>	<b>Yr 3 23/24</b>	<b>Yr 4 24/25</b>	<b>Yr 5 25/26</b>	<b>Yr 6 26/27</b>	<b>Yr 7 27/28</b>	<b>Yr 8 28/29</b>	<b>Yr 9 29/30</b>	<b>Yr 10 30/31</b>
Districtwide - Reticulation unplanned renewals	-	80,400	81,765	81,766	83,431	86,409	88,827	91,669	94,695	97,913	100,947
Districtwide pump stations - improvement & resilience	-	39,840	64,170	63,714	66,308	65,088	64,602	66,668	64,933	68,666	70,794
Foxton Beach - Reticulation renewals	-	66,000	22,770	23,362	23,993	24,688	25,379	26,191	27,056	27,975	28,842
Foxton Beach wastewater treatment plant - Planned renewals	-	13,200	14,076	14,442	14,832	15,262	15,689	137,622	16,725	17,294	17,830
Foxton Reticulation Renewals	-	66,000	62,100	63,714	65,436	67,332	69,216	71,430	73,788	76,296	78,660
Foxton wastewater treatment plant - Planned renewals	-	4,500	5,175	5,522	5,889	6,284	6,691	7,143	7,625	8,138	8,653
Foxton wastewater treatment plant - Pond desludge	-	-	-	-	-	-	98,056	-	-	-	-
Foxton wastewater treatment plant - Strategic upgrade	-	650,000	-	-	-	-	-	-	-	-	-
Levin - Reticulation renewals	-	391,200	310,500	318,570	545,300	561,100	461,440	476,200	491,920	508,640	524,400
Levin NE Growth Wastewater reticulation	-	166,000	1,552,500	1,699,040	1,090,600	-	-	-	-	-	-
Levin reticulation upgrade - growth	-	1,402,800	579,600	594,664	610,736	628,432	646,016	666,680	688,688	712,096	734,160
Levin Taraika growth area - wastewater	-	3,120,000	2,898,000	-	-	-	-	-	-	-	-
Levin Treated Eff. Discharge - Strategic upgrade POT	-	700,008	2,504,700	637,140	451,945	422,598	413,658	435,699	444,425	472,755	447,811
Levin wastewater treatment plant - Renewals	-	525,000	434,700	47,786	212,667	218,829	224,952	232,148	239,811	190,740	196,650
Levin wastewater treatment plant - Strategic Upgrade	-	-	-	-	-	-	-	-	-	5,086,400	5,244,000
Ōhau future supply of wastewater services	-	-	-	-	-	-	-	-	-	22,253	229,425
Waitārere Beach wastewater treatment plant - Planned renewals	-	27,000	31,050	31,857	32,718	33,666	207,648	35,715	36,894	38,148	39,330
Waitārere Beach wastewater treatment plant - Strategic upgrade	-	54,000	-	-	-	67,332	553,728	571,440	-	-	-
Levin - Network upgrades - Pump stations	657,000	-	-	-	-	-	-	-	-	-	-
<b>Total Growth</b>	<b>657,000</b>	<b>7,305,948</b>	<b>8,561,106</b>	<b>3,581,576</b>	<b>3,203,856</b>	<b>2,197,021</b>	<b>2,875,902</b>	<b>2,818,604</b>	<b>2,186,560</b>	<b>7,327,315</b>	<b>7,721,502</b>

Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	Wastewater Treatment Projects <i>Primary Type – to meet additional demand</i>
103,473	106,060	108,709	111,427	114,214	117,071	119,997	123,000	126,072	129,221	Districtwide - Reticulation unplanned renewals
69,878	68,870	67,766	69,461	68,232	69,938	71,686	70,286	72,041	73,841	Districtwide pump stations - improvement & resilience
29,564	30,303	31,060	31,836	32,633	33,449	34,285	35,143	36,021	36,920	Foxtan Beach - Reticulation renewals
18,276	18,733	19,200	200,279	20,173	29,192	29,921	30,670	31,436	32,221	Foxtan Beach wastewater treatment plant - Planned renewals
80,628	82,644	84,708	86,826	88,998	91,224	93,504	95,844	98,238	100,692	Foxtan Reticulation Renewals
9,138	9,642	9,883	10,419	10,976	11,251	11,532	11,821	12,116	12,419	Foxtan wastewater treatment plant - Planned renewals
-	-	134,121	-	-	-	-	-	-	-	Foxtan wastewater treatment plant - Pond desludge
-	-	-	-	-	-	-	-	-	-	Foxtan wastewater treatment plant - Strategic upgrade
537,520	550,960	564,720	578,840	593,320	608,160	623,360	638,960	654,920	671,280	Levin - Reticulation renewals
-	-	-	-	-	-	-	-	-	-	Levin NE Growth Wastewater reticulation
752,528	771,344	790,608	810,376	830,648	851,424	872,704	894,544	916,888	939,792	Levin reticulation upgrade - growth
-	-	-	-	-	-	-	-	-	-	Levin Taraika growth area - wastewater
457,940	463,605	498,055	531,925	512,895	511,736	531,072	553,627	608,715	571,561	Levin Treated Eff. Discharge - Strategic upgrade POT
201,570	206,610	211,770	173,652	177,996	182,448	187,008	191,688	196,476	201,384	Levin wastewater treatment plant - Renewals
5,375,200	5,509,600	5,647,200	-	-	-	-	-	-	-	Levin wastewater treatment plant - Strategic Upgrade
2,821,980	2,892,540	2,964,780	2,735,019	-	-	-	-	-	-	Ōhau future supply of wastewater services
40,314	41,322	42,354	303,891	44,499	45,612	46,752	47,922	49,119	50,346	Waitārere Beach wastewater treatment plant - Planned renewals
-	-	-	-	-	-	-	-	-	-	Waitārere Beach wastewater treatment plant - Strategic upgrade
-	-	-	-	-	-	-	-	-	-	Levin - Network upgrades - Pump stations
<b>10,498,009</b>	<b>10,752,233</b>	<b>11,174,934</b>	<b>5,643,951</b>	<b>2,494,584</b>	<b>2,551,505</b>	<b>2,621,821</b>	<b>2,693,505</b>	<b>2,802,042</b>	<b>2,819,677</b>	<b>Total Growth</b>

Total Wastewater Treatment Projects by Type	AP 20/21	Yr 1 21/22	Yr 2 22/23	Yr 3 23/24	Yr 4 24/25	Yr 5 25/26	Yr 6 26/27	Yr 7 27/28	Yr 8 28/29	Yr 9 29/30	Yr 10 30/31
Renewals	3,437,000	5,490,749	4,189,059	2,628,273	5,334,103	6,051,890	5,277,351	4,054,224	3,687,777	3,683,927	3,801,743
Level of Service	2,765,186	2,464,784	4,090,320	1,296,278	2,395,416	3,004,006	1,226,150	1,117,868	748,813	2,076,764	2,170,216
Growth	657,000	7,305,948	8,561,106	3,581,576	3,203,856	2,197,021	2,875,902	2,818,604	2,186,560	7,327,315	7,721,502
<b>Total Wastewater Treatment Projects</b>	<b>6,859,186</b>	<b>15,261,481</b>	<b>16,840,485</b>	<b>7,506,127</b>	<b>10,933,374</b>	<b>11,252,917</b>	<b>9,379,402</b>	<b>7,990,696</b>	<b>6,623,149</b>	<b>13,088,007</b>	<b>13,693,461</b>



Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	Total Wastewater Treatment Projects by Type
3,899,278	3,999,254	5,172,101	6,360,700	4,209,723	4,350,595	4,460,888	4,572,525	4,690,013	4,810,526	Renewals
3,328,848	3,400,649	3,651,182	2,146,614	858,371	858,858	890,142	923,122	1,008,069	954,711	Level of Service
10,498,009	10,752,233	11,174,934	5,643,951	2,494,584	2,551,505	2,621,821	2,693,505	2,802,042	2,819,677	Growth
<b>17,726,135</b>	<b>18,152,136</b>	<b>19,998,217</b>	<b>14,151,265</b>	<b>7,562,678</b>	<b>7,760,958</b>	<b>7,972,851</b>	<b>8,189,152</b>	<b>8,500,124</b>	<b>8,584,914</b>	<b>Total Wastewater Treatment Projects</b>

## Forecast Funding Impact Statement for Wastewater Treatment (Including operating expenditure and loans (where applicable))

Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Wastewater Treatment Group of Activities	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
<b>Sources of Operating Funding</b>											
General rates, uniform annual general charges, rates penalties	-	-	-	-	-	-	-	-	-	-	-
Targeted rates	6,323	6,854	7,616	8,814	10,342	12,556	13,623	14,641	15,840	16,497	17,952
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	1,053	1,191	1,233	1,265	1,299	1,336	1,374	1,418	1,465	1,514	1,561
Local authorities fuel tax, fines, infringement fees, and other receipts	-	112	91	101	115	144	203	237	304	408	501
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
<b>Total Operating Funding (A)</b>	<b>7,376</b>	<b>8,157</b>	<b>8,940</b>	<b>10,180</b>	<b>11,756</b>	<b>14,036</b>	<b>15,200</b>	<b>16,296</b>	<b>17,609</b>	<b>18,419</b>	<b>20,014</b>
<b>Applications of Operating Funding</b>											
Payments to staff and suppliers	2,896	3,903	3,823	3,883	3,988	4,104	4,173	4,304	4,447	4,599	4,739
Finance costs	853	921	1,279	1,612	1,695	1,861	2,143	2,313	2,423	2,462	2,607
Internal charges and overheads applied	755	869	887	904	922	934	956	979	999	1,024	1,050
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>4,504</b>	<b>5,693</b>	<b>5,989</b>	<b>6,399</b>	<b>6,605</b>	<b>6,899</b>	<b>7,272</b>	<b>7,596</b>	<b>7,869</b>	<b>8,085</b>	<b>8,396</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>2,872</b>	<b>2,464</b>	<b>2,951</b>	<b>3,781</b>	<b>5,151</b>	<b>7,137</b>	<b>7,928</b>	<b>8,700</b>	<b>9,740</b>	<b>10,334</b>	<b>11,618</b>
<b>Sources of capital funding</b>											
Subsidies and grants for capital expenditure	-	2,693	2,415	-	-	-	-	-	-	-	-

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Wastewater Treatment Group of Activities
<b>Sources of Operating Funding</b>										
-	-	-	-	-	-	-	-	-	-	General rates, uniform annual general charges, rates penalties
18,569	20,289	21,275	23,090	23,657	23,218	23,709	25,108	25,154	25,735	Targeted rates
-	-	-	-	-	-	-	-	-	-	Subsidies and grants for operating purposes
1,600	1,640	1,681	1,723	1,766	1,811	1,856	1,902	1,950	1,999	Fees and charges
608	817	1,073	1,338	1,549	1,871	2,184	2,529	2,958	3,399	Local authorities fuel tax, fines, infringement fees, and other receipts
-	-	-	-	-	-	-	-	-	-	Internal charges and overheads recovered
20,777	22,746	24,029	26,151	26,972	26,900	27,749	29,539	30,062	31,133	<b>Total Operating Funding (A)</b>
<b>Applications of Operating Funding</b>										
4,858	4,980	5,104	5,231	5,362	5,497	5,636	5,775	5,921	6,068	Payments to staff and suppliers
2,736	3,094	3,503	3,923	4,027	3,945	3,874	3,841	3,814	3,796	Finance costs
1,069	1,090	1,110	1,130	1,152	1,173	1,195	1,218	1,241	1,265	Internal charges and overheads applied
-	-	-	-	-	-	-	-	-	-	Other operating funding applications
8,663	9,164	9,717	10,284	10,541	10,615	10,705	10,834	10,976	11,129	<b>Total applications of operating funding (B)</b>
12,114	13,582	14,312	15,867	16,431	16,285	17,044	18,705	19,086	20,004	<b>Surplus (deficit) of operating funding (A-B)</b>
<b>Sources of capital funding</b>										
-	-	-	-	-	-	-	-	-	-	Subsidies and grants for capital expenditure

<b>Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Wastewater Treatment Group of Activities</b>	<b>AP 20/21 \$000</b>	<b>Yr 1 21/22 \$000</b>	<b>Yr 2 22/23 \$000</b>	<b>Yr 3 23/24 \$000</b>	<b>Yr 4 24/25 \$000</b>	<b>Yr 5 25/26 \$000</b>	<b>Yr 6 26/27 \$000</b>	<b>Yr 7 27/28 \$000</b>	<b>Yr 8 28/29 \$000</b>	<b>Yr 9 29/30 \$000</b>	<b>Yr 10 30/31 \$000</b>
Development and financial contributions	-	1,523	1,523	1,946	2,002	2,002	2,002	2,002	2,002	2,002	2,002
Increase (decrease) in debt	4,071	8,648	10,245	2,280	4,643	3,486	(10)	(1,447)	(3,118)	2,957	2,586
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>4,071</b>	<b>12,864</b>	<b>14,183</b>	<b>4,226</b>	<b>6,645</b>	<b>5,488</b>	<b>1,992</b>	<b>555</b>	<b>(1,116)</b>	<b>4,959</b>	<b>4,588</b>
<b>Applications of capital funding</b>											
Capital expenditure											
- to meet additional demand	657	7,306	8,561	3,582	3,204	2,197	2,876	2,819	2,187	7,327	7,722
- to improve the level of service	2,717	2,465	4,090	1,296	2,395	3,004	1,226	1,118	749	2,077	2,170
- to replace existing assets	3,486	5,491	4,189	2,628	5,334	6,052	5,277	4,054	3,688	3,684	3,802
Increase (decrease) in reserves	83	66	294	501	863	1,372	541	1,264	2,000	2,205	2,512
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>6,943</b>	<b>15,328</b>	<b>17,134</b>	<b>8,007</b>	<b>11,796</b>	<b>12,625</b>	<b>9,920</b>	<b>9,255</b>	<b>8,624</b>	<b>15,293</b>	<b>16,206</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(2,872)</b>	<b>(2,464)</b>	<b>(2,951)</b>	<b>(3,781)</b>	<b>(5,151)</b>	<b>(7,137)</b>	<b>(7,928)</b>	<b>(8,700)</b>	<b>(9,740)</b>	<b>(10,334)</b>	<b>(11,618)</b>
<b>Funding Balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Depreciation	3,331	3,469	3,642	3,791	4,046	4,121	4,398	4,460	4,786	4,842	5,301

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Wastewater Treatment Group of Activities
2,439	2,359	2,359	2,359	2,359	2,359	2,359	2,359	2,359	2,359	Development and financial contributions
8,385	8,234	9,551	906	(3,661)	(3,522)	(2,884)	(2,795)	(2,566)	(2,601)	Increase (decrease) in debt
-	-	-	-	-	-	-	-	-	-	Gross proceeds from sale of assets
-	-	-	-	-	-	-	-	-	-	Lump sum contributions
-	-	-	-	-	-	-	-	-	-	Other dedicated capital funding
<b>10,824</b>	<b>10,593</b>	<b>11,910</b>	<b>3,265</b>	<b>(1,302)</b>	<b>(1,163)</b>	<b>(525)</b>	<b>(436)</b>	<b>(207)</b>	<b>(242)</b>	<b>Total sources of capital funding (C)</b>
										<b>Applications of capital funding</b>
										Capital expenditure
10,498	10,752	11,175	5,644	2,495	2,552	2,622	2,694	2,802	2,820	- to meet additional demand
3,329	3,401	3,651	2,147	858	859	890	923	1,008	955	- to improve the level of service
3,899	3,999	5,172	6,361	4,210	4,351	4,461	4,573	4,690	4,811	- to replace existing assets
5,212	6,023	6,224	4,980	7,566	7,360	8,546	10,079	10,379	11,176	Increase (decrease) in reserves
-	-	-	-	-	-	-	-	-	-	Increase (decrease) of investments
<b>22,938</b>	<b>24,175</b>	<b>26,222</b>	<b>19,132</b>	<b>15,129</b>	<b>15,122</b>	<b>16,519</b>	<b>18,269</b>	<b>18,879</b>	<b>19,762</b>	<b>Total applications of capital funding (D)</b>
<b>(12,114)</b>	<b>(13,582)</b>	<b>(14,312)</b>	<b>(15,867)</b>	<b>(16,431)</b>	<b>(16,285)</b>	<b>(17,044)</b>	<b>(18,705)</b>	<b>(19,086)</b>	<b>(20,004)</b>	<b>Surplus (deficit) of capital funding (C-D)</b>
-	-	-	-	-	-	-	-	-	-	<b>Funding Balance ((A-B)+(C-D))</b>
5,430	5,937	6,157	6,757	6,921	7,438	7,524	8,092	8,184	8,809	Depreciation

## Activity Expenditure for Wastewater Treatment

<b>Activity Operating Expenditure Including depreciation</b>	<b>AP 20/21 \$000</b>	<b>Yr 1 21/22 \$000</b>	<b>Yr 2 22/23 \$000</b>	<b>Yr 3 23/24 \$000</b>	<b>Yr 4 24/25 \$000</b>	<b>Yr 5 25/26 \$000</b>	<b>Yr 6 26/27 \$000</b>	<b>Yr 7 27/28 \$000</b>	<b>Yr 8 28/29 \$000</b>	<b>Yr 9 29/30 \$000</b>	<b>Yr 10 30/31 \$000</b>
Foxton Wastewater	824	1,040	1,052	1,044	1,057	1,046	1,070	1,106	1,127	1,115	1,123
Foxton Beach Wastewater	697	808	826	836	857	870	898	914	949	967	1,007
Levin Wastewater	4,375	5,342	5,717	6,262	6,627	6,867	7,205	7,444	7,840	8,066	8,718
Shannon Wastewater	1,106	1,170	1,204	1,205	1,227	1,231	1,270	1,291	1,335	1,357	1,391
Tokomaru Wastewater	296	297	300	313	332	447	638	647	670	672	677
Waitāreere Beach Wastewater	524	486	513	510	530	539	567	634	712	728	758
Ōhau Wastewater	13	18	19	19	19	20	20	21	21	22	23
<b>Total Expenditure</b>	<b>7,835</b>	<b>9,161</b>	<b>9,631</b>	<b>10,189</b>	<b>10,649</b>	<b>11,020</b>	<b>11,668</b>	<b>12,057</b>	<b>12,654</b>	<b>12,927</b>	<b>13,697</b>

<b>Yr 11</b>	<b>Yr 12</b>	<b>Yr 13</b>	<b>Yr 14</b>	<b>Yr 15</b>	<b>Yr 16</b>	<b>Yr 17</b>	<b>Yr 18</b>	<b>Yr 19</b>	<b>Yr 20</b>	<b>Activity Operating Expenditure Including depreciation</b>
<b>31/32</b>	<b>32/33</b>	<b>33/34</b>	<b>34/35</b>	<b>35/36</b>	<b>36/37</b>	<b>37/38</b>	<b>38/39</b>	<b>39/40</b>	<b>40/41</b>	
<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	
1,090	1,069	1,074	1,125	1,144	1,199	1,219	1,279	1,299	1,364	Foxton Wastewater
1,021	1,056	1,071	1,107	1,124	1,163	1,180	1,222	1,240	1,285	Foxton Beach Wastewater
9,122	9,817	10,334	11,103	11,255	11,694	11,855	12,344	12,524	13,073	Levin Wastewater
1,396	1,425	1,429	1,458	1,465	1,498	1,506	1,543	1,553	1,592	Shannon Wastewater
656	645	614	601	568	555	531	560	569	599	Tokomaru Wastewater
765	792	799	826	852	882	891	923	932	967	Waitārere Beach Wastewater
44	299	554	823	1,056	1,062	1,046	1,057	1,043	1,057	Ōhau Wastewater
<b>14,094</b>	<b>15,103</b>	<b>15,875</b>	<b>17,043</b>	<b>17,464</b>	<b>18,053</b>	<b>18,228</b>	<b>18,928</b>	<b>19,160</b>	<b>19,937</b>	<b>Total Expenditure</b>

# Stormwater

**As part of the Stormwater Activity Council provides and maintains a stormwater system that aims to remove water from the roading corridor, and in some case residential and commercial properties, to reduce the occurrence of flooding during rainfall events.**

## What Stormwater involves:

- Providing and maintaining drainage systems (including reticulation pipes, open culverts, pump stations, soak pits, discharge outlets and detention areas) in settlements<sup>2</sup> across the District to remove stormwater from the road corridor and some residential and commercial properties.
- Continuous improvements and extensions to the stormwater network utilising stormwater catchment management plans.
- Meeting resource consent requirements for stormwater discharges and drainage systems.
- Responding to and resolving (if possible) customer complaints relating to the Stormwater Activity.

## What has changed since the 2018/38 LTP?

- Council now has completed stormwater Catchment Management Plans (CMPs) across the district. For existing catchment areas, these CMPs are being used during the planning phase for asset renewals to ensure continuous improvement to the network. The CMPs also allow Level of Service upgrades to be done more efficiently and effectively.
- The Horowhenua District is currently experiencing and expecting considerable growth in the coming years. Council is planning for

Stormwater upgrades in the expected growth areas and, where possible, applying the recommendations that derive from the stormwater catchment management plans.

- Council has applied for stormwater discharge resource consents (Foxton Beach and Levin, Queen Street into the Lake Horowhenua). The investigations in both locations are ongoing to enable a better data collection (quality of stormwater discharges and developing improvement plans).

## 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. Stormwater catchment management plans incorporate climate change effects into stormwater models as well as including historical flooding information so that asset renewals are done appropriately and fit-for-purpose.
- Customer expectations are continually increasing and this presents a challenge for the future provision of Stormwater Activities as peoples' 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 2020 is

<sup>2</sup> Levin, Foxton, Foxton Beach, Hokio Beach, Shannon, Mangaore, Tokomaru, Manakau, Ōhau, Waikawa Beach and Waitāreere Beach



the key instrument for controlling this contamination and will impact on Council's stormwater services in the future.

### **Significant negative effects on the social, cultural, economic and environmental wellbeing of the local community 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 been identified through stormwater catchment management plans. We plan to implement actions from stormwater catchment management plans as part of continuous improvement.
- 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.
- Council has applied for resource consents for Levin and Foxton Beach. The investigation phase has been undertaken and communicated with relative stakeholders. It is expected that the investigations will continue to improve monitoring data which are required by Horizons One Plan. It is expected that the discharge consent will be granted for these two Communities during this LTP period.

## Rationale for this Group of Activities (why we do it):

Activity	Community Outcome	Council Role
Maintain a system to divert stormwater away from the road and to protect residential and business properties.	<p><b>Vibrant economy</b></p> <p>Providing stormwater services to protect our community and supporting existing businesses and enabling new businesses to establish.</p> <p><b>'Fit for purpose' infrastructure</b></p> <p>Our infrastructure are resilient, helping us to respond to climate change and natural hazards.</p>	Funder/Provider
Provide a means of ensuring minimal contamination of receiving water course.	<p><b>Outstanding environment</b></p> <p>Stormwater discharge points are monitored and work is ongoing to reduce contaminants entering the stormwater system and reducing any impacts on receiving environment.</p>	Funder/Provider

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

Service	Community Outcomes	How will we measure our performance	Target 21/22	Target 22/23	Target 23/24	Target 24/41
An adequate stormwater system*.	Outstanding environment 'Fit for purpose' infrastructure Strong communities	Number of flooding events each year that occur in the District.*	< 5 per year	< 5 per year	< 5 per year	< 5 per year
		For each flooding event, the number of habitable floors affected. (Expressed per 1000 connections to Council's stormwater networks).*	2 or less	2 or less	2 or less	2 or less

### What does this tell me?

It is important that our stormwater system is reliable and that the scale of any flooding event is minimised. This performance measure provides information on how effective our stormwater system is in providing an appropriate level of protection and how well it is being managed. In other words, whether it has been designed to an adequate standard and is being operated in a way that minimises harm to the Community.

A flooding event means an overflow of stormwater from Council's stormwater system that enters a habitable floor. A habitable floor refers to a floor of a building (including a basement) but does not include ancillary structures such as standalone garden sheds or garages.

Response to faults*.	Outstanding environment Strong communities	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	< 1 hour	< 1 hour	< 1 hour
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Service	Community Outcomes	How will we measure our performance	Target 21/22	Target 22/23	Target 23/24	Target 24/41
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What does this tell me?

This measure shows how quickly we respond when there is a problem with the stormwater system. It measures situations where water from the stormwater system enters a habitable floor of a building. It is important that we are able to respond quickly to flooding events to reduce the impact they have on buildings and the welfare of the inhabitants of those buildings.

Customer satisfaction*.	Strong communities	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	<10 per year	<10 per year	<10 per year
		Percentage of customers satisfied with the stormwater service. As per the Annual Customer Satisfaction Survey.	≥80%	≥80%	≥80%	≥80%

What does this tell me?

The number of complaints received gives us an indication of the quality of service we are providing. It also gives us information about issues with the stormwater system and tells us how satisfied customers are with the stormwater network.

A sustainable stormwater service.	Outstanding environment Strong communities 'Fit for purpose' infrastructure	The number of: Abatement Notices; Infringement Notices; Enforcement Orders; and Convictions	0 0 0 0	0 0 0 0	0 0 0 0	0 0 0 0
		received by Council in relation to Horizons Regional Council resource consents* for discharge from its stormwater system.**				

What does this tell me?

This measure indicates how well Council is managing the environmental impacts of the stormwater system. Not complying with consent conditions may indicate that Council is not managing its processes adequately or that the infrastructure is no longer adequate.

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

\*\* Currently there is no discharge consent for Levin's stormwater

## Capital Expenditure for Stormwater

<b>Stormwater Projects Primary Type – to replace existing assets</b>	<b>AP 20/21</b>	<b>Yr 1 21/22</b>	<b>Yr 2 22/23</b>	<b>Yr 3 23/24</b>	<b>Yr 4 24/25</b>	<b>Yr 5 25/26</b>	<b>Yr 6 26/27</b>	<b>Yr 7 27/28</b>	<b>Yr 8 28/29</b>	<b>Yr 9 29/30</b>	<b>Yr 10 30/31</b>
Actions from Catchment Management Plans	-	155,760	163,944	129,977	172,751	272,021	182,730	145,717	194,800	155,644	207,662
Districtwide pump stations - Planned renewals	-	26,400	27,324	28,034	28,792	29,626	30,455	31,429	32,467	33,570	34,610
Districtwide reticulation renewals	42,400	39,360	37,260	-	39,262	-	41,530	-	44,273	-	47,196
Foxton Beach Stormwater resource consent expiry 2028 - Disc. Manawatū River Estuary	-	90,000	99,360	101,942	104,698	107,731	110,746	114,288	118,061	122,074	125,856
Condition assessment for renewals	16,000	-	-	-	-	134,664	-	-	-	-	-
Districtwide reticulation - Unplanned renewals	32,000	-	-	-	-	-	-	-	-	-	-
Districtwide pump stations - Planned renewals	8,000	-	-	-	-	-	-	-	-	-	-
<b>Total renewals</b>	<b>98,400</b>	<b>155,760</b>	<b>163,944</b>	<b>129,977</b>	<b>172,751</b>	<b>272,021</b>	<b>182,730</b>	<b>145,717</b>	<b>194,800</b>	<b>155,644</b>	<b>207,662</b>

<b>Stormwater Projects Primary Type – to improve the Level of Service</b>	<b>AP 20/21</b>	<b>Yr 1 21/22</b>	<b>Yr 2 22/23</b>	<b>Yr 3 23/24</b>	<b>Yr 4 24/25</b>	<b>Yr 5 25/26</b>	<b>Yr 6 26/27</b>	<b>Yr 7 27/28</b>	<b>Yr 8 28/29</b>	<b>Yr 9 29/30</b>	<b>Yr 10 30/31</b>
Actions from Catchment Management Plans	-	66,000	68,310	70,085	71,980	74,065	76,138	78,573	81,167	83,926	86,526
Development Planning and resource consenting Foxton Beach	-	65,000	25,875	26,548	-	-	-	-	-	-	-
Districtwide improvement works	836,000	180,000	186,300	191,142	196,308	168,330	173,040	178,575	184,470	190,740	196,650
Districtwide reticulation renewals	-	30,000	33,120	33,981	34,899	35,910	36,915	38,096	39,354	40,691	41,952
Foxton East Drainage Scheme	8,000	504,000	-	-	-	-	-	-	-	-	-
Hydraulic modelling	53,000	-	-	-	-	-	-	-	-	-	-
Lake Horowhenua water quality improvement project - wetland/riparian planting	-	300,000	155,250	159,285	-	-	-	-	-	-	-
Levin North East Stormwater drainage	-	1,122,000	62,100	63,714	65,436	538,656	-	-	-	-	-
Queen St discharge & resource consent	107,000	348,000	-	-	-	-	-	-	-	-	-
Lake Horowhenua water quality improvement project	236,000	-	-	-	-	-	-	-	-	-	-
North East Stormwater Pipeline Project	8,000	-	-	-	-	-	-	-	-	-	-
Lake Horowhenua Stormwater	-	500,000	1,035,000	1,592,850	1,635,900	1,913,351	-	-	-	-	-
<b>Total Level of Service</b>	<b>1,248,000</b>	<b>3,115,000</b>	<b>1,565,955</b>	<b>2,137,605</b>	<b>2,004,523</b>	<b>2,730,313</b>	<b>286,093</b>	<b>295,244</b>	<b>304,990</b>	<b>315,357</b>	<b>325,128</b>

Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	Stormwater Projects <i>Primary Type – to replace existing assets</i>
35,476	36,363	37,272	38,203	39,159	40,139	41,142	42,171	43,225	44,304	Actions from Catchment Management Plans
-	49,586	-	52,096	-	54,734	-	57,506	-	60,415	Districtwide pump stations - Planned renewals
129,005	132,230	135,533	138,922	142,397	145,958	149,606	153,350	157,181	161,107	Districtwide reticulation renewals
-	-	-	-	-	-	-	-	-	-	Foxton Beach Stormwater resource consent expiry 2028 - Disc. Manawatū River Estuary
-	-	-	-	-	-	-	-	-	-	Condition assessment for renewals
-	-	-	-	-	-	-	-	-	-	Districtwide reticulation - Unplanned renewals
-	-	-	-	-	-	-	-	-	-	Districtwide pump stations - Planned renewals
<b>164,481</b>	<b>218,179</b>	<b>172,805</b>	<b>229,221</b>	<b>181,556</b>	<b>240,831</b>	<b>190,748</b>	<b>253,027</b>	<b>200,406</b>	<b>265,826</b>	<b>Total renewals</b>

Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	Stormwater Projects <i>Primary Type – to improve the Level of Service</i>
88,691	90,908	93,179	95,509	97,898	100,346	102,854	105,428	108,062	110,761	Actions from Catchment Management Plans
-	-	-	-	-	-	-	-	-	-	Development Planning and resource consenting Foxton Beach
201,570	206,610	211,770	217,065	222,495	228,060	233,760	239,610	245,595	251,730	Districtwide improvement works
43,002	44,077	45,178	46,307	47,466	48,653	49,869	51,117	52,394	53,702	Districtwide reticulation renewals
-	-	-	-	-	-	-	-	-	-	Foxton East Drainage Scheme
-	-	-	-	-	-	-	-	-	-	Hydraulic modelling
-	-	-	-	-	-	-	-	-	-	Lake Horowhenua water quality improvement project - wetland/riparian planting
-	-	-	-	-	-	-	-	-	-	Levin North East Stormwater drainage
-	-	-	-	-	-	-	-	-	-	Queen St discharge & resource consent
-	-	-	-	-	-	-	-	-	-	Lake Horowhenua water quality improvement project
-	-	-	-	-	-	-	-	-	-	North East Stormwater Pipeline Project
-	-	-	-	-	-	-	-	-	-	Lake Horowhenua Stormwater
<b>333,263</b>	<b>341,595</b>	<b>350,127</b>	<b>358,881</b>	<b>367,859</b>	<b>377,059</b>	<b>386,483</b>	<b>396,155</b>	<b>406,051</b>	<b>416,193</b>	<b>Total Level of Service</b>

<b>Stormwater Projects Primary Type – to meet additional demand</b>	<b>AP 20/21</b>	<b>Yr 1 21/22</b>	<b>Yr 2 22/23</b>	<b>Yr 3 23/24</b>	<b>Yr 4 24/25</b>	<b>Yr 5 25/26</b>	<b>Yr 6 26/27</b>	<b>Yr 7 27/28</b>	<b>Yr 8 28/29</b>	<b>Yr 9 29/30</b>	<b>Yr 10 30/31</b>
Actions from Catchment Management Plans	-	39,600	40,986	42,051	43,188	44,439	45,683	47,144	48,700	50,355	51,916
Development Planning and resource consenting Foxton Beach	-	65,000	25,875	26,548	-	-	-	-	-	-	-
Districtwide improvement works	-	180,000	186,300	191,142	196,308	168,330	173,040	178,575	184,470	190,740	196,650
Districtwide pump stations - Planned renewals	-	9,840	9,315	-	9,815	-	10,382	-	11,068	-	11,799
Districtwide reticulation renewals	-	30,000	33,120	33,981	34,899	35,910	36,915	38,096	39,354	40,691	41,952
Levin North East Stormwater drainage	-	1,682,000	93,150	95,571	98,154	807,984	-	-	-	-	-
Taraika growth area	-	-	2,070,000	2,654,750	-	-	-	-	-	-	-
Improvements NE Levin	461,600	-	-	-	-	-	-	-	-	-	-
<b>Total Growth</b>	<b>461,600</b>	<b>2,006,440</b>	<b>2,458,746</b>	<b>3,044,043</b>	<b>382,364</b>	<b>1,056,664</b>	<b>266,020</b>	<b>263,815</b>	<b>283,592</b>	<b>281,787</b>	<b>302,317</b>

<b>Total Stormwater Projects Primary Type</b>	<b>AP 20/21</b>	<b>Yr 1 21/22</b>	<b>Yr 2 22/23</b>	<b>Yr 3 23/24</b>	<b>Yr 4 24/25</b>	<b>Yr 5 25/26</b>	<b>Yr 6 26/27</b>	<b>Yr 7 27/28</b>	<b>Yr 8 28/29</b>	<b>Yr 9 29/30</b>	<b>Yr 10 30/31</b>
Renewal	98,400	155,760	163,944	129,977	172,751	272,021	182,730	145,717	194,800	155,644	207,662
Level of Service	1,248,000	3,115,000	1,565,955	2,137,605	2,004,523	2,730,313	286,093	295,244	304,990	315,357	325,128
Growth	461,600	2,006,440	2,458,746	3,044,043	382,364	1,056,664	266,020	263,815	283,592	281,787	302,317
<b>Total Stormwater Projects</b>	<b>1,808,000</b>	<b>5,277,200</b>	<b>4,188,645</b>	<b>5,311,624</b>	<b>2,559,638</b>	<b>4,058,997</b>	<b>734,843</b>	<b>704,776</b>	<b>783,383</b>	<b>752,787</b>	<b>835,107</b>

Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	Stormwater Projects <i>Primary Type – to meet additional demand</i>
53,214	54,545	55,907	57,305	58,739	60,208	61,713	63,257	64,837	66,457	Actions from Catchment Management Plans
-	-	-	-	-	-	-	-	-	-	Development Planning and resource consenting Foxton Beach
201,570	206,610	211,770	217,065	222,495	228,060	233,760	239,610	245,595	251,730	Districtwide improvement works
-	12,397	-	13,024	-	13,684	-	14,377	-	15,104	Districtwide pump stations - Planned renewals
43,002	44,077	45,178	46,307	47,466	48,653	49,869	51,117	52,394	53,702	Districtwide reticulation renewals
-	-	-	-	-	-	-	-	-	-	Levin North East Stormwater drainage
-	-	-	-	-	-	-	-	-	-	Taraika growth area
-	-	-	-	-	-	-	-	-	-	Improvements NE Levin
<b>297,786</b>	<b>317,629</b>	<b>312,855</b>	<b>333,701</b>	<b>328,700</b>	<b>350,605</b>	<b>345,342</b>	<b>368,361</b>	<b>362,826</b>	<b>386,993</b>	<b>Total Growth</b>

Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	Total Stormwater Projects <i>Primary Type</i>
164,481	218,179	172,805	229,221	181,556	240,831	190,748	253,027	200,406	265,826	Renewal
333,263	341,595	350,127	358,881	367,859	377,059	386,483	396,155	406,051	416,193	Level of Service
297,786	317,629	312,855	333,701	328,700	350,605	345,342	368,361	362,826	386,993	Growth
<b>795,530</b>	<b>877,403</b>	<b>835,787</b>	<b>921,803</b>	<b>878,115</b>	<b>968,495</b>	<b>922,573</b>	<b>1,017,543</b>	<b>969,283</b>	<b>1,069,012</b>	<b>Total Stormwater Projects</b>

## Forecast Funding Impact Statement for Stormwater (Including operating expenditure and loans (where applicable))

Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Stormwater Group of Activities	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
<b>Sources of Operating Funding</b>											
General rates, uniform annual general charges, rates penalties	-	-	-	-	-	-	-	-	-	-	-
Targeted rates	1,386	1,656	2,208	2,404	2,679	2,792	3,076	3,152	3,288	3,368	3,411
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	93	103	113	122	129	142	161	185	214	236
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
<b>Total Operating Funding (A)</b>	<b>1,386</b>	<b>1,749</b>	<b>2,311</b>	<b>2,517</b>	<b>2,801</b>	<b>2,921</b>	<b>3,218</b>	<b>3,313</b>	<b>3,473</b>	<b>3,582</b>	<b>3,647</b>
<b>Applications of Operating Funding</b>											
Payments to staff and suppliers	421	565	604	644	661	681	698	721	744	771	795
Finance costs	257	254	385	478	610	650	791	819	845	870	787
Internal charges and overheads applied	305	376	384	391	399	405	415	424	433	444	455
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>983</b>	<b>1,195</b>	<b>1,373</b>	<b>1,513</b>	<b>1,670</b>	<b>1,736</b>	<b>1,904</b>	<b>1,964</b>	<b>2,022</b>	<b>2,085</b>	<b>2,037</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>403</b>	<b>554</b>	<b>938</b>	<b>1,004</b>	<b>1,131</b>	<b>1,185</b>	<b>1,314</b>	<b>1,349</b>	<b>1,451</b>	<b>1,497</b>	<b>1,610</b>
<b>Sources of capital funding</b>											
Subsidies and grants for capital expenditure	-	1,300	587	159	-	-	-	-	-	-	-
Development and financial contributions	-	94	94	391	401	401	401	401	401	1,735	401



Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Stormwater Group of Activities
<b>Sources of Operating Funding</b>										
-	-	-	-	-	-	-	-	-	-	General rates, uniform annual general charges, rates penalties
3,433	3,525	3,555	3,652	3,687	3,795	3,835	3,954	4,000	4,130	Targeted rates
-	-	-	-	-	-	-	-	-	-	Subsidies and grants for operating purposes
-	-	-	-	-	-	-	-	-	-	Fees and charges
264	297	333	375	419	469	523	583	647	717	Local authorities fuel tax, fines, infringement fees, and other receipts
-	-	-	-	-	-	-	-	-	-	Internal charges and overheads recovered
3,697	3,822	3,888	4,027	4,106	4,264	4,358	4,537	4,647	4,847	<b>Total Operating Funding (A)</b>
<b>Applications of Operating Funding</b>										
815	834	855	878	898	921	945	969	994	1,016	Payments to staff and suppliers
765	743	726	710	696	683	671	660	651	643	Finance costs
463	472	481	490	499	508	518	528	537	548	Internal charges and overheads applied
-	-	-	-	-	-	-	-	-	-	Other operating funding applications
2,043	2,049	2,062	2,078	2,093	2,112	2,134	2,157	2,182	2,207	<b>Total applications of operating funding (B)</b>
1,654	1,773	1,826	1,949	2,013	2,152	2,224	2,380	2,465	2,640	<b>Surplus (deficit) of operating funding (A-B)</b>
<b>Sources of capital funding</b>										
-	-	-	-	-	-	-	-	-	-	Subsidies and grants for capital expenditure
414	357	357	357	357	357	357	357	357	357	Development and financial contributions

<b>Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Stormwater Group of Activities</b>	<b>AP 20/21 \$000</b>	<b>Yr 1 21/22 \$000</b>	<b>Yr 2 22/23 \$000</b>	<b>Yr 3 23/24 \$000</b>	<b>Yr 4 24/25 \$000</b>	<b>Yr 5 25/26 \$000</b>	<b>Yr 6 26/27 \$000</b>	<b>Yr 7 27/28 \$000</b>	<b>Yr 8 28/29 \$000</b>	<b>Yr 9 29/30 \$000</b>	<b>Yr 10 30/31 \$000</b>
Increase (decrease) in debt	1,352	3,389	2,870	4,042	1,236	2,586	(752)	(715)	(657)	(1,956)	(513)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>1,352</b>	<b>4,783</b>	<b>3,551</b>	<b>4,592</b>	<b>1,637</b>	<b>2,987</b>	<b>(351)</b>	<b>(314)</b>	<b>(256)</b>	<b>(221)</b>	<b>(112)</b>
<b>Applications of capital funding</b>											
Capital expenditure											
- to meet additional demand	469	2,006	2,459	3,044	382	1,057	266	264	284	282	302
- to improve the level of service	1,241	3,115	1,566	2,138	2,005	2,730	286	295	305	315	325
- to replace existing assets	98	156	164	130	173	272	183	146	195	156	208
Increase (decrease) in reserves	(53)	60	300	284	208	113	228	330	411	523	663
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>1,755</b>	<b>5,337</b>	<b>4,489</b>	<b>5,596</b>	<b>2,768</b>	<b>4,172</b>	<b>963</b>	<b>1,035</b>	<b>1,195</b>	<b>1,276</b>	<b>1,498</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(403)</b>	<b>(554)</b>	<b>(938)</b>	<b>(1,004)</b>	<b>(1,131)</b>	<b>(1,185)</b>	<b>(1,314)</b>	<b>(1,349)</b>	<b>(1,451)</b>	<b>(1,497)</b>	<b>(1,610)</b>
<b>Funding Balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Depreciation	661	756	835	891	1,009	1,057	1,172	1,188	1,265	1,283	1,375
<b>Activity Operating Expenditure Including depreciation</b>											
	<b>AP 20/21 \$000</b>	<b>Yr 1 21/22 \$000</b>	<b>Yr 2 22/23 \$000</b>	<b>Yr 3 23/24 \$000</b>	<b>Yr 4 24/25 \$000</b>	<b>Yr 5 25/26 \$000</b>	<b>Yr 6 26/27 \$000</b>	<b>Yr 7 27/28 \$000</b>	<b>Yr 8 28/29 \$000</b>	<b>Yr 9 29/30 \$000</b>	<b>Yr 10 30/31 \$000</b>
Stormwater	1,644	1,951	2,208	2,404	2,679	2,792	3,076	3,152	3,288	3,368	3,411
<b>Total Expenditure</b>	<b>1,644</b>	<b>1,951</b>	<b>2,208</b>	<b>2,404</b>	<b>2,679</b>	<b>2,792</b>	<b>3,076</b>	<b>3,152</b>	<b>3,288</b>	<b>3,368</b>	<b>3,411</b>

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Stormwater Group of Activities
(502)	(398)	(378)	(333)	(316)	(272)	(257)	(214)	(201)	(159)	Increase (decrease) in debt
-	-	-	-	-	-	-	-	-	-	Gross proceeds from sale of assets
-	-	-	-	-	-	-	-	-	-	Lump sum contributions
-	-	-	-	-	-	-	-	-	-	Other dedicated capital funding
<b>(88)</b>	<b>(41)</b>	<b>(21)</b>	<b>24</b>	<b>41</b>	<b>85</b>	<b>100</b>	<b>143</b>	<b>156</b>	<b>198</b>	<b>Total sources of capital funding (C)</b>
										<b>Applications of capital funding</b>
										Capital expenditure
298	318	313	334	329	351	345	368	363	387	- to meet additional demand
333	342	350	359	368	377	386	396	406	416	- to improve the level of service
164	218	173	229	182	241	191	253	200	266	- to replace existing assets
771	854	969	1,051	1,175	1,268	1,402	1,506	1,652	1,769	Increase (decrease) in reserves
-	-	-	-	-	-	-	-	-	-	Increase (decrease) of investments
<b>1,566</b>	<b>1,732</b>	<b>1,805</b>	<b>1,973</b>	<b>2,054</b>	<b>2,237</b>	<b>2,324</b>	<b>2,523</b>	<b>2,621</b>	<b>2,838</b>	<b>Total applications of capital funding (D)</b>
<b>(1,654)</b>	<b>(1,773)</b>	<b>(1,826)</b>	<b>(1,949)</b>	<b>(2,013)</b>	<b>(2,152)</b>	<b>(2,224)</b>	<b>(2,380)</b>	<b>(2,465)</b>	<b>(2,640)</b>	<b>Surplus (deficit) of capital funding (C-D)</b>
-	-	-	-	-	-	-	-	-	-	<b>Funding Balance ((A-B)+(C-D))</b>
1,391	1,475	1,492	1,574	1,593	1,682	1,702	1,798	1,819	1,922	Depreciation

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 24/25 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Activity Operating Expenditure Including depreciation
3,433	3,525	3,555	3,652	3,687	3,795	3,835	3,954	4,000	4,130	Stormwater
<b>3,433</b>	<b>3,525</b>	<b>3,555</b>	<b>3,652</b>	<b>3,687</b>	<b>3,795</b>	<b>3,835</b>	<b>3,954</b>	<b>4,000</b>	<b>4,130</b>	<b>Total Expenditure</b>

# Land Transport

**The Land Transport Activity aims to provide and maintain roads, footpaths and shared pathways across the District that meet the community's needs.**

## What the Land Transport Activity involves:

- Allows for the safe, convenient and efficient transit of people and goods through, and within, the District in a way that meets national standards.
- Provides 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'.
- Maintains a partnership with Waka Kotahi - New Zealand Transport Agency, which is Council's co-investment partner for roading, to produce and deliver the 'Optimised Programme', which is approved on a three yearly cycle in the Regional Land Transport Plan.
- Operates, maintains and improves land transport assets.
- Meets requirements of relevant national legislation, strategies and plans.

## What has changed since the 2018-38 LTP?

- Council have a better understanding of the increasing demand on the District's land transport network. The confirmation of O2NL, as well as the higher than previously predicted growth, means that Council is more able to accurately set the required funding levels to provide the required levels of service, while also planning for sustainable growth.

## Challenges Council faces for Land Transport

- Changes in demand to the transport network, caused by growth and O2NL, is a significant challenge. Council is meeting the challenge with comprehensive planning processes to ensure targeted investment meets growth demands while still providing required levels of service for the current community.

## Significant negative effects on the social, cultural, economic and environmental wellbeing of the local community associated with this Activity

- The Horowhenua District's roading network presents a high risk to its users, with a significantly higher rate of crashes per vehicle kilometres travelled compared with the rest of the country and within our region. Council is addressing this problem through a programme of safety improvements.
- 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 this Activity

- A key risk to this activity are constraints involving contractor and supplier availability, which can severely impact Council's ability to deliver its Land Transport Programme.

- A key assumption is that the Funding Assistance Rate that Council receives from NZTA will be 62% in 2021-2022, 61% in 2022-2023, and 60% in 2023-2024 as indicated to Council by NZTA. Another assumption

is that the development of the Ōtaki to North of Levin Expressway will continue.

## Rationale for this Activity (why we do it):

Activity	Community Outcome	Council Role
Maintain a safe and reliable road and footpath system to support private and business transport needs.	<p><b>Vibrant economy</b> Enabling easy and safe transport provides significant economic benefits.</p> <p><b>Strong communities</b> Safe and accessible transport infrastructure enables a greater level of community participation.</p> <p><b>'Fit for purpose' infrastructure</b> Land transport infrastructure is delivered efficiently, providing sufficient capacity for growth while retaining value for money for the current community.</p>	Funder/Provider

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

Service	Community Outcomes	How will we measure our performance	Target 21/22	Target 22/23	Target 23/24	Target 24/41
A safe road network*.	Strong communities Fit for purpose infrastructure	The change from the previous financial years in the number of fatalities and serious injury crashes on the local road network.	0 change or less from previous year.	0 change or less from previous year.	0 change or less from previous year.	0 change or less from previous year.

### What does this tell me?

It is extremely important that our road network is safe for everyone to use. Road crashes can involve factors that are outside of Council's control (such as speed or driver behaviour). It is important that other factors within our control are carefully managed to improve road safety across our region and reduce the number of deaths or serious injuries each year. These include the condition of the road and footpaths, the location of pedestrian crossings, and traffic signals.

Service	Community Outcomes	How will we measure our performance	Target 21/22	Target 22/23	Target 23/24	Target 24/41
Roads in good condition*.		The average quality of a ride on a sealed local road network measured by Smooth Travel Exposure.	Minimum 85%	Minimum 85%	Minimum 85%	Minimum 85%

#### What does this tell me?

The roughness of roads can impact on the safety and comfort of road users. As well as on vehicle operating and maintenance costs. Smooth Travel Exposure (STE) is a system of measurement used to assess the quality of the ride on our District's roads. The higher the STE percentage, the smoother the network.

Roads that are maintained well*.	Fit for Purpose Infrastructure Strong communities	The percentage of the sealed local road network that is resurfaced annually.*	Minimum of 5% of total area	Minimum of 5% of total area	Minimum of 5% of total area	Minimum of 5% of total area
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#### What does this tell me?

This measure provides information on how well we are maintaining our road network and meeting the targets for road resurfacing set in our Asset Management Plan.

Footpaths are in an acceptable condition*.	Fit for Purpose Infrastructure Strong communities	Target footpath condition rating (% compliant with Council's standards found in the Land Transport Activity Plan).	Minimum 30% in excellent condition Maximum 10% in poor condition	Minimum 30% in excellent condition Maximum 10% in poor condition	Minimum 30% in excellent condition Maximum 10% in poor condition	Minimum 30% in excellent condition Maximum 10% in poor condition
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#### What does this tell me?

Footpaths are an important part of the District's infrastructure. Well maintained footpaths are important for pedestrian convenience and safety.

Good response to service requests*.	Strong communities Fit for Purpose Infrastructure	The percentage of customer service requests relating to roads and footpaths to which Council responds within 15 working days.	>95%	>95%	>95%	>95%
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#### What does this tell me?

Interaction with the Community is a key aspect of our service and response time is a key method of measuring whether Council is listening to its customers.

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

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## Capital Expenditure for Land Transport

Land Transport Projects <i>Primary Type – to replace existing assets</i>	AP 20/21	Yr 1 21/22	Yr 2 22/23	Yr 3 23/24	Yr 4 24/25	Yr 5 25/26	Yr 6 26/27	Yr 7 27/28	Yr 8 28/29	Yr 9 29/30	Yr 10 30/31
Bridge and structures renewals	-	-	30,000	300,000	172,035	94,506	191,567	105,341	213,526	117,524	238,467
Drainage Renewals	-	275,000	275,000	275,000	248,207	263,708	280,444	298,256	317,180	337,630	391,557
Footpath renewal	-	320,000	320,000	320,000	472,046	501,527	532,840	566,683	602,638	640,874	682,233
Sealed Roads Resurfacing	-	1,300,000	1,350,000	1,400,000	1,692,319	1,798,010	1,912,121	2,033,566	2,162,591	2,302,028	2,669,710
Structures Component Replacements	-	50,000	50,000	50,000	90,257	95,894	101,980	108,457	115,338	122,775	142,385
Subsidised Roding - Road improvements due to O2NL	-	-	600,000	-	874,160	1,124,400	462,800	238,120	245,020	1,260,600	1,297,200
Subsidised Roding - Sealed Road Pavement Rehabilitation	-	1,200,000	1,200,000	1,200,000	1,611,232	1,798,010	1,912,121	2,033,566	2,162,591	2,302,028	2,669,710
Traffic Services	-	350,000	350,000	350,000	440,003	467,483	497,151	528,728	562,273	598,528	694,125
Unsealed Roads Metalling	-	45,000	45,000	45,000	50,770	53,941	57,364	61,008	64,878	69,061	80,092
Footpath renewal - 2125	480,000	-	-	-	-	-	-	-	-	-	-
Subsidised Roding - Sealed Road Pavement Rehabilitation - 2214	1,250,000	-	-	-	-	-	-	-	-	-	-
Drainage Renewals - 2213	264,181	-	-	-	-	-	-	-	-	-	-
Sealed Roads Resurfacing - 2212	1,150,000	-	-	-	-	-	-	-	-	-	-
Structures Component Replacements -2215	70,000	-	-	-	-	-	-	-	-	-	-
Traffic Services - 2222	360,000	-	-	-	-	-	-	-	-	-	-
Unsealed Roads Metalling - 2211	50,000	-	-	-	-	-	-	-	-	-	-
<b>Total renewals</b>	<b>3,624,181</b>	<b>3,540,000</b>	<b>4,220,000</b>	<b>3,940,000</b>	<b>5,651,029</b>	<b>6,197,479</b>	<b>5,948,388</b>	<b>5,973,724</b>	<b>6,446,034</b>	<b>7,751,049</b>	<b>8,865,479</b>



Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	Land Transport Projects <i>Primary Type – to replace existing assets</i>
130,487	263,210	144,032	290,537	158,982	320,700	175,487	353,981	193,698	390,727	Bridge and structures renewals
415,384	440,657	467,494	495,944	526,136	558,169	586,423	616,092	647,278	680,047	Drainage Renewals
788,081	836,030	886,943	940,920	998,203	1,058,976	1,123,435	1,180,274	1,240,017	1,302,795	Footpath renewal
2,832,165	3,004,485	3,187,452	3,381,435	3,587,291	3,805,694	3,998,336	4,200,627	4,413,256	4,636,684	Sealed Roads Resurfacing
151,049	160,239	169,997	180,344	191,322	202,971	213,245	224,033	235,373	247,290	Structures Component Replacements
-	-	-	-	-	-	-	-	-	-	Subsidised Roding - Road improvements due to O2NL
2,832,165	3,004,485	3,187,452	3,381,435	3,587,291	3,805,694	3,998,336	4,200,627	4,413,256	4,636,684	Subsidised Roding - Sealed Road Pavement Rehabilitation
736,363	781,166	828,737	879,172	932,696	989,480	1,039,567	1,092,162	1,147,446	1,205,538	Traffic Services
84,965	90,134	95,623	101,443	107,619	114,170	119,951	126,020	132,398	139,100	Unsealed Roads Metalling
-	-	-	-	-	-	-	-	-	-	Footpath renewal - 2125
-	-	-	-	-	-	-	-	-	-	Subsidised Roding - Sealed Road Pavement Rehabilitation - 2214
-	-	-	-	-	-	-	-	-	-	Drainage Renewals - 2213
-	-	-	-	-	-	-	-	-	-	Sealed Roads Resurfacing - 2212
-	-	-	-	-	-	-	-	-	-	Structures Component Replacements -2215
-	-	-	-	-	-	-	-	-	-	Traffic Services - 2222
-	-	-	-	-	-	-	-	-	-	Unsealed Roads Metalling - 2211
<b>7,970,659</b>	<b>8,580,406</b>	<b>8,967,730</b>	<b>9,651,230</b>	<b>10,089,540</b>	<b>10,855,854</b>	<b>11,254,780</b>	<b>11,993,816</b>	<b>12,422,722</b>	<b>13,238,865</b>	<b>Total Renewals</b>

<b>Land Transport Projects</b> <i>Primary Type – to improve the Level of Service</i>	<b>AP</b> <b>20/21</b>	<b>Yr 1</b> <b>21/22</b>	<b>Yr 2</b> <b>22/23</b>	<b>Yr 3</b> <b>23/24</b>	<b>Yr 4</b> <b>24/25</b>	<b>Yr 5</b> <b>25/26</b>	<b>Yr 6</b> <b>26/27</b>	<b>Yr 7</b> <b>27/28</b>	<b>Yr 8</b> <b>28/29</b>	<b>Yr 9</b> <b>29/30</b>	<b>Yr 10</b> <b>30/31</b>
Footpath Improvements	-	350,000	350,000	350,000	394,874	419,536	446,161	474,498	504,604	537,140	622,932
Footpath renewal	-	40,000	40,000	40,000	59,006	62,691	66,605	70,836	75,330	80,110	85,279
Shared pathways - Cycle facilities	-	680,000	760,000	800,000	992,827	1,054,833	1,121,777	1,193,025	1,268,720	1,350,524	1,566,230
Subsidised Roding - Gladstone Road Realignment	-	5,000,000	-	-	-	-	-	-	-	-	-
Subsidised Roding - Minor improvements	-	250,000	262,500	275,000	310,259	329,635	350,556	372,821	396,475	422,039	489,447
Subsidised Roding - Road improvements	-	500,000	450,000	500,000	606,415	644,287	685,177	728,695	774,928	824,894	956,646
Subsidised Roding - Road improvements due to O2NL	1,685,500	-	1,200,000	-	1,748,320	2,248,800	925,600	476,240	490,040	2,521,200	2,594,400
New footpaths - 2451	330,000	-	-	-	-	-	-	-	-	-	-
Shared pathways - Cycle facilities - 2452	730,000	-	-	-	-	-	-	-	-	-	-
Subsidised Roding - Road improvements -2324	1,355,000	-	-	-	-	-	-	-	-	-	-
Subsidised Roding - Minor improvements - 2341	803,000	-	-	-	-	-	-	-	-	-	-
Subsidised Roding - Road improvements for rail crossings	500,000	-	-	-	-	-	-	-	-	-	-
Queen St - PGF Projects	1,550,000	-	-	-	-	-	-	-	-	-	-
<b>Total Level of Service</b>	<b>6,953,500</b>	<b>6,820,000</b>	<b>3,062,500</b>	<b>1,965,000</b>	<b>4,111,701</b>	<b>4,759,782</b>	<b>3,595,876</b>	<b>3,316,115</b>	<b>3,510,098</b>	<b>5,735,906</b>	<b>6,314,934</b>

Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	Land Transport Projects <i>Primary Type – to improve the Level of Service</i>
660,839	701,046	743,739	789,002	837,035	887,996	932,945	980,147	1,029,759	1,081,893	Footpath Improvements
98,510	104,504	110,868	117,615	124,775	132,372	140,430	147,534	155,002	162,849	Footpath renewal
1,661,537	1,762,632	1,869,971	1,983,775	2,104,544	2,232,673	2,345,691	2,464,368	2,589,110	2,720,188	Shared pathways - Cycle facilities
-	-	-	-	-	-	-	-	-	-	Subsidised Roding - Gladstone Road Realignment
519,230	550,822	584,367	619,929	657,670	697,711	733,029	770,115	809,096	850,058	Subsidised Roding - Minor improvements
1,014,860	1,076,607	1,142,170	1,211,681	1,285,446	1,363,707	1,432,738	1,505,225	1,581,416	1,661,479	Subsidised Roding - Road improvements
-	-	-	-	-	-	-	-	-	-	Subsidised Roding - Road improvements due to O2NL
-	-	-	-	-	-	-	-	-	-	New footpaths - 2451
-	-	-	-	-	-	-	-	-	-	Shared pathways - Cycle facilities - 2452
-	-	-	-	-	-	-	-	-	-	Subsidised Roding - Road improvements -2324
-	-	-	-	-	-	-	-	-	-	Subsidised Roding - Minor improvements - 2341
-	-	-	-	-	-	-	-	-	-	Subsidised Roding - Road improvements for rail crossings
-	-	-	-	-	-	-	-	-	-	Queen St - PGF Projects
<b>3,954,976</b>	<b>4,195,611</b>	<b>4,451,115</b>	<b>4,722,002</b>	<b>5,009,470</b>	<b>5,314,459</b>	<b>5,584,833</b>	<b>5,867,389</b>	<b>6,164,383</b>	<b>6,476,467</b>	<b>Total Level of Service</b>

<b>Land Transport Projects</b> <i>Primary Type – to meet additional demand</i>	<b>AP 20/21</b>	<b>Yr 1 21/22</b>	<b>Yr 2 22/23</b>	<b>Yr 3 23/24</b>	<b>Yr 4 24/25</b>	<b>Yr 5 25/26</b>	<b>Yr 6 26/27</b>	<b>Yr 7 27/28</b>	<b>Yr 8 28/29</b>	<b>Yr 9 29/30</b>	<b>Yr 10 30/31</b>
Footpath renewal	-	40,000	40,000	40,000	59,006	62,691	66,605	70,836	75,330	80,110	85,279
Shared pathways - Cycle facilities	-	170,000	190,000	200,000	248,207	263,708	280,444	298,256	317,180	337,630	391,557
Subsidised Roading - Minor improvements	-	250,000	262,500	275,000	310,259	329,635	350,556	372,821	396,475	422,039	489,447
Subsidised Roading - Road improvements	-	500,000	450,000	500,000	606,415	644,287	685,177	728,695	774,928	824,894	956,646
Subsidised Roading - Road improvements due to O2NL	-	-	1,200,000	-	1,748,320	2,248,800	925,600	476,240	490,040	2,521,200	2,594,400
Taraika - Active Transport Infrastructure	-	-	-	900,000	-	-	-	-	-	-	-
Taraika - Cambridge - Liverpool Intersection	-	-	2,000,000	-	-	-	-	-	-	-	-
Taraika - Liverpool St Connection	-	-	-	6,000,000	-	-	-	-	-	-	-
Taraika - Tararua Road Intersection Upgrade	-	4,000,000	-	-	-	-	-	-	-	-	-
<b>Total Growth</b>	<b>-</b>	<b>4,960,000</b>	<b>4,142,500</b>	<b>7,915,000</b>	<b>2,972,206</b>	<b>3,549,120</b>	<b>2,308,382</b>	<b>1,946,848</b>	<b>2,053,954</b>	<b>4,185,873</b>	<b>4,517,329</b>

<b>Total Land Transport Projects</b>	<b>AP 20/21</b>	<b>Yr 1 21/22</b>	<b>Yr 2 22/23</b>	<b>Yr 3 23/24</b>	<b>Yr 4 24/25</b>	<b>Yr 5 25/26</b>	<b>Yr 6 26/27</b>	<b>Yr 7 27/28</b>	<b>Yr 8 28/29</b>	<b>Yr 9 29/30</b>	<b>Yr 10 30/31</b>
Renewal	3,624,181	3,540,000	4,220,000	3,940,000	5,651,029	6,197,479	5,948,388	5,973,724	6,446,034	7,751,049	8,865,479
Level of Service	6,953,500	6,820,000	3,062,500	1,965,000	4,111,701	4,759,782	3,595,876	3,316,115	3,510,098	5,735,906	6,314,934
Growth	-	4,960,000	4,142,500	7,915,000	2,972,206	3,549,120	2,308,382	1,946,848	2,053,954	4,185,873	4,517,329
<b>Total Land Transport Projects</b>	<b>10,577,681</b>	<b>15,320,000</b>	<b>11,425,000</b>	<b>13,820,000</b>	<b>12,734,937</b>	<b>14,506,381</b>	<b>11,852,646</b>	<b>11,236,686</b>	<b>12,010,085</b>	<b>17,672,828</b>	<b>19,697,742</b>

Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	Land Transport Projects <i>Primary Type – to meet additional demand</i>
98,510	104,504	110,868	117,615	124,775	132,372	140,430	147,534	155,002	162,849	Footpath renewal
415,384	440,657	467,494	495,944	526,136	558,169	586,423	616,092	647,278	680,047	Shared pathways - Cycle facilities
519,230	550,822	584,367	619,929	657,670	697,711	733,029	770,115	809,096	850,058	Subsidised Roading - Minor improvements
1,014,860	1,076,607	1,142,170	1,211,681	1,285,446	1,363,707	1,432,738	1,505,225	1,581,416	1,661,479	Subsidised Roading - Road improvements
-	-	-	-	-	-	-	-	-	-	Subsidised Roading - Road improvements due to O2NL
-	-	-	-	-	-	-	-	-	-	Taraika - Active Transport Infrastructure
-	-	-	-	-	-	-	-	-	-	Taraika - Cambridge - Liverpool Intersection
-	-	-	-	-	-	-	-	-	-	Taraika - Liverpool St Connection
-	-	-	-	-	-	-	-	-	-	Taraika - Tararua Road Intersection Upgrade
<b>2,047,984</b>	<b>2,172,590</b>	<b>2,304,899</b>	<b>2,445,169</b>	<b>2,594,027</b>	<b>2,751,959</b>	<b>2,892,620</b>	<b>3,038,966</b>	<b>3,192,792</b>	<b>3,354,433</b>	<b>Total Growth</b>

Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	Total Land Transport Projects
7,970,659	8,580,406	8,967,730	9,651,230	10,089,540	10,855,854	11,254,780	11,993,816	12,422,722	13,238,865	Renewal
3,954,976	4,195,611	4,451,115	4,722,002	5,009,470	5,314,459	5,584,833	5,867,389	6,164,383	6,476,467	Level of Service
2,047,984	2,172,590	2,304,899	2,445,169	2,594,027	2,751,959	2,892,620	3,038,966	3,192,792	3,354,433	Growth
<b>13,973,619</b>	<b>14,948,607</b>	<b>15,723,744</b>	<b>16,818,401</b>	<b>17,693,037</b>	<b>18,922,272</b>	<b>19,732,233</b>	<b>20,900,171</b>	<b>21,779,897</b>	<b>23,069,765</b>	<b>Total Land Transport Projects</b>

## Forecast Funding Impact Statement for Land Transport

Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Land Transport Group of Activities	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
<b>Sources of Operating Funding</b>											
General rates, uniform annual general charges, rates penalties	-	-	-	-	-	-	-	-	-	-	-
Targeted rates	3,627	3,011	3,936	4,379	4,856	5,259	5,515	5,936	6,171	6,637	6,882
Subsidies and grants for operating purposes	1,968	1,752	1,755	1,758	1,921	1,977	2,034	2,093	2,154	2,216	2,280
Fees and charges	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	285	376	389	383	410	398	389	396	409	421	431
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
<b>Total Operating Funding (A)</b>	<b>5,880</b>	<b>5,139</b>	<b>6,080</b>	<b>6,520</b>	<b>7,187</b>	<b>7,634</b>	<b>7,938</b>	<b>8,425</b>	<b>8,734</b>	<b>9,274</b>	<b>9,593</b>
<b>Applications of Operating Funding</b>											
Payments to staff and suppliers	3,463	2,945	2,998	3,054	3,337	3,435	3,535	3,637	3,741	3,851	3,963
Finance costs	113	153	312	425	668	735	876	1,015	1,146	1,295	1,403
Internal charges and overheads applied	967	1,020	1,041	1,061	1,081	1,103	1,130	1,154	1,181	1,211	1,242
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>4,543</b>	<b>4,118</b>	<b>4,351</b>	<b>4,540</b>	<b>5,086</b>	<b>5,273</b>	<b>5,541</b>	<b>5,806</b>	<b>6,068</b>	<b>6,357</b>	<b>6,608</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>1,337</b>	<b>1,021</b>	<b>1,729</b>	<b>1,980</b>	<b>2,101</b>	<b>2,361</b>	<b>2,397</b>	<b>2,619</b>	<b>2,666</b>	<b>2,917</b>	<b>2,985</b>
<b>Sources of capital funding</b>											
Subsidies and grants for capital expenditure	6,876	9,685	5,749	4,152	7,641	8,704	7,112	6,742	7,206	10,604	11,819
Development and financial contributions	-	276	276	276	284	284	284	284	284	1,588	284

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Land Transport Group of Activities
<b>Sources of Operating Funding</b>										
-	-	-	-	-	-	-	-	-	-	General rates, uniform annual general charges, rates penalties
7,441	7,620	8,051	8,253	8,744	8,974	9,558	9,862	10,531	10,862	Targeted rates
2,337	2,396	2,456	2,517	2,580	2,645	2,711	2,778	2,848	2,919	Subsidies and grants for operating purposes
-	-	-	-	-	-	-	-	-	-	Fees and charges
438	445	457	470	482	496	509	530	560	591	Local authorities fuel tax, fines, infringement fees, and other receipts
-	-	-	-	-	-	-	-	-	-	Internal charges and overheads recovered
10,216	10,461	10,964	11,240	11,806	12,115	12,778	13,170	13,939	14,372	<b>Total Operating Funding (A)</b>
<b>Applications of Operating Funding</b>										
4,061	4,161	4,266	4,373	4,483	4,595	4,709	4,826	4,948	5,072	Payments to staff and suppliers
1,597	1,666	1,749	1,833	1,933	2,034	2,181	2,343	2,523	2,700	Finance costs
1,264	1,289	1,313	1,336	1,362	1,387	1,413	1,440	1,467	1,495	Internal charges and overheads applied
-	-	-	-	-	-	-	-	-	-	Other operating funding applications
6,922	7,116	7,328	7,542	7,778	8,016	8,303	8,609	8,938	9,267	<b>Total applications of operating funding (B)</b>
3,294	3,345	3,636	3,698	4,028	4,099	4,475	4,561	5,001	5,105	<b>Surplus (deficit) of operating funding (A-B)</b>
<b>Sources of capital funding</b>										
8,384	8,969	9,434	10,091	10,616	11,353	11,839	12,540	13,068	13,842	Subsidies and grants for capital expenditure
734	734	734	734	734	734	734	734	734	734	Development and financial contributions

<b>Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Land Transport Group of Activities</b>	<b>AP 20/21 \$000</b>	<b>Yr 1 21/22 \$000</b>	<b>Yr 2 22/23 \$000</b>	<b>Yr 3 23/24 \$000</b>	<b>Yr 4 24/25 \$000</b>	<b>Yr 5 25/26 \$000</b>	<b>Yr 6 26/27 \$000</b>	<b>Yr 7 27/28 \$000</b>	<b>Yr 8 28/29 \$000</b>	<b>Yr 9 29/30 \$000</b>	<b>Yr 10 30/31 \$000</b>
Increase (decrease) in debt	2,284	4,490	3,485	7,451	2,061	2,435	2,040	1,576	1,825	2,538	4,563
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>9,160</b>	<b>14,451</b>	<b>9,510</b>	<b>11,879</b>	<b>9,986</b>	<b>11,423</b>	<b>9,436</b>	<b>8,602</b>	<b>9,315</b>	<b>14,730</b>	<b>16,666</b>
<b>Applications of capital funding</b>											
Capital expenditure											
- to meet additional demand	-	4,960	4,143	7,915	2,972	3,549	2,308	1,947	2,054	4,186	4,517
- to improve the level of service	6,954	6,820	3,063	1,965	4,112	4,760	3,596	3,316	3,510	5,736	6,315
- to replace existing assets	3,624	3,540	4,220	3,940	5,651	6,197	5,948	5,974	6,446	7,751	8,865
Increase (decrease) in reserves	(81)	152	(187)	39	(648)	(722)	(19)	(16)	(29)	(26)	(46)
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>10,497</b>	<b>15,472</b>	<b>11,239</b>	<b>13,859</b>	<b>12,087</b>	<b>13,784</b>	<b>11,833</b>	<b>11,221</b>	<b>11,981</b>	<b>17,647</b>	<b>19,651</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(1,337)</b>	<b>(1,021)</b>	<b>(1,729)</b>	<b>(1,980)</b>	<b>(2,101)</b>	<b>(2,361)</b>	<b>(2,397)</b>	<b>(2,619)</b>	<b>(2,666)</b>	<b>(2,917)</b>	<b>(2,985)</b>
<b>Funding Balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Depreciation	5,188	3,932	4,085	4,582	4,751	5,422	5,552	6,085	6,184	6,781	6,947



Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Land Transport Group of Activities
1,616	1,958	1,979	2,357	2,379	2,803	3,090	3,487	3,437	3,874	Increase (decrease) in debt
-	-	-	-	-	-	-	-	-	-	Gross proceeds from sale of assets
-	-	-	-	-	-	-	-	-	-	Lump sum contributions
-	-	-	-	-	-	-	-	-	-	Other dedicated capital funding
<b>10,734</b>	<b>11,661</b>	<b>12,147</b>	<b>13,182</b>	<b>13,729</b>	<b>14,890</b>	<b>15,663</b>	<b>16,761</b>	<b>17,239</b>	<b>18,450</b>	<b>Total sources of capital funding (C)</b>
										<b>Applications of capital funding</b>
										Capital expenditure
2,048	2,173	2,305	2,445	2,594	2,752	2,893	3,039	3,193	3,354	- to meet additional demand
3,955	4,196	4,451	4,722	5,009	5,314	5,585	5,867	6,164	6,476	- to improve the level of service
7,971	8,580	8,968	9,651	10,090	10,856	11,255	11,994	12,423	13,239	- to replace existing assets
54	57	59	62	64	67	405	422	460	486	Increase (decrease) in reserves
-	-	-	-	-	-	-	-	-	-	Increase (decrease) of investments
<b>14,028</b>	<b>15,006</b>	<b>15,783</b>	<b>16,880</b>	<b>17,757</b>	<b>18,989</b>	<b>20,138</b>	<b>21,322</b>	<b>22,240</b>	<b>23,555</b>	<b>Total applications of capital funding (D)</b>
<b>(3,294)</b>	<b>(3,345)</b>	<b>(3,636)</b>	<b>(3,698)</b>	<b>(4,028)</b>	<b>(4,099)</b>	<b>(4,475)</b>	<b>(4,561)</b>	<b>(5,001)</b>	<b>(5,105)</b>	<b>Surplus (deficit) of capital funding (C-D)</b>
-	-	-	-	-	-	-	-	-	-	<b>Funding Balance ((A-B)+(C-D))</b>
7,694	7,816	8,514	8,654	9,447	9,606	10,509	10,689	11,714	11,918	Depreciation

## Activity Expenditure for Land Transport

Activity Operating Expenditure Including depreciation	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Subsidised Roothing	8,390	7,278	7,529	8,037	8,371	9,093	9,399	10,039	10,298	11,003	11,398
Footpaths	984	376	389	445	460	534	554	618	642	715	739
Shared Pathways	139	161	190	222	304	351	405	471	537	619	683
Unsubsidised Roothing	218	236	329	418	702	715	734	762	775	800	734
<b>Total Expenditure</b>	<b>9,731</b>	<b>8,051</b>	<b>8,437</b>	<b>9,122</b>	<b>9,837</b>	<b>10,693</b>	<b>11,092</b>	<b>11,890</b>	<b>12,252</b>	<b>13,137</b>	<b>13,554</b>

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Activity Operating Expenditure Including depreciation
12,295	12,534	13,278	13,541	14,377	14,668	15,608	15,927	16,979	17,325	Subsidised Roading
818	852	940	979	1,078	1,122	1,234	1,285	1,410	1,466	Footpaths
767	843	939	1,024	1,135	1,231	1,360	1,466	1,613	1,731	Shared Pathways
736	704	685	652	634	601	610	622	649	662	Unsubsidised Roading
<b>14,616</b>	<b>14,933</b>	<b>15,842</b>	<b>16,196</b>	<b>17,224</b>	<b>17,622</b>	<b>18,812</b>	<b>19,300</b>	<b>20,651</b>	<b>21,184</b>	<b>Total Expenditure</b>

# Solid Waste

**The Solid Waste Activity aims to collect and safely dispose of residential and commercial rubbish, assist with waste minimisation and also aims to deliver continued waste reduction.**

## What Solid Waste involves:

- Educating the Community on waste minimisation.
- Providing kerbside recycling, recycling stations, refuse bag collection, operation of waste transfer stations, Levin landfill, and monitoring closed landfills.
- Ensuring that the necessary resource consents for the Activity are obtained and that any conditions are complied with.
- Operating within other legislative requirements (e.g. the Health Act 1956 and the Waste Minimisation Act 2008).

## What has changed since the 2018-38 LTP?

- Council moved to a fortnightly kerbside recycling collection, with 240 L wheelie bins for mixed recycling and a 55 L crates for glass.
- Council's Waste Minimisation and Management Plan 2018 was adopted.
- An agreement was signed between HDC, the Hōkio Environmental Kaitiaki Alliance, the Horowhenua District Ratepayers and Residents Association, and section 274 parties in relation to the Levin Landfill closure timeframes.
- A gradient change was completed on the open cells in order to extend the life of the open cells until a decision is made regarding landfill closure timeframes.

## Challenges Council faces for this Group of Activities

- A key challenge for the future of the Solid Waste activities is the decision 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 of provision by Council of the solid waste activity. 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 on the social, cultural, economic and environmental wellbeing of the local community associated with this Group of Activities

- There is a negative perception regarding landfill use.
- 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's 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 the solid waste activities is the potential environmental and social impacts associated with disposal of waste to landfill (both current and historic). This risk is mitigated through legislative controls and constant monitoring of leachates and ground conditions.
- A key assumption of the 2021 - 2024 Long Term Plan is 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.

## Rationale for this Activity (why we do it):

Activity	Community Outcome	Council Role
<p>Provision of landfill and static recycling stations. These help reduce waste and minimise its negative environmental effects.</p>	<p><b>Outstanding environment</b> Well managed solid waste disposal services and infrastructure allow for waste to be disposed of in a controlled manner that minimises environmental impacts. Recycling services support the reduction in waste entering the landfill.</p> <p><b>'Fit for purpose' infrastructure</b> Provision of solid waste infrastructure that meets expected level of service and legislative requirements ensures that waste can be disposed of in a safe, environmentally sustainable way.</p> <p><b>Strong communities</b> Reliable solid waste infrastructure and services enable strong communities through the provision of safe, accessible waste disposal options.</p>	<p>Provider</p>
<p>Provision of waste transfer stations, recycling, and refuse collection. These help reduce waste and minimise its negative environmental effects.</p>	<p><b>Outstanding environment</b> Provision of recycling collection and drop off stations help to reduce the amount of recyclable material being disposed of at landfill or entering the environment as litter.</p> <p><b>'Fit for purpose' infrastructure</b> Recycling service which meet current demand allow for safe and reliable collection and disposal of recyclable materials.</p>	<p>Provider</p>
<p>Provision of waste minimisation education to the Community.</p>	<p><b>Outstanding environment</b> Provision of waste minimisation education helps to promote more sustainable practices within the community and reduce the pressures and impact on the environment.</p> <p><b>Strong communitiy</b> Waste minimisation education helps to reduce waste to landfill and promote more sustainable ways of living.</p>	<p>Provider/Advocate</p>

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

Service	Community Outcomes	How will we measure our performance	Target 21/22	Target 22/23	Target 23/24	Target 24/41
Provision of landfill but minimising the amount that is sent there.	Fit for Purpose Infrastructure Outstanding Environment	Quantity of waste going to the landfill per person per year.	≤ 400 kg per person	≤ 400 kg per person	≤ 400 kg per person	≤ 400 kg per person
Recycling is encouraged	Outstanding Environment Fit for Purpose Infrastructure	Level of recycling	≥ 40% of total waste	≥ 40% of total waste	≥ 40% of total waste	≥ 40% of total waste

### What does this tell me?

The provision of a landfill and encouraging recycling helps reduce waste and minimise its negative environmental effects.

Waste transfer and recycling stations have a minimal impact on the immediate and surrounding environment.	Outstanding Environment	Number of odour complaints and minimal reports of solid waste in or around:	<4	<4	<4	<4
	Fit for Purpose Infrastructure	Waste transfer stations; and recycling stations per month.	<4	<4	<4	<4

### What does this tell me?

The number of complaints provides an indication of the quality of the service provided. This measure also provides data that highlights problems requiring attention, such as the need for maintenance, repair, upgrading, or new infrastructure.

Response to service requests regarding Council's Solid Waste Activities is timely.	Strong communities	95% of all requests are responded to within the required timeframe.	Within 3 working days	Within 3 working days	Within 3 working days	Within 3 working days
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### What does this tell me?

This measure shows how quickly we respond when there is a problem regarding solid waste.

Service	Community Outcomes	How will we measure our performance	Target 21/22	Target 22/23	Target 23/24	Target 24/41
Recycling and refuse is collected on time and in a sanitary manner.	Fit for Purpose infrastructure	Number of complaints per-month about non collection of:				
	Outstanding Environment	Kerbside recycling	<6	<6	<6	<6
	Strong communities	Kerbside refuse	<6	<6	<6	<6

#### What does this tell me?

The number of complaints provides an indication of the quality of the service provided. This measure also provides information on problems requiring attention.

Recycling stations are available and accessible in urban centres in summer.	Outstanding Environment Strong communities	Recycling stations are available at the agreed locations on the agreed days and times outlined on Council's website.	Achieve	Achieve	Achieve	Achieve
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#### What does this tell me?

Available collection points stop rubbish and recycling becoming a health risk.

Customers are content with Council's transfer stations, recycling collection, and refuse collection services offered.	Fit for purpose infrastructure	Percentage of customers satisfied with their solid waste services:				
		Kerbside recycling	≥ 80%	≥ 80%	≥ 80%	≥ 80%
		Kerbside refuse	≥ 80%	≥ 80%	≥ 80%	≥ 80%

#### What does this tell me?

The percentage of satisfied customers gives us an indication of the quality of service we are providing.



Service	Community Outcomes	How will we measure our performance	Target 21/22	Target 22/23	Target 23/24	Target 24/41
Customers are educated on waste minimisation practices.	Strong communities Outstanding Environment	Number of school aged students waste education is provided to each year	≥ 300 students	≥ 300 students	≥ 300 students	≥ 300 students
Customers are educated on waste minimisation practices.	Strong communities Outstanding Environment	Number of events Council attends to promote ways to minimise waste	≥ 5	≥ 5	≥ 5	≥ 5

### What does this tell me?

Waste minimisation is important because it helps protect the environment and it makes good business sense. Today's environmentally savvy children are tomorrow's environmentally responsible adults. This measures shows that Council is doing its part in protecting the environment.

Sustainable solid waste management.	Outstanding Environment	The number of:				
	Fit for purpose infrastructure	Abatement Notices; Infringement Notices; Enforcement Orders; and Convictions	0 0 0 0	0 0 0 0	0 0 0 0	0 0 0 0
		Received by Council in relation to Horizons Regional Council resource consents.				

### What does this tell me?

This measure indicates how well Council is managing the environmental impacts of its Solid Waste Activities. Not complying with consent conditions may indicate that Council is not managing its processes adequately or that the infrastructure is no longer adequate.

## Capital Expenditure for Solid Waste

<b>Solid Waste Management Projects Primary Type – to replace existing assets</b>	<b>AP 20/21</b>	<b>Yr 1 21/22</b>	<b>Yr 2 22/23</b>	<b>Yr 3 23/24</b>	<b>Yr 4 24/25</b>	<b>Yr 5 25/26</b>	<b>Yr 6 26/27</b>	<b>Yr 7 27/28</b>	<b>Yr 8 28/29</b>	<b>Yr 9 29/30</b>	<b>Yr 10 30/31</b>
Cap Shape Correction	152,500	150,000	51,250	52,430	53,585	54,765	55,970	57,200	58,460	59,745	61,060
Landfill Gas Flare renewals	-	10,000	-	-	-	-	-	-	-	-	-
Renewal works at Foxton Transfer Station	-	37,800	27,675	28,312	19,291	19,715	5,037	5,148	5,261	5,377	5,495
Solid Waste property renewals	-	1,727	-	2,879	15,968	16,320	16,679	17,046	17,421	17,804	18,196
Unplanned small landfill maintenance	-	24,996	-	-	-	-	-	-	-	-	-
Weighbridge at Foxton Transfer Station or Levin Landfill (if stays open)	-	2,000	16,400	-	-	-	-	-	-	-	-
<b>Total renewals</b>	<b>152,500</b>	<b>226,523</b>	<b>95,325</b>	<b>83,622</b>	<b>88,844</b>	<b>90,800</b>	<b>77,686</b>	<b>79,394</b>	<b>81,142</b>	<b>82,926</b>	<b>84,751</b>

<b>Solid Waste Management Projects Primary Type – to improve the Level of Service</b>	<b>AP 20/21</b>	<b>Yr 1 21/22</b>	<b>Yr 2 22/23</b>	<b>Yr 3 23/24</b>	<b>Yr 4 24/25</b>	<b>Yr 5 25/26</b>	<b>Yr 6 26/27</b>	<b>Yr 7 27/28</b>	<b>Yr 8 28/29</b>	<b>Yr 9 29/30</b>	<b>Yr 10 30/31</b>
Landfill Development (gas collection & ongoing capping)	-	320,040	159,900	115,346	117,887	120,483	123,134	125,840	128,612	131,439	134,332
Leachate remedial option / work	-	12,000	20,500	73,402	321,510	-	-	-	-	-	-
Weighbridge at Foxton Transfer Station or Levin Landfill (if stays open)	-	3,000	24,600	-	-	-	-	-	-	-	-
Wheelie Bins	11,000	-	-	-	-	-	-	-	-	-	-
Landfill Development	566,000	-	-	-	-	-	-	-	-	-	-
<b>Total Level of Service</b>	<b>577,000</b>	<b>335,040</b>	<b>205,000</b>	<b>188,748</b>	<b>439,397</b>	<b>120,483</b>	<b>123,134</b>	<b>125,840</b>	<b>128,612</b>	<b>131,439</b>	<b>134,332</b>

Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	<b>Stormwater Projects</b> <i>Primary Type – to replace existing assets</i>
62,280	63,525	64,795	66,090	67,410	-	-	-	-	-	Cap Shape Correction
-	-	-	-	-	-	-	-	-	-	Landfill Gas Flare renewals
5,605	5,717	5,832	5,948	6,067	6,188	6,312	6,439	6,567	6,699	Renewal works at Foxton Transfer Station
18,559	18,930	19,309	19,695	20,088	20,490	20,900	21,319	21,745	22,180	Solid Waste property renewals
-	-	-	-	-	-	-	-	-	-	Unplanned small landfill maintenance
-	-	-	-	-	-	-	-	-	-	Weighbridge at Foxton Transfer Station or Levin Landfill (if stays open)
<b>86,444</b>	<b>88,172</b>	<b>89,936</b>	<b>91,733</b>	<b>93,565</b>	<b>26,678</b>	<b>27,212</b>	<b>27,758</b>	<b>28,312</b>	<b>28,879</b>	<b>Total renewals</b>

Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	<b>Solid Waste Management Projects</b> <i>Primary Type – to improve the Level of Service</i>
137,016	139,755	142,549	145,398	148,302	-	-	-	-	-	Landfill Development (gas collection & ongoing capping)
-	-	-	-	-	-	-	-	-	-	Leachate remedial option / work
-	-	-	-	-	-	-	-	-	-	Weighbridge at Foxton Transfer Station or Levin Landfill (if stays open)
-	-	-	-	-	-	-	-	-	-	Wheelie Bins
-	-	-	-	-	-	-	-	-	-	Landfill Development
<b>137,016</b>	<b>139,755</b>	<b>142,549</b>	<b>145,398</b>	<b>148,302</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>Total Level of Service</b>

<b>Solid Waste Treatment Projects</b> <i>Primary Type – to meet additional demand</i>	<b>AP</b> <b>20/21</b>	<b>Yr 1</b> <b>21/22</b>	<b>Yr 2</b> <b>22/23</b>	<b>Yr 3</b> <b>23/24</b>	<b>Yr 4</b> <b>24/25</b>	<b>Yr 5</b> <b>25/26</b>	<b>Yr 6</b> <b>26/27</b>	<b>Yr 7</b> <b>27/28</b>	<b>Yr 8</b> <b>28/29</b>	<b>Yr 9</b> <b>29/30</b>	<b>Yr 10</b> <b>30/31</b>
Renewal works at Foxton Transfer Station	-	4,200	3,075	3,146	2,143	2,191	560	572	585	597	611
Wheelie Bins & glass crates	-	37,800	39,132	40,434	41,738	43,084	44,472	45,903	47,383	48,908	50,484
<b>Total Growth</b>	<b>-</b>	<b>42,000</b>	<b>42,207</b>	<b>43,580</b>	<b>43,882</b>	<b>45,274</b>	<b>45,031</b>	<b>46,475</b>	<b>47,968</b>	<b>49,506</b>	<b>51,095</b>

<b>Total Solid Waste Management Projects</b> <i>Primary Type</i>	<b>AP</b> <b>20/21</b>	<b>Yr 1</b> <b>21/22</b>	<b>Yr 2</b> <b>22/23</b>	<b>Yr 3</b> <b>23/24</b>	<b>Yr 4</b> <b>24/25</b>	<b>Yr 5</b> <b>25/26</b>	<b>Yr 6</b> <b>26/27</b>	<b>Yr 7</b> <b>27/28</b>	<b>Yr 8</b> <b>28/29</b>	<b>Yr 9</b> <b>29/30</b>	<b>Yr 10</b> <b>30/31</b>
Renewal	152,500	226,523	95,325	83,622	88,844	90,800	77,686	79,394	81,142	82,926	84,751
Level of Service	577,000	335,040	205,000	188,748	439,397	120,483	123,134	125,840	128,612	131,439	134,332
Growth	-	42,000	42,207	43,580	43,882	45,274	45,031	46,475	47,968	49,506	51,095
<b>Total Solid Waste Management Projects</b>	<b>729,500</b>	<b>603,563</b>	<b>342,532</b>	<b>315,949</b>	<b>572,123</b>	<b>256,558</b>	<b>245,852</b>	<b>251,709</b>	<b>257,722</b>	<b>263,871</b>	<b>270,178</b>

Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	Solid Waste Management Projects <i>Primary Type – to meet additional demand</i>
623	635	648	661	674	688	701	715	730	744	Renewal works at Foxton Transfer Station
52,008	53,578	55,196	56,863	58,578	60,348	62,170	64,050	65,984	67,977	Wheelie Bins & glass crates
52,631	54,213	55,844	57,524	59,252	61,036	62,871	64,765	66,714	68,721	<b>Total Growth</b>

Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	Total Solid Waste Management Projects <i>Primary Type</i>
86,444	88,172	89,936	91,733	93,565	26,678	27,212	27,758	28,312	28,879	Renewal
137,016	139,755	142,549	145,398	148,302	-	-	-	-	-	Level of Service
52,631	54,213	55,844	57,524	59,252	61,036	62,871	64,765	66,714	68,721	Growth
276,091	282,140	288,329	294,655	301,119	87,714	90,083	92,523	95,026	97,600	<b>Total Solid Waste Management Projects</b>

## Forecast Funding Impact Statement for Solid Waste

Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Solid Waste Group of Activities	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
<b>Sources of Operating Funding</b>											
General rates, uniform annual general charges, rates penalties	-	-	-	-	-	-	-	-	-	-	-
Targeted rates	1,232	2,214	2,416	2,632	2,694	2,764	2,852	2,944	3,034	3,132	3,207
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	1,730	1,767	1,814	1,856	1,897	1,939	1,981	2,025	2,069	2,115	2,162
Local authorities fuel tax, fines, infringement fees, and other receipts	-	21	35	63	-	-	1	2	3	4	6
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
<b>Total Operating Funding (A)</b>	<b>2,962</b>	<b>4,002</b>	<b>4,265</b>	<b>4,551</b>	<b>4,591</b>	<b>4,703</b>	<b>4,834</b>	<b>4,971</b>	<b>5,106</b>	<b>5,251</b>	<b>5,375</b>
<b>Applications of Operating Funding</b>											
Payments to staff and suppliers	2,720	3,159	3,395	3,657	3,674	3,756	3,837	3,923	4,007	4,096	4,188
Finance costs	248	223	247	256	265	282	311	341	373	405	414
Internal charges and overheads applied	331	567	578	589	600	609	623	639	651	668	684
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>3,299</b>	<b>3,949</b>	<b>4,220</b>	<b>4,502</b>	<b>4,539</b>	<b>4,647</b>	<b>4,771</b>	<b>4,903</b>	<b>5,031</b>	<b>5,169</b>	<b>5,286</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>(337)</b>	<b>53</b>	<b>45</b>	<b>49</b>	<b>52</b>	<b>56</b>	<b>63</b>	<b>68</b>	<b>75</b>	<b>82</b>	<b>89</b>
<b>Sources of capital funding</b>											
Subsidies and grants for capital expenditure	-	3	21	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Solid Waste Group of Activities
<b>Sources of Operating Funding</b>										
-	-	-	-	-	-	-	-	-	-	General rates, uniform annual general charges, rates penalties
3,275	3,340	3,406	3,473	3,543	3,613	3,675	3,739	3,804	3,870	Targeted rates
-	-	-	-	-	-	-	-	-	-	Subsidies and grants for operating purposes
2,205	2,249	2,294	2,340	2,386	2,434	2,483	2,533	2,583	2,635	Fees and charges
7	9	10	12	13	15	17	19	21	23	Local authorities fuel tax, fines, infringement fees, and other receipts
-	-	-	-	-	-	-	-	-	-	Internal charges and overheads recovered
<b>5,487</b>	<b>5,598</b>	<b>5,710</b>	<b>5,825</b>	<b>5,942</b>	<b>6,062</b>	<b>6,175</b>	<b>6,291</b>	<b>6,408</b>	<b>6,528</b>	<b>Total Operating Funding (A)</b>
<b>Applications of Operating Funding</b>										
4,270	4,357	4,442	4,532	4,621	4,715	4,809	4,906	5,003	5,104	Payments to staff and suppliers
423	432	441	451	461	470	471	472	473	473	Finance costs
697	710	723	736	751	764	779	793	808	823	Internal charges and overheads applied
-	-	-	-	-	-	-	-	-	-	Other operating funding applications
<b>5,390</b>	<b>5,499</b>	<b>5,606</b>	<b>5,719</b>	<b>5,833</b>	<b>5,949</b>	<b>6,059</b>	<b>6,171</b>	<b>6,284</b>	<b>6,400</b>	<b>Total applications of operating funding (B)</b>
<b>97</b>	<b>99</b>	<b>104</b>	<b>106</b>	<b>109</b>	<b>113</b>	<b>116</b>	<b>120</b>	<b>124</b>	<b>128</b>	<b>Surplus (deficit) of operating funding (A-B)</b>
<b>Sources of capital funding</b>										
-	-	-	-	-	-	-	-	-	-	Subsidies and grants for capital expenditure
-	-	-	-	-	-	-	-	-	-	Development and financial contributions

<b>Horowhenua District Council</b>	<b>AP</b>	<b>Yr 1</b>	<b>Yr 2</b>	<b>Yr 3</b>	<b>Yr 4</b>	<b>Yr 5</b>	<b>Yr 6</b>	<b>Yr 7</b>	<b>Yr 8</b>	<b>Yr 9</b>	<b>Yr 10</b>
<b>Funding impact statement for the years</b>	<b>20/21</b>	<b>21/22</b>	<b>22/23</b>	<b>23/24</b>	<b>24/25</b>	<b>25/26</b>	<b>26/27</b>	<b>27/28</b>	<b>28/29</b>	<b>29/30</b>	<b>30/31</b>
<b>2021/22 to 2040/41 for Solid Waste</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
<b>Group of Activities</b>											
Increase (decrease) in debt	1,248	183	276	268	533	212	211	212	213	213	214
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>1,248</b>	<b>186</b>	<b>297</b>	<b>268</b>	<b>533</b>	<b>212</b>	<b>211</b>	<b>212</b>	<b>213</b>	<b>213</b>	<b>214</b>
<b>Applications of capital funding</b>											
Capital expenditure											
- to meet additional demand	-	42	42	44	44	45	45	46	48	50	51
- to improve the level of service	577	335	205	189	439	120	123	126	129	131	134
- to replace existing assets	153	227	95	84	89	91	78	79	81	83	85
Increase (decrease) in reserves	181	(365)	-	-	13	12	28	29	30	31	33
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>911</b>	<b>239</b>	<b>342</b>	<b>317</b>	<b>585</b>	<b>268</b>	<b>274</b>	<b>280</b>	<b>288</b>	<b>295</b>	<b>303</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>337</b>	<b>(53)</b>	<b>(45)</b>	<b>(49)</b>	<b>(52)</b>	<b>(56)</b>	<b>(63)</b>	<b>(68)</b>	<b>(75)</b>	<b>(82)</b>	<b>(89)</b>
<b>Funding Balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Depreciation	370	388	401	411	421	440	449	458	467	477	488



Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Solid Waste Group of Activities
213	218	222	227	232	17	17	18	18	19	Increase (decrease) in debt
-	-	-	-	-	-	-	-	-	-	Gross proceeds from sale of assets
-	-	-	-	-	-	-	-	-	-	Lump sum contributions
-	-	-	-	-	-	-	-	-	-	Other dedicated capital funding
<b>213</b>	<b>218</b>	<b>222</b>	<b>227</b>	<b>232</b>	<b>17</b>	<b>17</b>	<b>18</b>	<b>18</b>	<b>19</b>	<b>Total sources of capital funding (C)</b>
										<b>Applications of capital funding</b>
										Capital expenditure
53	54	56	58	59	61	63	65	67	69	- to meet additional demand
137	140	143	145	148	-	-	-	-	-	- to improve the level of service
86	88	90	92	94	27	27	28	28	29	- to replace existing assets
34	35	37	38	40	42	43	45	47	49	Increase (decrease) in reserves
-	-	-	-	-	-	-	-	-	-	Increase (decrease) of investments
<b>310</b>	<b>317</b>	<b>326</b>	<b>333</b>	<b>341</b>	<b>130</b>	<b>133</b>	<b>138</b>	<b>142</b>	<b>147</b>	<b>Total applications of capital funding (D)</b>
<b>(97)</b>	<b>(99)</b>	<b>(104)</b>	<b>(106)</b>	<b>(109)</b>	<b>(113)</b>	<b>(116)</b>	<b>(120)</b>	<b>(124)</b>	<b>(128)</b>	<b>Surplus (deficit) of capital funding (C-D)</b>
-	-	-	-	-	-	-	-	-	-	<b>Funding Balance ((A-B)+(C-D))</b>
498	504	511	517	524	531	535	538	542	546	Depreciation

## Activity Expenditure for Solid Waste

Activity Operating Expenditure Including depreciation	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Landfill	1,097	1,537	1,799	1,911	1,948	2,008	2,065	2,125	2,185	2,249	2,298
Waste Transfer Stations	367	438	464	511	521	531	542	554	565	577	590
Recycling	1,877	1,884	2,024	2,136	2,121	2,170	2,228	2,287	2,346	2,408	2,464
Roadside Collection	328	478	493	507	518	528	540	552	564	577	590
<b>Total Expenditure</b>	<b>3,669</b>	<b>4,337</b>	<b>4,780</b>	<b>5,065</b>	<b>5,108</b>	<b>5,237</b>	<b>5,375</b>	<b>5,518</b>	<b>5,660</b>	<b>5,811</b>	<b>5,942</b>

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Activity Operating Expenditure Including depreciation
2,327	2,374	2,420	2,468	2,517	2,567	2,605	2,644	2,683	2,723	Landfill
601	612	623	635	646	659	671	683	696	709	Waste Transfer Stations
2,515	2,563	2,612	2,662	2,713	2,765	2,818	2,872	2,927	2,984	Recycling
602	614	626	638	650	663	676	690	703	717	Roadside Collection
<b>6,045</b>	<b>6,163</b>	<b>6,281</b>	<b>6,403</b>	<b>6,526</b>	<b>6,654</b>	<b>6,770</b>	<b>6,889</b>	<b>7,009</b>	<b>7,133</b>	<b>Total Expenditure</b>

# Community Facilities

**The Community Facilities Group of Activities includes the following:**

- **Aquatic Centres and Recreation**
- **Community Centres and Libraries**

# Aquatic Centres and Recreation

**The Aquatic Centres and Recreation Activity aims to provide public access to swimming pools, fitness, rehabilitation, and swimming programmes to enhance wellbeing through providing healthy recreational and social opportunities.**

## What Aquatic Centres and Recreation involves:

- Horowhenua Aquatics provide public access to swimming pools, fitness, rehabilitation, and swimming programmes to enhance community wellbeing through providing healthy recreational and social opportunities by:
- Providing opportunities for recreation to improve physical fitness and wellbeing including off site and outreach services.
- Providing a focal point for local communities where they can meet and participate in leisure and recreational activities.
- Providing swimming pools for general use including assisting clubs and organisations to host and run events.
- Providing a certified Swim School Programme in Levin and Foxton.
- Providing safe venues for fun activities and social interaction
- Providing a venue for Aquatic Sports and competitive activity.
- Providing land and water based fitness and rehabilitation classes both on and off-site.
- Managing Shannon School Swimming Pool during the summer school holidays.
- Facilitating a targeted swimming programme for the rural community within Horowhenua.

## What has changed since the 2018-38 LTP?

- An Aquatic Strategy has been developed that will assist in shaping the future of Aquatic Facilities within Horowhenua and provide direction in respect to future facility investment.
- Community demand for lane space, fitness offerings, and recreation programmes continue to grow resulting in the limited availability of water space during peak times.
- Learn to swim numbers have continued to grow at both Foxton Pool and Levin Aquatic Centre and income has increased because of this.
- A number of outreach programmes have been developed and continue to be popular with communities.

## 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 ongoing increases in operational costs, coupled with the desire to make fees and charges affordable for our Community. Council is continuing to actively investigate areas for increasing revenue to subsidise other areas of public access.
- Another challenge is the current condition of the Foxton Swimming Pool. This is something that needs to be addressed in the short term. Interest in this facility continues to be strong but in general usage remains low.

## **Significant negative effects on the social, cultural, economic and environmental wellbeing of the local community associated with this Activity**

- Injuries or drownings resulting from use of the facility.
- This is managed by ongoing training, qualification and provision of competent lifeguards and compliance with the Poolsafe accreditation.
- As costs increase to provide swimming pools it may become unaffordable for some. This is managed by ensuring costs are kept to a minimum through ongoing review and efficiencies. Programmes and events are actively monitored and reviewed to maximise revenue opportunities to offset operational costs.

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

- It is assumed that Aquatics will continue to be managed in house.
- The major risks associated with this Activity are health and safety risks inherently associated with publicly accessible swimming pools and with undertaking physical exercise. Control measures are in place to mitigate these risks and these are reviewed annually.

## Rationale for this Activity (why we do it):

Activity	Community Outcome	Council Role
<p>Safe aquatic centres are available for Community use.</p>	<p><b>Strong communities</b></p> <ul style="list-style-type: none"> <li>• Aquatic Centres provide a safe venue and opportunity for people to learn how to swim, and enhance water safety and other life skills.</li> <li>• Aquatic Centres contribute to providing a 'sense of place' where people are proud to live.</li> <li>• Aquatic Centres provide safe venues for fun activities and opportunities for social connection and inclusion.</li> <li>• Aquatic Centres provide opportunities for all cultures in the district and can be a place where cultural diversity is celebrated.</li> </ul> <p><b>'Fit for purpose' Infrastructure</b></p> <ul style="list-style-type: none"> <li>• Aquatic facilities are planned and developed for the district to meet current and future needs.</li> <li>• Aquatic Centres are reliable, efficient and well run.</li> </ul>	<p>Provider</p>
<p>Recreation opportunities are provided for the Community.</p>	<p><b>Strong communities</b></p> <ul style="list-style-type: none"> <li>• Provide a focal point for local communities where they can meet and participate in leisure and recreation activities</li> <li>• Provide opportunities for recreation to improve physical fitness and wellbeing</li> <li>• Provide opportunities for people to participate in recreational and physical activities, which enable people to live a healthy lifestyle.</li> <li>• Provide a venue for aquatic sports and competitive activity.</li> </ul>	<p>Provider/Advocate</p>

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

Service	Community Outcomes	How will we measure our performance	Target 21/22	Target 22/23	Target 23/24	Target 24/41
Safe aquatic facilities are operating in the District.	Strong communities Fit for purpose infrastructure	Compliance with relevant standards including Pool Safe Accreditation.	Achieve	Achieve	Achieve	Achieve
<b>What does this tell me?</b>						
This measure is to ensure the safety and enjoyment of aquatic centres for all customers.						
Aquatics centres meet customer needs.	Strong communities	Percent of customers satisfied, based on the Annual Customer Satisfaction Survey.	≥ 90%	≥ 90%	≥ 90%	≥ 90%
<b>What does this tell me?</b>						
The percentage of satisfied customers gives us an indication of the quality of service we are providing.						
A high quality Swim School operates at the Levin and Foxton Aquatic Centres.	Strong communities	Number of participants in Learn to Swim classes.	≥ 400 per term	≥ 400 per term	≥ 400 per term	≥ 400 per term
<b>What does this tell me?</b>						
Our pools offer curriculum based water safety and aquatic education programmes to local schools that do not have their own pools. We also offer swimming lessons for people of all ages and abilities to improve their swimming technique and overall skill level.						
Local clubs are supported to deliver their own events.	Strong communities	Number of events per year held by clubs- clubs growing and taking ownership of their own events and future.	≥ 5 per year	≥ 5 per year	≥ 5 per year	≥ 5 per year
<b>What does this tell me?</b>						
Council makes available its facilities for local aquatic clubs and organisations to deliver their own events.						
Growing existing events and developing new ones for the following areas; children, general public, and retirees.	Strong communities	Number of events per year for:				
			≥ 3	≥ 3	≥ 3	≥ 3
		Children;	≥ 3	≥ 3	≥ 3	≥ 3
		General public; and	≥ 3	≥ 3	≥ 3	≥ 3
		Retirees.				
<b>What does this tell me?</b>						
Council supports local sports/recreation clubs and organisations to host and run events on and off site.						



# Community Centres and Libraries

**This Activity aims to provide a location where people can visit, spend time, and positively engage in activities and opportunities, whether that be through social interaction, personal development or recreation and leisure.**

## What Community Centres and Libraries involves:

Multi-functional facilities and District wide Library Services provide a wide range of services to both the community and to visitors to the Horowhenua District, including:

- Spaces for social interaction
- Bookable rooms for community and commercial entities
- A creative hub that allows for music and visual performance and exhibition
- Museums that share stories and insight into the lives of the people in our area, and beyond
- Events that enrich our community
- Providing AA Services for our community
- Providing Visitor information services through two sites (Levin and Foxton)
- Delivery of Council Services (e.g. Dog registrations at Shannon and Foxton)

District wide library services in Levin, Foxton and Shannon deliver programmes and services that:

- Provide equitable access to information for leisure, entertainment, research, education and career development across the district
- Foster and enhance literacy (including digital) and lifelong learning
- Deliver events and programmes for children, young people, adults and elders
- Recognise and support those with special needs and requirements

- Encourage the development of partnerships for the delivery of services and programmes
- Promote opportunities for people and communities to connect with each other
- Protects, conserves and maintains Horowhenua's heritage resources
- Provide opportunities for access to local history and heritage resources
- Operate a dedicated youth space that encourages and promotes inclusion, safety and interaction in both structured and unstructured settings.

## What has changed since the 2018-38 LTP?

- Shannon Library was completely refurbished in 2020.
- The Education suite was repurposed in 2020 as a result of a Provincial Growth Fund grant to create a business hub for the district.

## Challenges Council faces for this Activity

- There are no significant challenges Council faces for this Activity.

## Significant negative effects on the social, cultural, economic and environmental wellbeing of the local community associated with this Activity

- There are no significant negative effects on the social, cultural, economic and environmental wellbeing of the local community associated with this activity.

## Key Risks and Assumptions associated with this Activity

- There are no known risks to this Activity.



## Rationale for this Activity (why we do it):

Activity	Community Outcome	Council Role
Community centres and libraries operate within the District.	<p><b>Vibrant Economy</b> Community Centres and Libraries contribute to the local economy through employment and financial sustainability.</p> <p><b>Strong communities</b> Community Centres and Libraries provide opportunities for people of all ages and all phases of life to enjoy quality of living and contribute to providing a 'sense of place' where people are proud to live.</p> <p>Community Centres and Libraries provide opportunities for social connection and inclusion and opportunities for all cultures in the District and can be a place where cultural diversity is celebrated.</p> <p><b>'Fit for Purpose' Infrastructure</b> Community Centres and Libraries are reliable, efficient and well run.</p> <p><b>Partnership with Tangata Whenua</b> We value the objectives and goals of Tangata Whenua within the provision, development and operation of Community Facilities.</p>	Funder/Provider

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

Service	Community Outcomes	How will we measure our performance	Target 21/22	Target 22/23	Target 23/24	Target 24/41			
Council provides community facilities for residents, ratepayers, and visitors to access Community services including library services.	Vibrant economy	Communities with library and community facilities providing an integrated and District wide service.	Levin, Foxton, and Shannon	Levin, Foxton, and Shannon	Levin, Foxton, and Shannon	Levin, Foxton, and Shannon			
	Strong communities								
	'Fit for Purpose' Infrastructure								
	Partnership with Tangata Whenua								
	Number of visitors to our Community Hubs and Libraries.						≥550,000	≥590,000	≥600,000
	Te Takaretanga o Kura-hau-po,						≥375,000	≥575,000	≥390,000
Te Awahou Nieuwe Stroom	≥150,000	≥385,000	≥170,000	≥180,000					
	Shannon Library)	≥25,000	≥165,000	≥30,000	≥30,000				
			≥25,000						

### What does this tell me?

Council recognises the importance of libraries as social hubs for learning and literacy in the Community. Council sets out to provide a relevant library service and community facilities that people can enjoy throughout the District.

Service	Community Outcomes	How will we measure our performance	Target 21/22	Target 22/23	Target 23/24	Target 24/41
Libraries and community facilities meet the public's needs.	'Fit for Purpose' Infrastructure  Strong communities  Partnership with Tangata Whenua	Percent of residents and non-residents satisfied with library and Community services based on the Annual Customer Satisfaction Survey.	>90%	>90%	>90%	>90%

#### What does this tell me?

The percentage of satisfied customers gives us an indication of the quality of service we are providing.

Community facilities are available for public use.	'Fit for Purpose' Infrastructure	Number of booking counts for community facilities.	≥ 1,400	≥ 1,500	≥ 1,600	≥ 1,700
	Vibrant economy		70%	65%	60%	60%
	Strong communities	Te Takeretanga o Kura-hau-pōtanga o Kura-hau-po	30%	35%	40%	40%
	Partnership with Tangata Whenua	Te Awahou Nieuwe Stroom				

#### What does this tell me?

This measure is used to ensure the community facilities are being utilised.

Service	Community Outcomes	How will we measure our performance	Target 21/22	Target 22/23	Target 23/24	Target 24/41
Customers have access to a range of current information in both print and digital format.	'Fit for Purpose' Infrastructure	Number of items loaned from the libraries across the District, including books, magazines etc.	≥ 270,000	≥ 270,000	≥ 300,000	≥ 320,000
	Strong communities	Collections are refreshed and meet the literacy and information needs of the community in accordance with the NZ Public Library Standards	\$7 per capita spent on library resources	\$7 per capita spent on library resources	\$7 per capita spent on library resources	\$7 per capita spent on library resources
		Percent of increase in use of websites and online engagement	+>1%	+>1%	+>1%	+>1%

#### What does this tell me?

Council sets out to provide a modern and relevant library service. The number of loaned items would indicate the range of loanable items is current and relevant. The growing use of the library website indicates Council provides a modern library service that people use and enjoy.

Customers have access to programmes and initiatives that enhance the wellbeing of the District.	'Fit for Purpose' Infrastructure	Number of programmes delivered:	500	500	500	500
	Strong communities	Levin	≥ 50%	≥ 50%	≥ 50%	≥ 50%
		Foxton	≥ 30%	≥ 30%	≥ 30%	≥ 30%
	Vibrant economy	Shannon	≥ 20%	≥ 20%	≥ 20%	≥ 20%
	Partnership with Tangata Whenua					

#### What does this tell me?

Council sets out to provide a relevant library service that people can enjoy throughout the District.

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## Capital Expenditure for Community Facilities

<b>Community Facilities Projects Primary Type – to replace existing assets</b>	<b>AP 20/21</b>	<b>Yr 1 21/22</b>	<b>Yr 2 22/23</b>	<b>Yr 3 23/24</b>	<b>Yr 4 24/25</b>	<b>Yr 5 25/26</b>	<b>Yr 6 26/27</b>	<b>Yr 7 27/28</b>	<b>Yr 8 28/29</b>	<b>Yr 9 29/30</b>	<b>Yr 10 30/31</b>
Activity Renewal	-	39,911	25,085	72,022	33,154	53,774	39,179	239,679	56,739	41,822	53,504
Activity Renewals	-	89,000	26,650	20,972	21,434	138,008	81,157	51,480	46,768	19,118	63,502
Building Renewal - Shannon Library	-	1,000	10,267	-	18,947	3,736	16,148	5,055	-	15,738	-
Building Renewals - Te Awahou Nieuwe Stroom	-	32,000	56,375	33,555	58,944	18,074	16,167	157,130	32,719	183,232	12,699
Building Renewals- Te Takeretanga o Kura-hau-pōtanga o Kura-hau-po	-	19,961	-	28,013	51,238	25,495	167,706	99,855	62,958	11,062	411,342
Equipment - General	-	-	-	-	-	-	-	-	-	-	-
Foxton - Air and heat	-	-	-	-	-	-	-	-	-	-	-
Foxton - Plantroom analysers, dosing & filtration system	-	-	-	-	-	-	-	-	-	-	-
Foxton - Pool maintenance (expansion joints, tiles, myrtha membrane & grating)	-	-	-	-	-	-	-	-	-	-	-
Foxton - Pumps x 2	-	-	-	-	-	-	-	-	-	-	-
Foxton - Supply and extract fans	-	-	-	-	-	-	-	-	-	-	-
Foxton Aquatic Centre Plan Renewals	-	58,000	33,891	181,801	48,510	11,050	15,275	11,598	23,800	91,568	12,502
Foxton Building Renewals	-	-	-	-	-	-	-	-	-	172,574	-
LAC Redevelopment Stage 1	-	-	-	-	-	-	-	-	-	-	-
Levin - Plantroom analysers, dosing & filtration system	-	-	-	-	-	-	-	-	-	-	-
Levin - Air and heat	-	-	-	-	-	-	-	-	-	-	-
Levin - Disabled change facilities	-	5,000	-	-	-	-	5,658	-	35,700	-	-
Levin - Pool maintenance (expansion joints, tiles, myrtha membrane & grating)	-	-	-	-	-	-	-	-	-	-	-
Levin - Pumps x 8	-	-	-	-	-	-	-	-	-	-	-
Levin - Supply and extract fans	-	-	-	-	-	-	-	-	-	-	-
Levin Aquatic Centre Plan Renewals	-	298,000	27,729	46,319	431,200	87,295	50,918	30,155	88,060	964,450	100,016



Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	Community Facilities Projects <i>Primary Type – to replace existing assets</i>
27,403	12,705	89,893	0	47,554	85,262	14,027	85,848	14,594	37,215	Activity Renewal
37,368	12,705	137,365	21,149	40,446	27,504	36,470	80,125	51,079	141,417	Activity Renewals
2,806	19,473	0	2,587	5,339	20,860	22,944	29,380	0	47,431	Building Renewal - Shannon Library
0	145,458	245,744	277,500	5,964	149,590	4,853	195,417	397,643	15,480	Building Renewals - Te Awahou Nieuwe Stroom
42,690	20,240	24,236	28,480	179,161	272,704	79,842	385,227	113,228	1,125,672	Building Renewals- Te Takeretanga o Kura-hau-pōtanga o Kura-hau-po
-	-	-	-	-	-	-	-	-	-	Equipment - General
-	-	-	-	-	-	-	-	-	-	Foxton - Air and heat
-	-	-	-	-	-	-	-	-	-	Foxton - Plantroom analysers, dosing & filtration system
-	-	-	-	-	-	-	-	-	-	Foxton - Pool maintenance (expansion joints, tiles, myrtha membrane & grating)
-	-	-	-	-	-	-	-	-	-	Foxton - Pumps x 2
-	-	-	-	-	-	-	-	-	-	Foxton - Supply and extract fans
12,765	13,033	19,960	61,137	13,871	75,059	14,459	231,927	113,048	15,390	Foxton Aquatic Centre Plan Renewals
-	-	-	94,463	-	-	-	-	-	-	Foxton Building Renewals
-	-	-	-	-	-	-	-	-	-	LAC Redevelopment Stage 1
-	-	-	-	-	-	-	-	-	-	Levin - Plantroom analysers, dosing & filtration system
-	-	-	-	-	-	-	-	-	-	Levin - Air and heat
6,382	-	-	-	-	7,081	-	44,289	-	-	Levin - Disabled change facilities
-	-	-	-	-	-	-	-	-	-	Levin - Pool maintenance (expansion joints, tiles, myrtha membrane & grating)
-	-	-	-	-	-	-	-	-	-	Levin - Pumps x 8
-	-	-	-	-	-	-	-	-	-	Levin - Supply and extract fans
33,189	58,648	34,598	485,686	109,581	38,237	37,593	159,440	710,677	122,350	Levin Aquatic Centre Plan Renewals

<b>Community Facilities Projects</b>	<b>AP</b>	<b>Yr 1</b>	<b>Yr 2</b>	<b>Yr 3</b>	<b>Yr 4</b>	<b>Yr 5</b>	<b>Yr 6</b>	<b>Yr 7</b>	<b>Yr 8</b>	<b>Yr 9</b>	<b>Yr 10</b>
<b>Primary Type – to replace existing assets (continued)</b>	<b>20/21</b>	<b>21/22</b>	<b>22/23</b>	<b>23/24</b>	<b>24/25</b>	<b>25/26</b>	<b>26/27</b>	<b>27/28</b>	<b>28/29</b>	<b>29/30</b>	<b>30/31</b>
Levin Building Renewals	-	-	-	-	398,860	-	-	-	-	348,237	-
Library inventory	-	434,146	450,276	466,411	482,722	499,930	517,825	536,705	555,756	575,543	596,109
Redevelopment of Te Ao Maori Space at Te Takeretanga o Kura-hau-pōtanga o Kura-hau-po	-	-	-	-	-	-	-	-	-	-	-
TANS Marketing billboards	-	20,000	-	20,972	-	-	-	3,432	-	-	3,664
Youth Space Renovation	-	-	169,125	-	-	-	-	-	-	-	6,106
Levin Aquatic - Replace the Hydroslide	451,401	-	-	-	-	-	-	-	-	-	-
Foxton Aquatic Centre - Renewals	50,000	-	-	-	-	-	-	-	-	-	-
Levin Aquatic Centre - Renewals	200,000	-	-	-	-	-	-	-	-	-	-
Community hubs - Digital equipment replacement	5,212	-	-	-	-	-	-	-	-	-	-
Te Takeretanga o Kura-hau-pōtanga o Kura-hau-pō - Redevelopment of Te Ao Maori space	12,000	-	-	-	-	-	-	-	-	-	-
Library books	200,000	-	-	-	-	-	-	-	-	-	-
DVD's	13,000	-	-	-	-	-	-	-	-	-	-
Audio books	6,000	-	-	-	-	-	-	-	-	-	-
<b>Total renewals</b>	<b>937,613</b>	<b>997,018</b>	<b>799,399</b>	<b>870,066</b>	<b>1,545,008</b>	<b>837,361</b>	<b>910,033</b>	<b>1,135,090</b>	<b>902,500</b>	<b>2,423,344</b>	<b>1,259,445</b>

Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	Community Facilities Projects <i>Primary Type – to replace existing assets (continued)</i>
-	-	-	-	-	-	-	-	623,410	-	Levin Building Renewals
616,268	637,196	658,916	681,449	704,847	729,159	754,386	769,499	785,157	806,821	Library inventory
-	-	-	-	-	-	-	-	-	-	Redevelopment of Te Ao Maori Space at Te Takeretanga o Kura-hau-pōtanga o Kura-hau-po
-	-	3,888	-	-	-	-	4,292	-	-	TANS Marketing billboards
-	-	-	-	-	-	-	-	-	7,443	Youth Space Renovation
-	-	-	-	-	-	-	-	-	-	Levin Aquatic - Replace the Hydroslide
-	-	-	-	-	-	-	-	-	-	Foxton Aquatic Centre - Renewals
-	-	-	-	-	-	-	-	-	-	Levin Aquatic Centre - Renewals
-	-	-	-	-	-	-	-	-	-	Community hubs - Digital equipment replacement
-	-	-	-	-	-	-	-	-	-	Te Takeretanga o Kura-hau-pōtanga o Kura-hau-pō - Redevelopment of Te Ao Maori space
-	-	-	-	-	-	-	-	-	-	Library books
-	-	-	-	-	-	-	-	-	-	DVD's
-	-	-	-	-	-	-	-	-	-	Audio books
<b>778,871</b>	<b>919,458</b>	<b>1,214,600</b>	<b>1,652,451</b>	<b>1,106,763</b>	<b>1,405,456</b>	<b>964,574</b>	<b>1,985,444</b>	<b>2,808,836</b>	<b>2,319,219</b>	<b>Total renewals</b>

<b>Community Facilities Projects</b> <i>Primary Type – to improve the Level of Service</i>	<b>AP</b> <b>20/21</b>	<b>Yr 1</b> <b>21/22</b>	<b>Yr 2</b> <b>22/23</b>	<b>Yr 3</b> <b>23/24</b>	<b>Yr 4</b> <b>24/25</b>	<b>Yr 5</b> <b>25/26</b>	<b>Yr 6</b> <b>26/27</b>	<b>Yr 7</b> <b>27/28</b>	<b>Yr 8</b> <b>28/29</b>	<b>Yr 9</b> <b>29/30</b>	<b>Yr 10</b> <b>30/31</b>
Equipment - General	2,083	-	-	-	-	-	-	-	-	-	-
Foxton Pool Redevelopment	-	1,500,000	1,129,700	-	-	-	-	-	-	-	-
LAC Redevelopment Stage 1	-	-	-	-	-	-	-	-	-	-	-
LAC Redevelopment Stage 2	-	-	-	-	-	-	-	-	-	-	-
LAC Redevelopment Stage 3	-	-	-	-	-	-	-	-	-	-	-
Levin - Air and heat	2,083	-	-	-	-	-	-	-	-	-	-
Levin - Splash Pad	50,000	180,500	132,997	-	-	-	-	-	-	-	-
Levin - Supply and extract fans	3,645	-	-	-	-	-	-	-	-	-	-
Makerspace for Children Youth and Adults	-	-	-	-	-	-	-	-	96,459	-	-
Mobile outdoor screen & accompanying audio & visual equipment	-	-	67,650	-	2,143	-	-	-	2,338	-	-
Mobile partitions	-	25,000	-	-	-	-	13,433	-	-	-	-
Mobile stage trailer	-	-	-	-	88,415	-	-	-	-	-	-
Levin - Pumps	5,207	-	-	-	-	-	-	-	-	-	-
Levin - Plantroom miscellaneous	1,041	-	-	-	-	-	-	-	-	-	-
Foxton - Plantroom miscellaneous	2,083	-	-	-	-	-	-	-	-	-	-
<b>Total Level of Service</b>	<b>66,142</b>	<b>1,705,500</b>	<b>1,330,347</b>	<b>-</b>	<b>90,559</b>	<b>-</b>	<b>13,433</b>	<b>-</b>	<b>98,797</b>	<b>-</b>	<b>-</b>

Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	Community Facilities Projects <i>Primary Type – to improve the Level of Service</i>
-	-	-	-	-	-	-	-	-	-	Equipment - General
-	-	-	-	-	-	-	-	-	-	Foxton Pool Redevelopment
-	-	-	-	-	-	-	-	-	-	LAC Redevelopment Stage 1
-	-	-	-	-	-	-	-	-	-	LAC Redevelopment Stage 2
-	-	-	-	-	-	-	-	-	-	LAC Redevelopment Stage 3
-	-	-	-	-	-	-	-	-	-	Levin - Air and heat
-	-	-	-	-	-	-	-	-	-	Levin - Splash Pad
-	-	-	-	-	-	-	-	-	-	Levin - Supply and extract fans
-	-	-	-	-	-	-	-	-	-	Makerspace for Children Youth and Adults
37,368	-	-	-	2,696	-	-	-	2,919	-	Mobile outdoor screen & accompanying audio & visual equipment
14,947	-	-	-	-	16,502	-	-	-	-	Mobile partitions
-	-	-	-	-	-	-	-	109,455	-	Mobile stage trailer
-	-	-	-	-	-	-	-	-	-	Levin - Pumps
-	-	-	-	-	-	-	-	-	-	Levin - Plantroom miscellaneous
-	-	-	-	-	-	-	-	-	-	Foxton - Plantroom miscellaneous
<b>52,315</b>	-	-	-	<b>2,696</b>	<b>16,502</b>	-	-	<b>112,374</b>	-	<b>Total Level of Service</b>

<b>Community Facilities Projects</b> <i>Primary Type – to meet additional demand</i>	<b>AP</b> <b>20/21</b>	<b>Yr 1</b> <b>21/22</b>	<b>Yr 2</b> <b>22/23</b>	<b>Yr 3</b> <b>23/24</b>	<b>Yr 4</b> <b>24/25</b>	<b>Yr 5</b> <b>25/26</b>	<b>Yr 6</b> <b>26/27</b>	<b>Yr 7</b> <b>27/28</b>	<b>Yr 8</b> <b>28/29</b>	<b>Yr 9</b> <b>29/30</b>	<b>Yr 10</b> <b>30/31</b>
Innovative technology projects	10,000	-	-	5,834	42,698	-	-	6,998	51,214	-	-
LAC Redevelopment Stage 1	-	-	-	-	-	-	-	-	-	-	-
LAC Redevelopment Stage 2	-	-	-	-	-	-	-	-	-	-	-
LAC Redevelopment Stage 3	-	-	-	-	-	-	-	-	-	-	-
Mobile Library	-	-	-	173,019	-	-	-	-	-	-	-
Strategic and growth related aquatics projects	-	-	-	-	-	-	1,414,375	1,449,750	1,487,500	1,526,125	1,562,750
<b>Total Growth</b>	<b>10,000</b>	<b>-</b>	<b>-</b>	<b>178,853</b>	<b>42,698</b>	<b>-</b>	<b>1,414,375</b>	<b>1,456,748</b>	<b>1,538,714</b>	<b>1,526,125</b>	<b>1,562,750</b>

<b>Total Community Facilities Projects</b> <i>Primary Type</i>	<b>AP</b> <b>20/21</b>	<b>Yr 1</b> <b>21/22</b>	<b>Yr 2</b> <b>22/23</b>	<b>Yr 3</b> <b>23/24</b>	<b>Yr 4</b> <b>24/25</b>	<b>Yr 5</b> <b>25/26</b>	<b>Yr 6</b> <b>26/27</b>	<b>Yr 7</b> <b>27/28</b>	<b>Yr 8</b> <b>28/29</b>	<b>Yr 9</b> <b>29/30</b>	<b>Yr 10</b> <b>30/31</b>
Renewal	937,613	997,018	799,399	870,066	1,545,008	837,361	910,033	1,135,090	902,500	2,423,344	1,259,445
Level of Service	66,142	1,705,500	1,330,347	-	90,559	-	13,433	-	98,797	-	-
Growth	10,000	-	-	178,853	42,698	-	1,414,375	1,456,748	1,538,714	1,526,125	1,562,750
<b>Total Community Facilities and Services Projects</b>	<b>4,731,685</b>	<b>2,702,518</b>	<b>2,129,745</b>	<b>1,048,919</b>	<b>1,678,264</b>	<b>837,361</b>	<b>2,337,841</b>	<b>2,591,837</b>	<b>2,540,011</b>	<b>3,949,469</b>	<b>2,822,195</b>

Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	Community Facilities Projects <i>Primary Type – to meet additional demand</i>
8,344	60,947	-	-	-	10,321	75,385	-	-	-	Innovative technology projects
-	-	-	-	-	-	-	-	-	-	LAC Redevelopment Stage 1
-	-	-	-	-	-	-	-	-	-	LAC Redevelopment Stage 2
-	-	-	-	-	-	-	-	-	-	LAC Redevelopment Stage 3
-	-	-	198,270	-	-	-	-	-	-	Mobile Library
1,595,625	1,629,125	1,663,375	1,698,250	1,733,875	1,770,250	1,807,375	1,845,375	1,884,125	1,923,750	Strategic and growth related aquatics projects
<b>1,603,969</b>	<b>1,690,072</b>	<b>1,663,375</b>	<b>1,896,520</b>	<b>1,733,875</b>	<b>1,780,571</b>	<b>1,882,760</b>	<b>1,845,375</b>	<b>1,884,125</b>	<b>1,923,750</b>	<b>Total Growth</b>

Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	Total Community Facilities Projects <i>Primary Type</i>
778,871	919,458	1,214,600	1,652,451	1,106,763	1,405,456	964,574	1,985,444	2,808,836	2,319,219	Renewal
52,315	-	-	-	2,696	16,502	-	-	112,374	-	Level of Service
1,603,969	1,690,072	1,663,375	1,896,520	1,733,875	1,780,571	1,882,760	1,845,375	1,884,125	1,923,750	Growth
<b>2,435,155</b>	<b>2,609,530</b>	<b>2,877,975</b>	<b>3,548,971</b>	<b>2,843,334</b>	<b>3,202,529</b>	<b>2,847,334</b>	<b>3,830,819</b>	<b>4,805,335</b>	<b>4,242,969</b>	<b>Total Community Facilities and Services Projects</b>





Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Community Facilities Group of Activities
<b>Sources of Operating Funding</b>										
-	-	-	-	-	-	-	-	-	-	General rates, uniform annual general charges, rates penalties
9,920	9,965	10,018	10,229	10,582	10,805	11,053	11,400	11,671	11,997	Targeted rates
-	-	-	-	-	-	-	-	-	-	Subsidies and grants for operating purposes
1,409	1,438	1,468	1,498	1,528	1,560	1,592	1,625	1,658	1,692	Fees and charges
-	-	-	-	-	-	-	-	-	-	Local authorities fuel tax, fines, infringement fees, and other receipts
-	-	-	-	-	-	-	-	-	-	Internal charges and overheads recovered
<b>11,329</b>	<b>11,403</b>	<b>11,486</b>	<b>11,727</b>	<b>12,110</b>	<b>12,365</b>	<b>12,645</b>	<b>13,025</b>	<b>13,329</b>	<b>13,689</b>	<b>Total Operating Funding (A)</b>
<b>Applications of Operating Funding</b>										
7,221	7,362	7,507	7,653	7,802	7,956	8,110	8,272	8,434	8,599	Payments to staff and suppliers
1,058	1,101	1,157	1,231	1,334	1,403	1,488	1,557	1,663	1,810	Finance costs
1,619	1,657	1,687	1,718	1,757	1,788	1,827	1,862	1,897	1,938	Internal charges and overheads applied
-	-	-	-	-	-	-	-	-	-	Other operating funding applications
<b>9,898</b>	<b>10,120</b>	<b>10,351</b>	<b>10,602</b>	<b>10,893</b>	<b>11,147</b>	<b>11,425</b>	<b>11,691</b>	<b>11,994</b>	<b>12,347</b>	<b>Total applications of operating funding (B)</b>
<b>1,431</b>	<b>1,283</b>	<b>1,135</b>	<b>1,125</b>	<b>1,217</b>	<b>1,218</b>	<b>1,220</b>	<b>1,334</b>	<b>1,335</b>	<b>1,342</b>	<b>Surplus (deficit) of operating funding (A-B)</b>
<b>Sources of capital funding</b>										
-	-	-	-	-	-	-	-	-	-	Subsidies and grants for capital expenditure
-	-	-	-	-	-	-	-	-	-	Development and financial contributions

<b>Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Community Facilities Group of Activities</b>	<b>AP 20/21 \$000</b>	<b>Yr 1 21/22 \$000</b>	<b>Yr 2 22/23 \$000</b>	<b>Yr 3 23/24 \$000</b>	<b>Yr 4 24/25 \$000</b>	<b>Yr 5 25/26 \$000</b>	<b>Yr 6 26/27 \$000</b>	<b>Yr 7 27/28 \$000</b>	<b>Yr 8 28/29 \$000</b>	<b>Yr 9 29/30 \$000</b>	<b>Yr 10 30/31 \$000</b>
Increase (decrease) in debt	254	1,741	993	(230)	382	(480)	991	1,235	1,173	2,527	1,400
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>254</b>	<b>1,741</b>	<b>993</b>	<b>(230)</b>	<b>382</b>	<b>(480)</b>	<b>991</b>	<b>1,235</b>	<b>1,173</b>	<b>2,527</b>	<b>1,400</b>
<b>Applications of capital funding</b>											
Capital expenditure											
- to meet additional demand	-	-	-	179	43	-	1,414	1,457	1,539	1,526	1,563
- to improve the level of service	76	1,706	1,330	-	91	-	13	-	99	-	-
- to replace existing assets	938	997	799	870	1,545	837	910	1,135	903	2,423	1,259
Increase (decrease) in reserves	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>1,014</b>	<b>2,703</b>	<b>2,129</b>	<b>1,049</b>	<b>1,679</b>	<b>837</b>	<b>2,337</b>	<b>2,592</b>	<b>2,541</b>	<b>3,949</b>	<b>2,822</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(760)</b>	<b>(962)</b>	<b>(1,136)</b>	<b>(1,279)</b>	<b>(1,297)</b>	<b>(1,317)</b>	<b>(1,346)</b>	<b>(1,357)</b>	<b>(1,368)</b>	<b>(1,422)</b>	<b>(1,422)</b>
<b>Funding Balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Depreciation	898	962	1,137	1,279	1,296	1,318	1,346	1,357	1,367	1,423	1,422

## Activity Expenditure for Community Facilities

<b>Activity Operating Expenditure Including depreciation</b>	<b>AP 20/21 \$000</b>	<b>Yr 1 21/22 \$000</b>	<b>Yr 2 22/23 \$000</b>	<b>Yr 3 23/24 \$000</b>	<b>Yr 4 24/25 \$000</b>	<b>Yr 5 25/26 \$000</b>	<b>Yr 6 26/27 \$000</b>	<b>Yr 7 27/28 \$000</b>	<b>Yr 8 28/29 \$000</b>	<b>Yr 9 29/30 \$000</b>	<b>Yr 10 30/31 \$000</b>
Aquatic Centres	2,623	2,814	3,141	3,696	3,571	3,649	3,743	3,870	4,004	4,191	4,383
Libraries and Community Centres	5,258	5,384	5,573	5,738	5,843	5,960	6,097	6,246	6,409	6,584	6,714
<b>Total Expenditure</b>	<b>7,881</b>	<b>8,198</b>	<b>8,714</b>	<b>9,434</b>	<b>9,414</b>	<b>9,609</b>	<b>9,840</b>	<b>10,116</b>	<b>10,413</b>	<b>10,775</b>	<b>11,097</b>

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Community Facilities Group of Activities
1,004	1,326	1,743	2,424	1,627	1,985	1,628	2,496	3,470	2,901	Increase (decrease) in debt
-	-	-	-	-	-	-	-	-	-	Gross proceeds from sale of assets
-	-	-	-	-	-	-	-	-	-	Lump sum contributions
-	-	-	-	-	-	-	-	-	-	Other dedicated capital funding
<b>1,004</b>	<b>1,326</b>	<b>1,743</b>	<b>2,424</b>	<b>1,627</b>	<b>1,985</b>	<b>1,628</b>	<b>2,496</b>	<b>3,470</b>	<b>2,901</b>	<b>Total sources of capital funding (C)</b>
										<b>Applications of capital funding</b>
										Capital expenditure
1,604	1,690	1,663	1,897	1,734	1,781	1,883	1,845	1,884	1,924	- to meet additional demand
52	-	-	-	3	17	-	-	112	-	- to improve the level of service
779	919	1,215	1,652	1,107	1,405	965	1,985	2,809	2,319	- to replace existing assets
-	-	-	-	-	-	-	-	-	-	Increase (decrease) in reserves
-	-	-	-	-	-	-	-	-	-	Increase (decrease) of investments
<b>2,435</b>	<b>2,609</b>	<b>2,878</b>	<b>3,549</b>	<b>2,844</b>	<b>3,203</b>	<b>2,848</b>	<b>3,830</b>	<b>4,805</b>	<b>4,243</b>	<b>Total applications of capital funding (D)</b>
<b>(1,431)</b>	<b>(1,283)</b>	<b>(1,135)</b>	<b>(1,125)</b>	<b>(1,217)</b>	<b>(1,218)</b>	<b>(1,220)</b>	<b>(1,334)</b>	<b>(1,335)</b>	<b>(1,342)</b>	<b>Surplus (deficit) of capital funding (C-D)</b>
-	-	-	-	-	-	-	-	-	-	<b>Funding Balance ((A-B)+(C-D))</b>
1,431	1,284	1,135	1,125	1,217	1,218	1,219	1,335	1,336	1,342	Depreciation

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Activity Operating Expenditure Including depreciation
4,492	4,452	4,405	4,526	4,761	4,888	5,020	5,264	5,409	5,602	Aquatic Centres
6,837	6,951	7,081	7,201	7,350	7,478	7,625	7,761	7,920	8,087	Libraries and Community Centres
<b>11,329</b>	<b>11,403</b>	<b>11,486</b>	<b>11,727</b>	<b>12,111</b>	<b>12,366</b>	<b>12,645</b>	<b>13,025</b>	<b>13,329</b>	<b>13,689</b>	<b>Total Expenditure</b>

# Property

**The Council owns a substantial number of properties throughout the Horowhenua District which support the delivery of Council's activities. The Property Activity ensures that these assets are managed and maintained effectively.**

## What Property involves:

- Management, maintenance, purchase and disposal of Council owned property.
- Granting of permits and community and commercial leases and licences.
- Undertaking this activity in accordance with the Property Strategy 2015, which informs future decision-making on maintenance, investment and/or disposal of property.

## Council owns a range of properties including:

- The Council administration building in Levin.
- Endowment property - Council owns land in Foxton Beach that was formerly owned by the Foxton Harbour Board. Much of this land is subject to perpetual 21-year leases including a number of residential properties with rights of purchase. Though there are a number of other properties including Gazetted Reserve, development land, and the Foxton Beach Holiday Park.
- General Properties and land including - historic and cultural buildings, depots, carparks, and residential and commercial land.
- Council has interest in two campgrounds being Waitārere Beach Motor Camp and Playford Park Motorcamp both of which are full operational Leases in the General Property sub-activity.

## What has changed since the 2018/38 LTP?

- Horowhenua is projected to show significant growth over the next 20 years. The initial sections created by Council's subdivision at Foxton Beach have all been purchased and Council is now looking at a second stage of the subdivision.
- There has been a shift in the demographic choosing to settle in the Horowhenua with 0-14 year olds; 15-39 year olds; and 40-64 year olds set to grow by an average of 3% a year, and 65 years plus to grow by an average 2% per year over the 30 year period concerned.
- All property service contracts have expired and been extended.
- The Commercial Property portfolio has been sold.
- The property team has introduced an Asset Management System to maintain and keep record of all property assets and generate a renewals program.
- Council has resolved to evaluate its property portfolio in terms of core and non-core properties. The non-core property portfolio will be considered for divestment.
- Council has resolved to dispose of its Memorial Halls portfolio being Foxton Memorial Hall, Shannon Memorial Hall, and Levin Memorial Hall. Whilst details are still to be worked through it is likely Foxton and Shannon will be disposed of to Community Groups, with Levin memorial hall being repurposed as a small business incubator/office facility as part of the Transforming Taitoko agenda.

## 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 use for some facilities alongside an increase in their operational costs.
- Demand for other Council owned facilities are increasing and therefore 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 have changed with growth predicting that there will be an 8% increase in persons below 65 compared to 2% of those over 65. This will require the development of active recreational facilities for a range of ages between 2021 and 2041
- A number of Council's buildings have been identified as earthquake prone. With new legislative requirements to upgrade earthquake prone buildings Council must decide the future of these buildings.

## Significant negative effects on the wellbeing of the local community 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

- A key assumption for this activity is that Council's Property portfolio will continue to be assessed as core/non-core and readied for sale as necessary
- A key assumption for this Activity is that earthquake prone properties will be maintained in a fit for purpose state, unless identified for disposal as non-core assets.
- A key assumption is that renewals will continue to be completed as scheduled.

## Rationale for this Activity (why we do it):

Activity	Community Outcome	Council Role
<p>Management and maintenance of Council owned properties.</p>	<p><b>Vibrant Economy</b>            This activity considers the sale of Council property to facilitate growth            This activity provides leases and licences to support diversity and resilience in the community.</p> <p><b>Outstanding Environment</b>            This activity ensures the portfolio provides for the wellbeing of people by providing community leases for community centres, and provides land for community funded activities e.g. Surf Lifesaving clubs.</p> <p><b>Fit for Purpose' Infrastructure</b>            This activity is responsible for maintaining Council facilities to meet the needs of current and future populations            This activity facilitates growth by providing development land</p> <p><b>Partnerships with Tangata Whenua</b>            This activity involves Tangata Whenua in its strategic and developmental activities and in so doing recognises the role of Mana Whwnua as Kaitiaki of their rohe.</p> <p><b>Strong communities</b>            This activity values the diversity of our people and facilitates the use of Council land for community activities in recognising that diversity            This activity consults with community stakeholders and in so doing enables local decision making            This activity provides land via various leasing arrangements to facilitate social and cultural connectedness            This activity provides facilities that allow people to live positive and healthy lifestyles</p>	<p>Funder/Provider</p>

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

Service	Community Outcomes	How will we measure our performance	Target 21/22	Target 22/23	Target 23/24	Target 24/41
Council operated facilities are available for public hire.	Fit for Purpose Infrastructure Strong communities	Facilities availability (hrs) and hire charges by annual review.	8 hrs per day	8 hrs per day	8 hrs per day	8 hrs per day

### What does this tell me?

Halls provide public spaces for local Communities to come together and participate in sport, social or other Community events. This measure shows Council promotes the use of public space, the halls are available and hire charges are set to recover a proportion of cost.

Council's properties will comply with relevant legislation.	Fit for Purpose Infrastructure Strong communities	All buildings with compliance schedules will have current building WOF.	Achieve	Achieve	Achieve	Achieve
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### What does this tell me?

It is extremely important to Council that our buildings are safe for everyone to use.





Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	<b>Property Projects</b> <i>Primary Type – to replace existing assets</i>
-	-	-	-	-	-	-	-	-	-	Community buildings programmed renewals
-	-	-	-	-	-	-	-	-	-	Dog pound office building renewal
-	-	-	-	-	-	-	-	-	-	General property renewals
-	-	-	-	-	-	-	-	-	-	Levin Depot buildings renewals & repaint
-	-	-	-	-	-	-	-	-	-	Levin Depot yard reseal
-	-	-	-	-	-	-	-	-	-	Pottery shed replace roof
610,167	944,892	1,592,848	1,847,696	2,084,811	1,346,806	1,360,592	892,257	1,074,364	595,468	Property renewals program
-	-	-	-	-	-	-	-	-	-	Waitāre Beach Surf life club saving design and build
<b>610,167</b>	<b>944,892</b>	<b>1,592,848</b>	<b>1,847,696</b>	<b>2,084,811</b>	<b>1,346,806</b>	<b>1,360,592</b>	<b>892,257</b>	<b>1,074,364</b>	<b>595,468</b>	<b>Total renewals</b>

Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	<b>Community Facilities and Services</b> <b>Projects</b> <i>Primary Type – to improve the Level of Service</i>
-	-	-	-	-	-	-	-	-	-	Endowment Subdivision Forbes Rd extension
-	-	-	-	-	-	-	-	-	-	Strategic land purchases
<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>Total Level of Service</b>

<b>Property Projects</b> <i>Primary Type – to meet additional demand</i>	<b>AP 20/21</b>	<b>Yr 1 21/22</b>	<b>Yr 2 22/23</b>	<b>Yr 3 23/24</b>	<b>Yr 4 24/25</b>	<b>Yr 5 25/26</b>	<b>Yr 6 26/27</b>	<b>Yr 7 27/28</b>	<b>Yr 8 28/29</b>	<b>Yr 9 29/30</b>	<b>Yr 10 30/31</b>
260 Gladstone Road subdivision	-	400,000	-	-	-	-	-	-	-	-	-
Endowment Subdivision Forbes Rd extension	-	800,000	-	-	-	-	-	-	-	-	-
Poads Road quarry	-	500,000	513,500	526,350	2,156,000	2,210,000	2,263,000	2,319,600	2,380,000	2,441,800	-
<b>Total Growth</b>	<b>-</b>	<b>1,700,000</b>	<b>513,500</b>	<b>526,350</b>	<b>2,156,000</b>	<b>2,210,000</b>	<b>2,263,000</b>	<b>2,319,600</b>	<b>2,380,000</b>	<b>2,441,800</b>	<b>-</b>

<b>Total Property Projects</b> <i>Primary Type</i>	<b>AP 20/21</b>	<b>Yr 1 21/22</b>	<b>Yr 2 22/23</b>	<b>Yr 3 23/24</b>	<b>Yr 4 24/25</b>	<b>Yr 5 25/26</b>	<b>Yr 6 26/27</b>	<b>Yr 7 27/28</b>	<b>Yr 8 28/29</b>	<b>Yr 9 29/30</b>	<b>Yr 10 30/31</b>
Renewal	588,239	1,999,000	1,853,238	432,660	797,720	1,807,780	435,628	553,225	935,340	1,234,330	200,032
Level of Service	200,000	1,500,000	1,540,500	1,579,050	-	-	-	-	-	-	-
Growth	-	1,700,000	513,500	526,350	2,156,000	2,210,000	2,263,000	2,319,600	2,380,000	2,441,800	-
<b>Total Property Projects</b>	<b>788,239</b>	<b>5,199,000</b>	<b>3,907,238</b>	<b>2,538,060</b>	<b>2,953,720</b>	<b>4,017,780</b>	<b>2,698,628</b>	<b>2,872,825</b>	<b>3,315,340</b>	<b>3,676,130</b>	<b>200,032</b>

Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	Community Facilities and Services Projects <i>Primary Type – to meet additional demand</i>
-	-	-	-	-	-	-	-	-	-	260 Gladstone Road subdivision
-	-	-	-	-	-	-	-	-	-	Endowment Subdivision Forbes Rd extension
-	-	-	-	-	-	-	-	-	-	Poads Road quarry
-	-	-	-	-	-	-	-	-	-	<b>Total Growth</b>

Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	Total Property Projects <i>Primary Type</i>
610,167	944,892	1,592,848	1,847,696	2,084,811	1,346,806	1,360,592	892,257	1,074,364	595,468	Renewal
-	-	-	-	-	-	-	-	-	-	Level of Service
-	-	-	-	-	-	-	-	-	-	Growth
610,167	944,892	1,592,848	1,847,696	2,084,811	1,346,806	1,360,592	892,257	1,074,364	595,468	<b>Total Property Projects</b>



Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Property Group of Activities
<b>Sources of Operating Funding</b>										
2,124	2,207	2,253	2,327	2,463	2,556	2,619	2,741	2,789	2,846	General rates, uniform annual general charges, rates penalties
-	-	-	-	-	-	-	-	-	-	Targeted rates
-	-	-	-	-	-	-	-	-	-	Subsidies and grants for operating purposes
217	221	226	231	236	241	246	251	256	262	Fees and charges
638	681	727	775	827	881	938	998	1,067	1,151	Local authorities fuel tax, fines, infringement fees, and other receipts
525	552	550	548	573	570	567	593	598	604	Internal charges and overheads recovered
<b>3,504</b>	<b>3,661</b>	<b>3,756</b>	<b>3,881</b>	<b>4,099</b>	<b>4,248</b>	<b>4,370</b>	<b>4,583</b>	<b>4,710</b>	<b>4,863</b>	<b>Total Operating Funding (A)</b>
<b>Applications of Operating Funding</b>										
922	939	959	981	1,003	1,022	1,043	1,065	1,087	1,111	Payments to staff and suppliers
1,377	1,415	1,465	1,545	1,638	1,740	1,814	1,890	1,961	2,043	Finance costs
467	477	486	494	504	514	523	534	543	554	Internal charges and overheads applied
-	-	-	-	-	-	-	-	-	-	Other operating funding applications
<b>2,766</b>	<b>2,831</b>	<b>2,910</b>	<b>3,020</b>	<b>3,145</b>	<b>3,276</b>	<b>3,380</b>	<b>3,489</b>	<b>3,591</b>	<b>3,708</b>	<b>Total applications of operating funding (B)</b>
<b>738</b>	<b>830</b>	<b>846</b>	<b>861</b>	<b>954</b>	<b>972</b>	<b>990</b>	<b>1,094</b>	<b>1,119</b>	<b>1,155</b>	<b>Surplus (deficit) of operating funding (A-B)</b>
<b>Sources of capital funding</b>										
-	-	-	-	-	-	-	-	-	-	Subsidies and grants for capital expenditure
-	-	-	-	-	-	-	-	-	-	Development and financial contributions

<b>Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Property Group of Activities</b>	<b>AP 20/21 \$000</b>	<b>Yr 1 21/22 \$000</b>	<b>Yr 2 22/23 \$000</b>	<b>Yr 3 23/24 \$000</b>	<b>Yr 4 24/25 \$000</b>	<b>Yr 5 25/26 \$000</b>	<b>Yr 6 26/27 \$000</b>	<b>Yr 7 27/28 \$000</b>	<b>Yr 8 28/29 \$000</b>	<b>Yr 9 29/30 \$000</b>	<b>Yr 10 30/31 \$000</b>
Increase (decrease) in debt	(2,986)	4,511	(995)	392	3,262	4,351	3,031	3,264	3,771	3,870	435
Gross proceeds from sale of assets	5,000	650	4,293	6,316	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>2,014</b>	<b>5,361</b>	<b>4,098</b>	<b>6,708</b>	<b>3,262</b>	<b>4,351</b>	<b>3,031</b>	<b>3,264</b>	<b>3,771</b>	<b>3,870</b>	<b>435</b>
<b>Applications of capital funding</b>											
Capital expenditure											
- to meet additional demand	-	1,700	514	526	2,156	2,210	2,263	2,320	2,380	2,442	-
- to improve the level of service	200	1,500	1,541	1,579	-	-	-	-	-	-	-
- to replace existing assets	588	1,999	1,853	433	798	1,808	436	553	935	1,234	200
Increase (decrease) in reserves	1,278	124	189	4,195	461	480	550	627	712	906	959
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>2,066</b>	<b>5,323</b>	<b>4,097</b>	<b>6,733</b>	<b>3,415</b>	<b>4,498</b>	<b>3,249</b>	<b>3,500</b>	<b>4,027</b>	<b>4,582</b>	<b>1,159</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(52)</b>	<b>38</b>	<b>1</b>	<b>(25)</b>	<b>(153)</b>	<b>(147)</b>	<b>(218)</b>	<b>(236)</b>	<b>(256)</b>	<b>(712)</b>	<b>(724)</b>
<b>Funding Balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Depreciation	259	266	266	302	302	302	356	356	356	425	425

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Property Group of Activities
887	1,189	1,884	2,189	2,403	1,720	1,793	1,672	1,922	1,514	Increase (decrease) in debt
-	-	-	-	-	-	-	-	-	-	Gross proceeds from sale of assets
-	-	-	-	-	-	-	-	-	-	Lump sum contributions
-	-	-	-	-	-	-	-	-	-	Other dedicated capital funding
<b>887</b>	<b>1,189</b>	<b>1,884</b>	<b>2,189</b>	<b>2,403</b>	<b>1,720</b>	<b>1,793</b>	<b>1,672</b>	<b>1,922</b>	<b>1,514</b>	<b>Total sources of capital funding (C)</b>
										<b>Applications of capital funding</b>
										Capital expenditure
-	-	-	-	-	-	-	-	-	-	- to meet additional demand
-	-	-	-	-	-	-	-	-	-	- to improve the level of service
610	945	1,593	1,848	2,085	1,347	1,361	892	1,074	595	- to replace existing assets
1,015	1,074	1,137	1,202	1,272	1,345	1,422	1,874	1,967	2,074	Increase (decrease) in reserves
-	-	-	-	-	-	-	-	-	-	Increase (decrease) of investments
<b>1,625</b>	<b>2,019</b>	<b>2,730</b>	<b>3,050</b>	<b>3,357</b>	<b>2,692</b>	<b>2,783</b>	<b>2,766</b>	<b>3,041</b>	<b>2,669</b>	<b>Total applications of capital funding (D)</b>
<b>(738)</b>	<b>(830)</b>	<b>(846)</b>	<b>(861)</b>	<b>(954)</b>	<b>(972)</b>	<b>(990)</b>	<b>(1,094)</b>	<b>(1,119)</b>	<b>(1,155)</b>	<b>Surplus (deficit) of capital funding (C-D)</b>
-	-	-	-	-	-	-	-	-	-	<b>Funding Balance ((A-B)+(C-D))</b>
425	503	503	503	580	580	580	668	668	668	Depreciation

## Activity Expenditure for Property

Activity Operating Expenditure Including depreciation	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Council Building	273	266	274	288	289	290	313	318	323	347	346
General Property	718	872	1,006	994	1,031	1,152	1,347	1,503	1,683	1,675	1,845
Endowment	287	363	341	354	359	376	400	427	459	374	402
Camp Grounds	20	20	21	21	22	22	23	23	24	24	25
<b>Total Expenditure</b>	<b>1,298</b>	<b>1,521</b>	<b>1,642</b>	<b>1,657</b>	<b>1,701</b>	<b>1,840</b>	<b>2,083</b>	<b>2,271</b>	<b>2,489</b>	<b>2,420</b>	<b>2,618</b>



Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Activity Operating Expenditure Including depreciation
345	363	362	360	377	375	373	390	394	398	Council Building
1,863	1,930	1,980	2,057	2,178	2,276	2,343	2,450	2,496	2,551	General Property
431	463	496	531	569	608	650	695	742	792	Endowment
26	26	27	27	28	28	29	29	30	30	Camp Grounds
<b>2,665</b>	<b>2,782</b>	<b>2,865</b>	<b>2,975</b>	<b>3,152</b>	<b>3,287</b>	<b>3,395</b>	<b>3,564</b>	<b>3,662</b>	<b>3,771</b>	<b>Total Expenditure</b>

# Community Infrastructure

The Community Infrastructure Group of Activities is made up of a number of sub-activities, which aim to provide both passive and active amenities for the Community to use.

The Community Infrastructure Group of Activities include:

- Reserves and Beautification
- Public Halls
- Public Toilets
- Sports Grounds
- Cemeteries

# Reserves, Sports Grounds, Cemeteries, Beautification, Urban Cleansing, Public Halls, and Public Toilets

**This Activity aims to provide management of reserves, sports grounds cemeteries, street beautification, urban cleansing, public halls and public toilets.**

## What Reserves and Beautification, Public Halls, Sports Grounds and Cemeteries involves:

- Maintenance of neighbourhood reserves, riverside and lakeside picnic areas, public gardens, and sports grounds.
- Maintenance of street trees and street gardens
- Mowing of berms, rubbish bin emptying, and the urban roading weed spraying program
- Providing Reserve Management Plans for Council reserves.
- Maintaining public halls in Levin, Foxton and Shannon.
- Establishment and maintenance of public toilets for the purpose of tourism and public health.
- Establishment and maintenance of cemeteries under the Burial and Cremation Act 1964.

## What has changed since the 2018-38 LTP?

- Horowhenua is projected to show significant growth over the next 20-years and the demographic has changed with an 8% growth rate in the estimated under 65 bracket. As such, Council needs to consider enlarging

and developing its active recreation offering whilst continuing to service a 2% growth in over 65's.

- In preparation for actively managing Levels of Service in the face of an increasing and younger age group, Council introduced an Asset Management System for the community services assets and generated a renewals program.
- Council uses its area based RMPs to assist in measuring supply and demand, in relation to a significant increase in subdivision activities.

## 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 and sports grounds are developed to be multi-use and flexible enough to cope with changes in demands and expectations.
- In the context of cemeteries and Horowhenua's changing demographic, there will be the need to consider less traditional users which may necessitate developing options for natural burials and/or changes to plot depth, size and orientation. Use of some facilities may also be a challenge, with usage decreasing and operational costs increasing.
- The accelerated growth will also support the need to maintain sufficient funding to maintain existing Level of Service and expansion of the network via subdivision or other means. In addition, a lack of asset knowledge and condition together with deferred maintenance funding will require higher expenditure to maintain existing Levels of Service in the short-term.
- Due to the lack of growth in the past, there has been a lack of strategic long-term planning for sports grounds and reserves assets, cemeteries, and shared pathways. The current RMP process, together with the regional facilities plan, should assist in this regard. In an increasingly technology savvy environment there will be the need to develop the e-citizens agenda across the Community Services portfolio.
- Changes to environmental standards may also be a challenge faced by Council. These changes may require Council to consider more riparian planting, dune stabilisation, succession planting than has traditionally been considered in the past, as well as having less reliance on traditional means

of weed control (herbicides). These changes will inevitably result in additional costs.

- Vandalism and graffiti are challenges faced by Council for this Activity. Where possible Council designs assets to CPTED (Crime Prevention Through Environmental Design) standards.
- Another challenge facing Council is that the Community Halls in Levin and Foxton have been identified as being earthquake prone. Council proposes to manage this issue by transferring the halls to local community groups (Foxton Memorial Hall), and/or repurposing them (Levin Memorial Hall). Both Levin Domain Grandstand and Shannon Domain Grandstand are earthquake prone and will need to be strengthened or demolished and rebuilt.

### **Significant negative effects on the social, cultural, economic and environmental wellbeing of the local community associated with this Activity**

- There are no known significant negative effects surrounding this 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 Council will need to be strengthened in line with current legislation, or alternatively considered for disposal.
- There are increased expectations from local community groups that Council will raise its Levels of Service in this activity.
- A deferred renewals program from 2010 until 2016 has led to a 'bow wave' of necessary repairs with some assets failing prior to having been renewed.
- Council is finding itself having to deal with previously unconsidered growth and a change in demographic which is leading to a range of conflicting priorities as it applies to Councils Recreation and Leisure asset.

## Rationale for this Activity (why we do it):

Activity	Community Outcome	Council Role
Maintain public reserves	<p><b>Outstanding Environment</b></p> <p>High quality parks, gardens and streetscapes provide for physical and physiological wellbeing of communities</p> <p>This activity provides for the environmental restoration of streams, lakes, and sea-scapes</p> <p>This activity is responsible for maintaining a range of natural features</p> <p><b>Partnership with Tangata Whenua</b></p> <p>This activity through consultation with Mana whenua recognises their role as Kaitiaki of their respective rohe.</p> <p><b>Strong communities</b></p> <p>This activity recognises the diversity of the community and provides high-quality spaces and places for the purpose of recreation and leisure.</p> <p>This activity meets regularly with resident organisations, clubs, and user groups recognising the interest and pride of those communities in local greenspace and thereby permits local decision making.</p> <p>This activity through its SSP's, RMP's and other strategic documents ensures the provision of community infrastructure in a high growth environment.</p> <p>This activity perceives its service providers as extensions of its role and builds highly collaborative relationships with them in the interest of building stronger and more resilient communities.</p>	Funder / Provider / Advocate
Manage a beautification programme across the District	<p><b>Vibrant Economy</b></p> <p>A well-maintained and high-quality streetscape encourages business and residents to relocate to the district</p> <p><b>Outstanding Environment</b></p> <p>This activity preserves its environmental assets assigning an amenity value to its street tree asset.</p> <p>This activity preserves a balance between economic growth and the natural environment by preserving key features of its green portfolio (eg Prouse Bush).</p> <p>A well-maintained streetscape improves the psychological well-being of the community.</p> <p><b>'Fit for purpose' Infrastructure</b></p> <p>This activity appertains specifically to the roading asset where a good level of maintenance preserves the lifecycle of the asset and mitigates infrastructural damage through line clearance and the clearance of signs.</p> <p>Street gardens help to manage stormwater and street trees improve shading, and act as a carbon sink to reduce the effects of global warming.</p> <p><b>Strong communities</b></p>	Funder/Provider

	<p>The Horowhenua has a well-established urban treescape that contributes to its heritage and identity which is maintained under this activity</p> <p>A well-maintained streetscape contributes to healthy psychological outcomes and has been shown to reduce anti-social behaviour and other social inequities.</p>	
<p>Maintain sports grounds for public use.</p>	<p><b>Outstanding Environment</b></p> <p>High quality sportsgrounds provide for physical and physiological wellbeing of communities.</p> <p><b>‘Fit for purpose’ Infrastructure</b></p> <p>Public sportsgrounds provide for community infrastructure.</p> <p>Development plans of significant sportsground facilitate growth.</p> <p><b>Partnership with Tangata Whenua</b></p> <p>This activity through consultation with Mana whenua recognises their role as Kaitiaki of their respective rohe.</p> <p><b>Strong communities</b></p> <p>This activity recognises the diversity of the community and provides high-quality spaces and places for the purpose of recreation and leisure</p> <p>This activity meets regularly with resident organisations, clubs, and user groups recognising the interest and pride of those communities in local greenspace and thereby permits local decision making</p> <p>This activity through its SSP’s, RMP’s and other strategic documents ensures the provision of community infrastructure in a high growth environment</p> <p>This activity perceives its service providers as extensions of its role and builds highly collaborative relationships with them in the interest of building stronger and more resilient communities</p>	<p>Funder/Provider</p>
<p>Operate cemeteries</p>	<p><b>Outstanding Environment</b></p> <p>Provision of cemeteries provides for the psychological stresses and grief arising from bereavement and in this way supports the wellbeing of the community.</p> <p><b>‘Fit for purpose’ Infrastructure</b></p> <p>This activity provides for the needs of existing and future generations</p> <p>This activity provides for affordable places of rest for the community</p> <p><b>Strong communities</b></p> <p>Existing and proposed improvements allow for an increasingly diverse population.</p> <p>This activity maintains a range of cemeteries with significant heritage value that contribute to the community’s sense of identity.</p>	<p>Funder/Provider</p>

Undertake Urban Cleansing on the urban residential roading network	<p><b>Vibrant Economy</b> A well-maintained and high-quality streetscape encourages business and residents to relocate</p> <p><b>Outstanding environment</b> A well-maintained streetscape improves the psychological well-being of the community</p> <p><b>'Fit for purpose' infrastructure</b> This activity relates specifically to the roading asset where a good level of maintenance preserves the lifecycle of the asset and mitigates infrastructural damage.</p> <p><b>Strong communities</b> A well-maintained streetscape contributes to healthy psychological outcomes and has been shown to reduce anti-social behaviour and other social inequities</p>	Funder/Provider
Provide and maintain Community Halls	<p><b>Strong communities</b> Community Halls contribute to the community's sense of identity and provide heritage</p>	Funder/Provider
Provide and maintain Public Toilets	<p><b>Vibrant economy</b> This activity contributes to the economy by providing facilities for residents and visitors.</p> <p><b>Outstanding environment</b> This activity supports the well-being of people living in, or visiting the Horowhenua.</p> <p><b>'Fit for purpose' infrastructure</b> Maintenance of existing, and provision of new facilities in this activity meet the needs of current and future generations.</p>	Funder/Provider

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

Service	Community Outcomes	How will we measure our performance	Target 21/22	Target 22/23	Target 23/24	Target 24/41
Reserves are available for Community use.	Vibrant Economy	Residential dwellings in urban areas are within 400 metres to local reserves, either Council or privately provided.	≥ 80%	≥ 80%	≥ 80%	≥ 80%
	Outstanding Environment		≥ 80%	≥ 80%	≥ 80%	≥ 80%
	Fit for Purpose	Residential dwellings in urban areas are within 800 metres of playgrounds or destination reserves.				
	Infrastructure					
	Partnership with Tangata Whenua					
	Strong communities					

### What does this tell me?

Reserves allow a diverse range of pursuits important to the enjoyment of healthy lifestyles. This measure shows Council that its reserves are located in areas where they are accessible to the public.

Reserves meet local needs.	Outstanding Environment	Percentage of customers satisfied with the service, based on the Annual Customer Satisfaction Survey.	≥ 80%	≥ 80%	≥ 80%	≥ 80%
	Fit for Purpose					
	Infrastructure					
	Strong communities					

### What does this tell me?

The percentage of satisfied customers gives us an indication of the quality of service we are providing.

Sports grounds are available for Community use.	Vibrant Economy	Percent of time that sport grounds are available for use during their opening hours.	≥ 95%	≥ 95%	≥ 95%	≥ 95%
	Outstanding Environment					
	Fit for Purpose					
	Infrastructure					
	Partnership with Tangata Whenua					
	Strong communities					

### What does this tell me?

Sports grounds cater for both organised and casual sports. This measure shows Council have grounds available all year round.



Service	Community Outcomes	How will we measure our performance	Target 21/22	Target 22/23	Target 23/24	Target 24/41
Sports grounds are available for Community use.	Vibrant Economy Outstanding Environment Fit for Purpose Infrastructure Partnership with Tangata Whenua Strong communities	Percent of time that sport grounds are available for use during their opening hours.	≥ 95%	≥ 95%	≥ 95%	≥ 95%

**What does this tell me?**

Sports grounds cater for both organised and casual sports. This measure shows Council have grounds available all year round.

Sports grounds meet local needs.	Outstanding Environment Fit for Purpose Infrastructure Strong communities	Number of Customer Request Management complaints reporting of ground conditions per annum	<5	<5	<5	<5
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**What does this tell me?**

The number of complaints gives us an indication of the quality of service we are providing.

Playgrounds are safe for users.	Outstanding Environment Fit for Purpose Infrastructure Strong communities	Playground facilities comply with relevant National Playground standards.	Achieve	Achieve	Achieve	Achieve
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**What does this tell me?**

It is extremely important to Council our playgrounds are safe for everyone to use.

Community Halls are available for public use.	Strong communities	Number of uses per fortnight for Community Halls.	10	10	10	10
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**What does this tell me?**

Halls provide public spaces for local Communities to come together and participate in sport, social or other Community events. This measure is used to ensure the Halls are being utilised.

## Capital Expenditure for Community Infrastructure

Community Infrastructure Projects <i>Primary Type – to replace existing assets (continued)</i>	AP 20/21	Yr 1 21/22	Yr 2 22/23	Yr 3 23/24	Yr 4 24/25	Yr 5 25/26	Yr 6 26/27	Yr 7 27/28	Yr 8 28/29	Yr 9 29/30	Yr 10 30/31	
District halls & pavilions reactive renewals	27,000	27,000	28,756	30,528	31,262	-	-	-	-	-	-	
District play equipment	80,000	-	-	-	-	-	-	-	-	-	-	
Donnelly Park - Replace netball lights	-	180,000	-	-	-	-	-	-	-	-	-	
Forestry Target Reserve	-	-	-	-	321,244	339,235	-	-	-	-	-	
Foxton Beach Reserves (FHA)	204,000	280,000	-	-	-	-	-	-	-	-	-	
Levin Adventure Park Renewals	-	-	322,478	-	-	-	-	-	-	-	-	
Mangahao tracks renewals / improvements	-	-	12,838	13,159	13,475	-	-	-	-	-	-	
Park lighting replacement	-	255,000	-	-	-	-	-	-	-	-	-	
Public toilets - Major renewals	-	271,294	-	284,229	-	298,350	-	313,146	-	-	-	
Public toilets - Minor renewals	19,000	54,000	57,512	61,057	62,524	-	-	-	-	-	-	
Reserves renewals (buildings)	-	1,633	33,524	247,700	16,512	43,703	114,713	22,108	49,880	64,378	62,171	
Reserves renewals (Non - building)	-	577,400	592,990	607,829	622,437	638,027	653,328	669,669	687,106	704,948	721,865	
Sportsgrounds renewals (buildings)	-	151,686	8,870	43,608	760,984	91,574	459,512	81,757	72,926	123,681	385,768	
Waikawa Beach Pedestrian Bridge	50,000	50,000	10,270	281,071	-	-	-	-	-	-	-	
Waitāre Domain improvements	-	34,000	22,594	18,106	4,312	-	-	-	-	-	-	
Reserves renewals	259,000	-	-	-	-	-	-	-	-	-	-	
District Play Equipment Bark mulch	13,661	-	-	-	-	-	-	-	-	-	-	
Strategic parks development – Reserve development for growth			-	-	-	-		297,019	304,448	312,375	320,486	328,178
<b>Total renewals</b>	<b>652,661</b>	<b>1,882,013</b>	<b>1,089,832</b>	<b>1,587,287</b>	<b>1,832,750</b>	<b>1,410,888</b>	<b>1,524,572</b>	<b>1,391,127</b>	<b>1,122,287</b>	<b>1,213,493</b>	<b>1,497,982</b>	

Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	Community Infrastructure Projects <i>Primary Type – to replace existing assets (continued)</i>
-	-	-	-	-	-	-	-	-	-	District halls & pavilions reactive renewals
-	-	-	-	-	-	-	-	-	-	District play equipment
-	-	-	-	-	-	-	-	-	-	Donnelly Park - Replace netball lights
-	-	-	-	-	-	-	-	-	-	Forestry Target Reserve
-	-	-	-	-	-	-	-	-	-	Foxton Beach Reserves (FHA)
-	-	-	-	-	-	-	-	-	-	Levin Adventure Park Renewals
-	-	-	-	-	-	-	-	-	-	Mangahao tracks renewals / improvements
-	-	-	-	-	-	-	-	-	-	Park lighting replacement
-	-	-	366,822	-	-	-	-	-	415,530	Public toilets - Major renewals
-	-	-	-	-	-	-	-	-	-	Public toilets - Minor renewals
33,854	39,168	86,739	71,318	148,368	150,083	355,853	27,276	1,959,490	158,415	Reserves renewals (buildings)
737,051	752,525	768,346	784,456	800,912	817,714	834,863	852,416	870,315	888,619	Reserves renewals (Non - building)
28,029	92,373	77,258	147,837	601,793	489,432	87,248	1,130,809	85,970	376,632	Sportsgrounds renewals (buildings)
-	-	-	-	-	-	-	-	-	-	Waikawa Beach Pedestrian Bridge
-	-	-	-	-	-	-	-	-	-	Waitāre Domain improvements
-	-	-	-	-	-	-	-	-	-	Reserves renewals
-	-	-	-	-	-	-	-	-	-	District Play Equipment Bark mulch
335,081	342,116	349,309	356,632	364,114	371,752	379,549	387,529	395,666	403,988	Strategic parks development – Reserve development for growth
<b>1,134,015</b>	<b>1,226,182</b>	<b>1,281,652</b>	<b>1,727,065</b>	<b>1,915,187</b>	<b>1,828,981</b>	<b>1,657,513</b>	<b>2,398,030</b>	<b>3,311,441</b>	<b>2,243,184</b>	<b>Total renewals</b>



Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	Community Infrastructure Projects <i>Primary Type – to improve the Level of Service</i>
-	-	-	-	-	-	-	-	-	-	Cemetery - Avenue Rd - Development Plan
-	-	-	-	-	-	-	-	-	-	Cemetery - Avenue Rd - Development
-	-	-	-	-	-	-	-	-	-	Cemetery - Avenue Rd - Extend burial and cremation sites
-	-	-	-	-	-	-	-	-	-	Cemetery - Foxton - Development
-	-	-	-	-	-	-	-	-	-	Cemetery - Foxton - Development Plan
-	-	-	-	-	-	-	-	-	-	Cemetery - Manakau - Development Plan
-	-	-	-	-	-	-	-	-	-	Cemetery - Manakau - Extension
-	-	-	-	-	-	-	-	-	-	Cemetery - Manakau - Logging
-	-	-	-	-	-	-	-	-	-	Cemetery - Shannon - Development Plan
-	-	-	-	-	-	-	-	-	-	Cemetery - Shannon - Extension
63,825	65,165	66,535	67,930	69,355	70,810	72,295	73,815	75,365	76,950	Coastal reserve resiliency program
35,104	35,841	39,256	40,079	42,307	42,486	45,546	46,503	47,480	48,478	District fencing contingency
67,654	71,030	71,858	74,723	79,758	84,972	84,585	0	0	84,645	District play equipment
-	-	-	-	-	-	-	-	-	-	Donnelly Park Development Works
-	-	-	-	-	-	-	-	-	-	Donnelly Park improve cricket facilities
-	-	-	-	-	-	-	-	-	-	Foxton Beach Reserves (FHA)
-	-	-	-	-	-	-	-	-	-	Foxton East Beautification
-	-	-	-	-	-	-	-	-	-	Foxton Futures
-	-	-	-	-	-	-	-	-	-	Levin Domain Grandstand
-	-	-	-	-	-	-	-	-	-	Manakau Domain - Improvements
-	-	-	-	-	-	-	-	-	-	Mangahao tracks renewals / improvements
-	-	-	-	-	-	-	-	-	-	Ōhau river tracks improvements
-	-	-	-	-	-	-	-	-	-	Oxford Street Beautification (Transforming Taitoko)
1,276,500	-	-	-	-	-	-	-	-	-	Playford Park - Improvements
-	-	-	122,274	-	-	-	-	-	138,510	Poads Road Lake Reserve
245,684	250,842	256,116	261,486	266,971	272,572	278,288	284,139	290,106	296,207	Public toilets - Major renewals
-	-	-	-	-	-	-	-	-	-	Reserves renewals (Non - building)

<b>Community Infrastructure Projects Primary Type – to improve the Level of Service (continued)</b>	<b>AP 20/21</b>	<b>Yr 1 21/22</b>	<b>Yr 2 22/23</b>	<b>Yr 3 23/24</b>	<b>Yr 4 24/25</b>	<b>Yr 5 25/26</b>	<b>Yr 6 26/27</b>	<b>Yr 7 27/28</b>	<b>Yr 8 28/29</b>	<b>Yr 9 29/30</b>	<b>Yr 10 30/31</b>
Revoked SH1 Beautification	-	-	-	-	-	-	-	-	119,000	183,135	187,530
Shannon Domain - Grandstand strengthening and fit out	-	-	-	-	-	-	-	-	-	793,585	-
Stafford Street Reserves improvement	-	-	30,810	-	161,700	-	-	-	-	-	-
Stream management plan	15,621	16,000	16,432	17,896	18,326	18,785	20,367	20,876	134,470	46,394	25,004
Waikawa Beach walkway	-	-	-	-	128,228	-	-	-	-	-	-
Waitārere Domain improvements	-	34,000	22,594	18,106	4,312	-	-	-	-	-	-
Cemetery - Avenue - Redevelop front entrance and update information signage	60,000	-	-	-	-	-	-	-	-	-	-
Cemetery - Avenue Rd - Upgrade	11,000	-	-	-	-	-	-	-	-	-	-
Waitārere Domain improvement plan	53,216	-	-	-	-	-	-	-	-	-	-
Driscoll Reserve improvement plan	52,000	-	-	-	-	-	-	-	-	-	-
Benches in high pedestrian use areas	10,414	-	-	-	-	-	-	-	-	-	-
Donnelly Park strategic plan and design	23,000	-	-	-	-	-	-	-	-	-	-
Foxton Wharf Project	9,773	-	-	-	-	-	-	-	-	-	-
Foxton Futures	3,800,000	-	-	-	-	-	-	-	-	-	-
Strategic parks development – Reserve development for growth	-	-	-	-	-	-	868,653	890,378	913,563	937,285	959,779
<b>Total Level of Service</b>	<b>4,079,024</b>	<b>1,302,698</b>	<b>614,626</b>	<b>789,701</b>	<b>1,226,136</b>	<b>819,874</b>	<b>1,509,610</b>	<b>1,806,002</b>	<b>2,036,289</b>	<b>5,496,696</b>	<b>2,821,285</b>

Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	Community Infrastructure Projects <i>Primary Type – to improve the Level of Service</i>
191,475	-	-	-	-	-	-	-	-	-	Revoked SH1 Beautification
-	-	-	-	-	-	-	-	-	-	Shannon Domain - Grandstand strengthening and fit out
-	-	-	-	-	-	-	-	-	-	Stafford Street Reserves improvement
29,360	29,976	30,606	31,248	31,903	32,573	33,256	33,955	34,668	35,397	Stream management plan
-	-	-	-	-	-	-	-	-	-	Waikawa Beach walkway
-	-	-	-	-	-	-	-	-	-	Waitāre Domain improvements
-	-	-	-	-	-	-	-	-	-	Cemetery - Avenue - Redevelop front entrance and update information signage
-	-	-	-	-	-	-	-	-	-	Cemetery - Avenue Rd - Upgrade
-	-	-	-	-	-	-	-	-	-	Waitāre Domain improvement plan
-	-	-	-	-	-	-	-	-	-	Driscoll Reserve improvement plan
-	-	-	-	-	-	-	-	-	-	Benches in high pedestrian use areas
-	-	-	-	-	-	-	-	-	-	Donnelly Park strategic plan and design
-	-	-	-	-	-	-	-	-	-	Foxton Wharf Project
-	-	-	-	-	-	-	-	-	-	Foxton Futures
979,969	1,000,543	1,021,578	1,042,997	1,064,877	1,087,217	1,110,017	1,133,356	1,157,154	1,181,490	Strategic parks development – Reserve development for growth
<b>2,889,571</b>	<b>1,453,397</b>	<b>1,485,949</b>	<b>1,640,737</b>	<b>1,555,171</b>	<b>1,590,630</b>	<b>1,623,987</b>	<b>1,571,768</b>	<b>1,604,773</b>	<b>1,861,677</b>	<b>Total Level of Service</b>

<b>Community Infrastructure Projects Primary Type – to meet additional demand</b>	<b>AP 20/21</b>	<b>Yr 1 21/22</b>	<b>Yr 2 22/23</b>	<b>Yr 3 23/24</b>	<b>Yr 4 24/25</b>	<b>Yr 5 25/26</b>	<b>Yr 6 26/27</b>	<b>Yr 7 27/28</b>	<b>Yr 8 28/29</b>	<b>Yr 9 29/30</b>	<b>Yr 10 30/31</b>
Cemetery - Avenue Rd - Development Plan	-	-	-	-	-	-	-	-	-	-	-
Cemetery - Avenue Rd – Development	-	-	30,810	-	80,850	-	198,013	-	208,250	-	-
Cemetery - Avenue Rd - Extend burial and cremation sites	-	-	-	-	-	53,040	-	-	-	-	-
Cemetery - Foxton - Development	-	-	-	-	-	55,250	-	144,975	-	152,613	-
Cemetery - Foxton - Development Plan	-	-	-	31,581	-	-	-	-	-	-	-
Cemetery - Manakau - Development Plan	-	-	15,405	-	-	-	-	-	-	-	-
Cemetery - Manakau – Extension	-	-	-	-	-	248,625	-	-	-	-	-
Cemetery - Manakau – Logging	-	-	-	-	80,850	-	-	-	-	-	-
Cemetery - Shannon - Development Plan	-	-	15,405	-	-	-	-	-	-	-	-
Cemetery - Shannon – Extension	-	-	-	-	242,550	-	-	-	-	-	-
District fencing contingency	-	22,500	23,621	23,686	25,872	27,625	28,288	30,155	29,750	48,226	33,755
District play equipment	-	40,500	43,648	45,792	46,893	49,173	52,049	55,670	57,120	60,435	61,885
Donnelly Park improve cricket facilities	-	14,200	-	-	-	-	-	-	-	-	-
Foxton Beach Reserves (FHA)	-	140,000	-	-	-	-	-	-	-	-	-
Foxton Futures	-	-	-	-	-	-	-	-	-	-	-
Manakau Domain – Improvements	-	-	-	-	32,340	-	-	-	-	-	-
Ōhau river tracks improvements	-	-	-	131,588	-	-	-	-	-	-	-
Playford Park – Improvements	-	90,000	30,810	31,581	-	-	-	-	-	-	-
Public toilets - Major renewals	-	90,431	-	94,743	-	99,450	-	104,382	-	-	-
Reserves renewals (Non - building)	-	192,467	197,664	202,610	207,479	212,676	217,776	223,223	229,036	234,983	240,622
Taraika Reserves	-	-	-	-	7,007,000	-	-	-	-	-	-
Waikawa Beach walkway	-	-	-	-	128,228	-	-	-	-	-	-
Waitārere Domain improvements	-	17,000	11,297	9,053	2,156	-	-	-	-	-	-
Strategic parks development – Reserve development for growth		-	-	-	-	-	248,704	254,924	261,562	268,354	274,794
<b>Total Growth</b>	<b>-</b>	<b>607,098</b>	<b>368,659</b>	<b>570,634</b>	<b>7,854,219</b>	<b>745,839</b>	<b>744,829</b>	<b>813,329</b>	<b>785,718</b>	<b>764,609</b>	<b>611,057</b>

<b>Total Community Infrastructure Projects Primary Type</b>	<b>AP 20/21</b>	<b>Yr 1 21/22</b>	<b>Yr 2 22/23</b>	<b>Yr 3 23/24</b>	<b>Yr 4 24/25</b>	<b>Yr 5 25/26</b>	<b>Yr 6 26/27</b>	<b>Yr 7 27/28</b>	<b>Yr 8 28/29</b>	<b>Yr 9 29/30</b>	<b>Yr 10 30/31</b>
Renewal	652,661	1,882,013	1,089,832	1,587,287	1,832,750	1,410,888	1,524,572	1,391,127	1,122,287	1,213,493	1,497,982
Level of Service	4,079,024	1,302,698	614,626	789,701	1,226,136	819,874	1,509,610	1,806,002	2,036,289	5,496,696	2,821,285
Growth	-	607,098	368,659	570,634	7,854,219	745,839	744,829	813,329	785,718	764,609	611,057
<b>Total Community Infrastructure Projects</b>	<b>4,731,685</b>	<b>3,791,809</b>	<b>2,073,117</b>	<b>2,947,622</b>	<b>10,913,104</b>	<b>2,976,600</b>	<b>3,779,011</b>	<b>4,010,459</b>	<b>3,944,293</b>	<b>7,474,798</b>	<b>4,930,324</b>



Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	Community Infrastructure Projects <i>Primary Type – to meet additional demand</i>
-	-	-	-	-	-	-	-	-	-	Cemetery - Avenue Rd - Development Plan
-	-	-	-	-	-	-	-	-	-	Cemetery - Avenue Rd - Development
-	-	-	-	-	-	-	-	-	-	Cemetery - Avenue Rd - Extend burial and cremation sites
-	-	-	-	-	-	-	-	-	-	Cemetery - Foxton - Development
-	-	-	-	-	-	-	-	-	-	Cemetery - Foxton - Development Plan
-	-	-	-	-	-	-	-	-	-	Cemetery - Manakau - Development Plan
-	-	-	-	-	-	-	-	-	-	Cemetery - Manakau - Extension
-	-	-	-	-	-	-	-	-	-	Cemetery - Manakau - Logging
-	-	-	-	-	-	-	-	-	-	Cemetery - Shannon - Development Plan
-	-	-	-	-	-	-	-	-	-	Cemetery - Shannon - Extension
35,104	35,841	39,256	40,079	42,307	42,486	45,546	46,503	47,480	48,478	District fencing contingency
67,654	71,030	71,858	74,723	79,758	84,972	84,585	-	-	84,645	District play equipment
-	-	-	-	-	-	-	-	-	-	Donnelly Park improve cricket facilities
-	-	-	-	-	-	-	-	-	-	Foxton Beach Reserves (FHA)
-	-	-	-	-	-	-	-	-	-	Foxton Futures
-	-	-	-	-	-	-	-	-	-	Manakau Domain - Improvements
-	-	-	-	-	-	-	-	-	-	Ōhau river tracks improvements
-	-	-	-	-	-	-	-	-	-	Playford Park - Improvements
-	-	-	122,274	-	-	-	-	-	138,510	Public toilets - Major renewals
245,684	250,842	256,116	261,486	266,971	272,572	278,288	284,139	290,106	296,207	Reserves renewals (Non - building)
-	-	-	-	-	-	-	-	-	-	Taraika Reserves
-	-	-	-	-	-	-	-	-	-	Waikawa Beach walkway
-	-	-	-	-	-	-	-	-	-	Waitārere Domain improvements
280,575	286,465	292,488	298,620	304,885	311,281	317,809	324,491	331,305	338,272	Strategic parks development – Reserve development for growth
<b>629,017</b>	<b>644,178</b>	<b>659,718</b>	<b>797,182</b>	<b>693,921</b>	<b>711,311</b>	<b>726,228</b>	<b>655,133</b>	<b>668,891</b>	<b>906,112</b>	<b>Total Growth</b>

Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	Total Community Infrastructure Projects <i>Primary Type</i>
1,134,015	1,226,182	1,281,652	1,727,065	1,915,187	1,828,981	1,657,513	2,398,030	3,311,441	2,243,184	Renewal
2,889,571	1,453,397	1,485,949	1,640,737	1,555,171	1,590,630	1,623,987	1,571,768	1,604,773	1,861,677	Level of Service
629,017	644,178	659,718	797,182	693,921	711,311	726,228	655,133	668,891	906,112	Growth
<b>4,652,603</b>	<b>3,323,757</b>	<b>3,427,319</b>	<b>4,164,984</b>	<b>4,164,279</b>	<b>4,130,922</b>	<b>4,007,728</b>	<b>4,624,931</b>	<b>5,585,105</b>	<b>5,010,973</b>	<b>Total Community Infrastructure Projects</b>



Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for the Community Infrastructure Group of Activities
<b>Sources of Operating Funding</b>										
8,736	9,339	9,531	9,727	10,199	10,406	10,616	11,150	11,351	11,639	General rates, uniform annual general charges, rates penalties
-	-	-	-	-	-	-	-	-	-	Targeted rates
-	-	-	-	-	-	-	-	-	-	Subsidies and grants for operating purposes
373	381	389	397	406	414	423	432	441	450	Fees and charges
167	190	215	243	269	281	299	336	334	377	Local authorities fuel tax, fines, infringement fees, and other receipts
-	-	-	-	-	-	-	-	-	-	Internal charges and overheads recovered
<b>9,276</b>	<b>9,910</b>	<b>10,135</b>	<b>10,367</b>	<b>10,874</b>	<b>11,101</b>	<b>11,338</b>	<b>11,918</b>	<b>12,126</b>	<b>12,466</b>	<b>Total Operating Funding (A)</b>
<b>Applications of Operating Funding</b>										
5,207	5,389	5,504	5,620	5,738	5,862	5,985	6,112	6,246	6,376	Payments to staff and suppliers
901	995	1,019	1,047	1,103	1,129	1,158	1,197	1,206	1,303	Finance costs
1,273	1,298	1,322	1,346	1,372	1,397	1,424	1,451	1,478	1,506	Internal charges and overheads applied
-	-	-	-	-	-	-	-	-	-	Other operating funding applications
<b>7,381</b>	<b>7,682</b>	<b>7,845</b>	<b>8,013</b>	<b>8,213</b>	<b>8,388</b>	<b>8,567</b>	<b>8,760</b>	<b>8,930</b>	<b>9,185</b>	<b>Total applications of operating funding (B)</b>
<b>1,895</b>	<b>2,228</b>	<b>2,290</b>	<b>2,354</b>	<b>2,661</b>	<b>2,713</b>	<b>2,771</b>	<b>3,158</b>	<b>3,196</b>	<b>3,281</b>	<b>Surplus (deficit) of operating funding (A-B)</b>
<b>Sources of capital funding</b>										
-	-	-	-	-	-	-	-	-	-	Subsidies and grants for capital expenditure
1,026	1,026	1,026	1,026	1,026	1,026	1,026	1,026	1,026	1,026	Development and financial contributions

<b>Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for the Community Infrastructure Group of Activities</b>	<b>AP 20/21 \$000</b>	<b>Yr 1 21/22 \$000</b>	<b>Yr 2 22/23 \$000</b>	<b>Yr 3 23/24 \$000</b>	<b>Yr 4 24/25 \$000</b>	<b>Yr 5 25/26 \$000</b>	<b>Yr 6 26/27 \$000</b>	<b>Yr 7 27/28 \$000</b>	<b>Yr 8 28/29 \$000</b>	<b>Yr 9 29/30 \$000</b>	<b>Yr 10 30/31 \$000</b>
Increase (decrease) in debt	324	1,481	731	(4,035)	3,495	287	1,702	2,273	2,172	5,587	2,597
Gross proceeds from sale of assets	-	-	-	5,558	5,067	1,083	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>4,124</b>	<b>2,113</b>	<b>1,363</b>	<b>2,155</b>	<b>9,210</b>	<b>2,018</b>	<b>2,350</b>	<b>2,921</b>	<b>2,820</b>	<b>6,235</b>	<b>3,245</b>
<b>Applications of capital funding</b>											
Capital expenditure											
- to meet additional demand	-	607	369	571	7,854	746	745	813	786	765	611
- to improve the level of service	4,079	1,303	615	790	1,226	820	1,510	1,806	2,036	5,497	2,821
- to replace existing assets	652	1,882	1,090	1,587	1,833	1,411	1,525	1,391	1,122	1,213	1,498
Increase (decrease) in reserves	115	(54)	261	247	(613)	234	(80)	313	357	351	100
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>4,846</b>	<b>3,738</b>	<b>2,335</b>	<b>3,195</b>	<b>10,300</b>	<b>3,211</b>	<b>3,700</b>	<b>4,323</b>	<b>4,301</b>	<b>7,826</b>	<b>5,030</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(722)</b>	<b>(1,625)</b>	<b>(972)</b>	<b>(1,040)</b>	<b>(1,090)</b>	<b>(1,193)</b>	<b>(1,350)</b>	<b>(1,402)</b>	<b>(1,481)</b>	<b>(1,591)</b>	<b>(1,785)</b>
<b>Funding Balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Depreciation	694	724	762	818	857	974	1,112	1,157	1,212	1,415	1,592

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for the Community Infrastructure Group of Activities
2,210	570	662	1,304	627	677	922	211	2,183	1,283	Increase (decrease) in debt
-	-	-	-	-	-	-	-	-	-	Gross proceeds from sale of assets
-	-	-	-	-	-	-	-	-	-	Lump sum contributions
-	-	-	-	-	-	-	-	-	-	Other dedicated capital funding
<b>3,236</b>	<b>1,596</b>	<b>1,688</b>	<b>2,330</b>	<b>1,653</b>	<b>1,703</b>	<b>1,948</b>	<b>1,237</b>	<b>3,209</b>	<b>2,309</b>	<b>Total sources of capital funding (C)</b>
										<b>Applications of capital funding</b>
										Capital expenditure
629	644	660	797	694	711	726	655	669	906	- to meet additional demand
2,890	1,453	1,486	1,641	1,555	1,591	1,624	1,572	1,605	1,862	- to improve the level of service
1,134	1,226	1,282	1,727	1,915	1,829	1,658	2,398	3,311	2,243	- to replace existing assets
478	501	550	519	150	285	711	(230)	820	579	Increase (decrease) in reserves
-	-	-	-	-	-	-	-	-	-	Increase (decrease) of investments
<b>5,131</b>	<b>3,824</b>	<b>3,978</b>	<b>4,684</b>	<b>4,314</b>	<b>4,416</b>	<b>4,719</b>	<b>4,395</b>	<b>6,405</b>	<b>5,590</b>	<b>Total applications of capital funding (D)</b>
<b>(1,895)</b>	<b>(2,228)</b>	<b>(2,290)</b>	<b>(2,354)</b>	<b>(2,661)</b>	<b>(2,713)</b>	<b>(2,771)</b>	<b>(3,158)</b>	<b>(3,196)</b>	<b>(3,281)</b>	<b>Surplus (deficit) of capital funding (C-D)</b>
-	-	-	-	-	-	-	-	-	-	<b>Funding Balance ((A-B)+(C-D))</b>
2,210	570	662	1,304	627	677	922	211	2,183	1,283	Depreciation

## Activity Expenditure for Community Infrastructure

Activity Operating Expenditure Including depreciation	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Cemeteries	591	604	615	641	663	750	855	919	968	1,054	1,106
Public Toilets	328	328	355	365	391	400	434	446	483	502	510
Beautification	630	642	658	675	699	717	733	816	860	920	1,025
Reserves	1,976	2,020	2,182	2,224	2,241	2,401	2,567	2,715	2,852	3,121	3,413
Sportsgrounds	1,191	1,227	1,305	1,442	1,382	1,431	1,467	1,514	1,546	1,589	1,758
Halls	281	284	290	299	276	281	293	299	305	318	324
Urban Cleansing	477	480	492	504	516	528	541	554	569	583	597
<b>Total Expenditure</b>	<b>5,474</b>	<b>5,585</b>	<b>5,897</b>	<b>6,150</b>	<b>6,168</b>	<b>6,508</b>	<b>6,890</b>	<b>7,263</b>	<b>7,583</b>	<b>8,087</b>	<b>8,733</b>

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Activity Operating Expenditure Including depreciation
1,118	1,152	1,166	1,181	1,215	1,231	1,248	1,285	1,309	1,328	Cemeteries
517	528	535	542	582	589	597	610	617	625	Public Toilets
1,059	1,099	1,117	1,132	1,155	1,175	1,191	1,214	1,230	1,250	Beautification
3,666	4,107	4,228	4,353	4,662	4,791	4,925	5,308	5,423	5,625	Reserves
1,778	1,836	1,858	1,881	1,929	1,953	1,978	2,035	2,062	2,090	Sportsgrounds
329	341	346	351	364	369	374	388	393	399	Halls
610	622	635	648	662	675	689	704	718	733	Urban Cleansing
<b>9,077</b>	<b>9,685</b>	<b>9,885</b>	<b>10,088</b>	<b>10,569</b>	<b>10,783</b>	<b>11,002</b>	<b>11,544</b>	<b>11,752</b>	<b>12,050</b>	<b>Total Expenditure</b>

# Representation and Community Leadership

**This Activity comprises of how Council meets its responsibility to represent and provide leadership for the Community including how Council will involve the Community in its strategic planning and decision making.**

## What Representation and Community Leadership involves:

- Employing the Chief Executive who is empowered to implement decisions of Council
- Hosting Local Body elections
- Encouraging Horowhenua residents to become involved in Council activity and communicating Council decisions
- Council, Committee and Community Board meetings
- Setting the strategic and policy direction of Council. This includes preparing the key strategic policy and planning documents such as the Long Term Plan and Annual Plans.
- Reviewing the District Plan and preparing plan changes. Monitoring the District's State of the Environment and efficiency and effectiveness of the District Plan.
- Representing the views and interests of residents.

## What has changed since the 2018-38 LTP?

- Changes to the Resource Management Act in 2020 involved rolling back a number of the changes introduced by the previous government as part of the Resource Management Amendment Act 2017, such as the removal of the Collaborative Planning Process and retention of Financial

Contributions. Also included were some additional provisions intended to reduce complexity and support the Government's other initiatives to improve freshwater management and freshwater outcomes

- The first set of National Planning Standards came into force on 3 May 2019. These standards focus on providing national consistency for the structure, form, definitions and electronic accessibility of District Plans. Most councils have five years to adopt these National Planning Standards into their plans, with the exception of the basic electronic accessibility and functions standard where there was a one year timeframe and the definitions standard where there is a seven years' timeframe.
- Local Government Amendment Act 2019 which restored community wellbeing to the purpose of local government.
- Waka Kotahi identified a 300m wide preferred corridor in December 2018 for the Ōtaki to North of Levin (Ō2NL). They are still in the process of confirming a preferred alignment for the expressway within this corridor.

## 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 Council and its responsibilities and functions. Likely reform of the Resource Management Act may mean Council Officers will be required to understand and implement a new system for environmental management.
- Council is also conscious of protecting its reputation, both within the local Community but also nationally and with key stakeholders. Council's reputation is critical to working with others (such as Central Government Agencies) in the pursuit of Community Outcomes.
- The District is experiencing higher levels of growth than it has faced in the last 20 years. This combined with the significant investment that has been



made in the expressway and highway improvements to the south of the Horowhenua District, and the development of an expressway from Ōtaki to North of Levin, make it crucial that Council ensures it balances its planning for growth with achieving the best outcomes for the community

- Council must work towards giving effect to the first set of National Planning Standards in the next four to six years. Where possible these will be given effect to as Council undertakes plan changes.

### **Significant negative effects on the social, cultural, economic and environmental wellbeing of the local community 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**

- A key assumption is that the Ōtaki to North of Levin Expressway will be constructed during the period of this LTP and that the associated future planning for the District including the redevelopment of the Levin Town Centre will need to be undertaken. A risk is that the proposed Expressway is delayed and timeframes are pushed out, which may impact on the level and speed at which growth occurs in the District.

## Rationale for this Activity (why we do it):

Activity	Community Outcome	Council Role
<p>Hosting local elections.</p> <p>Engaging and informing residents of decisions of Council.</p> <p>Represent the views and interests of residents.</p> <p>Gain the trust and confidence of district residents, by being open, transparent and accountable.</p>	<p><b>Vibrant economy</b> Through the Long Term Plan and Annual Plans, residents and district-wide views and aspirations will be listened to, challenges will be recognised and decisions made in the best interests of the district.</p> <p><b>Strong communities</b> Elected members are effective, responsible and accountable for the decisions they make. With strong governance and leadership, decisions will be made through a transparent and accountable process where residents feel they are listened to, have trust and confidence in Council.</p> <p><b>Partnership with Tangata Whenua</b> As Te Tiriti o Waitangi partners, Tangata Whenua and Māori will have meaningful engagement and their views listened to. Through enhanced relationships there will be increased opportunity for Māori to contribute to the decision making process of Council.</p>	<p>Provider/Advocate</p>
<p>Reviewing the District Plan, monitoring the effectiveness of the District Plan, and preparing or processing Plan Changes/Variations.</p>	<p><b>Vibrant economy</b> The District Plan plays a crucial role in providing for business activities. The use of different zones helps to ensure that there is sufficient opportunity for different business activities to establish and operate locally, supporting a healthy local economy.</p> <p><b>Outstanding environment</b> The District Plan works to ensure that as our communities change and grow that any adverse effects on the natural and physical environment are managed sustainably.</p> <p><b>Partnership with Tangata Whenua</b> We work with tangata whenua through the development of Plan Changes and the review of the District Plan to ensure that the things important to them are understood and where possible provided for.</p> <p><b>Strong communities</b> Plan Changes and the review of the District Plan are public processes and Council encourages its people to actively participate in these to help ensure that the provisions put in place meet the needs of our local communities. The District Plan is instrumental in ensuring the development of safe, healthy and well-connected communities. It also aids in the protection of local heritage.</p>	<p>Provider</p>

Preparing the key strategic policy and planning documents of Council.

**Strong communities**

Community wellbeing is at the heart of Council's strategic policies and plans, with Council's Horowhenua 2040 Strategy and its vision for our community being firmly based on this concept. Council's key strategic documents may serve different purposes but they all aim to build stronger. Our strategic documents do this by supporting specific activities (e.g. economic development or affordable housing), or by providing support to specific parts of our communities (e.g. youth or the elderly) to ensure that the diverse needs of our communities are met.

**'Fit for purpose' infrastructure**

The LTP provides for the maintenance and growth of Council's infrastructure and identifies how this is going to be funded. This forward planning aims to ensure that our infrastructure remains fit for purpose and that the needs of current and future generation can be met.

Provider/Enabler

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

Service	Community Outcomes	How will we measure our performance	Target 21/22	Target 22/23	Target 23/24	Target 24/41
Council provides open, accessible information and processes to local government and the Community.	Strong communities	Number of successful challenges to Council's decision making processes.	<2	<2	<2	<2
		LGOIMA requests responded to within 20 working days. Official Information requests are processed in accordance with the LGOIMA.	>100% compliance rate	>100% compliance rate	>100% compliance rate	>100% compliance rate

### What does this tell me?

Council seeks to strengthen democracy through facilitating Community input to decision-making processes. Council is required to comply with the Local Government and Official Information and Meetings Act.

Council supports residents and ratepayers to have their views heard and considered in Council decision making.	Strong communities	Percent of residential and non-residential ratepayers who are satisfied with the way Council involves the public in its decision making, based on the Annual Customer Satisfaction Survey	>50%	>50%	>50%	>50%
Council supports residents and ratepayers to have their views heard and considered in Council decision making	Strong communities	Council will pre-engage on all significant decisions as outlined in the Significance of Engagement Strategy found on Council's website.	Achieve	Achieve	Achieve	Achieve

### What does this tell me?

The percentage of satisfied people gives us an indication of the quality of public involvement in Council decision making. Through pre-engagement on significant decisions, Council is engaging with the Community beyond what is legally required.

Service	Community Outcomes	How will we measure our performance	Target 21/22	Target 22/23	Target 23/24	Target 24/41
Council's planning documents meet statutory requirements and have unqualified audit opinions.	Vibrant economy	The LTP is completed within the statutory timeframe, including a Financial and Infrastructure Strategies which meets the requirements of the Local Government Act.	Adopted before 30 June (every 3 years)	Adopted before 30 June (every 3 years)	Adopted before 30 June (every 3 years)	Adopted before 30 June (every 3 years)
	Outstanding environment					
	Strong communities	The Annual Plan will be adopted before 30 June annually.*	Achieve	Achieve	Achieve	Achieve
	Partnership with Tangata Whenua	The Annual Report will include an unqualified audit opinion.	Achieve	Achieve	Achieve	Achieve
	'Fit for purpose' infrastructure					

#### What does this tell me?

Council will meet its statutory requirements regarding planning and reporting documents.

The District Plan provides for a balanced regulatory framework that protects important community and environmental values.	Vibrant economy	Council will process non-complying consents in a robust way. When the percentage of non-complying consents approved exceed 5% we will undertake an investigation of the District Plan rules that have triggered the non-complying consents.	<5%	<5%	<5%	<5%
	Outstanding environment					
	Strong communities					
	Partnership with Tangata Whenua					

#### What does this tell me?

Good planning supports sustainable growth and development. It protects natural and built environments and helps maintain quality of life for our residents. This measure is used to understand whether the District Plan is performing effectively. If the number of consent applications being approved as non-complying activities is above 5% it could suggest the District Plan needs to be updated to support growth and development that is considered appropriate for the District.

\* Every third year a LTP is prepared in the place of the Annual Plan.

## Capital Expenditure for Representation and Community Leadership

Total Representation and Community Leadership Projects <i>Primary Type – To replace existing assets</i>	AP 20/21	Yr 1 21/22	Yr 2 22/23	Yr 3 23/24	Yr 4 24/25	Yr 5 25/26	Yr 6 26/27	Yr 7 27/28	Yr 8 28/29	Yr 9 29/30	Yr 10 30/31
Total Renewals	-	-	-	-	-	-	-	-	-	-	-

Total Representation and Community Leadership Projects <i>Primary Type - To improve the Level of Service</i>	AP 20/21	Yr 1 21/22	Yr 2 22/23	Yr 3 23/24	Yr 4 24/25	Yr 5 25/26	Yr 6 26/27	Yr 7 27/28	Yr 8 28/29	Yr 9 29/30	Yr 10 30/31
Levin Town Centre Strategy activation projects	-	500,000	500,000	500,000	-	-	-	-	-	-	-
Total Level of Service	-	500,000	500,000	500,000	-	-	-	-	-	-	-

Total Representation and Community Leadership Projects <i>Primary Type – To meet additional demand</i>	AP 20/21	Yr 1 21/22	Yr 2 22/23	Yr 3 23/24	Yr 4 24/25	Yr 5 25/26	Yr 6 26/27	Yr 7 27/28	Yr 8 28/29	Yr 9 29/30	Yr 10 30/31
Total Growth	-	-	-	-	-	-	-	-	-	-	-

Total Representation and Community Leadership Projects	AP 20/21	Yr 1 21/22	Yr 2 22/23	Yr 3 23/24	Yr 4 24/25	Yr 5 25/26	Yr 6 26/27	Yr 7 27/28	Yr 8 28/29	Yr 9 29/30	Yr 10 30/31
Renewal	-	-	-	-	-	-	-	-	-	-	-
Level of Service	-	500,000	500,000	500,000	-	-	-	-	-	-	-
Growth	-	-	-	-	-	-	-	-	-	-	-
Total Representation and Community Leadership Projects	-	500,000	500,000	500,000	-	-	-	-	-	-	-

Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	Total Representation and Community Leadership Projects <i>Primary Type – To replace existing assets</i>
-	-	-	-	-	-	-	-	-	-	Total Renewals

Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	Total Representation and Community Leadership Projects <i>Primary Type – To improve the Level of Service</i>
-	-	-	-	-	-	-	-	-	-	Levin Town Centre Strategy activation projects
-	-	-	-	-	-	-	-	-	-	Total Level of Service

Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	Total Representation and Community Leadership Projects <i>Primary Type – To meet additional demand</i>
-	-	-	-	-	-	-	-	-	-	Total Growth

Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	Total Representation and Community Leadership Projects <i>Primary Type</i>
-	-	-	-	-	-	-	-	-	-	Renewal
-	-	-	-	-	-	-	-	-	-	Level of Service
-	-	-	-	-	-	-	-	-	-	Growth
-	-	-	-	-	-	-	-	-	-	Total Representation and Community Leadership Projects





Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Representation & Community Leadership Group of Activities
<b>Sources of Operating Funding</b>										
925	969	1,015	1,061	1,126	1,162	1,226	1,232	1,272	1,311	General rates, uniform annual general charges, rates penalties
5,396	5,684	5,666	5,796	6,099	6,079	6,224	6,540	6,523	6,679	Targeted rates
-	-	-	-	-	-	-	-	-	-	Subsidies and grants for operating purposes
-	-	-	-	-	-	-	-	-	-	Fees and charges
2	2	2	2	2	2	2	2	3	3	Local authorities fuel tax, fines, infringement fees, and other receipts
-	-	-	-	-	-	-	-	-	-	Internal charges and overheads recovered
<b>6,323</b>	<b>6,655</b>	<b>6,683</b>	<b>6,859</b>	<b>7,227</b>	<b>7,243</b>	<b>7,452</b>	<b>7,774</b>	<b>7,798</b>	<b>7,993</b>	<b>Total Operating Funding (A)</b>
<b>Applications of Operating Funding</b>										
2,045	2,257	2,152	2,394	2,326	2,490	1,979	2,512	2,396	2,443	Payments to staff and suppliers
869	922	977	1,032	1,096	1,148	1,213	1,255	1,311	1,368	Finance costs
4,663	4,764	4,849	4,935	5,040	5,129	5,228	5,331	5,430	5,537	Internal charges and overheads applied
-	-	-	-	-	-	-	-	-	-	Other operating funding applications
<b>7,577</b>	<b>7,943</b>	<b>7,978</b>	<b>8,361</b>	<b>8,462</b>	<b>8,767</b>	<b>8,420</b>	<b>9,098</b>	<b>9,137</b>	<b>9,348</b>	<b>Total applications of operating funding (B)</b>
<b>(1,254)</b>	<b>(1,288)</b>	<b>(1,295)</b>	<b>(1,502)</b>	<b>(1,235)</b>	<b>(1,524)</b>	<b>(968)</b>	<b>(1,324)</b>	<b>(1,339)</b>	<b>(1,355)</b>	<b>Surplus (deficit) of operating funding (A-B)</b>
<b>Sources of capital funding</b>										
-	-	-	-	-	-	-	-	-	-	Subsidies and grants for capital expenditure
-	-	-	-	-	-	-	-	-	-	Development and financial contributions



Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Representation & Community Leadership Group of Activities
1,255	1,290	1,297	1,504	1,237	1,526	970	1,326	1,341	1,357	Increase (decrease) in debt
-	-	-	-	-	-	-	-	-	-	Gross proceeds from sale of assets
-	-	-	-	-	-	-	-	-	-	Lump sum contributions
-	-	-	-	-	-	-	-	-	-	Other dedicated capital funding
<b>1,255</b>	<b>1,290</b>	<b>1,297</b>	<b>1,504</b>	<b>1,237</b>	<b>1,526</b>	<b>970</b>	<b>1,326</b>	<b>1,341</b>	<b>1,357</b>	<b>Total sources of capital funding (C)</b>
										<b>Applications of capital funding</b>
										Capital expenditure
(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	- to meet additional demand
-	-	-	-	-	-	-	-	-	-	- to improve the level of service
-	-	-	-	-	-	-	-	-	-	- to replace existing assets
2	3	3	3	3	3	3	3	3	3	Increase (decrease) in reserves
-	-	-	-	-	-	-	-	-	-	Increase (decrease) of investments
<b>1</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>Total applications of capital funding (D)</b>
<b>1,254</b>	<b>1,288</b>	<b>1,295</b>	<b>1,502</b>	<b>1,235</b>	<b>1,524</b>	<b>968</b>	<b>1,324</b>	<b>1,339</b>	<b>1,355</b>	<b>Surplus (deficit) of capital funding (C-D)</b>
-	-	-	-	-	-	-	-	-	-	<b>Funding Balance ((A-B)+(C-D))</b>
-	-	-	-	-	-	-	-	-	-	Depreciation

## Activity Expenditure for Representation and Community Leadership

Activity Operating Expenditure Including depreciation	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Community Board	165	182	201	192	196	201	205	210	215	220	225
Elections	10	11	66	11	11	12	12	12	12	13	13
Governance	1,930	2,174	2,255	2,308	2,354	2,405	2,522	2,520	2,577	2,645	2,706
LTP/Annual Plan/Annual Report	1,504	1,649	1,576	1,730	1,641	1,678	1,847	1,757	1,798	1,982	1,891
District Planning	682	1,137	1,131	2,038	1,145	964	1,232	832	1,135	1,188	1,224
Sustainable Growth Planning	527	721	746	846	965	1,005	1,067	1,132	1,204	1,285	1,344
<b>Total Expenditure</b>	<b>4,818</b>	<b>5,874</b>	<b>5,975</b>	<b>7,125</b>	<b>6,312</b>	<b>6,265</b>	<b>6,885</b>	<b>6,463</b>	<b>6,941</b>	<b>7,333</b>	<b>7,403</b>

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Activity Operating Expenditure Including depreciation
230	234	239	243	248	253	258	263	268	273	Community Board
13	14	14	14	14	15	15	15	15	16	Elections
2,754	2,815	2,866	2,918	2,980	3,034	3,092	3,155	3,215	3,278	Governance
1,926	2,112	2,003	2,040	2,237	2,121	2,163	2,370	2,247	2,292	LTP/Annual Plan/Annual Report
1,255	1,312	1,345	1,575	1,351	1,653	1,137	1,475	1,506	1,536	District Planning
1,398	1,456	1,513	1,571	1,632	1,693	1,756	1,820	1,886	1,953	Sustainable Growth Planning
<b>7,576</b>	<b>7,943</b>	<b>7,980</b>	<b>8,361</b>	<b>8,462</b>	<b>8,769</b>	<b>8,421</b>	<b>9,098</b>	<b>9,137</b>	<b>9,348</b>	<b>Total Expenditure</b>

# Community Support

The Community Support Group of Activities is made up of a number of sub-activities which aim to provide for the Community's social and economic wellbeing.

These Activities are:

- Emergency Management
- Community Engagement
- Visitor Information
- Economic Development

# Emergency Management

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

## What Emergency Management involves:

- Facilitating community resilience and emergency preparedness planning with external agencies and community groups through the Manawatū-Whanganui Emergency Management Group and the Horowhenua Emergency Management Committee. This includes identifying hazards and developing and implementing measures to minimise impacts (reduction).
- Ensuring plans are in place and that the Community is aware of the 'hazardscape' and is prepared (reduction).
- Engaging with, and educating, our Community about 'Being Prepared' (readiness).
- Providing 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 (response).
- Co-ordination of recovery activities (recovery).
- Being an active member of the Manawatū-Whanganui Civil Defence Emergency Management Group.

## What has changed since the 2018/38 LTP?

- There has been an increased awareness in general about emergency management due community response plans and recent events. Coupled with the appointment of a full time Emergency Management Officer position, the level of promotion has increased.

## Challenges Council faces for this Activity

- Council has faced a worldwide pandemic, which does not currently have a vaccination programme. The pandemic is a health led activity that could result in the shutdown of city, region or the country. The resurgence of this pandemic has a major impact on the community, business sector and staff who form part of the emergency management team. Council also have a much higher level of scrutiny and audit because of disasters in this country including the Canterbury and Kaikoura Earthquakes. Together this means 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 on the social, cultural, economic and environmental wellbeing of the local community associated with this Activity

- Psychological wellbeing has become more of an issue that we need to be aware of and have a focus on both within the community and our Council. We saw a lot of pressures placed on people during the pandemic that we don't necessarily see in general.
- Council has an obligation to provide staff to be trained to perform duties under the Emergency Management function and to plan and review processes which will take core staff members away from their core duties.

## Key Risks and Assumptions associated with this Activity

- A key risk for this activity is ensuring there is sufficient staff that are trained to respond to emergency events.
- Natural disasters including floods, earthquakes, erosion, and drought will all impact the emergency responders and the community.
- Health pandemics within the community and New Zealand puts further pressure on this activity and emergency services in general. The impact on local businesses and community wellbeing adds further complication to the recovery of the district



## Rationale for this Activity (why we do it):

Activity	Community Outcome	Council Role
<p>Emergency management and services are provided for the Community.</p>	<p><b>Strong communities</b>            A strong focus on community readiness and response prior to an emergency event occurring, helps to build community resilience in an emergency event. During an event the Emergency Management Activity provides community support to ensure basic needs are met and our community is supported as required.</p> <p>A key part of the Emergency Management function is working in collaboration with other agencies or service providers to support affected communities.</p> <p><b>Partnership with Tangata Whenua</b>            Partnerships with tangata whenua enable the community to access emergency services and support the recovery of the district.</p>	<p>Provider</p>

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

Service	Community Outcomes	How will we measure our performance	Target 21/22	Target 22/23	Target 23/24	Target 24/41
Community awareness is promoted and encouraged.	Strong communities	12 media messages promoting preparedness for an emergency will be made to residents and ratepayers annually*.	Achieve	Achieve	Achieve	Achieve

### What does this tell me?

Council is working with the Community to build greater resilience to emergencies and disaster events, and to help our District recover faster.

Council maintains a functional EOC and trained staff.	Strong communities	Civil defence and emergency management assessment of readiness and capability.	Council's EOC (and alternate EOC) are fully functional, designated staff are trained and qualified, and Council meets its obligations under the CDEM Act.	Council's EOC (and alternate EOC) are fully functional, designated staff are trained and qualified, and Council meets its obligations under the CDEM Act.	Council's EOC (and alternate EOC) are fully functional, designated staff are trained and qualified, and Council meets its obligations under the CDEM Act.	Council's EOC (and alternate EOC) are fully functional, designated staff are trained and qualified, and Council meets its obligations under the CDEM Act.
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### What does this tell me?

Council will take the lead in a civil defence or emergency event and will have the capacity and capability to do so.

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

# Community Engagement

**The Community Engagement Activity aims to enhance community wellbeing within the Horowhenua District, to improve Council's cultural competency and ensure the Community is informed of Council's activities. This Activity is made up of three sub-activities being Community Development, Cultural Outcomes and Communications.**

## What Community Engagement involves:

### Community Development

- Support delivery on the Horowhenua Community Wellbeing Framework.
- Implement Community Wellbeing Action Plan (s).
- Support community-led development within the Community to help the community respond to local needs.
- Advocate on behalf of the Community for better health, safety, housing and social belonging outcomes through the Community Wellbeing Committee.
- Facilitate a Community Capacity Building Programme: provide free or subsidised training to the not-for-profit sector with the aim to increase their ability to respond to the community's needs.
- Provide funding support for local Surf Life Saving, Waitārere and Foxton Beach Wardens, Neighbourhood Safety providers and Neighbourhood Support.
- Support communities creating Community Plans
- Provide the following contestable grant schemes:
  - Community Development Grant
  - Community Consultation Grant
  - International Representation Grant
  - Vibrant Communities Fund
  - Horowhenua Events Grant

- Provide administrative support to externally funded contestable grant schemes:
  - Horowhenua Creative Communities Scheme
  - Shannon Community Development Trust

### Communications

- Produce and distribute Council publications – (e.g. press releases, Community Connection, ElderBerries, public notices, and strategies).
- Monitor, update and create relevant content for social media.
- Maintain and update Council's website presence - [www.horowhenua.govt.nz](http://www.horowhenua.govt.nz).
- Respond and provide information to media outlets.
- Support the creation of Council's key strategic documents
- Undertake a yearly resident satisfaction survey.
- Ensure internal staff and Elected Members are kept up to date with what Council is doing.

### Cultural Outcomes

- Create and support delivery of Council's Māori Engagement Strategy
- Support staff to be equipped in Tikanga Māori
- Provide opportunities for the community to celebrate our diverse cultures
- Develop protocols and processes for Council which enhance participation by different cultures

## What has changed since the 2018/38 LTP?

- The Community Engagement Activity has grown to include Cultural Outcomes.
- The change in Government saw the restoration of wellbeing into the Local Government Act.

## Challenges Council faces for this Activity

- A challenge facing Council for this Activity is the change in community expectations for engagement. This is, in part, due to the growing population who bring with them different challenges and 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 and community wellbeing while maintaining a focus on the needs of our local Communities.
- Funding requests are regularly higher than the limited funding that is available and these funds must be allocated to a wide range of community organisations, not just a few.
- Council is often viewed as the effortless driver of community projects and are therefore approached regularly to lead activities. As Council is moving towards Community-Led projects, building capacity in the community and other organisations is a measure to develop capability and less of a reliance on Council.
- Difference in understanding of what iwi partnership means across the organisation and within the community.

## Significant negative effects on the social, cultural, economic and environmental wellbeing of the local community 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.
- Despite the growth in population, an assumption has been made that the target population areas which currently form our Networks and Forums such as Young People and Older People, will remain the same.

## Rationale for this Activity (why we do it):

Activity	Community Outcome	Council Role
Facilitate a Youth Council and Community networks and forums.	<p><b>Strong communities</b></p> <p>Council's networks and forums provide a platform for those who may not otherwise have a voice to participate in local decision making and come together to achieve outcomes collectively.</p>	Provider
Advocate for better health, safety, housing and social belonging outcomes	<p><b>Strong communities</b></p> <p>The Community Wellbeing Committee brings together representatives from key target groups, service providers and government organisations to identify priority areas. The committee enables collective action to achieve better outcomes.</p>	Advocate
Contestable Grant Schemes are provided.	<p><b>Strong communities</b></p> <p>The Grant Schemes provide an opportunity for groups and organisations to contribute positively to the community.</p>	Funder
Administration of externally funded Grant Schemes.	<p><b>Strong communities</b></p> <p>Administering the external grant schemes gives the community access to funding to support their initiatives and community-led activities.</p>	Provider
Contracted services are managed.	<p><b>Strong communities</b></p> <p>Council supports services which provide support for the community helping our people to be connected and safe.</p>	Funder
Capabilities training for the non-profit sector is provided.	<p><b>Strong communities</b></p> <p>Council supports non-profit organisations by providing opportunities to upskill and build capability, which in turn allows the organisations to support communities to become resilient and connected.</p>	Funder
Perform Council's communication function.	<p><b>Vibrant economy</b></p> <p>Council's communications function assists in telling the district's Growth story, capturing opportunities. Additionally, the business sector is a key stakeholder whom Council communicates with regularly to provide information and support.</p> <p><b>Outstanding environment</b></p> <p>We utilise a number of different mediums to communicate with the community, not only to ensure we are reaching a wide audience, but to also use sustainable resources such as web based modes instead of print.</p> <p><b>Strong communities</b></p>	Provider

Council's communications function shares and celebrates the stories of our diverse community and shows how these differences contribute to our community's identity.

The function promotes and encourages ways in which our people are able to participate in Council processes.

**Partnership with Tangata Whenua**

Council's communication function follows Te Puni Kōkiri guidelines for best practice to ensure information and signage engages with Māori and supports Te Reo Māori to be more visible.

Opportunities are available for the community to celebrate our vibrant cultures

**Strong communities**

By providing a platform for cultures to come together and share their uniqueness and celebrate their identity, our people build pride and connection to each other and their wider community.

Provider

Council upholds Te Tiriti o Waitangi and its principles

**Partnerships with Tangata Whenua**

Council is committed to partnering with tangata whenua. This is achieved through following the principles of Te Tiriti o Waitangi and by working alongside tangata whenua in a partnership that is mutually beneficial. Officers are provided opportunities to learn how to achieve this and supported in undertaking their role successfully.

Provider

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

Service	Community Outcomes	How will we measure our performance	Target 21/22	Target 22/23	Target 23/24	Target 24/41
Council provides effective leadership in advocating, coordinating and facilitating on behalf of Community needs.	Strong communities Partnership with Tangata Whenua	Number of Community Wellbeing Committee meetings per year.	≥4	≥4	≥4	≥4
<b>What does this tell me?</b>						
The Community Wellbeing Committee is the platform for community engagement with Council facilitating and coordinating on behalf of the Community to find solutions to respond to local needs.						
Young people in the Horowhenua live in a safe and supportive environment, which empowers them to make positive life choices.	Strong communities	Number of Youth Empowerment Project meetings per year.	≥8	≥8	≥8	≥8
		Number of programmes or projects implemented by Youth Empowerment Project	≥4	≥4	≥4	≥4
		Number of Youth Services Network meetings per year.	≥6	≥6	≥6	≥6
<b>What does this tell me?</b>						
Council is engaging with young people and supporting programmes or projects with a youth focus.						
Horowhenua residents are empowered to make choices enabling them to live a satisfying and healthy lifestyle.	Strong communities	Number of Older Person Network meetings per year.	≥6	≥6	≥6	≥6
		Number of Elderberries magazine publications annually.	≥4	≥4	≥4	≥4
<b>What does this tell me?</b>						
Council is engaging with the older people and keeping them informed.						
Horowhenua is a vibrant, creative and friendly Community with an abundance of art, rich cultures and a strong sense of heritage.	Strong communities	Number of Creative Communities funding rounds per year.	≥2	≥2	≥2	≥2
<b>What does this tell me?</b>						
Council supports arts and culture in the District by providing administrative support to externally funded contestable grant schemes.						

Service	Community Outcomes	How will we measure our performance	Target 21/22	Target 22/23	Target 23/24	Target 24/41
Horowhenua is New Zealand's foremost District in taking joint responsibility for the success of our Community through education.	Strong communities	Number of Education Horowhenua meetings per year.	≥4	≥4	≥4	≥4
<b>What does this tell me?</b> Council is leading the way in a collaborative approach to education in the District via the Education Horowhenua group.						
Horowhenua is fully accessible to all people.	Strong communities	Number of Access and Inclusion Leadership forums per year.	≥4	≥4	≥4	≥4
<b>What does this tell me?</b> Council supports United Nations Convention of Rights of Persons with Disabilities. The Convention guides how to remove barriers and make sure disabled people have full and equal enjoyment of all human rights and fundamental freedoms.						
Council promotes community group empowerment and provides opportunities for Community driven initiatives and projects, and to grow and develop.	Strong communities	Number of Community Capacity and Capability Building Programme workshops or trainings offered.	≥10	≥10	≥10	≥10
		Percent of satisfaction with Capacity and Capability Building Programme workshops or training.	≥85%	≥85%	≥85%	≥85%
		Number of individuals participating in Capacity and Capability Building Programme workshops or training over the year.	≥200	≥200	≥200	≥200
<b>What does this tell me?</b> Council provides opportunities for Community driven initiatives and projects by distributing funds through a contestable grants and funding scheme. Council also promotes community group empowerment via the Capacity and Capability Building Programme where the percentage of satisfaction gives an indication of the quality of the programme provided.						
Council supports beach safety initiatives within Communities by providing financial support.	Strong communities	Number of weeks Council funded surf lifesaving service is provided at Foxton and Waitārere Beaches.	≥6	≥6	≥6	≥6



**What does this tell me?**

Public safety while enjoying the District's beaches is very important to Council. Council funds surf lifesaving services at two of the District's most popular beaches during peak season.

Service	Community Outcomes	How will we measure our performance	Target 21/22	Target 22/23	Target 23/24	Target 24/41
Council effectively communicates with its ratepayers and residents.	Strong communities Vibrant Economies Outstanding Environment Partnership with Tangata Whenua	Percent of media releases feature in media within 21 days of release	≥60%	≥60%	≥60%	≥60%
		Percent of residents are well informed about what the Council is doing	≥60%	≥60%	≥60%	≥60%

**What does this tell me?**

Council provides useful and accessible information for the community.

Council provides a variety of ways to access information.	Strong communities	Number of Council "Community Connections" newsletters published annually.	≥10	≥10	≥10	≥10
		Number of new digital services are delivered online annually.	≥2	≥2	≥2	≥2

**What does this tell me?**

Council offers a variety of mediums to engage with the community.

Council provides a 24/7 telephone contact centre operation.		Telephone contact is continually provided 24/7.	Achieve	Achieve	Achieve	Achieve
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**What does this tell me?**

Council can be contacted any time even out of normal business hours.

Council staff are knowledgeable in tikanga māori and the principles of Te Tiriti o Waitangi	Partnership with Tangata Whenua	Percent of staff who have undertaken training.	60% of Council staff	80% of Council staff	80% of Council staff	80% of Council staff
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**What does this tell me?**

Council upholds Te Tiriti o Waitangi and its principles.

# Visitor Information

**The Visitor Information Activity manages the provision of visitor information services in Levin and Foxton.**

## What Visitor Information involves:

- Domestic travel and accommodation bookings.
- Horowhenua attractions, activities and accommodation bookings.
- Local regional and national visitor information, travel maps and resources.
- Working partnerships with local tourism providers & operators to promote local experiences.

## What has changed since the 2018/38 LTP?

- Levin and Foxton i-SITE services are delivered by Council, from Council run facilities.

## Challenges Council faces for this Activity

- 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 on the social, cultural, economic and environmental wellbeing of the local community 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.

## Rationale for this Activity (why we do it):

Activity	Community Outcome	Council Role
Visitor information services are offered throughout the District.	<p><b>Vibrant economy</b> Providing an opportunity for local tourism operators to promote their products/services to local consumers as well as visitors to the district. Locally and throughout the i-SITE Network</p> <p><b>Strong communities</b> Council is committed to the promotion of attractions, products and services that our region has to offer. We are also committed to providing relevant and appropriate information to our community for any tourism enquiries they may have.</p>	Funder

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

Service	Community Outcomes	How will we measure our performance	Target 21/22	Target 22/23	Target 23/24	Target 24/41
Council supports the promotion of Horowhenua as a tourism destination.	<p><b>Vibrant economy</b></p> <p><b>Strong communities</b></p>	<p>i-Site accreditation is maintained at Te Awahou Nieuwe Strom and Te Takeretanga o Kura-hau-pōtanga o Kura-hau-pō facilities.</p> <p>Annual number of visitor information enquiries conducted from Horowhenua i-Sites.</p>	Achieve	Achieve	Achieve	Achieve
			≥10,000	≥10,000	≥10,000	≥10,000

### What does this tell me?

i-Site is a visitor information network with over 80 visitor centres throughout New Zealand and offers an excellent platform for local operators and service providers to sell their businesses and for the District to promote local events and public amenities. The i-Site brand is managed by Tourism New Zealand and various standards must be met to maintain accreditation.

# Economic Development

**The purpose of the Economic Development Activity is to facilitate economic growth to support improved social and economic wellbeing in the Horowhenua District**

## What Economic Development involves:

- The District is now in a growth phase which brings opportunity to considerably advance its economic wellbeing and prosperity. Effective economic development requires capability and capacity to plan, collaborate, align, implement, monitor and evaluate action to take advantage of available opportunities.

## What has changed since the 2018/38 LTP?

- In August 2020 Horowhenua District Council undertook a high level review of its current Economic Development Strategy (EDS). The review found that the current EDS lacked a developed implementation plan which provided priority, focus and measurement to the critical areas and actions.
- A Economic Implementation Plan has since been developed to provide a broader perspective of the economic development role of local government (and its delivery partners/agents), and clarity on the key linkages between areas of Council activity; who has the lead on particular actions; and where collaboration would be essential to effectively deliver for Horowhenua.

## Challenges Council faces for this Activity

- Effective economic development is a team game played over long-term horizons. This means effective and targeted collaboration and partnerships with Iwi, business, Central Government and the not-for-profit sector are critical in achieving community objectives. For this to work well there needs to be an effective mechanism or mechanisms that bring the different parties together regularly to prioritise, coordinate and align activity.
- Capability and capacity needs to be built over time to deliver effective economic development requiring a staged approach to progressing economic development priorities within scarce funding resources

## Significant negative effects on the social, cultural, economic and environmental wellbeing of the local community 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

## Rationale for this Activity (why we do it):

Activity	Community Outcome	Council Role
Business development and support.	<b>Vibrant economy</b>	Advocate/Funder
Ensuring Horowhenua has appropriate rules and infrastructure for people, business, and the environment to flourish	<b>Vibrant economy</b>	Provider/Advocate/Funder
	<b>Outstanding Environment</b>	
	<b>Strong communities</b>	
	<b>'Fit for purpose' infrastructure</b>	
Promoting Horowhenua as a great place to live, learn, create and play	<b>Vibrant economy</b> <b>Strong communities</b>	Provider/Advocate/Funder
Workforce skill development, training and education.	<b>Vibrant economy</b> <b>Strong communities</b>	Advocate/Funder
Partnering to build capacity and capability and promoting investment into Horowhenua	<b>Vibrant economy</b> <b>Strong communities</b>	Advocate

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

Service	Community Outcomes	How will we measure our performance	Target 21/22	Target 22/23	Target 23/24	Target 24/41
Council provides opportunities for businesses to collaborate and network resulting in a stronger business sector.	Vibrant Economy  Strong communities	Number of business networking meetings organised per year.	≥10	≥10	≥10	≥10

### What does this tell me?

Council is committed to collaborate and network with the local business sector. Below 10 would indicate Council is not fulfilling its commitment.

Council advocates for and facilitates business development and new business investment in the Horowhenua District.	Vibrant Economy  'Fit for purpose' infrastructure	Percent of the District's Business Community that are satisfied or more than satisfied with Council's overall performance in the Economic Development Activity.	>75%	>75%	>75%	>75%
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**What does this tell me?** The percentage of satisfied customers as per a business survey gives us an indication of the quality of service we are providing.

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## Capital Expenditure for Community Support

Total Community Support Projects <i>Primary Type – To replace existing assets</i>	AP 20/21	Yr 1 21/22	Yr 2 22/23	Yr 3 23/24	Yr 4 24/25	Yr 5 25/26	Yr 6 26/27	Yr 7 27/28	Yr 8 28/29	Yr 9 29/30	Yr 10 30/31
Boundary Sign	-	11,000	-	-	-	-	-	12,584	-	-	-
Christmas Lights	-	8,000	6,150	6,816	-	2,191	8,955	6,864	7,600	-	2,442
Flags	-	9,000	3,793	15,729	2,143	6,572	3,358	6,864	2,338	10,754	2,442
<b>Total Renewals</b>	<b>-</b>	<b>28,000</b>	<b>9,943</b>	<b>22,545</b>	<b>2,143</b>	<b>8,762</b>	<b>12,313</b>	<b>26,312</b>	<b>9,938</b>	<b>10,754</b>	<b>4,885</b>

Total Community Support Projects <i>Primary Type - To improve the Level of Service</i>	AP 20/21	Yr 1 21/22	Yr 2 22/23	Yr 3 23/24	Yr 4 24/25	Yr 5 25/26	Yr 6 26/27	Yr 7 27/28	Yr 8 28/29	Yr 9 29/30	Yr 10 30/31
Facility signage	-	12,000	-	-	-	-	-	13,728	-	-	-
New Portable Generator - Emergency Management	-	5,000	-	-	-	-	-	-	-	5,975	-
VHF Digital Radio Upgrade Project - Emergency Management	-	20,000	-	-	-	-	-	-	-	-	-
Website Development	6,000	-	-	-	-	-	6,716	-	-	-	-
Economic Development assets	-	10,000	-	-	-	-	-	-	-	-	-
<b>Total Level of Service</b>	<b>6,000</b>	<b>47,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,716</b>	<b>13,728</b>	<b>-</b>	<b>5,975</b>	<b>-</b>

Total Community Support Projects <i>Primary Type – To meet additional demand</i>	AP 20/21	Yr 1 21/22	Yr 2 22/23	Yr 3 23/24	Yr 4 24/25	Yr 5 25/26	Yr 6 26/27	Yr 7 27/28	Yr 8 28/29	Yr 9 29/30	Yr 10 30/31
<b>Total Growth</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Total Community Support Projects <i>Primary Type</i>	AP 20/21	Yr 1 21/22	Yr 2 22/23	Yr 3 23/24	Yr 4 24/25	Yr 5 25/26	Yr 6 26/27	Yr 7 27/28	Yr 8 28/29	Yr 9 29/30	Yr 10 30/31
Renewal	-	28,000	9,943	22,545	2,143	8,762	12,313	26,312	9,938	10,754	4,885
Level of Service	6,000	47,000	-	-	-	-	6,716	13,728	-	5,975	-
Growth	-	-	-	-	-	-	-	-	-	-	-
<b>Total Community Infrastructure Projects</b>	<b>6,000</b>	<b>75,000</b>	<b>9,943</b>	<b>22,545</b>	<b>2,143</b>	<b>8,762</b>	<b>19,030</b>	<b>40,040</b>	<b>9,938</b>	<b>16,729</b>	<b>4,885</b>



Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	Total Community Support Projects <i>Primary Type – To replace existing assets</i>
-	-	14,255	-	-	-	-	-	16,053	-	Boundary Sign
9,965	7,623	8,423	-	2,696	11,002	8,416	9,300	-	2,977	Christmas Lights
7,474	3,812	12,959	1,983	8,089	2,750	12,624	2,862	8,756	2,977	Flags
<b>17,439</b>	<b>11,435</b>	<b>35,637</b>	<b>1,983</b>	<b>10,785</b>	<b>13,752</b>	<b>21,040</b>	<b>12,162</b>	<b>24,809</b>	<b>5,954</b>	<b>Total Renewals</b>

Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	Total Community Support Projects <i>Primary Type – To improve the Level of Service</i>
-	-	15,551	-	-	-	-	-	17,513	-	Facility signage
-	-	-	-	-	-	-	-	-	-	New Portable Generator - Emergency Management
-	-	-	-	-	-	-	-	-	-	VHF Digital Radio Upgrade Project - Emergency Management
-	7,623	-	-	-	-	-	28,616	-	-	Website Development
-	-	-	-	-	-	-	8,585	-	-	Economic Development assets
-	<b>7,623</b>	<b>15,551</b>	-	-	-	-	<b>37,201</b>	<b>17,513</b>	-	<b>Total Level of Service</b>

Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	Total Community Support Projects <i>Primary Type – To meet additional demand</i>
-	-	-	-	-	-	-	-	-	-	Total Growth

Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	Total Community Support Projects <i>Primary Type</i>
17,439	11,435	35,637	1,983	10,785	13,752	21,040	12,162	24,809	5,954	Renewal
-	7,623	15,551	-	-	-	-	37,201	17,513	-	Level of Service
-	-	-	-	-	-	-	-	-	-	Growth
<b>17,439</b>	<b>19,058</b>	<b>51,188</b>	<b>1,983</b>	<b>10,785</b>	<b>13,752</b>	<b>21,040</b>	<b>49,363</b>	<b>42,322</b>	<b>5,954</b>	<b>Total Community Support Projects</b>



Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Community Support Group of Activities
<b>Sources of Operating Funding</b>										
3,220	3,284	3,349	3,416	3,487	3,553	3,626	3,697	3,775	3,853	General rates, uniform annual general charges, rates penalties
-	-	-	-	-	-	-	-	-	-	Targeted rates
41	42	43	44	44	45	46	47	48	49	Subsidies and grants for operating purposes
-	-	-	-	-	-	-	-	-	-	Fees and charges
9	10	11	12	13	13	14	15	16	16	Local authorities fuel tax, fines, infringement fees, and other receipts
-	-	-	-	-	-	-	-	-	-	Internal charges and overheads recovered
<b>3,270</b>	<b>3,336</b>	<b>3,403</b>	<b>3,472</b>	<b>3,544</b>	<b>3,611</b>	<b>3,686</b>	<b>3,759</b>	<b>3,839</b>	<b>3,918</b>	<b>Total Operating Funding (A)</b>
<b>Applications of Operating Funding</b>										
1,955	1,994	2,034	2,077	2,117	2,158	2,202	2,248	2,291	2,336	Payments to staff and suppliers
8	9	9	11	11	11	12	12	14	16	Finance costs
1,287	1,316	1,340	1,364	1,395	1,420	1,450	1,478	1,506	1,538	Internal charges and overheads applied
-	-	-	-	-	-	-	-	-	-	Other operating funding applications
<b>3,250</b>	<b>3,319</b>	<b>3,383</b>	<b>3,452</b>	<b>3,523</b>	<b>3,589</b>	<b>3,664</b>	<b>3,738</b>	<b>3,811</b>	<b>3,890</b>	<b>Total applications of operating funding (B)</b>
<b>20</b>	<b>17</b>	<b>20</b>	<b>20</b>	<b>21</b>	<b>22</b>	<b>22</b>	<b>21</b>	<b>28</b>	<b>28</b>	<b>Surplus (deficit) of operating funding (A-B)</b>
<b>Sources of capital funding</b>										
-	-	-	-	-	-	-	-	-	-	Subsidies and grants for capital expenditure
-	-	-	-	-	-	-	-	-	-	Development and financial contributions

<b>Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Community Support Group of Activities</b>	<b>AP 20/21 \$000</b>	<b>Yr 1 21/22 \$000</b>	<b>Yr 2 22/23 \$000</b>	<b>Yr 3 23/24 \$000</b>	<b>Yr 4 24/25 \$000</b>	<b>Yr 5 25/26 \$000</b>	<b>Yr 6 26/27 \$000</b>	<b>Yr 7 27/28 \$000</b>	<b>Yr 8 28/29 \$000</b>	<b>Yr 9 29/30 \$000</b>	<b>Yr 10 30/31 \$000</b>
Increase (decrease) in debt	6	75	8	21	-	7	17	37	6	13	1
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>6</b>	<b>75</b>	<b>8</b>	<b>21</b>	<b>-</b>	<b>7</b>	<b>17</b>	<b>37</b>	<b>6</b>	<b>13</b>	<b>1</b>
<b>Applications of capital funding</b>											
Capital expenditure											
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	6	47	-	-	-	-	7	14	-	6	-
- to replace existing assets	-	28	10	23	2	9	12	26	10	11	5
Increase (decrease) in reserves	13	8	10	11	11	12	12	13	14	14	16
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>19</b>	<b>83</b>	<b>20</b>	<b>34</b>	<b>13</b>	<b>21</b>	<b>31</b>	<b>53</b>	<b>24</b>	<b>31</b>	<b>21</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(13)</b>	<b>(8)</b>	<b>(12)</b>	<b>(13)</b>	<b>(13)</b>	<b>(14)</b>	<b>(14)</b>	<b>(16)</b>	<b>(18)</b>	<b>(18)</b>	<b>(20)</b>
<b>Funding Balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Depreciation	12	9	12	12	12	12	12	14	14	15	15

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Community Support Group of Activities
13	16	47	(3)	6	9	16	46	36	(1)	Increase (decrease) in debt
-	-	-	-	-	-	-	-	-	-	Gross proceeds from sale of assets
-	-	-	-	-	-	-	-	-	-	Lump sum contributions
-	-	-	-	-	-	-	-	-	-	Other dedicated capital funding
<b>13</b>	<b>16</b>	<b>47</b>	<b>(3)</b>	<b>6</b>	<b>9</b>	<b>16</b>	<b>46</b>	<b>36</b>	<b>(1)</b>	<b>Total sources of capital funding (C)</b>
										<b>Applications of capital funding</b>
										Capital expenditure
-	-	-	-	-	-	-	-	-	-	- to meet additional demand
-	8	16	-	-	-	-	37	18	-	- to improve the level of service
17	11	36	2	11	14	21	12	25	6	- to replace existing assets
16	14	15	15	16	17	17	18	21	21	Increase (decrease) in reserves
-	-	-	-	-	-	-	-	-	-	Increase (decrease) of investments
<b>33</b>	<b>33</b>	<b>67</b>	<b>17</b>	<b>27</b>	<b>31</b>	<b>38</b>	<b>67</b>	<b>64</b>	<b>27</b>	<b>Total applications of capital funding (D)</b>
<b>(20)</b>	<b>(17)</b>	<b>(20)</b>	<b>(20)</b>	<b>(21)</b>	<b>(22)</b>	<b>(22)</b>	<b>(21)</b>	<b>(28)</b>	<b>(28)</b>	<b>Surplus (deficit) of capital funding (C-D)</b>
-	-	-	-	-	-	-	-	-	-	<b>Funding Balance ((A-B)+(C-D))</b>
15	11	12	13	13	14	14	12	17	17	Depreciation

## Activity Expenditure for Community Support

Activity Operating Expenditure Including depreciation	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Community Development	751	684	701	715	729	745	764	781	801	822	842
Emergency Management	284	262	278	284	289	296	302	309	316	324	332
Community Grants & Funding	511	465	452	462	451	461	471	481	492	503	515
Visitor Information	142	86	88	90	92	94	97	99	102	105	108
<b>Total Expenditure</b>	<b>2,778</b>	<b>2,842</b>	<b>2,898</b>	<b>2,961</b>	<b>2,788</b>	<b>2,850</b>	<b>2,917</b>	<b>2,984</b>	<b>3,055</b>	<b>3,130</b>	<b>3,206</b>

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Activity Operating Expenditure Including depreciation
858	876	892	910	929	946	965	984	1,003	1,024	Community Development
338	342	349	355	363	369	377	384	395	403	Emergency Management
525	535	546	557	568	579	591	602	614	627	Community Grants & Funding
110	112	114	117	120	122	125	127	130	133	Visitor Information
<b>3,267</b>	<b>3,330</b>	<b>3,396</b>	<b>3,464</b>	<b>3,537</b>	<b>3,603</b>	<b>3,678</b>	<b>3,748</b>	<b>3,827</b>	<b>3,908</b>	<b>Total Expenditure</b>

# Regulatory Services

The Regulatory Services Group of Activities provides advice, consenting services, assessment, education, compliance and enforcement. This Group of Activities aims to protect the health and safety of our Community and the environment they live within.

The Regulatory Services Group of Activities includes the following Activities:

- Resource Consenting
- Building Consenting
- Environmental Health
- Alcohol Licencing
- Parking Enforcement
- Building Compliance
- Resource Management Compliance
- Animal Control
- General Regulatory Services



# Resource Consenting

**The Resource Consenting Activity is undertaken to ensure Council is meeting its obligations under the Resource Management Act (1991).**

## What Resource Consenting involves:

- Processing resource consents and other applications made under the Resource Management Act.
- Providing advice to the public on the District Plan and Resource Management Act.
- Processing section 223 and 224 applications to certify approved subdivision applications.
- Engagement with the planning industry to stay informed about best practice and relevant issues.
- Provision of planning information relating to building consent applications.

## What has changed since the 2018-38 LTP?

- The Resource Management Amendment Act 2020 was enacted on 30 June 2020. This Act resulted in a range of changes for consenting process, such as the stopping of the clock, preclusions for notification and appeal rights.
- District Plan changes – Plan Changes 1 & 2 became operative in November 2018.
- The population growth experienced by the district is reflected in the level of resource consenting activity increasing.

## 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.
- The requirement to apply for resource consents 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.
- The anticipated growth of the District will place pressure on this Activity. The growth environment is likely to see an increase in the volume and complexity of applications.

## Significant negative effects on the social, cultural, economic and environmental wellbeing of the local community associated with this Activity

There are no known significant negative effects surrounding this Activity.

## Key Risks and Assumptions associated with this Activity

Changes in legislation could result in subsequent changes to the District Plan or changes to how resource consents are processed or monitored, which have not been anticipated. However, it is assumed that Central Government will give local government adequate notice/warning of any potential changes. It is also assumed 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.

## Rationale for this Activity (why we do it):

Activity	Community Outcome	Council Role
Processing of resource consents.	<p><b>Vibrant Economy</b> Is supported by this activity as it contributes to the growth of the district.</p> <p><b>Outstanding environment</b> Is supported by this service as it involves managing development in accordance with the Resource Management Act 1991, the purpose of which is to promote the sustainable management of natural and physical resources.</p>	Regulator/Provider

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

Service	Community Outcomes	How will we measure our performance	Target 21/22	Target 22/23	Target 23/24	Target 24/41
Processing of applications under the Resource Management Act (RMA) 1991.	Vibrant economy Outstanding environment	Applications under the RMA will be processed within statutory timeframes.	95%	95%	95%	95%

### What does this tell me?

This measure indicates whether we are meeting our statutory timeframes for processing resource consent applications.

# Building Consenting

**The Building Consenting Activity aims to ensure that buildings are constructed and/or altered in a manner, which means they are safe to use.**

## What Building Consenting involves:

- 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.
- Providing advice to the public on building consent applications and the Building Act 2004.
- Maintaining accreditation requirements in accordance with the Building (Accreditation of Building Authorities) Regulations 2006.
- Engagement with the building industry to stay informed about best practice, relevant issues and changes to processes.
- Processing code compliance certificate applications and subsequent approval where Council is satisfied the building work complies with the Building Code.

## What has changed since the 2018-38 LTP?

- Council's Building Consent Authority had its first accreditation re-assessment under the revised accreditation scheme in April 2019.
- Changes to Schedule 1 of the Building Act 2004 allowing additional low-risk building work to be carried out without obtaining building consent came into effect on 31 August 2020.

## 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.

- The anticipated growth of the District is likely to place pressure on this Activity. The growth environment is likely to see an increase in commercial and industrial new builds in the district. Potential development of increased housing density, may result in the building of multi-story and multi-unit dwellings. The Building Consent Authority will need to ensure that building officers continue to develop their skills and competencies to cater for the increased complexity associated with these types of buildings and the commercial and industrial buildings.

## Significant negative effects on the social, cultural, economic and environmental wellbeing of the local community associated with this Activity

- There are no known significant negative effects surrounding this Activity.

## Key Risks and Assumptions associated with this Activity

- The 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 has an internal auditing and monitoring programme in place to ensure that its systems, policies and procedures are appropriate to ensure that it maintains its accreditation at each re-assessment.
- Changes in legislation could result in an increase to the Levels of Service or require changes to be made to how 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.

## Rationale for this Activity (why we do it):

Activity	Community Outcome	Council Role
Processing building consent applications, undertaking inspections of the building work to ensure compliance with the consent, and processing of code compliance certificate applications to ensure compliance with the Building Code.	<p><b>Vibrant Economy</b> Is supported by this activity as it contributes to the growth of the district.</p> <p><b>Outstanding environment</b> Is supported by this service as it involves ensuring that building are constructed in accordance with the requirements of the Building Act 2004, the purposes of which include ensuring that people can use buildings safely and without endangering their health; and buildings are designed, constructed and able to be used in ways that promote sustainable development.</p>	Regulator/Provider

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

Service	Community Outcome	How will we measure our performance	Target 21/22	Target 22/23	Target 23/24	Target 24/41
Carry out Building Consent Authority functions including enforcement of legislation relating to construction of buildings and structures.	Vibrant economy	Building consent applications are processed within statutory timeframes.	98%	98%	98%	98%
	Outstanding Environment	Council will maintain its accredited status as a Building Consent Authority.	Achieve	Achieve	Achieve	Achieve

### What does this tell me?

This measure indicates whether we are meeting our statutory timeframes for processing building consent applications. Council has to maintain its status as a Building Consent Authority in order to be able to issue building consents.

# Environmental Health (Food Safety)

**Environmental Health (Food Safety) ensures that food services used by the Community are healthy and safe.**

## What Environmental Health (Food Safety) involves:

- Registration and verification of food businesses in accordance with the Food Act 2014 and associated regulations and legislation.

## What has changed since the 2018-38 LTP?

- Since the introduction of the Food Act 2014, certain food businesses became part of a contestable market meaning that these businesses can choose their Verifier. For Council to be able to deliver verifier services to these businesses operating under National Programmes, we are required to be operating under an approved Quality System such as ISO 17020. Council is yet to achieve this requirement.

## 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 on the social, cultural, economic and environmental wellbeing of the local community associated with this Activity

- There are no known significant negative effects surrounding this Activity.

## Key Risks and Assumptions associated with this Activity

- There is a risk of a reduction in our food premises client base due to the contestable market.

## Rationale for this Activity (why we do it):

Activity	Community Outcome	Council Role
Processing applications for food businesses undertaking verifications/audits of these businesses.	<b>Vibrant Economy</b> This activity contributes to the Vibrant Economy outcome in that it provides clarity for food businesses in how the requirements of the Food Act 2014 affects their activities; and how it requires persons who trade in food to take responsibility for the safety and suitability of that food.	Regulator
Respond to food related complaints and take appropriate action when a non-compliance is observed.	<b>Strong communities</b> This activity contributes to the Strong communities outcome in that it provides reassurance to the community that our food business operators who trade in food are held accountable for the safety and suitability of that food, in accordance with the Food Act 2014.	Regulator

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

Service	Community Outcomes	How will we measure our performance	Target 21/22	Target 22/23	Target 23/24	Target 24/41
Food safety – Food businesses are monitored to ensure compliance with legislation.	Vibrant Community  Strong communities	Food businesses operating under the Food Act 2014 are verified at the frequency determined by the Food Regulations 2015.	Achieve	Achieve	Achieve	Achieve

### What does this tell me?

Local food businesses need to be routinely verified to check they are operating safely when providing food to the public.

# Alcohol Licensing

**The Alcohol Licensing Activity aims to ensure that the sale and supply of alcohol is conducted in a manner, which complies with the Sale and Supply of Alcohol Act 2012.**

## What Alcohol Licensing involves:

- Processing applications for licences and managers' certificates.
- Monitoring and inspection of all licensed premises to ensure compliance with both legislation and licence conditions.
- Undertaking 'Controlled Purchase Operations' with partner agencies.
- Providing information and advice to customers on licensing requirements.

## What has changed since the 2018-38 LTP?

In 2020 the Horowhenua District Local Alcohol Policy came into force & subsequently is now being applied all new applications.

## Challenges Council faces for this Activity

A key challenge for this activity is that the fees for licensing are set by Central Government and as such, Council is unable to change them.

Another key challenge for this Activity is that there is uncertainty around future amendments to current legislation or the introduction of new legislation that can be made at short notice; an example of this is the immediate modification orders made during Covid, the changes having a huge impact on service delivery, and resulted in significant delays for customers.

## Significant negative effects on the social, cultural, economic and environmental wellbeing of the local community associated with this Activity

There are no known significant negative effects surrounding this Activity.

## Key Risks and Assumptions associated with this Activity

Changes in legislation could result in unanticipated changes in Levels of Service for this Activity. It is assumed that Central Government will provide local government adequate notice/warning of any potential changes. It is also assumed 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.

## Rationale for this Activity (why we do it):

Activity	Community Outcome	Council Role
Processing applications for premises and undertaking inspections.	<p><b>Vibrant Economy</b></p> <p>Is supported by this activity in that the sale and supply of alcohol in the district is regulated in accordance with the Sale and Supply of Alcohol Act 2012, enabling suitably licensed premises are open for business.</p> <p><b>Strong communities</b></p> <p>Is supported by this activity in ensuring licensed premises are regulated appropriately, providing confidence to the public that where alcohol sales take place they are undertaken safely and responsibly; and that any harm caused by excessive or inappropriate consumption of alcohol be minimised.</p>	Regulator/Provider
Responding to complaints relating to non-compliance with liquor licensing requirements and taking appropriate action when non-compliance is observed.		Regulator

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

Service	Community Outcomes	How will we measure our performance	Target 21/22	Target 22/23	Target 23/24	Target 24/41
Monitoring of licensed premises to ensure compliance with relevant* legislation.	<p>Strong communities</p> <p>Vibrant Economy</p>	Premises are inspected annually to check for compliance with their licence conditions.	Achieve	Achieve	Achieve	Achieve

### What does this tell me?

The Sale and Supply of Alcohol Act sets out who can apply for a licence to sell alcohol, between what times and other requirements. This measure ensures premises, such as restaurants and bars, are providing alcohol to the public in a way that complies with legislation and their licence requirements.

*\*Relevant is defined as only required under the Sale and Supply of Alcohol Act 2012.*



# Parking Enforcement

The Parking Enforcement Activity aims to ensure that people can easily access car parks for on and off-street parking.

## What Parking Enforcement involves:

- Enforcing the parking requirements for mobility car parks, metered parking, time restricted parking, and illegal parking, including issuing infringement notices for non-compliances.
- Monitoring and enforcement of expired vehicle registrations, certificates of fitness and warrants of fitness.
- Monitoring of unauthorised parking on taxi stands, loading zones, broken yellow lines, double parking, parking on the footpath, bus stops, or inconsiderate parking.
- Monitoring and enforcement of the parking control measures specified in Council's Land Transport Bylaw 2017 and relevant legislation.

## What has changed since the 2018-38 LTP?

National Policy changes effecting the car-parking requirement for urban developments will likely have an impact on this activity. With the potential to create an increased demand in Council parking needed to service the needs of the community.

## Challenges Council faces for this Activity

A key challenge for the parking enforcement activity is the aged condition of our parking meters that are now obsolete. Coin operated only, the machines are not equipped to operate with modern technology, and therefore a challenge to our service delivery options.

## Significant negative effects on the social, cultural, economic and environmental wellbeing of the local community 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 Parking Enforcement Activity.

## Rationale for this Activity (why we do it):

Activity	Community Outcome	Council Role
Operation of a parking enforcement scheme.	<p><b>Strong communities</b></p> <p>This activity supports the Strong communities outcome as the provision of parking spaces in the Levin CBD helps to enable people to access the goods and services provided in the Levin town centre.</p> <p><b>Vibrant Economy</b></p> <p>This activity also supports the Vibrant economies outcome in that the provision of monitored parking helps to ensure parking availability for businesses and their customers in the Levin CBD.</p>	Regulator

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

Service	Community Outcomes	How will we measure our performance	Target 21/22	Target 22/23	Target 23/24	Target 24/41
All parking restricted areas in Levin will be enforced under the provisions of Council's Bylaw and the Land Transport Regulations.	Vibrant economy Strong communities	Parking infringement explanations are responded to within 5 business days of receipt.	Achieve	Achieve	Achieve	Achieve

### What does this tell me?

This measure indicates the frequency at which we are enforcing our Land Transport Bylaw (in regards to parking restricted areas in Levin) and other relevant legislation e.g. how many working days a year our parking wardens are undertaking their enforcement duties.

# Building Compliance

**The Building Compliance Activity aims to support the Building Consenting Activity and protect health and safety by ensuring the Community is complying with building requirements.**

## What Building Compliance involves:

- Responding to complaints relating to non-compliances with the Building Act 2004 and associated codes and regulations, and taking appropriate action when non-compliance is observed.
- Monitoring and enforcement of the Building (Pools) Amendment Act 2016, primarily, undertaking inspections of swimming pool fencing.
- Monitoring, enforcement and actions related to the Building (Earthquake-prone Buildings) Amendment Act 2016.
- Ensuring Building Warrants of Fitness (BWOs) are renewed and are accurate.

## What has changed since the 2018-38 LTP?

In 2019 Council introduced regular inspections of buildings with a BWO in line with the recommendation of the Ministry of Building, Innovation and Employment (MBIE).

In 2020, changes to Schedule 1 of the Building Act 2004 came into effect allowing additional low-risk building work to be carried out without the requirement for a building consent.

## Challenges Council faces for this Activity

A key challenge for this activity continues to be the implementation of the earthquake-prone building provisions in the Building Act 2004, where during this LTP period, buildings in the Levin town centre may be deemed earthquake-prone.

This is likely to have an impact on the town centre where some building owners may choose to abandon further development of their buildings. During the same period, Council's territorial authority has a statutory requirement to identify all potentially earthquake-prone buildings in the district.

## Significant negative effects on the social, cultural, economic and environmental wellbeing of the local community associated with this Activity:

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

## Key Risks and Assumptions associated with this Activity:

Council will continue to meet its requirements as a regulator under the Building (Earthquake-prone Buildings) Amendment Act 2016.

No key risks have been identified for this Activity.

## Rationale for this Activity (why we do it):

Activity	Community Outcome	Council Role
Respond to complaints and undertake territorial authority requirements under the Building Act 2004.	<p><b>Outstanding Environment</b></p> <p>Is supported by this activity as it involves ensuring buildings meets the requirements of the Building Act 2004, and in ensuring that people can use buildings safely and without endangering their health.</p> <p><b>Strong communities</b></p> <p>Is supported by this activity through ensuring publicly assessable buildings are safe to use by the community, both for social and commercial purpose.</p> <p>It is also supported by the regulation of private swimming pools in the district, restricting unsupervised access by children. Providing for a safe community.</p>	Regulator

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

Service	Community Outcomes	How will we measure our performance	Target 21/22	Target 22/23	Target 23/24	Target 24/41
Carry out territorial authority functions including enforcement of legislation.	Outstanding Environment	Reported cases of illegal building work will be responded to within five working days.	Achieve	Achieve	Achieve	Achieve
	Strong communities	Percentage of private swimming pools on register inspected annually for compliance.	>33%	>33%	>33%	>33%

### What does this tell me?

This measure is all about ensuring buildings and structures, such as swimming pools, are or continue to be safe for use and do not cause harm or problems in the future.

Carry out territorial authority functions including enforcement of legislation.	Outstanding Environment	100% of BWOFs are renewed or Notices to Fix are issued.	Achieve	Achieve	Achieve	Achieve
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### What does this tell me?

Council must ensure all buildings are compliant and safe.

# Resource Management Compliance

The Resource Management Compliance Activity aims to support Council's Resource Consenting Activity and the sustainable management of the environment by ensuring compliance with the Resource Management Act 1991, the Operative District Plan and resource consent conditions.

## What Resource Management Compliance involves:

- Responding to complaints and queries relating to the Resource Management Act 1991, Operative District Plan or conditions of resource consents, and taking appropriate action when a non-compliance is observed.
- Monitoring of compliance with resource consent conditions, and taking appropriate enforcement measures in respect of non-compliance.

## What has changed since the 2018-38 LTP?

No significant changes have occurred within this Activity.

## Challenges Council faces for this Activity

A key challenge for this activity is likely be created by the new changes to exempt buildings in the Building Act 2004 .It is likely there will be an increase in the number of resource management complaints associated as property owners not realizing their exempt building work requires a resource consent. .

## Significant negative effects on the social, cultural, economic and environmental wellbeing of the local community associated with this Activity:

There are no known significant negative effects surrounding Council's planned Resource Management Compliance Activity.

## Key Risks and Assumptions associated with this Activity:

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

## Rationale for this Activity (why we do it):

Activity	Community Outcome	Council Role
To ensure the requirements of the District Plan and consent conditions are complied with.	<b>Outstanding Environment</b> Is supported by this service as it involves monitoring consents issued under the Resource Management Act 1991, the purpose of which is to promote the sustainable management of natural and physical resources.	Regulator

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

Service	Community Outcomes	How will we measure our performance	Target 21/22	Target 22/23	Target 23/24	Target 24/41
Monitoring of District Plan requirements, resource consent compliance and complaints.	Outstanding Environment	Known and reported instances of non-compliances with the District Plan and any resource consents will be responded to within five working days.	Achieve	Achieve	Achieve	Achieve
		All resource consents that are required to be monitored for the year are monitored for compliance with conditions.	Achieve	Achieve	Achieve	Achieve

### What does this tell me?

This measure indicates our response to any known or reported instances where a certain activity does not meet the requirements of the District Plan or a resource consent. Resource consents may be granted with conditions to help control any adverse effects the consent's activity may have. For those consents that are required to be monitored, Council must check they are complying with their conditions.

# Animal Control

**The Animal Control Activity aims to implement, and enforce, legislation and Council bylaws related to dogs and animals to improve public safety by mitigating the risk of harm, injury, or nuisance in our Community.**

## What Animal Control involves:

- Maintaining a register of dogs in the District.
- Patrolling the District 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.
- Re-homing or euthanising unclaimed animals.
- Enforcement of Council's bylaws related to Animal Control - Dog Control Bylaw 2015, Animal Nuisance and the Keeping of Pigs, Poultry and Bees Bylaw 2014 and Land Transport Bylaw 2017 (Part 2 – Stock Control and Movement).. Enforcement of relevant legislation – Dog Control Act 1996 and Impounding Act 1955

## What has changed since the 2018-38 LTP?

Ministry for Primary Industries (MPI) code of welfare for the temporary housing of companion animals was introduced in October 2018.

## Challenges Council faces for this Activity

A key challenge for the Animal Control function is the aging state of the pound facility and its ability to meet the minimum standards in the MPI code of welfare.

Another key challenge for this activity is the increasing demand on the service as our population grows and dog numbers increase.

## Significant negative effects on the social, cultural, economic and environmental wellbeing of the local community 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. It is also assumed 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.

## Rationale for this Activity (why we do it):

Activity	Community Outcome	Council Role
Provision of animal control services.	<b>Strong communities</b> The service provided helps the community to live positive and healthy lives.	Regulator/Provider

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

Service	Community Outcomes	How will we measure our performance	Target 21/22	Target 22/23	Target 23/24	Target 24/41
Reported instances of non-compliances and dog nuisances will be responded to.	Strong communities	Percent of reported instances of non-compliances and dog nuisances will be responded to. An after-hours emergency response will be continuously provided.	100%	100%	100%	100%
			Achieve	Achieve	Achieve	Achieve

### What does this tell me?

This measure will tell us how effective our response is to reports of non-compliances with bylaws, such as Council's Dog Control Bylaw, and dog nuisances. When responding to these reports, our aim is to ensure that animals are looked after and are not menacing or a nuisance to the public.

Registration and classification of all known dogs within the District.	Strong communities	Percent of known dogs that will be registered or accounted for annually by 31 October.	100%	100%	100%	100%
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### What does this tell me?

This measure indicates how much of the known dog population is accounted for on our register. For each dog, the register holds information on the dog itself, their owner and its microchip number (if it has one), so if it was ever lost or stolen there is the information to help the dog be reunited with its owner. The register also helps us keep track of dogs deemed to be menacing or dangerous.



# General Regulatory Services

The General Regulatory Services Activity consists of a number of sub-activities undertaken as part of Council's general regulatory functions, with the aim of dealing with statutory nuisance-related matters, registration, permitting and inspection of appropriate activities.

## What General Regulatory Services involves:

- Review, develop and/or input to and relevant bylaws and policies.
- Respond to general noise complaints and take appropriate action.
- Respond to complaints regarding vehicles reported as being abandoned in public places and take appropriate action.
- Permitting and inspection of amusement device.
- Respond to general bylaw complaints.
- Inspecting registered camping grounds, funeral directors, and hairdressing premises to ensure compliance with relevant regulations and legislation.
- Investigating health nuisance complaints and carrying out enforcement action when appropriate.

## What has changed since the 2018-38 LTP?

No significant changes have occurred within this Activity.

## Challenges Council faces for this Activity

A key challenge facing Council for this Activity will be the increased demand on the service as new residents relocate to the area, with them bringing differing expectations of living, and expectations of Council to address non-compliance. As the number of complaints increase, the level of enforcement action will also be expected to increase.

## Significant negative effects on the social, cultural, economic and environmental wellbeing of the local community 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.

## Rationale for this Activity (why we do it):

Activity	Community Outcome	Council Role
Provide general regulatory services.	<p><b>Strong communities</b></p> <p>Is supported through the regulation and enforcement of legislation and bylaws, protecting the community from nuisance, protecting promoting and maintaining public health and safety, and minimising the potential for offensive behaviour in public places.</p>	Regulator/Provider

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

Service	Community Outcomes	How will we measure our performance	Target 21/22	Target 22/23	Target 23/24	Target 24/41
Noise complaints response service will be provided.	Strong communities	Noise complaints services are provided all year round and 90% of complaints will be responded to within 60 minutes.	Achieve	Achieve	Achieve	Achieve

### What does this tell me?

Excessive noise can cause a nuisance, especially if occurring within a quiet part of a neighbourhood. This measure indicates whether we are responding to noise complaints efficiently and ensuring that the noise, if deemed excessive, is addressed.

Public safety bylaws and other legislation will be enforced.	Strong communities	Percent of reported non-compliances and complaints that are responded to within five working days.	100%	100%	100%	100%
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### What does this tell me?

Our public safety bylaws are in place to ensure our community feel safe in the environment they live within. Any non-compliance with the bylaws or other legislation that compromises public safety should be addressed efficiently, which is what this measure is looking at.

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Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	Total Planning and Regulatory Services Projects <i>Primary Type – To replace existing assets</i>
7,474	-	-	7,931	-	-	8,416	-	-	11,909	Animal Control - Body worn video equipment
-	-	-	-	-	-	-	-	-	-	Animal Control - Stock pound fencing & stock loading ramp
4,982	-	-	5,287	-	-	5,611	-	-	5,954	Parking - Body worn video equipment
-	76,230	77,754	-	-	-	-	85,848	87,564	-	Parking - Meter Replacement
18,684	-	-	19,827	-	-	21,040	-	-	22,329	Parking - Mobile ticket devices
-	-	-	-	-	-	-	-	-	-	Vehicles - Replacing JIL288
31,140	76,230	77,754	33,045	-	-	35,067	85,848	87,564	40,192	<b>Total Renewals</b>

Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	Total Planning and Regulatory Services Projects <i>Primary Type – To improve the Level of Service</i>
-	-	-	-	-	-	-	-	-	-	Animal - Dog Pound shade and kennel repairs
-	-	-	-	-	-	-	-	-	-	Animal Control - Dog Pound driveway concreting
-	-	-	-	-	-	-	-	-	-	Animal Control - Dog Pound facility refurb investigation costs
-	-	-	-	-	-	-	-	-	-	Parking - Meter Upgrades
-	-	-	-	-	-	-	-	-	-	<b>Total Level of Service</b>

Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	Total Planning and Regulatory Services Projects <i>Primary Type – To meet additional demand</i>
-	-	-	-	-	-	-	-	-	-	Animal Control - Dog Pound facility refurb
-	-	-	-	-	-	-	-	-	-	<b>Total Growth</b>

<b>Total Planning and Regulatory Services Projects <i>Primary Type</i></b>	<b>AP 20/21</b>	<b>Yr 1 21/22</b>	<b>Yr 2 22/23</b>	<b>Yr 3 23/24</b>	<b>Yr 4 24/25</b>	<b>Yr 5 25/26</b>	<b>Yr 6 26/27</b>	<b>Yr 7 27/28</b>	<b>Yr 8 28/29</b>	<b>Yr 9 29/30</b>	<b>Yr 10 30/31</b>
Renewal	36,484	4,000	19,475	-	21,434	27,383	67,164	68,640	29,230	-	-
Level of Service	-	80,000	25,625	-	-	93,101	-	-	-	71,694	-
Growth	-	-	-	-	535,850	-	-	-	-	-	-
<b>Total Planning and Regulatory Projects</b>	<b>36,484</b>	<b>84,000</b>	<b>45,100</b>	<b>-</b>	<b>557,284</b>	<b>120,483</b>	<b>67,164</b>	<b>68,640</b>	<b>29,230</b>	<b>71,694</b>	<b>-</b>

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Total Planning and Regulatory Services Projects
31,140	76,230	77,754	33,045	-	-	35,067	85,848	87,564	40,192	Renewal
-	-	-	-	-	-	-	-	-	-	Level of Service
-	-	-	-	-	-	-	-	-	-	Growth
31,140	76,230	77,754	33,045	-	-	35,067	85,848	87,564	40,192	<b>Total Planning and Regulatory Services Projects</b>





Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Regulatory Services Group of Activities
<b>Sources of Operating Funding</b>										
2,630	2,676	2,717	2,756	2,803	2,842	2,887	2,934	2,979	3,028	General rates, uniform annual general charges, rates penalties
-	-	-	-	-	-	-	-	-	-	Targeted rates
-	-	-	-	-	-	-	-	-	-	Subsidies and grants for operating purposes
256	261	266	271	277	282	288	294	300	306	Fees and charges
4,901	5,001	5,101	5,203	5,309	5,419	5,531	5,644	5,757	5,873	Local authorities fuel tax, fines, infringement fees, and other receipts
-	-	-	-	-	-	-	-	-	-	Internal charges and overheads recovered
<b>7,787</b>	<b>7,938</b>	<b>8,084</b>	<b>8,230</b>	<b>8,389</b>	<b>8,543</b>	<b>8,706</b>	<b>8,872</b>	<b>9,036</b>	<b>9,207</b>	<b>Total Operating Funding (A)</b>
<b>Applications of Operating Funding</b>										
774	791	806	822	838	855	873	890	908	927	Payments to staff and suppliers
19	17	17	17	15	12	10	9	7	6	Finance costs
6,893	7,027	7,157	7,286	7,428	7,564	7,706	7,853	7,999	8,151	Internal charges and overheads applied
-	-	-	-	-	-	-	-	-	-	Other operating funding applications
<b>7,686</b>	<b>7,835</b>	<b>7,980</b>	<b>8,125</b>	<b>8,281</b>	<b>8,431</b>	<b>8,589</b>	<b>8,752</b>	<b>8,914</b>	<b>9,084</b>	<b>Total applications of operating funding (B)</b>
<b>101</b>	<b>103</b>	<b>104</b>	<b>105</b>	<b>108</b>	<b>112</b>	<b>117</b>	<b>120</b>	<b>122</b>	<b>123</b>	<b>Surplus (deficit) of operating funding (A-B)</b>
<b>Sources of capital funding</b>										
-	-	-	-	-	-	-	-	-	-	Subsidies and grants for capital expenditure
-	-	-	-	-	-	-	-	-	-	Development and financial contributions

<b>Horowhenua District Council</b>	<b>AP</b>	<b>Yr 1</b>	<b>Yr 2</b>	<b>Yr 3</b>	<b>Yr 4</b>	<b>Yr 5</b>	<b>Yr 6</b>	<b>Yr 7</b>	<b>Yr 8</b>	<b>Yr 9</b>	<b>Yr 10</b>
<b>Funding impact statement for the years</b>	<b>20/21</b>	<b>21/22</b>	<b>22/23</b>	<b>23/24</b>	<b>24/25</b>	<b>25/26</b>	<b>26/27</b>	<b>27/28</b>	<b>28/29</b>	<b>29/30</b>	<b>30/31</b>
<b>2021/22 to 2040/41 for Regulatory</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
<b>Services Group of Activities</b>											
Increase (decrease) in debt	(22)	14	(30)	(77)	483	39	(19)	(19)	(59)	(19)	(97)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>(22)</b>	<b>14</b>	<b>(30)</b>	<b>(77)</b>	<b>483</b>	<b>39</b>	<b>(19)</b>	<b>(19)</b>	<b>(59)</b>	<b>(19)</b>	<b>(97)</b>
<b>Applications of capital funding</b>											
Capital expenditure											
- to meet additional demand	-	-	-	-	536	-	-	-	-	-	-
- to improve the level of service	-	80	26	-	-	93	-	-	-	72	-
- to replace existing assets	36	4	19	-	21	27	67	69	29	-	-
Increase (decrease) in reserves	2	-	-	-	-	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>38</b>	<b>84</b>	<b>45</b>	<b>-</b>	<b>557</b>	<b>120</b>	<b>67</b>	<b>69</b>	<b>29</b>	<b>72</b>	<b>-</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(60)</b>	<b>(70)</b>	<b>(75)</b>	<b>(77)</b>	<b>(74)</b>	<b>(81)</b>	<b>(86)</b>	<b>(88)</b>	<b>(88)</b>	<b>(91)</b>	<b>(97)</b>
<b>Funding Balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Depreciation	59	70	73	73	68	73	77	77	77	78	81

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Regulatory Services Group of Activities
(70)	(27)	(26)	(72)	(108)	(112)	(82)	(34)	(34)	(83)	Increase (decrease) in debt
-	-	-	-	-	-	-	-	-	-	Gross proceeds from sale of assets
-	-	-	-	-	-	-	-	-	-	Lump sum contributions
-	-	-	-	-	-	-	-	-	-	Other dedicated capital funding
(70)	(27)	(26)	(72)	(108)	(112)	(82)	(34)	(34)	(83)	<b>Total sources of capital funding (C)</b>
										<b>Applications of capital funding</b>
										Capital expenditure
-	-	-	-	-	-	-	-	-	-	- to meet additional demand
-	-	-	-	-	-	-	-	-	-	- to improve the level of service
31	76	78	33	-	-	35	86	88	40	- to replace existing assets
-	-	-	-	-	-	-	-	-	-	Increase (decrease) in reserves
-	-	-	-	-	-	-	-	-	-	Increase (decrease) of investments
31	76	78	33	-	-	35	86	88	40	<b>Total applications of capital funding (D)</b>
(101)	(103)	(104)	(105)	(108)	(112)	(117)	(120)	(122)	(123)	<b>Surplus (deficit) of capital funding (C-D)</b>
-	-	-	-	-	-	-	-	-	-	<b>Funding Balance ((A-B)+(C-D))</b>
82	82	82	83	83	83	84	84	85	85	Depreciation

## Activity Expenditure for Regulatory Services

Activity Operating Expenditure Including depreciation	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Animal Control	217	284	288	294	299	328	336	343	350	358	365
Dog Control	514	714	728	743	759	776	794	811	829	850	871
Building Policy	-	441	470	481	490	501	513	524	536	550	563
Environmental Health	445	545	556	568	579	591	606	618	633	649	665
Liquor Policy	44	74	74	76	78	79	81	83	85	87	89
Parking	452	439	453	462	471	481	495	505	517	528	545
Planning Policy	375	448	457	467	476	486	498	508	520	534	547
Building Consents	1,678	1,494	1,611	1,628	1,654	1,690	1,730	1,766	1,807	1,852	1,897
Safety Licencing	156	174	178	182	186	190	194	198	203	208	213
Resource Planning	972	1,123	1,145	1,177	1,200	1,226	1,255	1,281	1,311	1,345	1,379
Liquor Licences	231	267	271	276	282	288	295	301	308	316	324
Environmental Health Policy	102	144	147	150	153	156	160	163	167	172	176
<b>Total Expenditure</b>	<b>5,186</b>	<b>6,147</b>	<b>6,378</b>	<b>6,504</b>	<b>6,627</b>	<b>6,792</b>	<b>6,957</b>	<b>7,101</b>	<b>7,266</b>	<b>7,449</b>	<b>7,634</b>

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Activity Operating Expenditure Including depreciation
369	375	380	385	390	396	401	407	412	418	Animal Control
887	904	921	938	956	974	992	1,011	1,030	1,050	Dog Control
574	585	596	606	618	630	641	654	666	679	Building Policy
677	690	703	715	729	742	756	771	785	800	Environmental Health
91	93	95	96	98	100	102	104	106	108	Liquor Policy
552	562	574	585	595	604	615	627	638	650	Parking
557	568	578	589	600	611	623	635	647	659	PLanning Policy
1,931	1,969	2,005	2,042	2,081	2,119	2,159	2,200	2,242	2,284	Building Consents
217	221	225	230	234	239	243	248	253	258	Safety Licencing
1,403	1,431	1,457	1,484	1,512	1,540	1,569	1,599	1,629	1,660	Resource Planning
330	336	342	349	355	362	368	376	383	390	Liquor Licences
179	183	186	190	194	197	201	205	209	213	Environmental Health Policy
<b>7,767</b>	<b>7,917</b>	<b>8,062</b>	<b>8,209</b>	<b>8,362</b>	<b>8,514</b>	<b>8,670</b>	<b>8,837</b>	<b>9,000</b>	<b>9,169</b>	<b>Total Expenditure</b>

\*Including operating expenditure and loans (where applicable).

# Infrastructure Strategy 2021 - 2051

Te Rautaki Hanganga Metarahi

# Definitions

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## Asset Management Plan (AMPs)

An Activity Management Plan (AMP) is a considered, infrastructure plan that is asset related, which details how individual Activities are managed and the Levels of Service for the Activity to the end user or customer.

The plans are used as the basis of the work programmes and budgets that are included in the Infrastructure Strategy and Long Term Plan. The plans have succinct descriptions of problems, benefits and consequences, for each of the separate activities, and establish the justification for option identification and provide detailed analysis to substantiate the selection of the preferred programme.

## Level of Service (LoS)

The quality of service a Council Activity is committed to provide to the community.

## Renewal

The replacement of an existing asset, at the end of its defined useful life.

## Core infrastructure

Infrastructure that relates to Water Supply, Wastewater, Stormwater, and Land Transportation networks.

## Three Waters

Infrastructure relating either to Water Supply, Wastewater, or Stormwater.

## Financial Strategy

A fundamental Strategy in Council's Long Term Plan that sets out 20 years of prudent financial management.

## Statement of Service Provisions (SSPs)

A requirement of the Long Term Plan, each Group of Activities sets out the Level of Services and rationale for why Council supplies the Activity services to the community.

## Infor Public Sector (IPS)

An asset management system used by Council to improve asset efficiency by scheduling maintenance, managing costs, and recording details of Council assets for Water Supply, Wastewater, and Stormwater.

## Road Asset and Maintenance Management (RAMM)

An asset management system used by Council to improve asset efficiency by scheduling maintenance, managing costs, and recording details of Council assets for Land Transportation.

## CCTV

Closed-circuit television (CCTV) is a monitoring system strategically placed in our infrastructure network, but can traditionally be used for surveillance and security purposes.

## CMPs

Catchment Management Plans.

# Introduction

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**The Horowhenua District is going through a period of transformation. Following a long period of static population growth, the Horowhenua District has grown at a rate of 2% per annum since 2014, and is projected to reach over 80,000 by 2051.**

This high level of growth provides a number of challenges and opportunities for Council to balance in delivering its infrastructure activities, including the need to renew or replace ageing assets as well as providing new assets to accommodate growth. This document provides the key strategic direction for balancing these needs. It aligns with the Financial Strategy to ensure the delivery of these activities is not only affordable for the community but also sustainable.

Council is taking a proactive approach to planning for growth and at a regional level has been a key partner in the development of the Wellington Regional Growth Framework and the Manawatū-Whanganui Regional Spatial Plan. The Wellington Regional Growth Framework includes the following key initiatives that will impact on future infrastructure requirements:

- Developing a regional approach to climate change impacts including coastal protection, longer term development areas and areas to stop developing. This will include a programme to consider the management of three waters, rail and road assets at risk and how to protect taonga.

- Developing a 50 to 100 year regional three waters strategy to support anticipated growth, including upgrades to infrastructure (including bulk infrastructure) that supports growth in key development areas and improves environmental outcomes. This work is already underway locally through master planning exercises in Levin for the Water Supply and Wastewater network.
- Increase rapid transit rail/bus network accessibility, capacity and frequency including inter-regional connectivity.
- Significantly improve multi-modal connections to rapid transit stops as part of master planning and delivery of higher density urban development in major centres, and at nodes. Levin rail hub will be one of these key nodes.
- Establish a connected regional cycling network by eliminating pinch points on the network and delivering transformational projects to improve access.

At a local level, Council is proactively planning for changing land use and infrastructure through undertaking integrated growth planning. This includes the development of a Blueprint for Horowhenua that will provide a long term vision and action plan for our district; as well as, master plans, and the implementation of plan changes for growth areas such as Tara-Ika (to the east of Levin), Waitārere Beach and Foxton Beach.

This Strategy was also developed in the context of significant legislative change. Despite the Three Waters Review, that proposes the creation of multi-regional entities to take over the delivery of the three waters functions from local government, our planning in the Long Term Plan (LTP) has been undertaken on the assumption we will retain our three waters assets. Increased emphasis is being placed on climate change, in response to the Zero Carbon Act, and planning is being undertaken in response to upcoming changes resulting from the implementation of the National Policy Statement for Freshwater as part of the Government's freshwater priorities.



## Partnership with Tangata Whenua

The Horowhenua district covers an area that contains the rohe of:

- Muaūpoko
- Ngāti Apa
- Ngāti Raukawa
- Rangitāne

Council values iwi as our treaty partners and will continue to develop these relationships when delivering our infrastructure services. This includes building on advances made from removing wastewater discharges from water to land based disposal methods, improving stormwater discharge and taking a collaborative approach to consenting processes and key projects of interest.

## Purpose and Scope

This 30-year Infrastructure Strategy is part of Council's strategic planning framework that includes Activity Management Plans, and the Financial Strategy. The Infrastructure Strategy sets out a 30-year plan for managing the infrastructure assets for:

- Land Transport
- Water Supply
- Wastewater
- Stormwater
- Community Facilities
- Community Infrastructure
- Property

The Infrastructure Strategy will help the Council and the community make informed decisions and plan for major investments that may be required in the next 30 years.

The purpose of the Strategy is to identify the significant infrastructure issues for the Horowhenua district over the next 30 years,

the options for managing the issues and the implications.

It initially sets out the significant challenges for the district, and outlines how Council intends to manage its infrastructure assets, particularly in relation to:

- The replacement of existing assets.
- Responding to changes in population growth and increasing demand.
- Changes to levels of services.
- Public health and environmental outcomes.
- And improving resilience of our infrastructure assets.

The most likely scenario is provided for each activity which identifies the significant decisions that will be required, when those decisions are required, the options and approximate costs.

The projected capital and operating expenditure is provided for all activities.

## Council Activities not included

### Solid Waste

The Solid Waste activity is not covered in this Strategy. A Solid Waste business review is considering the future of Council's operation, ownership and involvement in service provision in the solid waste area. Until decisionmaking for this is complete, there is uncertainty over what assets will be owned, or activities managed, by Council.

### Non-Council Infrastructure

Both Central Government and the private sector provide and maintain other infrastructure groups vital for needs of the community. These include the state highway network, the rail network, communications, and electricity and gas networks. These services are not covered under this Strategy.

## Infrastructure Delivery

Council will deliver the capital programme through:

Continuing to develop a long term procurement plan to engage with the market on the roll out of Council's planning, design and construction contracts over the 3 year Long Term Plan cycle.

Optimising Council's current multi-year collaborative three waters and roading contracts.

Working with neighbouring councils to optimise regional procurement plans, collaborate on contract opportunities and share resources.

Regularly engage with contractors/consultants and their supply chain to maintain awareness of the work programme and align with opportunities and constraints as they arise.

## Infrastructure Funding

Council uses debt (loans) to fund the cost of providing new infrastructure for growth and increases to levels of service, to ensure future generations pay their fair portion of the cost of the new assets which they will use. We are also proposing to re-introduce the use of development contributions to pay for capital projects associated with growth.

Council aims to use rates to fund the replacement (renewal) of assets, ensuring that current generations contribute to the asset replacement as they use the asset. Council has not always funded renewals from rates in the past. This has resulted in the need to loan fund some of those renewals to maintain assets which is not sustainable.

Council is also committed to exploring other sources of revenue, such as external grants, to pay for infrastructure needed to meet the needs of the growing community.

Further detail is provided as part of the Financial Strategy.

# Goals

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Our infrastructure assets account for to the majority of Council's spending. The goals identified in this Strategy align with the purpose of local government in providing for the economic, social, cultural and environmental wellbeing of the community, and Council's Community Outcomes of:

- Strong Community
- Vibrant Economy
- Outstanding Environment
- Fit for Purpose Infrastructure
- Partnership with Tangata Whenua

To continue to support the wellbeing and future growth of the district, Council aspires to achieve the following infrastructure related goals:

<b>Goal 1</b>	<b>Provide affordable levels of service through prudent infrastructure management.</b> Council will strive to ensure that the levels of service provided to the community are delivered at an affordable level. This will be achieved through careful asset management. This means Council will not over or under invest in maintenance and renewal treatments, and improvement work will be well planned to ensure expected levels of service are provided but not exceeded.
<b>Goal 2</b>	<b>Engage with our community to ensure customer expectations match infrastructure investment.</b> Council will foster stronger partnerships with our community. This will enable the community to gain a stronger understanding of infrastructure investment options and for Council to better understand the community's priorities and spending appetite.
<b>Goal 3</b>	<b>Ensure infrastructure is fit for purpose for our current community whilst also facilitating growth.</b> Horowhenua is experiencing unprecedented levels of growth, which presents significant infrastructure challenges. Council will strive to provide the infrastructure required to enable growth, while not compromising the affordability of infrastructure for our current community.
<b>Goal 4</b>	<b>Provide infrastructure which supports wellbeing and enables a sustainable community.</b> Council will provide infrastructure which supports and improves the wellbeing of the entire community, while delivering infrastructure which supports beneficial environmental outcomes.



# Significant Challenges for the District & How We Will Manage Them

## Population Growth & Increasing Demand

### Challenge

For a long period, the Horowhenua district had a relatively stable population. However, since 2014 our population has been growing at a rate of 2% per annum. The population of the Horowhenua district at the 2018 Census was 33,261, and is projected to be 36,708 by June 2021. Moving forward our district's population is projected to grow at a rate of; 2.6% per annum from 2021 until 2031, increasing to 2.9% per annum until 2051. This means our population will increase to over 62,000 by 2041 and over 80,000 by 2051.

The increase in population means the number of houses throughout the district will more than double by 2051. The current number of houses is estimated to be 16,606 as of June 2021. This is anticipated to grow by 21,145 to 37,751 by 2051.

This growth will have a number of impacts on demand across the infrastructure activities included in this strategy. To ensure Horowhenua remains a great place to live Council needs to ensure infrastructure is provided in a manner that proactively meets demand to

support affordable property prices, and that user satisfaction and needs are met for our community infrastructure and facilities. The challenges being faced include:

- Increased and changing demand on the roading network due to population growth and the Ōtaki to North Levin (Ō2NL) expressway, which will require upgrades such as road widening, intersection upgrades or additional active transport provision.
- Increased demand for water supply, particularly for Levin where the volume of water that can be taken from the Ōhau River is dependent on water flow.
- Increased stormwater discharge and the requirement for Council to gain resource consents for stormwater discharges.
- The lack of reticulated stormwater networks (outside of those for the roading network) throughout the district.
- Increased pressure on the wastewater

reticulation network and the wastewater treatment plants which will require upgrades, particularly for Levin.

- Increased pressure on existing parks, reserves, sportsgrounds, and open space, and demand for new facilities brought on by growth.
- Vesting of new reserves and open space in Council resulting from new subdivisions.
- An increase in the roading network that will require additional tree and berm maintenance.
- Additional pressure on Council's cemeteries.
- Water space shortage during peak times at the Levin Aquatic Centre and the building at Foxton Pool being no longer fit for purpose.
- Demand for building land to facilitate the growth in housing required over the term of this Strategy including housing of an affordable nature.

## Our Response

To address these challenges Council is proactively planning for future assets and activities to ensure they will be fit for purpose for the growing community. This planning has already started, and occurs early in the LTP to ensure that required projects can be completed just-in-time to meet growth demands. The focus on just-in-time delivery is to ensure infrastructure is not delivered too early, but right when needed. There is a risk that growth may occur differently than in Council's assumption, therefore, actual growth patterns in the district will be monitored and work programmes adjusted yearly as required. For the specific activities the following approaches are being undertaken:

- A high level of planning is being undertaken for the Land Transport network early in the LTP to provide an increasingly comprehensive understanding of the growth related upgrades required (including as a result of Ō2NL), with budget assigned in the LTP to complete the growth related upgrades.
- Water demand management, such as leak detection and water metering of new houses continues to be undertaken to reduce demand on the water supply network. Additionally, planning for increased water storage capacity, such as the development of a water reservoir, is underway to take more water from the Ōhau River in high flows, and store it for when the river has low flows.

- Sustainable stormwater management is incorporated into all planning, design and delivery aspects of our infrastructure. This includes working collaboratively with developers to mitigate the effects of residential and industrial growth on our stormwater systems and waterways.
- A master plan is being developed for the Levin Wastewater Treatment Plant to inform a decision on whether upgrades should be undertaken to the existing wastewater treatment plant and land based disposal option, or whether a new plant is required.
- Development planning is being undertaken for the major reserves. Investment is planned to further develop key sporting hubs for the district, such as Donnelly Park and Levin Domain.
- Council is beautifying only those areas that provide maximum value for the majority of the population and is in the process of ensuring it only plants street trees suitable for the site.
- Council is in the process of producing development plans for its cemeteries.
- Council is evaluating its land-holdings to facilitate growth which will include new developments at the Kilmister Block in Foxton Beach and considering non-core land for housing developments including affordable housing.
- Development planning is being undertaken for both the Levin Aquatic Centre and Foxton Pool to ensure the facilities are fit for purpose for the projected growth and increase in demand.



## Ageing Infrastructure & Renewals

### Challenge

A considerable amount of development occurred in the district 60-70 years ago, meaning the district has old and ageing infrastructure, particularly for the three waters network. Additionally, across all of the infrastructure activities, there has been historic underfunding of renewals. As ageing of assets occurs, reactive maintenance will increase. A key challenge for the district is the balance between reactive maintenance, programmed maintenance, and the inevitable rehabilitation or replacement of assets that have both physically and economically run past the point of repair.

### Our Response

Council's approach to managing the ageing infrastructure network and renewals has the following key aspects:

- Asset maintenance and renewals strategies are developed to stabilise the average asset useful life of all Council's infrastructure.
- Continual improvements to asset condition assessment programmes, alongside a focus data collection and analysis will help inform efficient maintenance and renewal strategies across all of Council's infrastructure.
- Renewal programmes are informed using analysis of remaining useful lives, condition assessments. Renewal programmes are phased smoothly, preventing cost or resource capacity spikes over the LTP period. This is the most effective way to address renewal from funding planning and delivery point of view.
- Just-in-time provision. Ensuring assets are renewed only when necessary and just before upgrades are required due to increasing maintenance costs or as a result of growth pressure.
- Future-proofing where appropriate. When undertaking renewal work, also undertaking improvements to cater for growth where required. This approach will reduce long term costs associating with retrofitting assets and will be assessed on a case by case basis, considering the balance between the benefits of undertaking the improvement works and the desire for just-in-time infrastructure provision identified above.
- Council is planning to catch up on the required renewals for water and wastewater over the 30 year plan. A consistent programme of stormwater renewals over the 30 year period is planned, however due to investment needed for growth approximately \$19 million of required renewals will not be completed during the 30 years. This will be reassessed during the next long term plan.

## Resilience - Natural Hazards and Climate Change

### Challenge

The global climate is changing, with more and more emphasis being placed on climate change response. This response is occurring at all levels of government – national, regional and local. The Zero Carbon Amendment Act provides the framework for climate change policies to contribute to the Paris Agreement and prepare for and adapt to climate change impacts.

In the long term it is expected climate change will result in gradual change in environmental conditions throughout the district by 2041 such as increasing temperatures of between 0.7°C and 1.1°C, increases in precipitation, sea level rise of 0.3 metres and an increase in extreme rainfall events by ~14%<sup>1</sup>. A study by Horizons Regional Council shows there is likely to be an impact within the next 30 to 50 years on coastal areas, from a combination of rising tides and coastal erosion. Flooding is the most frequently experienced natural hazard in the district, with the district also at risk of earthquakes and tsunamis.

Our infrastructure activities are experiencing the following challenges:

- All infrastructure assets are at risk of damage resulting from earthquakes. There is a range of resilience in the infrastructure assets to earthquakes, however, a significant event could create damage for many assets.
- Land Transport Network is highly dependent on private vehicles which contribute to New Zealand's greenhouse gas emissions. The Land Transport Network is also at risk of road closures and slips, from heavy rain, flooding and earthquakes, resulting in the need for increased reactive maintenance. Our resilience to climate change in the Land Transport Activity is poorly understood.
- The three waters network has a number of climate change related risks, including the flows of the Ōhau River for the Levin water supply in the event of increased dry periods, heavy rainfall putting pressure on the wastewater networks through inflow and infiltration and creating challenges for land based disposal. Increased heavy rainfall can also cause potential flooding of the stormwater networks.
- Community infrastructure has the potential to be damaged by storm events, particularly the street tree network. Storm events can also create erosion along the coast and rivers, and excessive rain on reserves can cause issues for sports fields.

### Our Response

Opportunities for climate change mitigation and resilience are considered throughout all of Council's infrastructure and planning activities, this includes:

- Urban planning practices which encourage active transport friendly developments to reduce reliance of private passenger transport.
- Consideration of the location of the development of our infrastructure assets to reduce risks associated with climate change and increase resilience.
- Increased investment in active transport and advocacy for improved public transport, such as rail and buses with the aim to reduce transport climate emissions.
- Undertaking a programme of renewals and maintenance to reduce inflow and infiltration into the wastewater network.
- Undertaking planting of indigenous species e.g. Spinifex and Pingau to provide resilience to Council's dune systems from storms and localised erosion. Council is also considering established back dunes for succession planting.
- Proactive street tree management to reduce hazards such as wind-throw in storm events.
- Increased tree planting to act as carbon sinks.
- Development of wetlands to mitigate the effect of increased overland flow and stormwater.
- Increasing understanding of risks (e.g. stormwater catchment management plans).
- Planning for future water sources and storage to future-proof the Levin water supply.

<sup>1</sup> per degree of warming for a 1 hour, 1 in 100 year event



## Changes to Levels of Service

### Challenge

As the population grows, there is increasing customer expectations across all activities for improved levels of service. This includes; increased demand for improvements such as for greenspace development, the standard of service for rural residential properties, stormwater, the quality and supply of water, the provision of aquatic facilities, and demand for active transport methods. This growing customer expectation is often a result of new residents moving from urban centres that have greater facilities, and it is important that the Horowhenua provides desirable facilities and services to encourage and support growth.

### Our Response

To meet changing customer expectations, Council is undertaking development planning across all of the activities identified in this strategy to identify the upgrades and projects required to meet these increasing demands. This includes development planning for parks and reserves and aquatics, active transport improvements, and the future-proofing of our three waters network. The implementation of development plans will be timed alongside population growth and increased demand on services, and will also be balanced with affordability considerations.

## Public Health and Environmental Outcomes

### Challenge

Council's infrastructure assets provide a significant contribution to public health and environmental outcomes. In particular the roading network contributes to public health and safety, as safer roads can cause less harm from accidents, and the provision of walking and cycling infrastructure can promote physical exercise. The three waters networks through water takes, and wastewater and stormwater discharges have an impact on environmental outcomes. Council's wastewater discharges are now all land-based (rather than river based) which supports improved environmental outcomes. Providing water which is safe to drink is also critical for ensuring public health. Access to parks and reserves, and community facilities such as community centres and aquatic centres contribute to physical and mental wellbeing by encouraging physical activity, as well as, social wellbeing by enabling opportunities for community connection and support services.

The challenges across the activities covered in this Strategy are diverse:

- The ongoing challenges for land transport are creating safer roads, and improving the provision of active transport assets.
- Challenges for the three waters network are providing services for a growing population, continuing to provide water that

is safe to drink, as well as reducing potential environmental impacts from water takes and wastewater discharges. Resource consents required for stormwater discharges will potentially require investment in the pre-treatment of stormwater prior to disposal.

- The National Policy Statement for Freshwater will result in higher environmental standards and increased costs to meet them.
- For parks and reserves there are ongoing challenges of securing sufficient funding to meet the requirements Horizons Regional Pest Plan.
- Upcoming requirements for the strengthening or demolition of earthquake-prone buildings remains a challenge for our property assets. The costs associated with these works are significant, and while Council has disposed of many of these properties in recent years there will be a number, such as the Levin and Shannon Grandstands, Surf Life Saving Clubs and the Levin Memorial Hall which are likely to remain under Council ownership.
- The majority of public toilets are in excess of 50 years old and many are constructed of difficult to clean materials. There is a need to improve a number of these facilities by introducing more modern surfaces and in some cases complete replacement.
- It is likely Covid-19 will be an ongoing feature

of public health concerns over the medium to long term. This will require a higher level of maintenance in publicly accessible buildings as and when necessary to reduce transmission.

- There is an ongoing need to continue to ensure aquatic facilities, provide adequate water treatment to protect the public from illness.

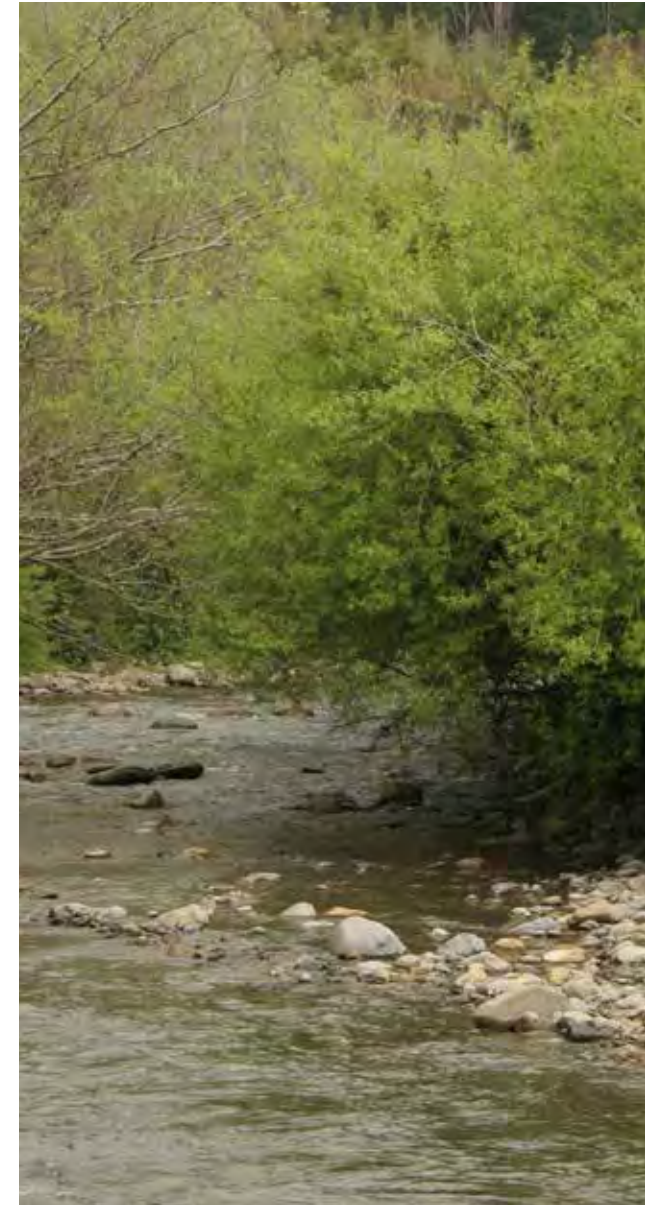
## Our Response

The approaches to managing these challenges are equally diverse:

- For the Land Transport Network significant investment is being included for safety improvements and improvements to walking and cycling facilities across the roading network. Changes to setting of speed limits will be adequately resourced.
- Council will continue to actively engage with Horizons on the implementation of the National Policy Statement for Freshwater for the three waters activity and has budgeted to cover increasing compliance costs associated with increased requirements for environmental outcomes.
- Costs of compliance with the Horizons Regional Pest Plan are budgeted for.
- Non-core property that is earthquake-prone

will continue to be disposed of in accordance with Council's Property Strategy, whereas those considered core will be strengthened or demolished in line with the relevant legislation over the course of this plan.

- Budgets for minor (public toilet improvements) and major (replacement of public toilets) have been identified
- Any redevelopment or new aquatic provision will continue to provide adequate water treatment to protect human health.



# Infrastructure Groups

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**This section summarises the most likely scenario for each Activity, including the key issues, significant decisions that will be required, when those decisions are required, the options (including the preferred option) and costs.**

The costs outlined in this section have been modelled in the draft Financial Strategy. All figures include inflation.



# Land Transport

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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 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'.

This Activity is heavily influenced by Waka Kotahi / New Zealand Transport Agency (NZTA), which is Council's co-investment partner for roading and the Optimised Programme (Council's programme of road 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.

## Land Transport Significant Issues

- Increasing competition and demand on resources is threatening our ability to deliver adequate planning, quality data and physical works, resulting in increased costs and delays.
- Anticipated growth impacts (both residential and industrial) and increases to State Highway capacity are leading to changes in demand.
- Significant harm to the community is caused by injury crashes, caused by a high risk transport network and poor driver behaviour, disproportionately affecting vulnerable users.
- Stronger than predicted growth has accelerated deterioration, resulting in poor asset condition.
- Resilience of Infrastructure to natural hazards and climate change is poor or poorly understood, resulting in safety issues, access limitations and reactive maintenance.
- The changing needs and expectations (mobility, active modes) of the community require additional investment to meet Level of Service for all modes.

## Land Transport Activity Principal and Alternative Options

Issues specific to the Land Transport Activity are shown in the following tables, including the preferred and alternative options. The preferred options have been factored into the capital and operational expenditure budgets.



## Significant Decisions Required

### Changes in network demand caused by the Ōtaki to North of Levin Expressway

The Ōtaki to North of Levin Expressway (Ō2NL) will cause transformational changes to traffic demand across the local road network. The main entrances into Levin will be relocated, forcing dramatic traffic movement changes. The existing local road network is not appropriately developed to cater to these changes and increases in traffic movements. Significant transport planning is required to determine the most appropriate network improvements required to provide an acceptable level of service when Ō2NL is opened in 2029. Currently, the level of funding assistance from Waka Kotahi for this work has not been confirmed.

Principal and Alternative Options	Year decision needs to be made	Cost Impact
<p><b>Stage network improvements over the next 10 years (preferred option).</b></p> <p>This option would spread the required local road improvements over the next 10 years, enabling consistent progress without placing unrealistic demands on ratepayers or contractors.</p>	2021	<ul style="list-style-type: none"> <li>• \$30M over 10 years (2021/22 – 2031/32)</li> </ul>
<p><b>Stage network improvements over the next 5 years.</b></p> <p>This option would spread the required local road improvements over the next 5 years, this option would reduce the risk of the required upgrade works being undelivered by 2030 when Ō2NL opens, but would be placing a significant funding demand on ratepayers over the next 5 years.</p>	2021	<ul style="list-style-type: none"> <li>• \$30M over 5 years (2021/22 – 2026/27)</li> </ul>
<p><b>Delay network improvements for 5 years.</b></p> <p>This option would delay the required local road improvements over the next 5 years. This option would delay inevitable funding demands until 2026/27, but concentrate the funding demands over the final 5 years. This option also greatly increases risk of not delivering required upgrades by the time Ō2NL opens, as contractor and material resources is expected to be difficult to secure once Ō2NL construction has started.</p>	2021	<ul style="list-style-type: none"> <li>• \$30M over 5 years (2026/27 – 2031/22)</li> </ul>

## Asset deterioration is accelerating

Our condition assessments and asset data analysis indicated that the current level of investment in renewals is insufficient, causing asset deterioration. The most likely cause of this is due to higher than expected traffic growth over the last 5 years, and pressure to keep renewal expenditure low from Waka Kotahi. The most significant increase is in sealed roads resurfacing budgets.

Principal and Alternative Options	Year decision needs to be made	Cost Impact
<p><b>Increase renewals spending to stabilize asset condition (preferred option).</b></p> <p>Increase funding to allow more targeted renewals in key areas to prevent further asset deterioration. This option allows assets to continue providing an acceptable level of service without requiring strong funding demands, and provides the best value for money in the long term.</p>	2021	<ul style="list-style-type: none"><li>• \$0.9M per year increase on average</li><li>• 60% subsidised</li></ul>
<p><b>Increase renewals spending to improve asset condition.</b></p> <p>Increase funding to provide a higher level of service but at a higher cost.</p>	2021	<ul style="list-style-type: none"><li>• \$1.2M per year increase</li><li>• 60% subsidised</li></ul>
<p><b>Increase renewals spending to the bare minimum to meet reporting requirements.</b></p> <p>Increase funding by a small amount by allowing asset condition to continue to deteriorate, while meeting minimum renewal requirements set by Waka Kotahi. This option would result in a significantly higher long term cost as asset useful lives will deteriorate rapidly, resulting in higher future renewals costs and immediate increases to reactive maintenance costs.</p>	2021	<ul style="list-style-type: none"><li>• \$0.75M per year increase</li><li>• 60% subsidised</li></ul>

### Low level of community use and satisfaction with active transport infrastructure

There are low levels of satisfaction with the level of service provided for walking and cycling across the district. The majority of the district's road network have no dedicated infrastructure for cyclists and the footpath network coverage is very poor. Both walking and cycling facilities score very low in Council's community satisfaction surveys.

Principal and Alternative Options	Year decision needs to be made	Cost Impact
<p><b>Increase funding for active transport improvements (preferred option).</b>            Increase spending on walking and cycling facilities to improve levels of service and increase safety of vulnerable road users. The proposal includes bundling the currently unsubsidised shared pathway budget in with the subsidised cycling facilities budget to increase total spend without increasing the overall local share.</p>	2021	<ul style="list-style-type: none"> <li>• Cycling facilities total expenditure \$1M/year average.</li> <li>• \$600k/year spending increase – no overall increase to local share.</li> <li>• Walking facilities \$350k/year.</li> <li>• \$100k/year increase – 60% subsidised.</li> </ul>
<p><b>Increase cycling facilities spend, keep walking facilities spend the same.</b>            From a local perspective, not increasing cycling facilities spending is illogical, as by bundling the current shared pathway budget in with the subsidised cycling facilities budget results in more subsidised spending with no local share increase.            Keeping walking facilities spending the same would slow the rate of improvement and the community would remain with a low level of service for longer.</p>	2021	<ul style="list-style-type: none"> <li>• Cycling facilities total expenditure \$1M/year average.</li> <li>• \$600k/year spending increase – no overall increase to local share.</li> </ul>



## Land Transport Operating Expenditure

Land transport operating expenditure relates to the cyclic maintenance of the network, including activities such as repairing potholes, cleaning small land slips and maintaining signs. Network and asset management is also included in this

category. Forecast expenditure over the 30 year planning period is shown in Figure 1. Figures have been adjusted for inflation. This shows the operational expenditure over the 30 year period is projected to be \$527,703,342.

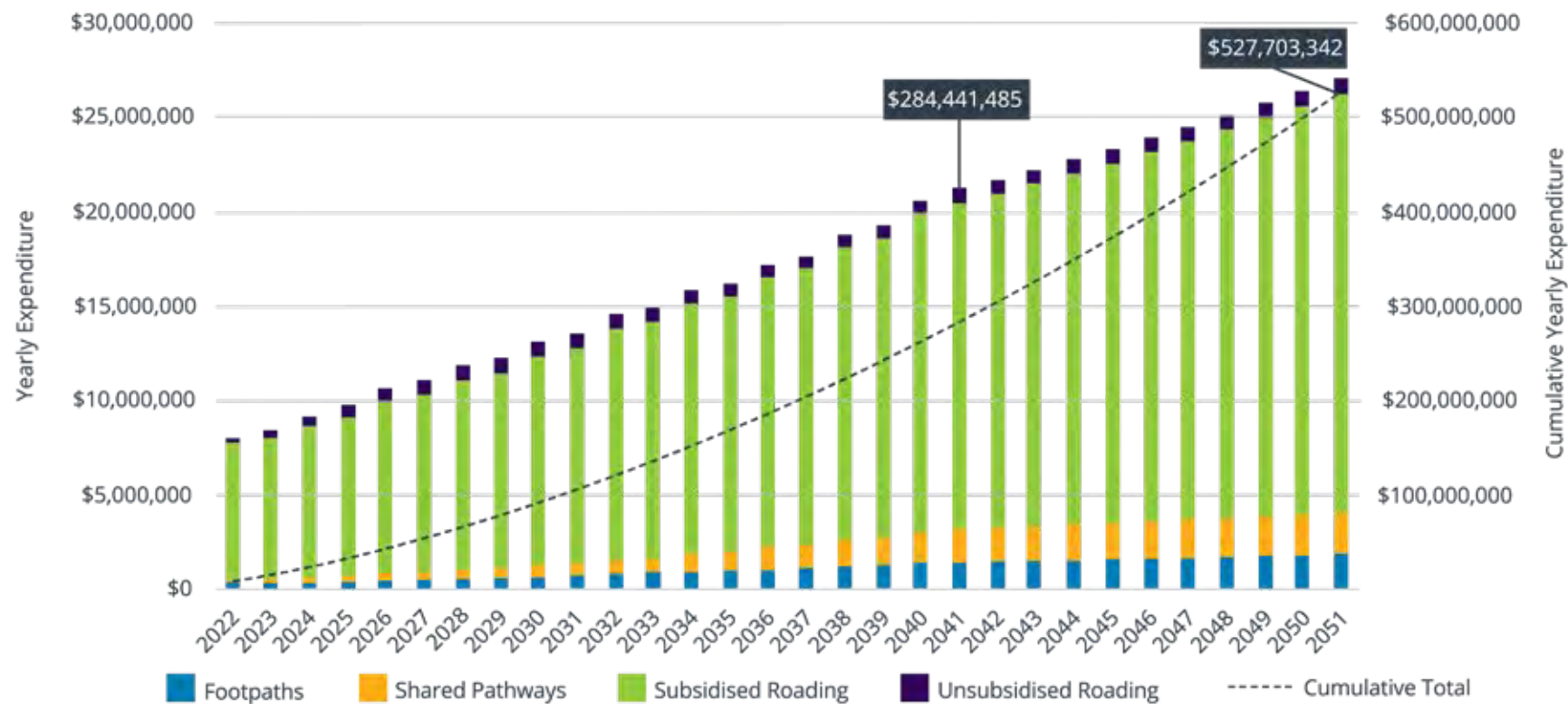


Figure 1: Land Transport Operating Expenditure

## Land Transport Capital Expenditure

Figure 2 shows the projected capital expenditure programme for the Land Transport Activity. Figures have been adjusted for inflation. The Land Transport capital expenditure can be broken down under renewals, improvements and growth. Renewals include activities such as resurfacing or rehabilitation road pavements. Improvements include activities such as safety

improvements and constructing new footpaths. Growth includes projects that are needed to meet a growing population. The total capital expenditure programme over the next 30 years is projected to cost \$637,575,964. The majority of expenditure is proposed for renewals – \$348,699,094 over the 30 year period.

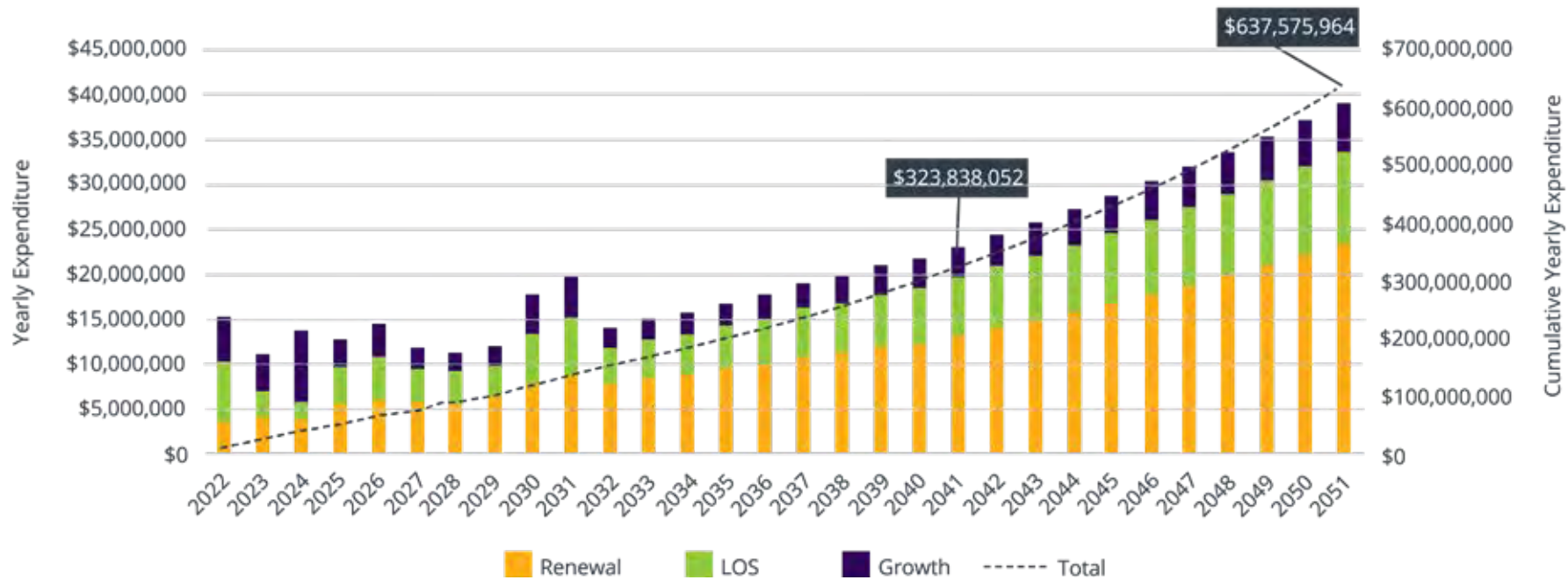


Figure 2: Land Transport Capital Expenditure



# Water Supply

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- Council provides a safe drinking water to over 13,000 households and businesses in Levin, Foxton Beach, Foxton, Shannon and Tokomaru.
- Council owns river intakes, groundwater bores, water treatment plants and water storage facilities, pump stations, and underground pipe networks including all associated accessories within the reticulation network. Council's water supply is managed, operated and maintained by Council staff and contractor's staff as a team - Horowhenua Alliance.

## Water Supply Significant Issues

- Ageing infrastructure resulting in a need to increase our renewals programmes.
- Growth – anticipated growth is leading to increased residential, commercial and industrial demand.
- An increasing population will put added pressure on all our water supply reticulation systems, this issue is particularly acute in Levin. It will be a challenge to meet community expectations of a consistent water supply and maintain a contingency supply for emergencies.
- Water storage and supply for Levin during dry periods. Levin's water supply is from the Ōhau River, and consent conditions mean that the water take is affected by river flows. This means in the dryer periods, the amount of water that can be taken from the river is low and will not be able to cope with increased demand.
- Workforce shortage in Three Waters industry and loss of knowledge.
- Ongoing asset management and asset data improvements required.
- The need to improve the resilience of infrastructure with regard to natural hazards and climate change.

## Water Supply Activity Principal and Alternative Options

Issues specific to the Water Supply Activity are shown in the following tables, including the preferred and alternative options. The preferred options have been factored into the capital and operational expenditure budgets.



## Significant Decisions Required

### Demand for Water – Water Demand Management / Response to Growth

One of the most significant water supply issues the district faces is demand exceeding supply. On average Horowhenua consumes 300 l/d/p which is above average.

Seasonal limitations to our water takes, such as low river levels over the dry months of summer have become more frequent and longer in duration in the past years. This coupled with peak demand during summer are resulting in water restrictions. Under current usage, there is about a 24 hour water storage capacity which is very low. Increasing supply capacity to the Levin water reticulation system will mitigate this risk to our largest growth area and provide options for extending reticulation supply to other areas in the future if required.

## Water Master Plan

We are in the process of improving our water master plan, which takes a long term view of water supply within our district. This incorporates the Water Demand Management work done to date as well as using computer models of our water system to identify where we need to make improvements. The Water master plan includes the following;

- Further improvement work on Water Demand Management in Levin, Shannon and areas but not Foxton Beach.
- Increasing water storage capacity in Levin.
- Finding alternative water supply source for Levin, including supplementary sustainable water supply.
- The requirements for a reticulated water supply to growing smaller settlements such as Waitāreere Beach and Ōhau, which will only be considered once a long term water source for Levin has been secured.

## Water Demand Management

Water intake restrictions from rivers under Horizons Regional Council's One Plan are imposed on Council as part of Water Intake resource consents. This is a particularly acute issue for Levin. This approach is aimed at maintaining river life during the dry weather of summer. The One Plan also seeks to make Council and the community increasingly conscious of the amount of water being used and to lower the rates of unauthorised or wasteful water use.

Whatever long term decisions we make about our future water supply, in the short term we need to reduce the amount of water we use. Finding and securing more water will be necessary in the medium (< 5 years) to long term but our water resources will last longer if we avoid wasting water today. Reducing our consumption will also delay the requirement for new sources of water, delaying the costly investment required for new infrastructure.

Our primary water demand management are:

- Applying water restrictions; already practicing this during summer period
- Detecting and repairing leaks in the network. This is an ongoing programme
- Consider implementing universal water metering
- Reducing water pressure within the distribution network (less coming out of the tap and less pipe leakage). This has been applied in certain places
- Encouraging the use of private water tanks. This is part of the Master Plan for developing areas
- Educating our communities about water conservation

## Levin Water Supply

Principal and Alternative Options	Year decision needs to be made	Cost Impact
<p><b>Improve water source and treatment capacity for Levin (preferred option).</b></p> <ul style="list-style-type: none"> <li>• Long term water source/storage.</li> <li>• Supplementary water supply.</li> <li>• Continue current water demand management initiatives.</li> </ul>	2024 – water source	<ul style="list-style-type: none"> <li>• \$18.3M over the 30 year period.</li> </ul>
<p><b>Secure a new water source only.</b></p> <ul style="list-style-type: none"> <li>• Retain current water treatment capacity.</li> <li>• Continue current water demand management initiatives.</li> </ul>	2024 – water source	<ul style="list-style-type: none"> <li>• \$16.3M over the 30 year period.</li> </ul>
<p><b>Status quo – Water Demand Management.</b></p>	2020/21	<ul style="list-style-type: none"> <li>• Targeted water reticulation renewals as identified from leak detections, \$1.0 – 1.2M.</li> <li>• Continuous water demand management including education programme, \$250 – \$300k.</li> </ul>

### **Future Reticulated Water Supply Schemes for Smaller Settlements**

*Note: As part of the development of the 2018-38 Long Term Plan, Council consulted on whether to implement water supply schemes for settlements that do not currently have this service. Based on this feedback from the community, Council agreed to proceed with feasibility studies for Ōhau and Waitārere Beach. However, as a result of recent growth and the adopted growth assumptions, Council will first focus on securing a long term water source for Levin before reconsidering the options for a reticulated water supply to the district's smaller settlements. Community consultation on any proposal would occur prior to any decision being made.*

<b>Principal and Alternative Options</b>	<b>Year decision needs to be made</b>	<b>Cost Impact</b>
<b>Implementation of a reticulated water supply for Ōhau and Waitārere Beach (preferred option).</b>	Ōhau: 2029 Waitārere Beach: 2032	<ul style="list-style-type: none"><li>• Ōhau: \$16.3M from 2029/30 to 2034/35.</li><li>• Waitārere Beach: \$23.7M from 2033/34 to 2039/40.</li></ul>
<b>Status Quo – do not implement a reticulated water supply for Ōhau and/or Waitārere Beach.</b>	Ōhau: 2029 Waitārere Beach: 2032	<ul style="list-style-type: none"><li>• No cost impact</li></ul>

## Ageing Infrastructure – what we need to renew

We have been leak detecting the water reticulation network both on a reactive and proactive basis. This will be further extended to water treatment plants to condition assess structures. We are also in the process of improving asset capture process for all assets at the treatment plants. This would improve and achieve the useful life of assets so that reactive asset maintenance/replacement can be reduced.

Asbestos Cement (AC) pipes, which were widely used in the 1960s, are now approaching the end of their life. Not only are they susceptible to leakage and earthquake, they also reach a point that they are irreparable. Replacing AC pipes with modern materials with a longer life expectancy will also reduce the long-term cost of funding depreciation.

We are in the process of grouping renewals geographically and develop an asset condition and maintenance programme to maximise opportunities for procurement efficiencies and to minimise disruption to the community.

Principal and Alternative Options	Year decision needs to be made	Cost Impact
<p><b>Renewal backlog and improved asset condition and asset data collection (preferred option).</b></p>	<p>2020/21</p>	<ul style="list-style-type: none"> <li>Require additional \$1.5M on average per annum for a period of approximately 30 years.</li> <li>Develop and implement proactive condition assessment for improved data collection and work programme, \$300k.</li> </ul>
<p><b>Status quo – minimal renewal and reactive condition assessment.</b></p> <p>Critical assets likely to fail and disruption to our community.</p>	<p>2020/21</p>	<ul style="list-style-type: none"> <li>Targeted water reticulation renewals as identified from leak detections, \$1M.</li> </ul>



## Resilience against natural hazards and climate change

Our climate is changing, with predictions of long dry spells in summer, drought and short and intense rain becoming more frequent. Storm events are increasing in our district and across the country. This brings challenges to our water supply source as river flow levels dramatically reduce during a dry period in summer. For a continuous water supply, it is necessary to have sufficient water storage capacity.

Our district contains earthquake fault lines which impose a particular risk for our ageing Asbestos Cement pipes which is quite brittle material in nature.

Principal and Alternative Options	Year decision needs to be made	Cost Impact
<p><b>Increase resilience in our water network and changing AC pipes progressively (preferred option).</b></p> <ul style="list-style-type: none"> <li>• Build necessary resilience (additional line and/or cross connection for critical services).</li> <li>• Where necessary build water storage tanks, cost to be determined.</li> <li>• Provide supplementary sustainable water supply, cost stated in above section.</li> <li>• Encourage sustainable growth by promoting onsite water tanks. No cost implication.</li> </ul>	2020/21	<ul style="list-style-type: none"> <li>• Increase water reticulation renewals, cost estimate of \$0.5 – \$1M per annum.</li> </ul>
<p><b>Status quo.</b></p> <p>Disruption possible to our level of service in our community due to frequent water supply outages.</p>	2020/21	<ul style="list-style-type: none"> <li>• No additional cost on current renewals budget of \$1M per annum, but an expected increase in reactive repairs overtime.</li> </ul>

## Water Supply Operating Expenditure

The forecast of operating expenditure for Water Supply across each scheme is presented in Figure 3. Figures have been adjusted for inflation.

Figure 3 shows the projected operational expenditure for the 30 year period is \$406,937,286. It shows the biggest investment is required for the Levin scheme – 214,581,096 across the 30 year period.

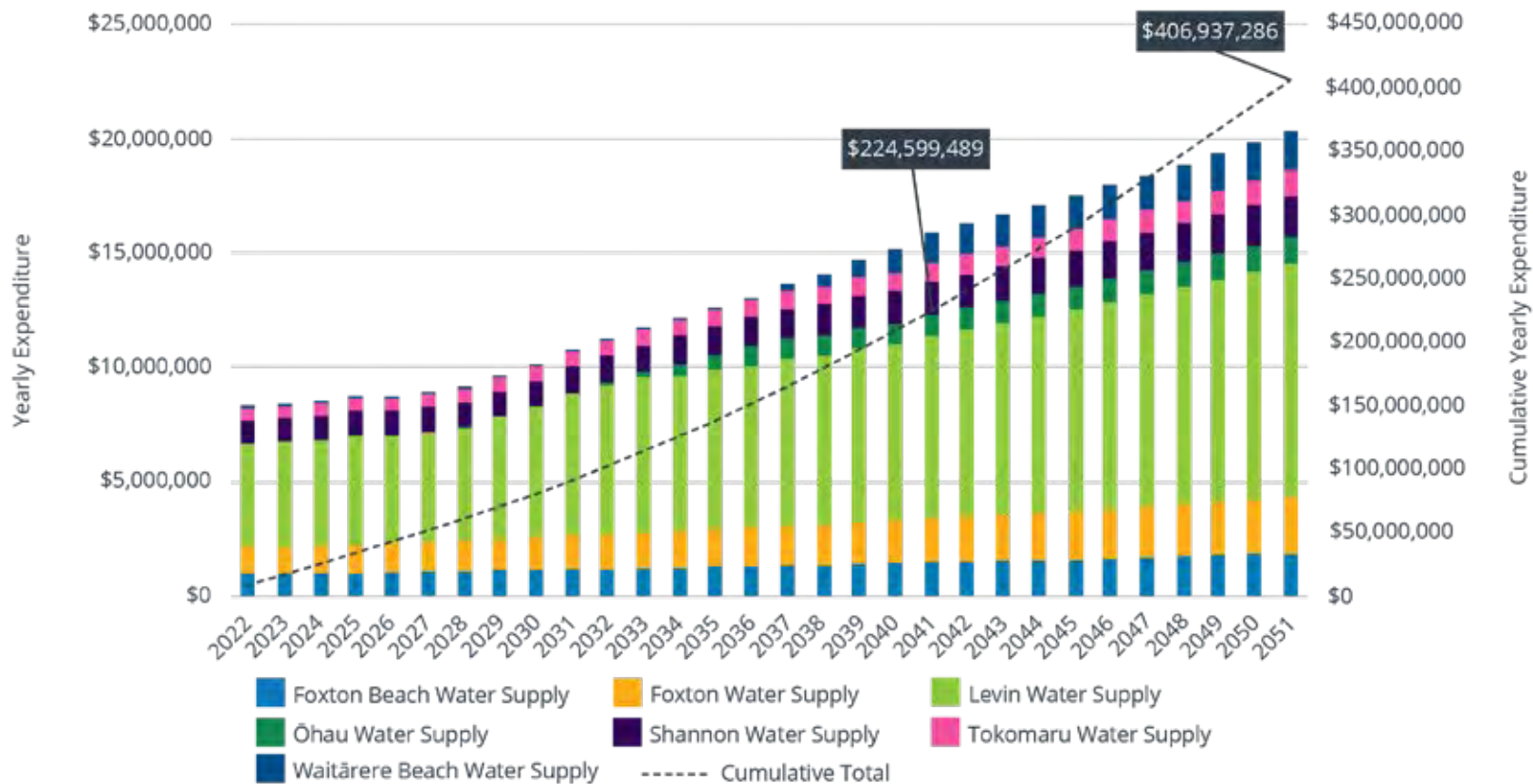


Figure 3: Water Supply Operating Expenditure

## Water Supply Capital Expenditure

The proposed capital expenditure programme for Water Supply is presented in Figure 4 and Figure 5. Figures have been adjusted for inflation. Figure 4 shows the projected capital expenditure for the 30 year period is \$196,813,901.

The major expenditure in the planning period is largely renewals and growth. Figure 5 shows the most significant investment required for the Levin scheme which has a total proposed capital expenditure to \$101,624,673 over the 30 year period.

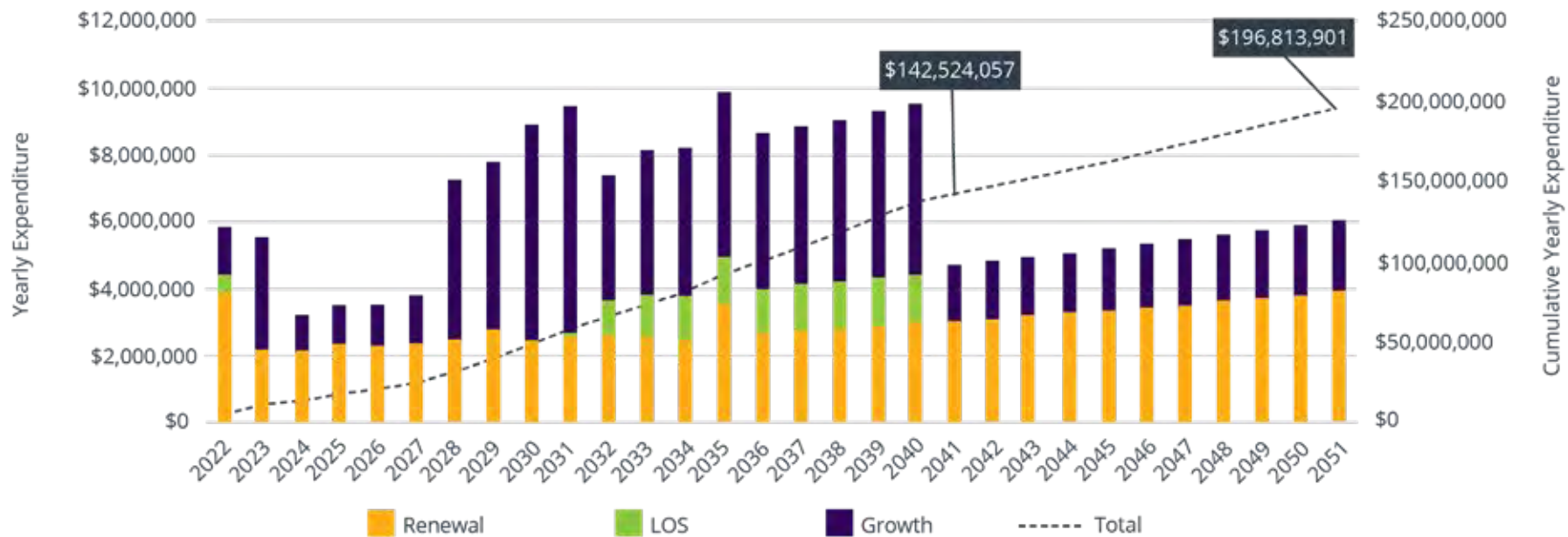


Figure 4: Water Supply Capital Expenditure

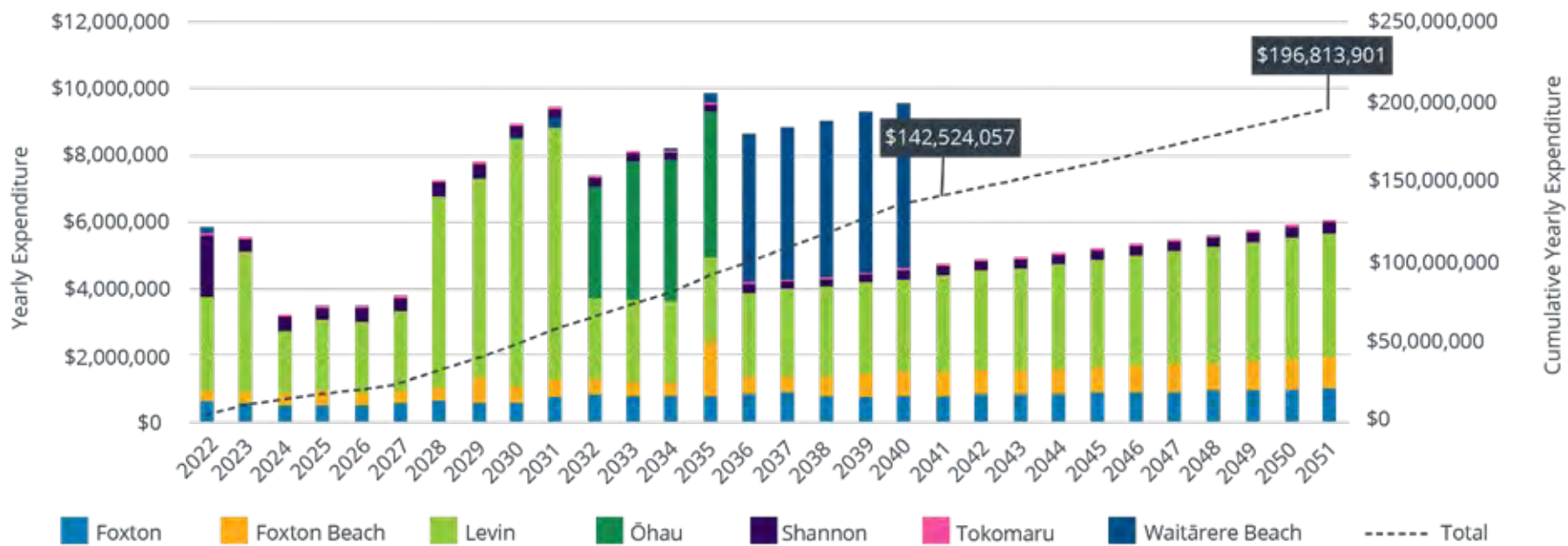


Figure 5.: Water Supply Capital Expenditure – by scheme



# Wastewater

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Council owns, operates and maintains piped wastewater systems, pumping stations, wastewater treatment plants and treated effluent discharge facilities throughout each of the urban schemes, including land. Council's wastewater system is managed by Council staff and contractor's staff as a team – Horowhenua Alliance.



Council's Wastewater (sewage) reticulation network and pump stations collect sewage from households, businesses and industrial customers. It is then transported to wastewater treatment plants (Levin, Foxton, Foxton Beach, Shannon, Tokomaru and Waitāreere Beach) where it is biologically treated and treated effluent from wastewater treatment plants is then applied to land.

## Wastewater Significant Issues

- Ageing infrastructure resulting in increase in renewal requirements and compromising performance.
- Anticipated growth is leading to increased residential, commercial and industrial demand on existing infrastructure.
- National Policy Statement for Freshwater 2020 – Horizons Regional Council's implementation completed by 2027. The implementation of the National Policy Statement will likely create increased requirements for wastewater treatment and disposal.
- Community expectations of environmental management increasing.
- Workforce shortage in Three Waters industry and loss of knowledge.
- Ongoing asset management and asset data improvements required.
- Improving the resilience of infrastructure with regard to natural hazards and climate change.



## Wastewater Activity Principal and Alternative Options

Issues specific to the Wastewater Activity are shown in the following tables, including the preferred and alternative options. The preferred options have been factored into the capital and operational expenditure budgets.

### Significant Decisions Required

#### Ageing Infrastructure – what we need to renew

We have been continuously CCTVing wastewater reticulation on a reactive basis. However, proactive (based on age and incidents) condition

assessment of reticulation network are being programmed for informed decision making. Renewals are prioritised based on asset condition and criticality. Condition assessment is further extended to wastewater treatment plants to condition assess structures (specifically Levin Wastewater Treatment Plant). We are also in the process of improving asset capture processes for all assets at the treatment plants. This would improve and achieve the useful life of assets so that reactive asset maintenance/ replacement can be reduced.

As network pipes age Inflow and Infiltration allows more stormwater into the wastewater reticulation network which adds increased volume to wastewater treatment plants and increased operational and maintenance cost. This is a significant issue that is predicted to increase in the frequency, and intensity of rainfall will only exacerbate. Therefore, we are in the process of developing a work programme for Inflow and Infiltration, which informs the maintenance and renewal work programme.

Principal and Alternative Options	Year decision needs to be made	Cost Impact
<b>Renewal backlog and improved asset condition and asset data collection (preferred option).</b>	Start from 2021/22	<ul style="list-style-type: none"> <li>• \$3.6M/year reticulation renewals.</li> <li>• Condition assessment for improved data collection and work programme, \$250 - \$450k over 5 years.</li> <li>• Inflow &amp; Infiltration work programme \$300K in 2021/22 for Shannon and Tokomaru and Levin.</li> </ul>
<b>Status quo – Minimal renewal and reactive condition assessment.</b>	Current	<ul style="list-style-type: none"> <li>• No additional cost on current renewal budget of \$0.8M.</li> <li>• Critical assets likely to fail and disruption to our community and increasing reactive maintenance costs.</li> </ul>

## Response to Growth

As indicated (in previous section), the district is going through a significant population growth. As the population grows the demand on the wastewater system will increase in a number of ways:

- Increased demand on the existing network as a result of anticipated intensification of housing.
- Demand for new infrastructure in new growth areas.
- Increased demand on wastewater treatment

### Levin Wastewater Treatment Plant

*The Levin Wastewater Treatment Plant will reach its capacity under the approved resource consent earlier than previously anticipated due to the significant growth that is projected for Levin. The wastewater master plan will take a long term view of wastewater treatment and identify a detailed solution for future requirements.*

plants resulting in upgrade requirements, with the most urgent decision required for Levin.

For the location identified growth areas, please see Horowhenua Growth Strategy 2040.

### Wastewater Master Plan

We are in the process of improving our wastewater master plan, which takes a long term view of wastewater treatment, Levin primarily, and within our district.

This will take a holistic approach and big picture of wastewater treatment. Identify upgrades requirement and develop a phased work programme.

- Taking into account National Policy Statement for Freshwater potential implications on our wastewater treatment plants.
- Feasibility study of reticulated wastewater to Ōhau will be reviewed, however, due to capacity concerns, no decision on the provision of a reticulated wastewater supply will be made until the Levin Wastewater Treatment Plant project is completed.
- Develop Inflow & Infiltration work programme.

Principal and Alternative Options	Year decision needs to be made	Cost Impact
<p><b>Development of the Wastewater Masterplan (preferred option).</b></p> <p>Investigate and masterplan the future of the district's wastewater treatment upgrade requirements and reticulation to enable comprehensive consideration of cost and level of service implications.</p>	2024	<ul style="list-style-type: none"> <li>• \$400k between 2021/22 and 2024/25 in investigation and planning cost, providing information for decisions in 2024 (operational expenditure)</li> </ul>
<p><b>Status quo.</b></p> <p>Most improvements are done on an ad-hoc basis. The Levin Wastewater Treatment Plant and disposal area is limited to current consent conditions.</p> <p>Critical assets could fail causing major disruption in our community and unwanted environmental discharge.</p>	Current	<ul style="list-style-type: none"> <li>• No additional cost on existing capital and operational budgets.</li> </ul>



### **Future Reticulated Wastewater Schemes for Smaller Settlements**

*Note: As part of the development of the 2018-38 Long Term Plan, Council consulted on wastewater supply schemes for settlements that do not currently have this service. Based on this feedback from the community, Council agreed to proceed with a feasibility study for Ōhau. However, as a result of recent growth and the adopted growth assumptions, Council will first focus on securing a*

*long term option for wastewater disposal for Levin before reconsidering the requirements for a reticulated wastewater supply to growing smaller settlements. Community consultation on any proposal would occur prior to any decision being made.*

<b>Principal and Alternative Options</b>	<b>Year decision needs to be made</b>	<b>Cost Impact</b>
<b>Implementation of a reticulated wastewater supply for Ōhau (preferred option).</b>	2029	• \$16.7m from 2030 to 2035.
<b>Status Quo: Do not implement a reticulated wastewater supply for Ōhau.</b>	2029	• No cost impact.

## Resilience against natural hazards & climate change

Our climate is changing, with predictions of long dry spells in summer, drought and short and intense rain becoming more frequent. Storm events are increasing in our region and across the country. Predicted changes in future weather patterns and other environmental hazards could have implications for the wastewater network:

- This brings challenges to our wastewater system (reticulation and wastewater treatment plants), high inflow and infiltration during a storm event which could potentially cause environmental discharge.
- Longer dry spells could increase the likelihood of blockages and related dry weather overflows.
- Horowhenua is situated on earthquake fault lines which imposes a great risk for our

ageing Asbestos Cement (AC) pipes which is quite brittle material in nature meaning it is likely to fail. Additionally, critical civil structures in Levin wastewater treatment are very old and earthquake prone. This is likely to result in longer recovery time from medium to major events.

Principal and Alternative Options	Year decision needs to be made	Cost Impact
<p><b>Invest in projects that increase the resilience of our wastewater networks and wastewater treatment plants (preferred option).</b></p> <p>Resilience will be a key consideration in the wastewater master plan. Additionally, more appropriate and earthquake resilient pipes are installed during reticulation renewal/upgrade work programme.</p> <p>Investing in projects that increase our network's resiliency will result in increased costs upfront. However, this investment reduces the risk of catastrophic damage to the network/critical civil structures and minimises environmental discharges during an earthquake. It is prudent we ensure our network can withstand a medium to major earthquake event, or be restored to service as soon as possible after an event.</p>	2020/21	<ul style="list-style-type: none"> <li>• Improvements related to resilience – \$5.5m over 30 years.</li> </ul>
<p><b>Do not invest in projects that increase the resilience of our wastewater networks and wastewater treatment plants.</b></p> <p>Not investing in projects that increase the resilience of our network avoids short term cost. However, our community would remain at risk of interruptions to wastewater services and environmental discharge after a medium to major event.</p>	2020/21	<ul style="list-style-type: none"> <li>• No increase in current Capital costs.</li> </ul>

## Wastewater Operating Expenditure

Figure 6 shows the projected operating expenditure for the Wastewater activity across each of the wastewater schemes. Figures have been adjusted for inflation. Costs have been adjusted to reflect anticipated increases or decreases in maintenance activities resulting from asset additions or renewals.

Figure 7 shows the most significant costs are for the Levin scheme – \$258,376,617 across the 30 year period.

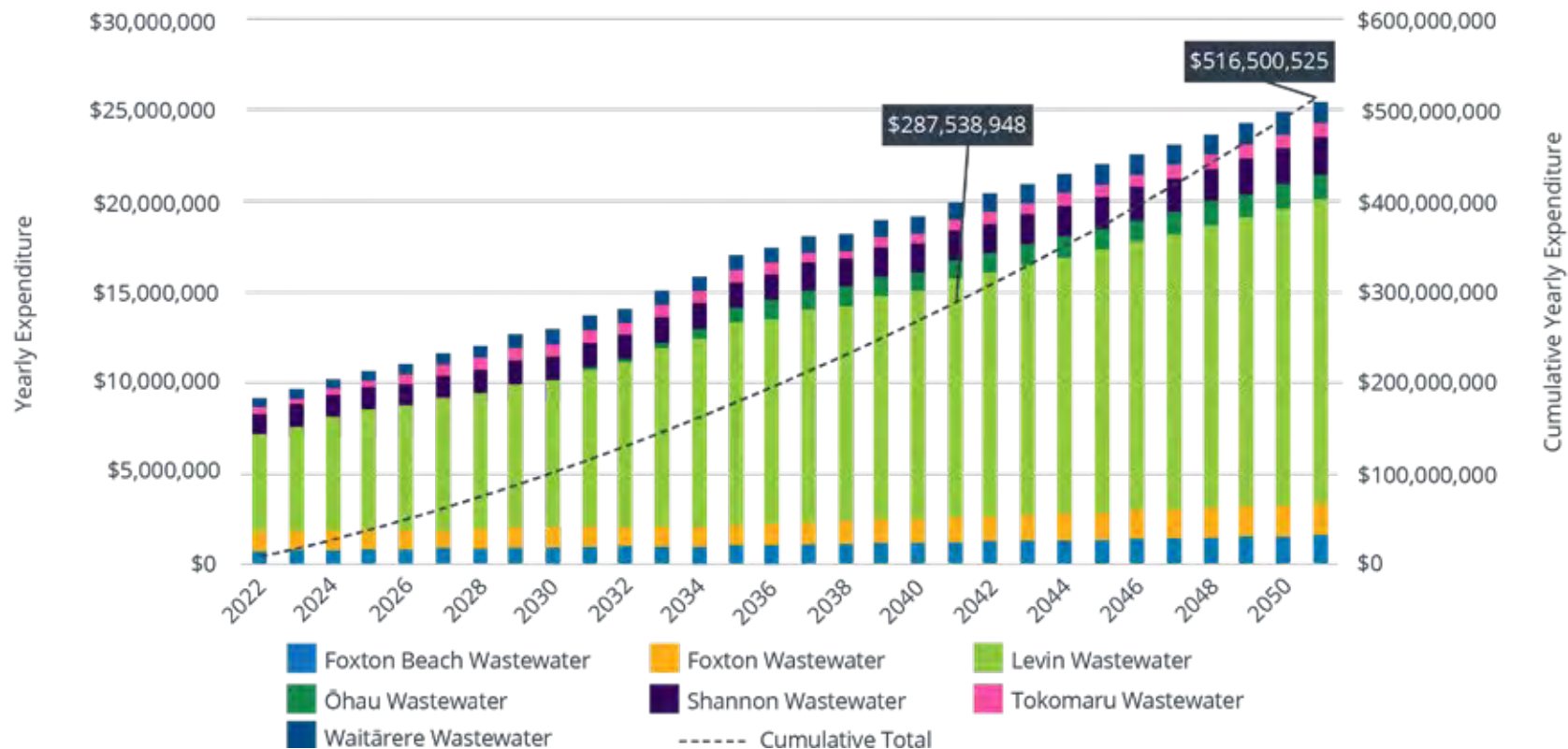


Figure 6: Wastewater Operating Expenditure

## Wastewater Capital Expenditure

Figures 7 and 8 show projected capital expenditure for the district's wastewater schemes. Figures have been adjusted for inflation. The proposed capital expenditure is \$329,738,038 across the 30 year period. The expenditure is mostly required for renewals.

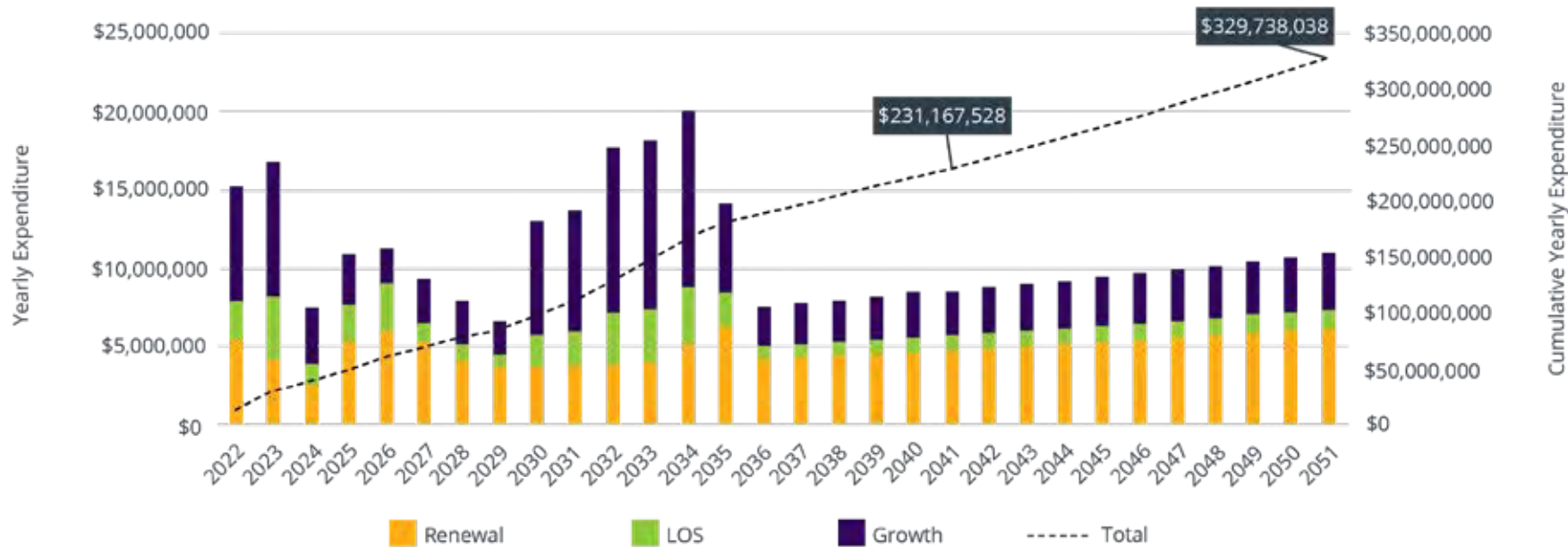


Figure 7: Wastewater Capital Expenditure

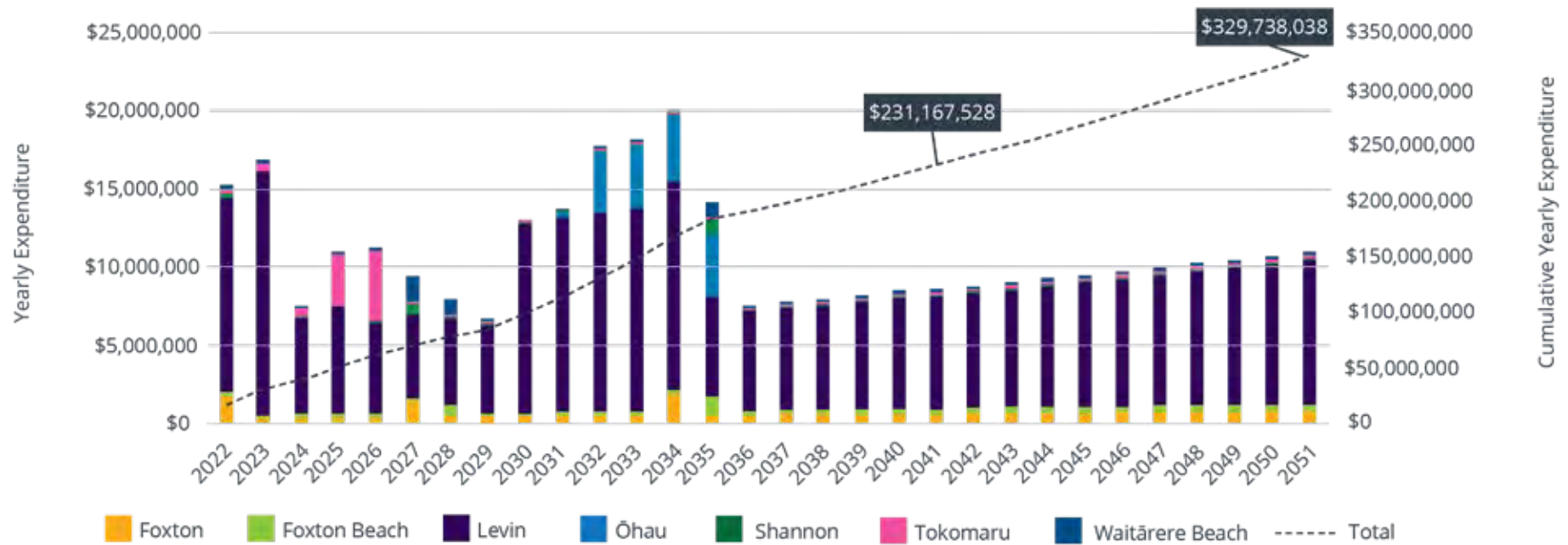


Figure 8: Wastewater Capital Expenditure – by scheme



# Stormwater

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● Council's Stormwater Activity provides piped and open drainage systems to collect the stormwater from roads, footpaths and hardstanding surfaces in from residential and commercial properties. The water is discharged to piped stormwater drainage systems and open and culverted watercourses.

● Council owns, operates 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, and in particular the roading network. Council's stormwater system is managed together by Council staff and contractor's staff as a Team - Horowhenua Alliance.

● Private properties are required to provide on-site stormwater management (generally through soak pits).

## Stormwater Significant Issues

- Improve the resilience of infrastructure with regard to natural hazards and climate change.
- Predictions of more frequent and intense rainfall mean we need to work toward solutions for flood prone areas.
- Infill development within existing urban areas is increasing the ratio of impermeable surface to uncovered land, which can exacerbate flooding in low-lying areas.
- Meeting community expectations and level of service.

## Stormwater Activity Principal and Alternative Options

Issues specific to the Stormwater Activity are shown in the following tables, including the preferred and alternative options. The preferred options have been factored into the capital and operational expenditure budgets.

### Significant Decisions Required

#### Growth and Resilience against natural hazards & climate change

Increased and more intense rainfall over time is likely to increase the frequency of stormwater system overloads, resulting in flooding.

When replacing existing infrastructure or adding new infrastructure we need to consider both the size and type of piping we install to cater for the future. If pipes are undersized they may not cope with increased stormwater flows and will require premature replacement, at a cost to the community.

There are coastal rural communities where stormwater service need improvement on existing infrastructure and new subdivisions developed using sustainable, green stormwater management systems.

The design and layout of new subdivisions also needs to consider existing natural stormwater flow paths. Council is considering sustainable stormwater management systems for new

subdivisions. This means using fewer pipes and pump stations and designing systems that retain natural flow paths and attenuation ponds. This approach can reduce the risk of flooding and result in ecological, more astatic and better community outcomes, for example, recreational, which has physical and mental wellbeing benefits.

Council have developed stormwater Catchment Management Plans (CMPs) which will be used to programme the required improvements to our stormwater infrastructure while also optimising our maintenance and mitigate flooding risks. CMPs are also an integral part of our strategic urban planning processes, to ensure developments of built sustainably.

Managing stormwater within urban areas can be complicated. Pooling of stormwater in certain areas is caused by a wide range of factors. Stormwater network models are being developed for urban and rural areas for better understanding. Additionally, inspections and conditions assessments have been carried out continuously on an ad-hoc basis.

Principal and Alternative Options	Year decision needs to be made	Cost Impact
<p><b>Deliver programme of work from stormwater catchment management plans (preferred option).</b></p> <ul style="list-style-type: none"> <li>• Use CMP information to develop a prioritised work programme over this strategy period.</li> <li>• Use this information during land development phase to reduce the flooding risk and for ecological benefits and community wellbeing.</li> <li>• Carry out continuous improvements across the district.</li> </ul>	2021/22	<ul style="list-style-type: none"> <li>• \$6M capital expenditure over 30 years.</li> </ul>
<p><b>Retain status quo.</b></p> <ul style="list-style-type: none"> <li>• Do not upgrade pipes to account for increased rainfall frequency and/or intensity.</li> <li>• Maintaining a reactive approach can lead to detrimental impact and would take a long time to do a 'catch-up' and would cost higher.</li> <li>• Piped systems are 'tried and tested' normally and know where bottlenecks are. However, premature replacement may be required if they are not adequately sized to cater for increasing rainfall frequency and intensity, creating more costs. Therefore, ongoing CMPs and incorporating these into stormwater network models are important to potential 'water sensitive design' benefits.</li> </ul>	Current	<ul style="list-style-type: none"> <li>• No increase on current maintenance, renewal and improvement budgets.</li> <li>• Increase in reactive maintenance costs and emergency flooding management.</li> </ul>



## Stormwater Operating Expenditure

Figure 9 shows the projected operating expenditure for the district's Stormwater activity. Figures have been adjusted for inflation. The operating expenditure for the Stormwater activity is projected to be \$113,314,234 over the 30 year period.

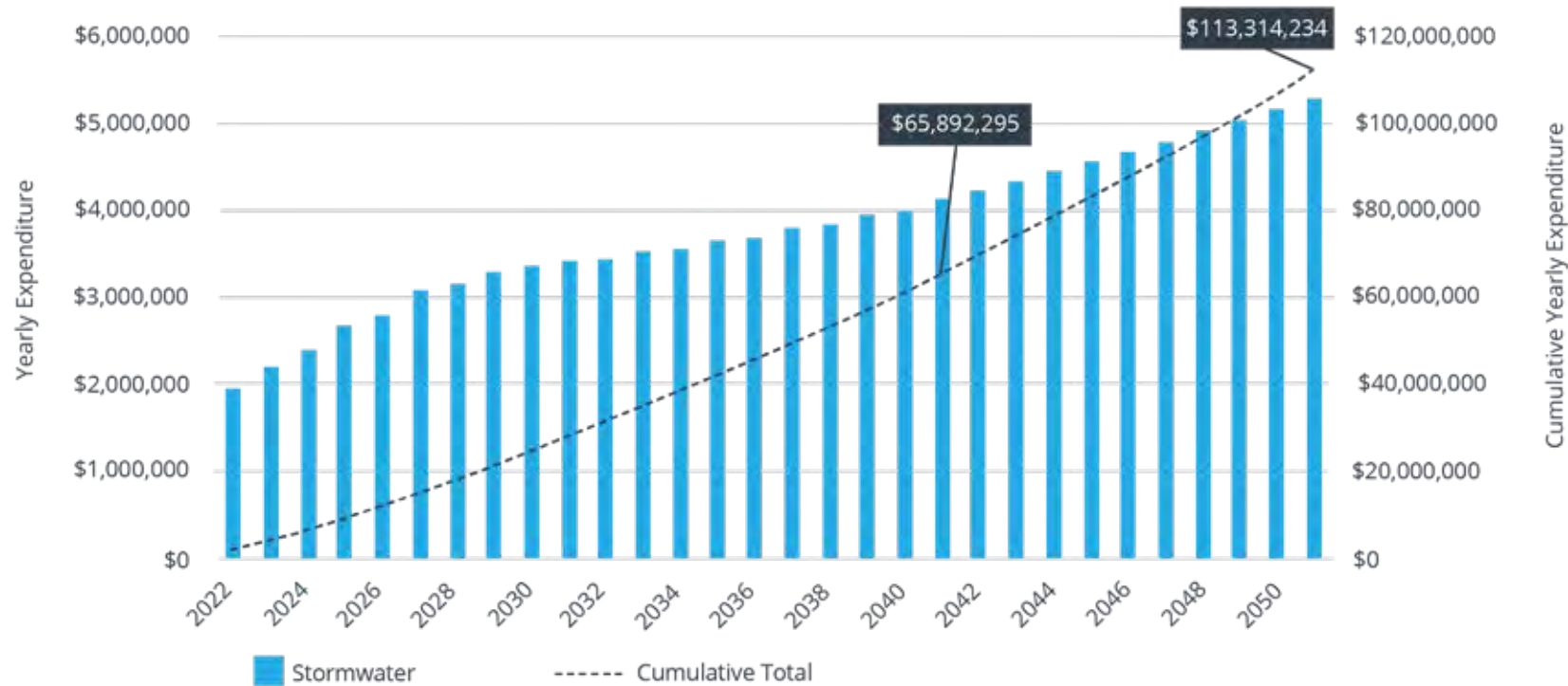


Figure 9: Stormwater Operating Expenditure

## Stormwater Capital Expenditure

Figure 10 shows the projected capital expenditure for the district's Stormwater activity. Figures have been adjusted for inflation. The capital expenditure for the 30 year period is projected to be \$46,308,566. This expenditure is split between renewals, level of service and growth.

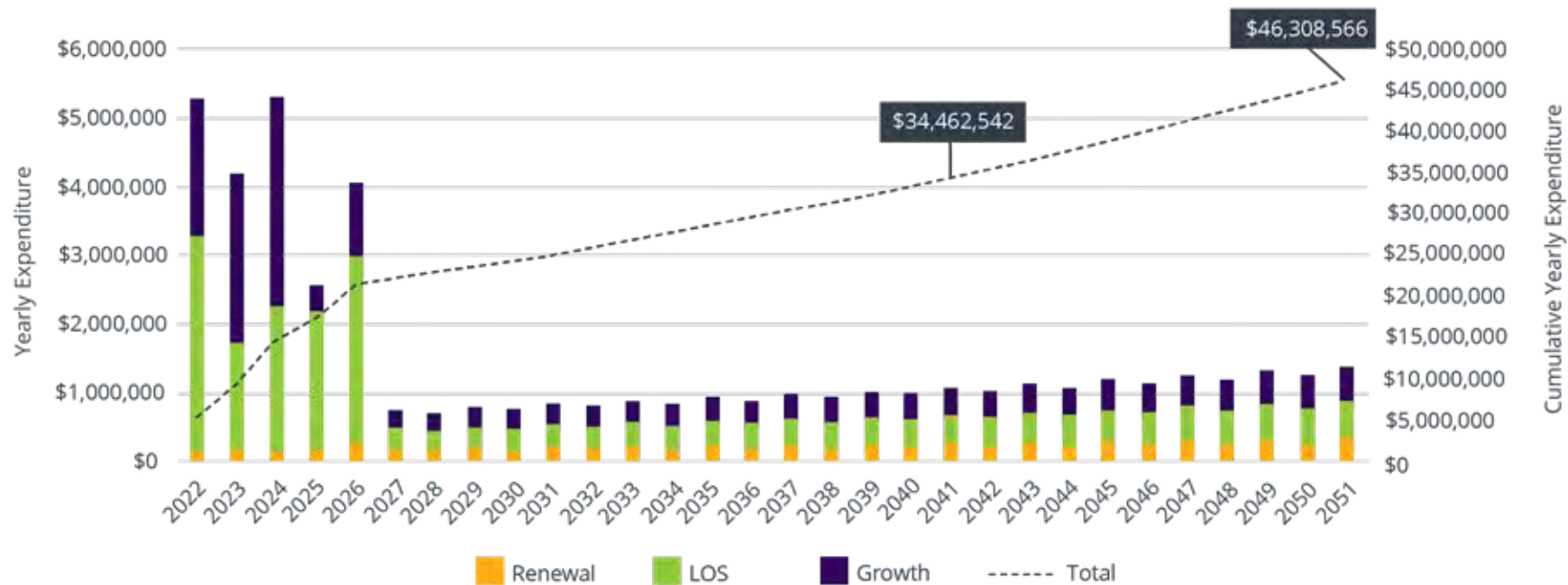


Figure 10: Stormwater Capital Expenditure



# Community Facilities

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The Community Facilities activity contributes to HDC community outcomes by providing:

- Multi-functional facilities that provide a wide range of services to both the community and to visitors to the Horowhenua District
- District wide library services in Levin, Foxton and Shannon deliver programmes
- Aquatic Facilities provide public access to swimming pools, fitness, rehabilitation, and swimming programmes to enhance community wellbeing through providing healthy recreational and social opportunities



## Community Facilities Significant Issues

- Aquatic Facilities are significantly impacted by projected population growth. There is a clear need for increased water capacity within the aquatic network to meet current and future needs.
- There are gaps in aquatic provision across the current network.
  - There is no permanent leisure provision in the district which is a significant gap in provision, potential visits and revenue.
  - Provision for aquatic sport is constrained.
  - There is limited provision of hydrotherapy facilities.
- Foxton Heated Pool is not fit for purpose. The facility is in poor condition, there is significant condensation within the building and there are significant structural concerns. Addressing the building's problems is a critical issue.
- Activity renewals have historically been deferred resulting in asset failures prior to replacement and higher than anticipated reactive maintenance costs.
- Community Centres are of sufficient size to cater for district growth although there is a need for a refresh of the Youth Space at Te Takeretanga o Kura-hau-pō.

## Community Facilities Principal and Alternative Options

Issues specific to the Community Facilities Activity are shown in the following tables, including the principal and alternative options. The highlighted option is the preferred approach for addressing the issues and these options have been factored into the capital and operational expenditure estimates.

### Significant Decisions Required

#### Foxton Pool

There are critical building issues identified at Foxton Pool and if not addressed could impact on the health and safety of users and staff. While the Foxton Pool building is only 13 years old, the facility is in poor condition and suffers from significant condensation issues.

Principal and Alternative Options	Year decision needs to be made	Cost Impact
<p><b>Indoor and Outdoor Leisure Pool</b></p> <p>This options includes the demolition and rebuild of the building, however extending building at front for a multipurpose rooms. Extending the building a rear to include new leisure pool. There are no changes to the existing pools, however adding an indoor leisure pool, adding a splashpad, landscaping at rear and upgrading of changing rooms.</p>	2021	<ul style="list-style-type: none"> <li>• \$9.4 million across 2021/22, 2022/23 and 2023/24</li> </ul>
<p><b>Basic All-year Pool (preferred option).</b></p> <p>This option includes the demolition and rebuild of the existing building, upgrades to the changing rooms and restoration of the outdoor area to grass. There are no changes proposed to the pools.</p> <p>This option also includes operational changes, extending the operating period to year-round operation and increasing opening hours.</p>	2021	<ul style="list-style-type: none"> <li>• \$2.6 million across 2021/22, and 2022/23</li> </ul>
<p><b>Seasonal Outdoor Leisure Pool.</b></p> <p>This option creates a seasonal outdoor leisure facility by demolishing the existing building, rebuilding the change room and administration building, adding a new leisure pool and splashpad, restoring the outdoor area and covering the teaching/toddler pool.</p> <p>This option also includes operational changes, with a 5 month operation and slightly longer opening hours, but a reduction in aquacise classes.</p>	2021	<ul style="list-style-type: none"> <li>• \$4.4 million across 2021/22, 2022/23 and 2023/24</li> </ul>
<p><b>Seasonal Outdoor Basic Pool.</b></p> <p>This option creates a basic outdoor pool by demolishing the existing building, rebuilding the change room and administration building, covering the teaching/toddler pool and restoring the outdoor area to grass. There are no changes to the existing pools.</p> <p>This option also includes operational changes, with a 5 month operation and slightly longer opening hours, but a reduction in aquacise classes.</p>	2021	<ul style="list-style-type: none"> <li>• \$1.9 million across 2021/22, 2022/23 and 2023/24</li> </ul>
<p><b>Permanently Close Facility.</b></p> <p>This option includes permanently closing the facility, removing the building and pools, and restoring the site to grass.</p>	2021	<ul style="list-style-type: none"> <li>• \$350,000 in 2021/2022</li> </ul>

## Jubilee Park Aquatic Provision

The Jubilee Park Paddling pool is in poor condition and nearing the end of its useful life. The facility is not supervised by lifeguards which presents a health and safety risk.

Horowhenua District Council consulted on the removal of Jubilee Park Pool during the 2020/21 Annual Plan the decision was made remove

the existing paddling pool and investigate replacing it with a small-scale splash-pad. This is considered a high priority due to the condition of the asset and risks associated with the current unsupervised operation of the paddling pool.

Principal and Alternative Options	Year decision needs to be made	Cost Impact
<p><b>Development of a Splashpad at Jubilee Park in Levin (preferred option).</b></p> <p>Given the risks associated with the current unsupervised paddling pool and the condition of the asset it is planned to be removed and replaced with a Splashpad to ensure an Aquatic provision remains at Jubilee Park.</p>	2021	\$313,497 across 2021/22 and 2022/23
<p><b>Close and remove the paddling pool.</b></p> <p>Do not replace the paddling pool with another aquatic option.</p>	2021	\$30,000 in 2021/22

## Levin Aquatic Centre

Levin Aquatic Centre is the district's main aquatic centre. The facility is heavily used and is under significant demand pressure, which is forecasted to increase with population growth. A key conclusion is the facility is under-sized to service the Levin and district population and needs to be expanded to cater for current and future demand. Before a preferred option is selected for the redevelopment of the site, a business case needs to be developed to provide a case for investment.

Principal and Alternative Options	Year decision needs to be made	Cost Impact
<b>Development of a Business Case to support funding applications (internal and external) and provide a strong case for investment (preferred option).</b>	2024	• \$165,000 in 2026/27

## Community Facilities Renewals

Adopting a planned maintenance schedule rather than reactive will extend the life of critical plant and assets and ultimately result in less unplanned closures.

Principal and Alternative Options	Year decision needs to be made	Cost Impact
<p><b>Facility renewals required to maintain the existing levels of Service (preferred option).</b></p>	<p>Years 1 - 30</p>	<p>• \$45,544,541 over 30 years</p>
<p><b>Defer the asset renewals programme.</b></p> <p>Defer the asset renewals programme.</p> <p>Not recommended due to an increased probability of failure and decreased reliability of critical plant and assets.</p>	<p>2021</p>	<p>• \$0 - \$45,544,541 over 30 years</p>



## Community Facilities Operating Expenditure

The largest proportion of the operating costs for Community Facilities relate to Libraries and Community Facilities (63%) compared with Aquatics at 37%. These costs are shown below in Figure 11. Figures have been adjusted for inflation. The proposed operational expenditure for the 30 year period is \$310,630,254.

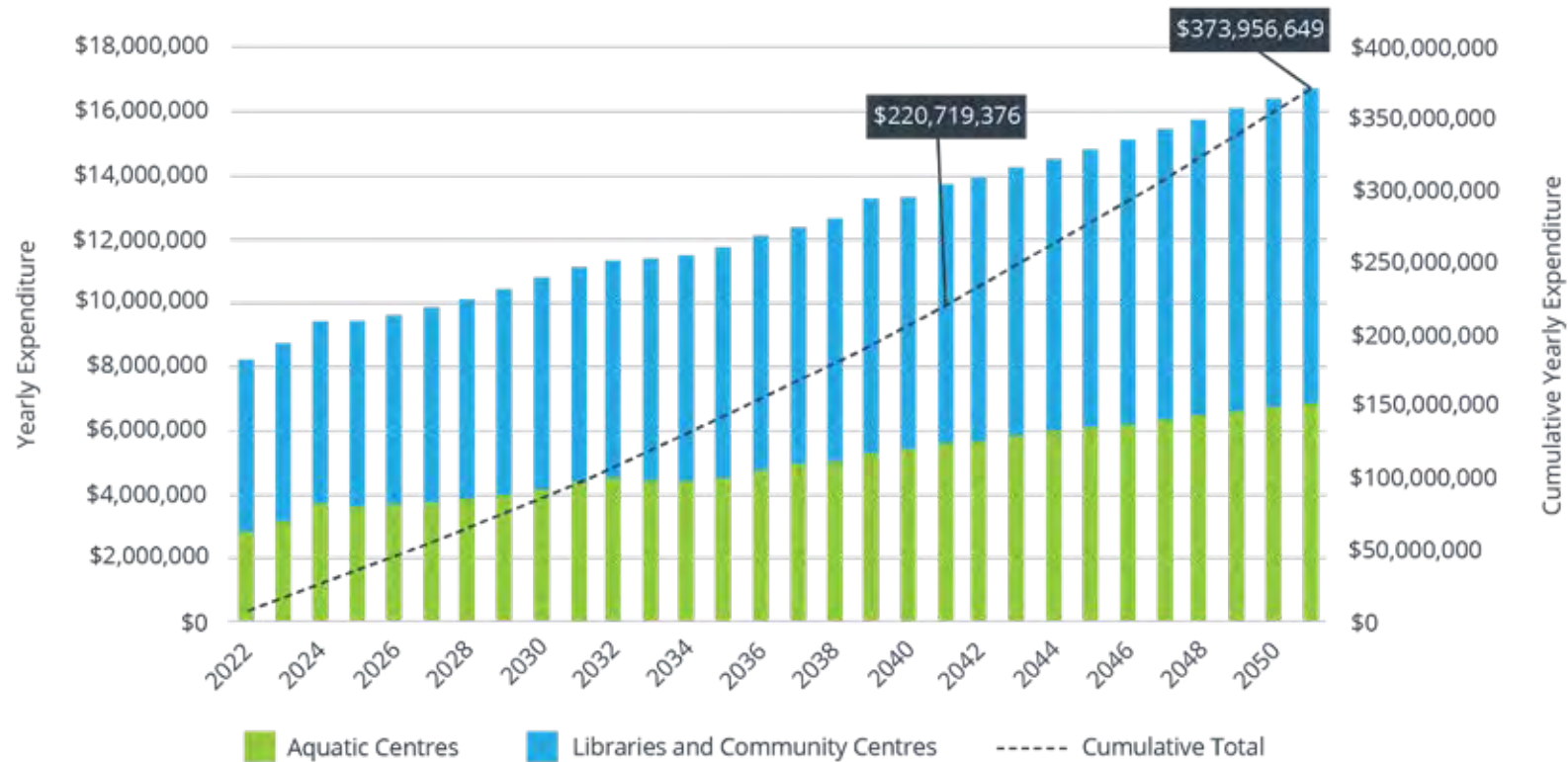


Figure 11: Community Facilities Operating Expenditure

# Community Facilities Capital Expenditure

In the capital expenditure programme for Community Facilities is provided as Figure 12 below. Figures have been adjusted for inflation. The majority of the expenditure is for renewals, with Level of Service improvements associated with Foxtan Pool redevelopment and the Levin splash pad. There are with smaller peaks in relation to the Aquatic Facility every five years to account for a facility closure and significant maintenance work.

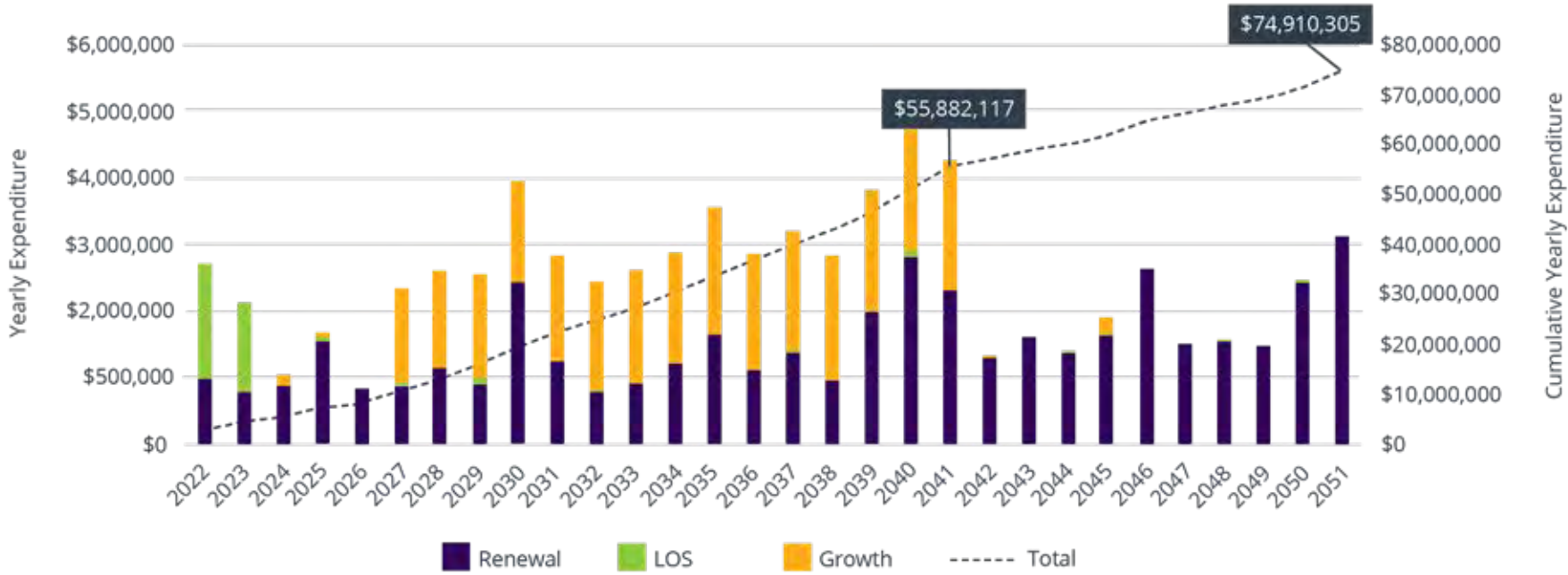


Figure 12: Community Facilities Capital Expenditure



# Community Infrastructure

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The main purpose of this activity is to provide for formal and informal recreation and play in order to meet required community outcomes, and provide safe well managed cemeteries primarily for the residents of the district.

This is achieved by providing good quality and accessible open space for the use of residents and visitors, and ensuring cemeteries are well managed and have sufficient capacity to meet a range of end of life choices.

This activity includes reserves, sportsfields, cemeteries, beautification, urban cleansing, memorial halls, and public toilets with the majority of services being rate-payer funded.

## Community Infrastructure Significant Issues

- The district's Parks and Reserves renewals have historically been deferred leading to a significant 'bow-wave' effect that has led to asset failures prior to replacement.
- Customer expectation is leading to an upwards pressure on provision both in terms of improvements to recreational space (sportsgrounds, reserves), and access to informal recreation i.e. walkways and cycle ways.
- In common with many other areas of Council services, Community Infrastructure is being impacted by growth with many new subdivisions vesting reserves and open space with Council.
- The effects of climate change and an increased level of environmental awareness will provide ongoing challenges to Council's Community Infrastructure portfolio, as Government moves toward a carbon zero 2050, and declared a 'climate emergency' in December 2020.
- Council has a number of Community Infrastructure Buildings requiring strengthening or demolishing under the provisions of the Building (Earthquake-prone Buildings) Amendment Act 2016.

## Community Infrastructure Activity Principal and Alternative Options

Issues specific to the Community Infrastructure Activity are shown in the following tables, including the preferred and alternative options. The preferred options have been factored into the capital and operational expenditure budgets.

### Significant Decisions Required

#### Renewals

The district's Parks and Reserves renewals between 2011 and 2016 were deferred leading to a significant 'bow-wave' effect that has led to asset failures prior to replacement. From 2016 the rate of reserve renewals was increased so

that it was largely in line with depreciation until under the influence of Covid-19, when Council decided to defer reserves renewals programme as part of the 2020-21 Annual Plan as a response to the pandemic.

Principal and Alternative Options	Year decision needs to be made	Cost Impact
<p><b>Complete Renewals funding as indicated in the renewals schedule (preferred option).</b></p> <p>This maintains existing levels of service and ensures assets are replaced prior to failure.</p>	2021	• \$49,743,853 over 30 years
<p><b>Defer the asset renewals programme.</b></p> <p>This will negatively affect levels of service, increase customer dissatisfaction, likely exacerbate failures leading to higher end costs.</p>	2021	• \$49,743,853 over 27 years

## Customer Expectation

Whilst the Community Infrastructure portfolio is well received by residents (generally 93% satisfied), there is a growing interest in developing local Community Infrastructure. Specifically, Waitārere Beach Domain, Holben Reserve, improving facilities at Donnelly Park, Playford Park, and the Manakau Domain.

Principal and Alternative Options	Year decision needs to be made	Cost Impact
<p><b>Complete business case for strategic parks upgrades.</b></p> <p>Meets customer expectation, facilitates the rationalisation of sportsfields in Levin, is in line with a number of Council's strategic plans, and reduces growth related pressure for the term of the plan.</p>	2021	• \$24,991,625 over 30 years
<p><b>Defer decisions on the business case for strategic parks upgrade.</b></p> <p>Does not meet customer expectations, risks a loss of service in an expanding market, raises the likelihood of customer dissatisfaction, and condenses the timeframe and cost in which to accomplish the works.</p>	2021	• \$24,991,625 over 30 years
<p><b>Cancel some or all of the works.</b></p> <p>Fails to address customer expectations, reduces LoS, does not allow for growth, and likely to result in customer dissatisfaction.</p>	2021	• 0-\$24,991,625 over 30 years

## Growth

Another significant impact for the Community Infrastructure portfolio is the projected growth of the Horowhenua. It is anticipated that population will lift from the current 35,000 persons in 2020/2021 to in excess of 80,000 by 2051. There are clear implications for Council in this regard with a significant number of new subdivisions occurring which has three downstream impacts being:

1. Additional strain on an already fatigued asset;
2. The need to provision extra recreational facilities for an increasing population;
3. Additional cost to maintain an intensifying and growing asset base.

Principal and Alternative Options	Year decision needs to be made	Cost Impact
<p><b>Fund the Capital Growth budget (preferred option).</b> .</p> <p>Deals with growth-related pressures, consolidates and improves Level of Service.</p>	2021	• \$ 25,937,163 over 30 years
<p><b>Defer elements of the Capital Growth budget to 2024.</b></p> <p>This approach would see ongoing pressure in the Community Infrastructure portfolio and is likely to result in less satisfaction with the services as the impacts of growth materialise. It would also see similar costs develop over the course of the plan, accompanied by higher peaks in loan requirements in what might not be as advantageous to borrowing as is current. This would increase the overall costs of debt funding.</p>	2021	• \$25,937,163 over 30 years
<p><b>Fund only some elements of the capital growth budget.</b></p> <p>This approach will provide an uneven approach to managing growth, leading to pressure points in some areas, likely an increase in customer dissatisfaction, and may become a demotivator to would-be new residents.</p>	2021	• 0-\$25,937,163 over 30 years

## Environmental Awareness

In an increasingly environmentally aware society, global warming and environmental sustainability have achieved an ever increasing profile.

Council can assist in reducing the impacts of global warming and maintaining a sustainable environment in a number of ways.

Council has for a number of years been developing coastal resiliency by replacing marram dunes which have low resiliency to

localised coastal erosion with native sand-binding species such as Spinifex and Pingau. It also manages a significant number of street and park trees which act as a carbon sink. However, Council's street tree stock which was planted within a relatively narrow timeframe is reaching the end of its useful life. There is as such a need to develop a tree planting and fell and replant programme

Principal and Alternative Options	Year decision needs to be made	Cost Impact
<p><b>Programmed beautification is undertaken, as is stream management works, and forestry felling and replant at Target Reserve (preferred option).</b></p> <p>The programme builds resiliency into the urban tree canopy, foreshore and streams (via riparian planting), thereby improving bio-diversity and environmental outcomes. The replanting of Council's limited forestry holding mitigates issues as they relate to the emissions trading scheme, and maintains the balance of Council's carbon credits.</p>	2021	• \$3,385,263 over 30 years
<p><b>Works relating to environmental improvements are deferred until 2024.</b></p> <p>This approach would see ongoing pressure in the Community Infrastructure portfolio and is likely to result in less satisfaction with the services. It would also see similar costs develop over the course of the plan, accompanied by higher peaks in loan requirements in what might not be as advantageous to borrowing increasing overall costs of debt funding.</p>	2021	• \$3,385,263 over 30 years

## Regulation and Legislation

Changes to the Building Act that came in to force on 1st July 2016 divided New Zealand into areas of risk for seismic activity; those areas being high, medium, and low. Horowhenua falls under the high risk category. In accordance with the legislation Council completed an assessment of its buildings in 2014 and identified a number of earthquake prone buildings it owns including –

1. Grandstand at Levin Domain;
2. Grandstand at Shannon Domain;
3. Levin Memorial Hall;
4. Foxton Memorial Hall;
5. Coronation Hall (Mavtec).

Subsequently Council resolved to dispose of the Foxton Memorial Hall and that a ten year lease would be granted to Mavtec to pursue and complete earthquake strengthening via a Lotteries bid. However, this still leaves the strengthening or demolishing of the two grandstands and the Levin Memorial Hall outstanding (the Levin Memorial Hall is to serve as a small business incubator in the town centre).

Principal and Alternative Options	Year decision needs to be made	Cost Impact
<p><b>Funds are provided to complete the necessary earthquake strengthening for the grandstands and Levin Memorial Hall (preferred option).</b></p> <p>This provides for maintaining existing levels of service with works to be completed between 2021 and 2024 but does not meet potential growth targets.</p>	2021	• \$4,856,733, prior to 2031
<p><b>Funds are provided to demolish and remove all three structures.</b></p> <p>This reduces the LoS at Levin and Shannon Domain and removes any option for Council to make a refurbished community hall available as a small business incubator.</p>	2021	• \$500,000 – \$650,000 prior to 2031
<p><b>Defer any decision until 2024/2025.</b></p> <p>This option defers the decision.</p>	2021	• \$4,856,733 prior to 2031



## Community Infrastructure Operating Expenditure

Figure 13 shows the operating expenditure for the Community Infrastructure activity. Figures have been adjusted for inflation. The proposed 30 year operating expenditure is \$310,630,254.

The largest proportion of the operating costs for Community Infrastructure relate to the maintenance of Reserves (including

playgrounds) (46%), which is understandable as it is this sub-activity that will be impacted most by future subdivisions as a symptom of growth.

The second largest operational cost is in relation to Sportsfields.

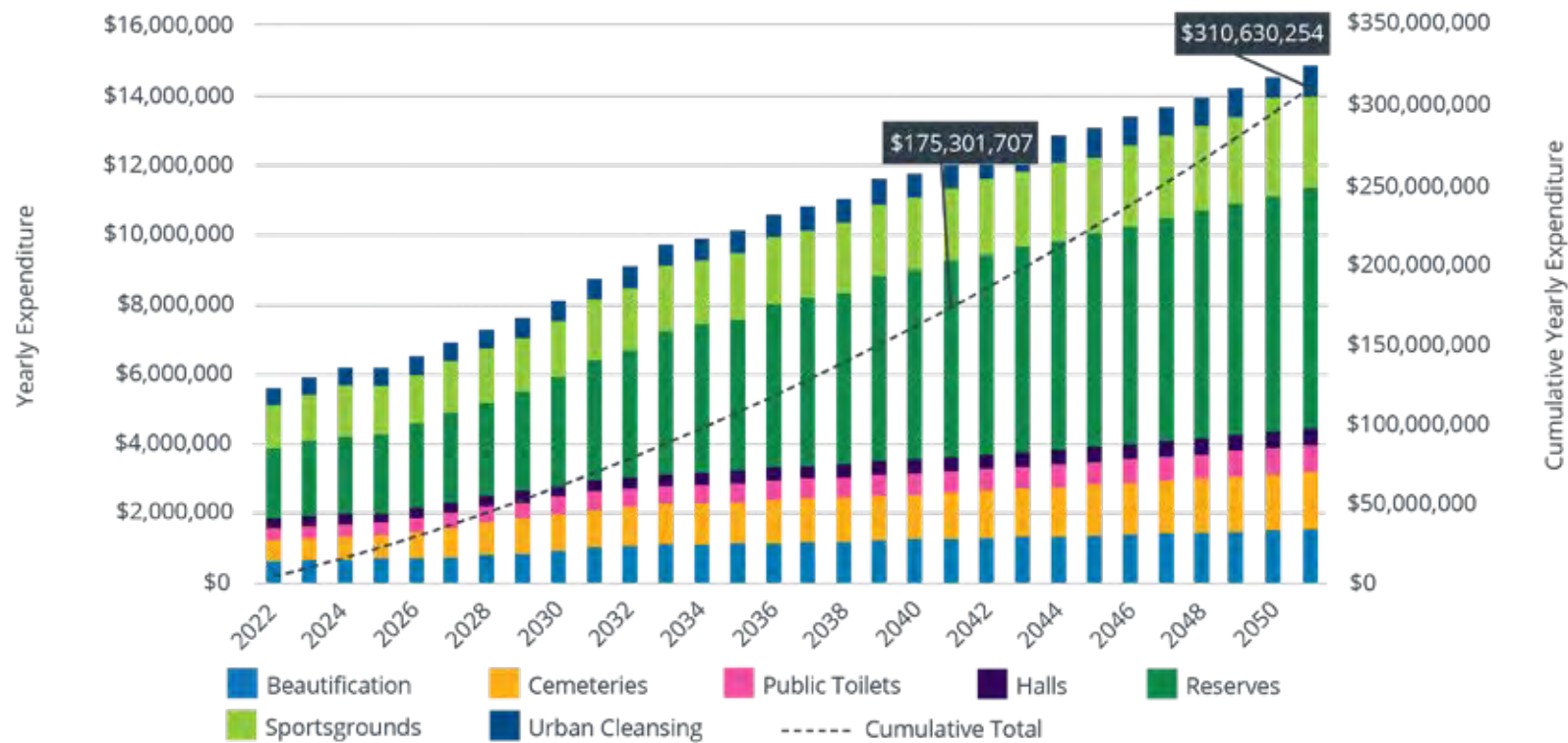


Figure 13: Community Infrastructure Operating Expenditure

## Community Infrastructure Capital Expenditure

Figure 14 shows the proposed capital expenditure for the Community Infrastructure activity. Figures have been adjusted for inflation. The proposed capital expenditure over the 30 year period is \$74,910,305. The greatest capital expenditure for Community Infrastructure across the 30 year period arises from the Reserves. The biggest proportion of spending is on levels of service projects, followed by renewals.

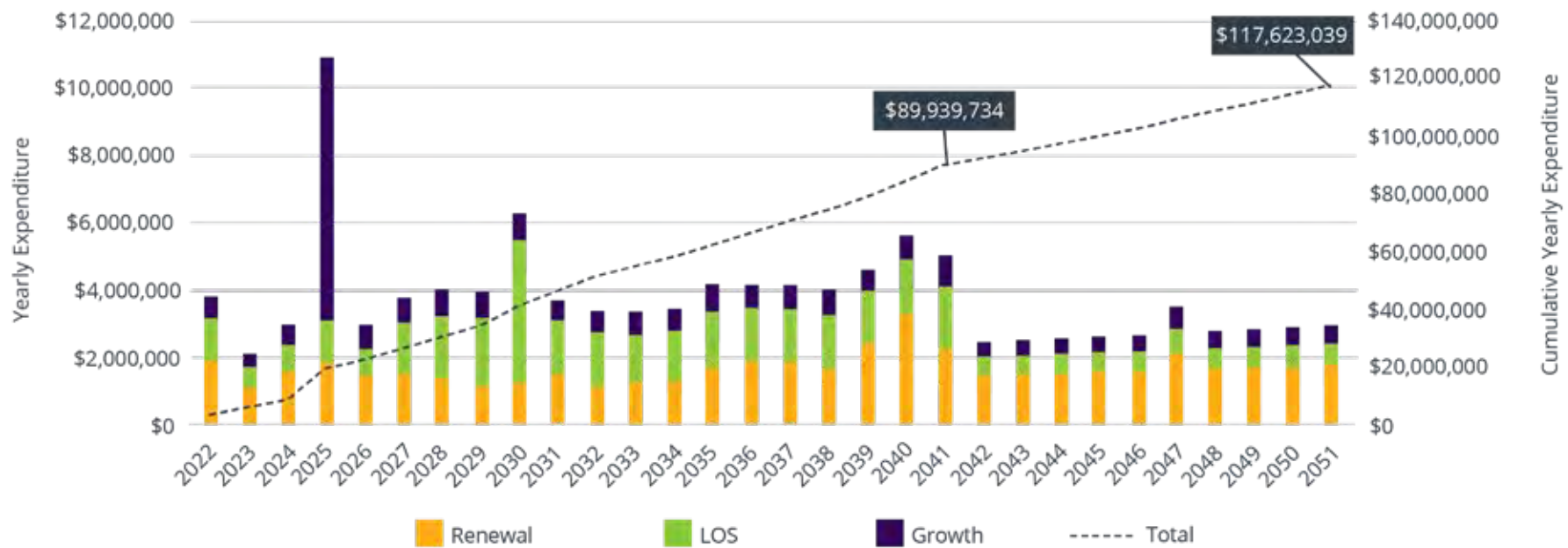


Figure 14: Community Infrastructure Capital Expenditure



# Property

- The main purpose of this activity is to provide fit for purpose facilities and land to deliver Council Activities that meet required community outcomes.
- This is achieved by providing good quality and accessible facilities and land that meet current and future demand.
- This activity includes: camp grounds; commercial property; council building; Endowment Property; General Property; and Residential Housing.
- This activity also allows for managing building maintenance in a range of other activities including Infrastructure and Community Facilities, and managing building renewals in Infrastructure (primarily three waters and solid waste).
- This activity also includes managing maintenance and renewals of Council's Fleet.

## Property Significant Issues

- Council has a significant quantity of non-core property which does not perform well in terms of economic or community outcomes, and has as such resolved (LTP 2018-2038) to get down to core property only by 2028. However many of its properties are encumbered via legislation that will need revoking/lifting to enable sale.
- Council has a diverse portfolio of core and non-core property. There is a need to ensure that renewals are completed on core property to ensure the property is 'fit for purpose', and complete necessary works on non-core properties until they are disposed of.
- Council has a number of Community Infrastructure Buildings requiring strengthening or demolishing under the provisions of the Building (Earthquake-prone Buildings) Amendment Act 2016.

## Property Principal and Alternative Options

Issues specific to the Property Activity are shown in the following tables, including the preferred and alternative options. The preferred options have been factored into the capital and operational expenditure budgets.



## Significant Decisions Required

### Renewals Funding

Historically, Property renewals have outstripped depreciation potentially leading to a poor focus on core property required to achieve Community Outcomes. Completion of the renewals programme:

- Reduces the likelihood of catastrophic failure.
- Maintains Level of Service.
- Minimises downstream costs.

- Maximises the assets life.
- Retains the value of the asset.
- Facilitates the appropriate depreciation cycle.

Principal and Alternative Options	Year decision needs to be made	Cost Impact
<p><b>Complete Renewals funding as indicated in the renewals schedule (preferred option).</b></p> <p>This maintains existing levels of service and ensures assets are replaced prior to failure.</p>	2021	• \$35,754,413 over 30 years
<p><b>Defer the asset renewals programme.</b></p> <p>This will negatively affect level of service, increase customer dissatisfaction, likely exacerbate failures leading to higher end costs, and potentially introduce a random factor in managing the financial costs of delivering the service over the term of the plan.</p>	2021	• \$35,754,413 over 30 years

## Seismic Strengthening

The Building (Earthquake-prone Buildings) Amendment Act 2016 requires Council to complete earthquake strengthening of its earthquake prone buildings by June 2031. Council is in the process of strengthening the Foxton Beach Surf Life Saving Club but there is still the need to resolve the issue around its

surf life-saving club at Waitārere Beach. Council is currently completing a feasibility study for the surf life-saving club building and will make a formal decision on an option once the study has been completed.

Principal and Alternative Options	Year decision needs to be made	Cost Impact
<p><b>Funds are provided to demolish and rebuild the surf life-saving club at Waitārere Beach (preferred option).</b></p> <p>This provides for maintaining existing level of service with works to be completed between 2021 and 2024 and will meet additional demand brought on by growth.</p>	2021	<ul style="list-style-type: none"> <li>• \$3.3M prior to 2023/24.</li> </ul>
<p><b>Funds are provided to demolish and remove the surf life-saving Club at Waitārere Beach but not build a new facility.</b></p> <p>This reduces current LoS and is contrary to earlier Council direction to support the building of a new surf life saving club.</p>	2021	<ul style="list-style-type: none"> <li>• \$30,000 – \$60,000 prior to 2023/24.</li> </ul>
<p><b>Defer any decision until 2024/2025.</b></p> <p>This option defers the decision.</p>	2021	<ul style="list-style-type: none"> <li>• \$0</li> </ul>

## Property Operating Expenditure

The operating expenditure for Property is shown as Figure 15. Figures have been adjusted for inflation. The expenditure over the 30 year period is \$94,716,918. The majority of this expenditure is on general property.

Council sold its pensioner housing in 2017 and the majority of its commercial portfolio in 2019. The last commercial property (Focal Point) will be sold by July 2021.

Property operating expenditure is composed of the sub-activities General Property; Council Building; Campgrounds; and Endowment Property. In addition, the activity also allows for the maintenance of Halls; Public Toilets; Aquatic Centres; Community Hubs; and Libraries which are part of the Community Facilities portfolio. It similarly carries out maintenance on a number

of infrastructure properties. Operational budgets include grounds maintenance; building cleaning; cleansing and hygiene services; heating, ventilation and air conditioning; and means of escape and access to public buildings.

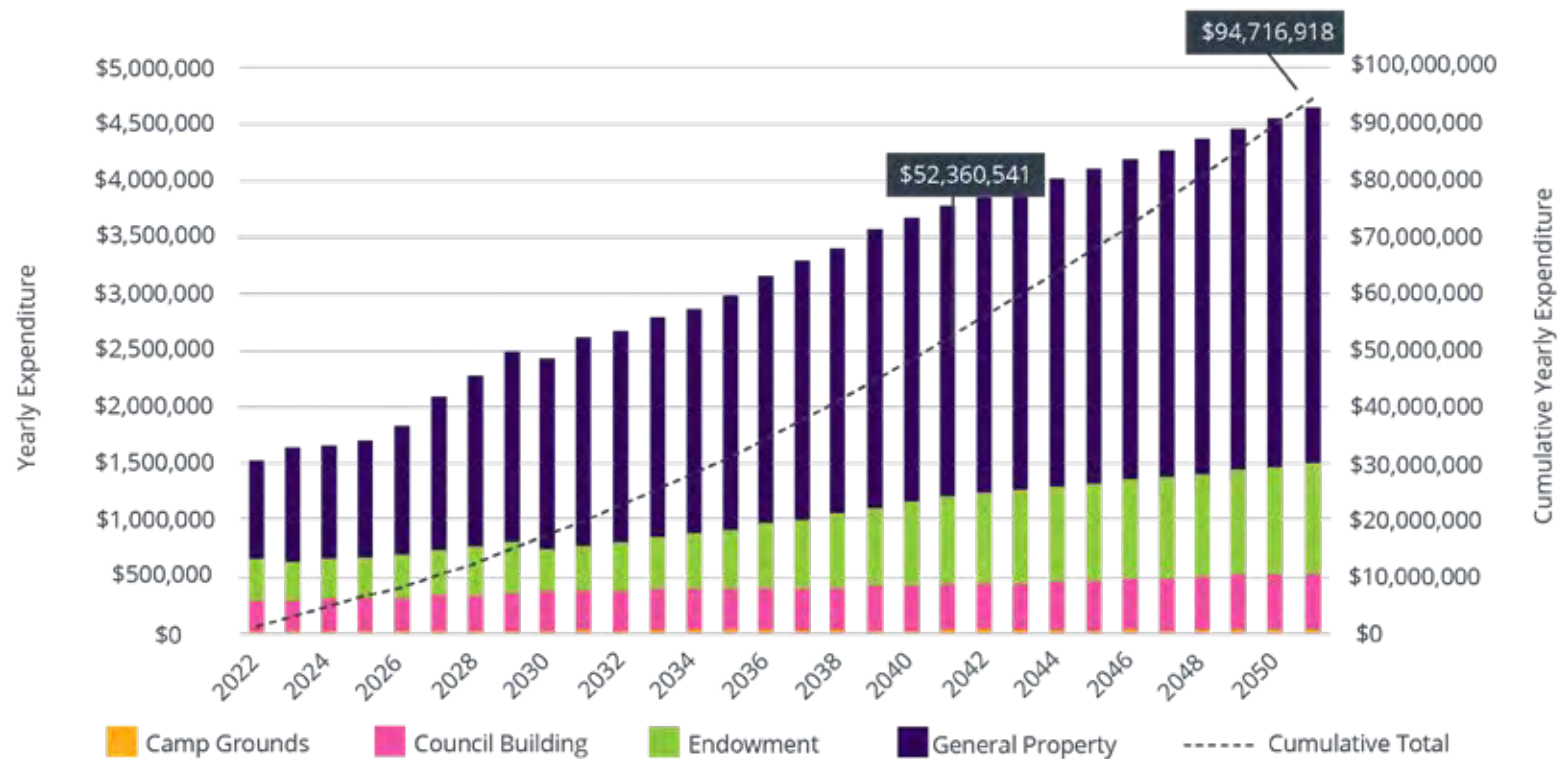


Figure 15: Property Operating Expenditure

## Property Capital Expenditure

Figure 16 shows the projected Capital Expenditure for the Property activity. Figures have been adjusted for inflation. The proposed capital expenditure of the 30 year period is \$56,884,213. The largest proportion of capital expenditure is on renewals, with limited budget for growth.

No allowance has been made for Level of Service improvements in the capital expenditure profile for property over the course of the plan. This represents Council's desire to dispose of non-core property.



Figure 16. Property Capital Expenditure.



# Total Cost of Most Likely Scenario

Figure 17 shows the most likely total operating expenditure for all activities covered by this Infrastructure Strategy.

The proposed operating expenditure is \$2,343 million for the 30 year period.

Figures have been adjusted for inflation.

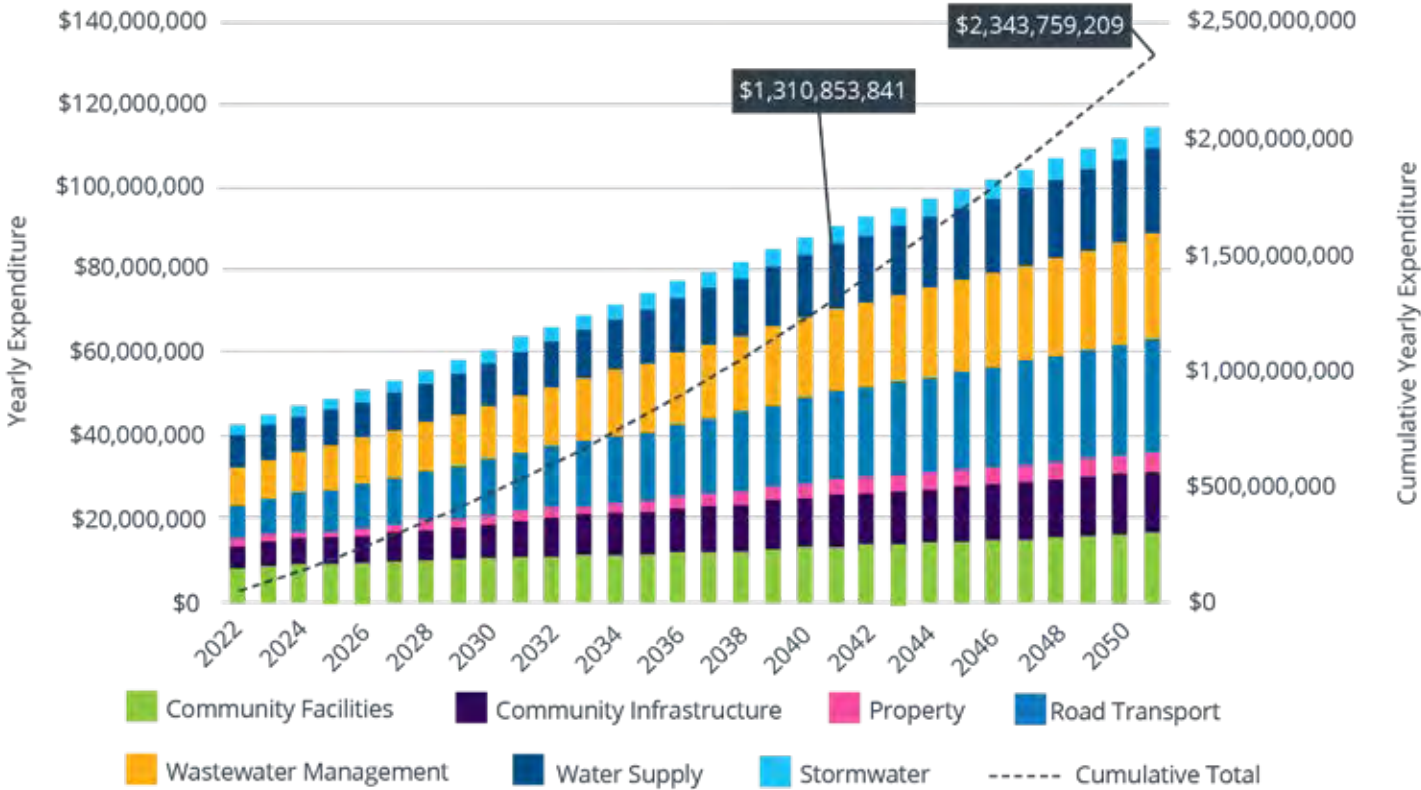


Figure 17: Projected Operating Expenditure - All activities included in this Infrastructure Strategy

## Most Likely Capital Cost Scenario

Figure 18 shows the most likely total capital expenditure for all activities covered by this Infrastructure Strategy. The total capital expenditure is \$1,465 million for the 30 year period.

Figures have been adjusted for inflation.

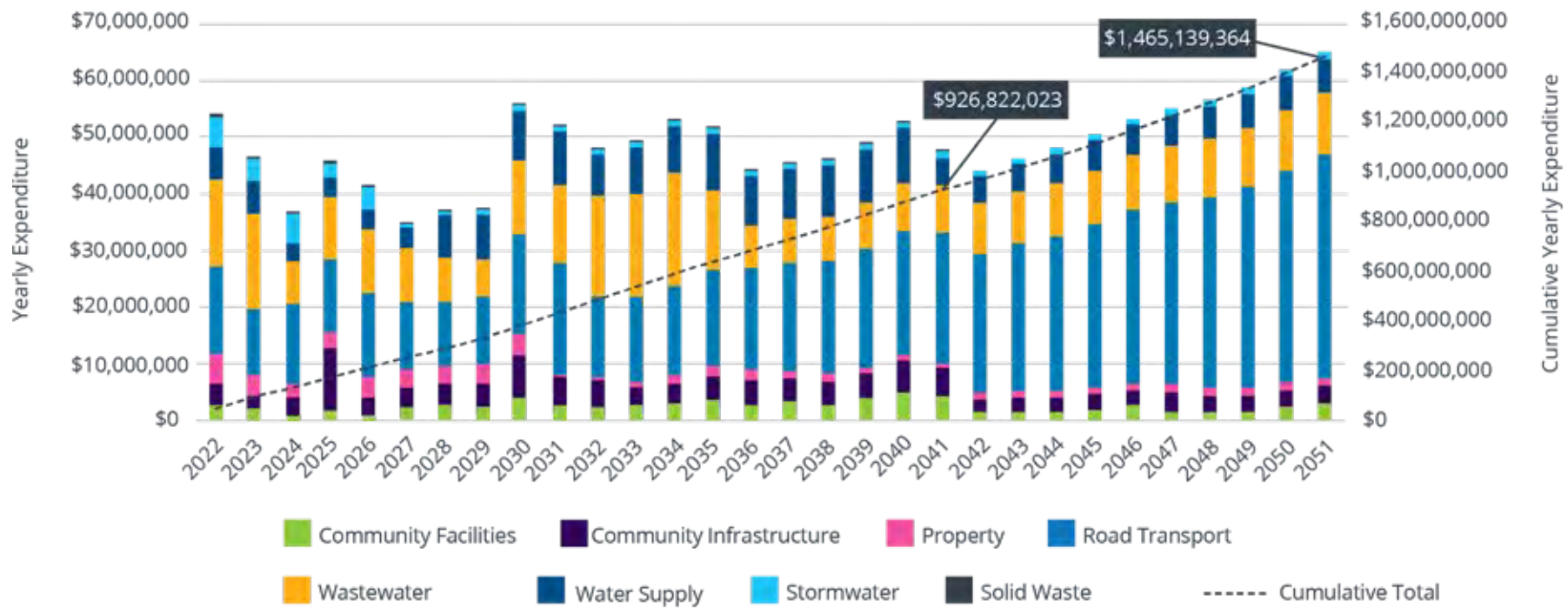


Figure 18: Projected Capital Expenditure - All activities included in this Infrastructure Strategy

# Assumptions

This Infrastructure Strategy is based on a number of assumptions. These assumptions include:

- Population
- Demographics
- Households
- Levels of Service
- Data and Information
- Lifecycle of Significant Assets

## Population

The Horowhenua District's population has been growing at a rate of 2% since 2014 (StatsNZ, 2020).

Population is influenced by factors including employment opportunity, economic development, age and change in age profile, and fertility and mortality rates. Changes in population are difficult to predict, but are vital to understand future requirements for infrastructure services.

Council has adopted the 95th percentile from the Horowhenua Socio-Economic Projections, prepared by Sense Partners. The 95th percentile projections identify the annual average

population growth rate will be:

- 2.6% per annum from 2021 until 2031
- 2.9% per annum 2031 until 2041
- 2.9% per annum 2041 until 2051

The population growth projections are shown in Table 1.

There is a moderate risk that the population growth across the Horowhenua District is at a significantly different rate (much higher or lower) than assumed. The level of this uncertainty will increase over the lifespan of the LTP.

**Table 1: Population Growth Over 30 Years**

LTP Year	Financial Year	Population	LTP Year	Financial Year	Population
	19/20	35,887	Yr 15	35/36	54,362
	20/21	36,708	Yr 16	36/37	55,674
Yr 1	21/22	37,532	Yr 17	37/38	57,481
Yr 2	22/23	38,431	Yr 18	38/39	59,010
Yr 3	23/24	39,360	Yr 19	39/40	60,772
Yr 4	24/25	40,368	Yr 20	40/41	62,716
Yr 5	25/26	41,444	Yr 21	41/42	64,933
Yr 6	26/27	42,621	Yr 22	42/43	66,664
Yr 7	27/28	43,810	Yr 23	43/44	68,216
Yr 8	28/29	44,968	Yr 24	44/45	69,599
Yr 9	29/30	46,202	Yr 25	45/46	71,965
Yr 10	30/31	47,355	Yr 26	46/47	74,135
Yr 11	31/32	48,562	Yr 27	47/48	76,824
Yr 12	32/33	49,905	Yr 28	48/49	79,243
Yr 13	33/34	51,246	Yr 29	49/50	81,583
Yr 14	34/35	52,792	Yr 30	50/51	83,741

## Demographics

The majority of growth in the Horowhenua District's population will occur in the 15-39 years old and 40-34 years old ranges. This assumption is based on the 95th percentile from the Horowhenua Socio-Economic Projections, prepared by Sense Partners.

By June 2051, the age profile of the Horowhenua population will be:

- 0-14 years old: 20%
- 15-39 years old: 29%
- 40-34 years old: 31%
- 65 years old or over: 20%

Each age group will increase by the following number of people between June 2021 and June 2051:

- 0-14 years old: 9,853
- 15-39 years old: 14,164
- 40-34 years old: 14,654
- 65 years old or over: 8,030

There is a low - moderate risk that growth across age profiles will occur at a significantly different rate (much higher or lower) than assumed.

Population Age Trend

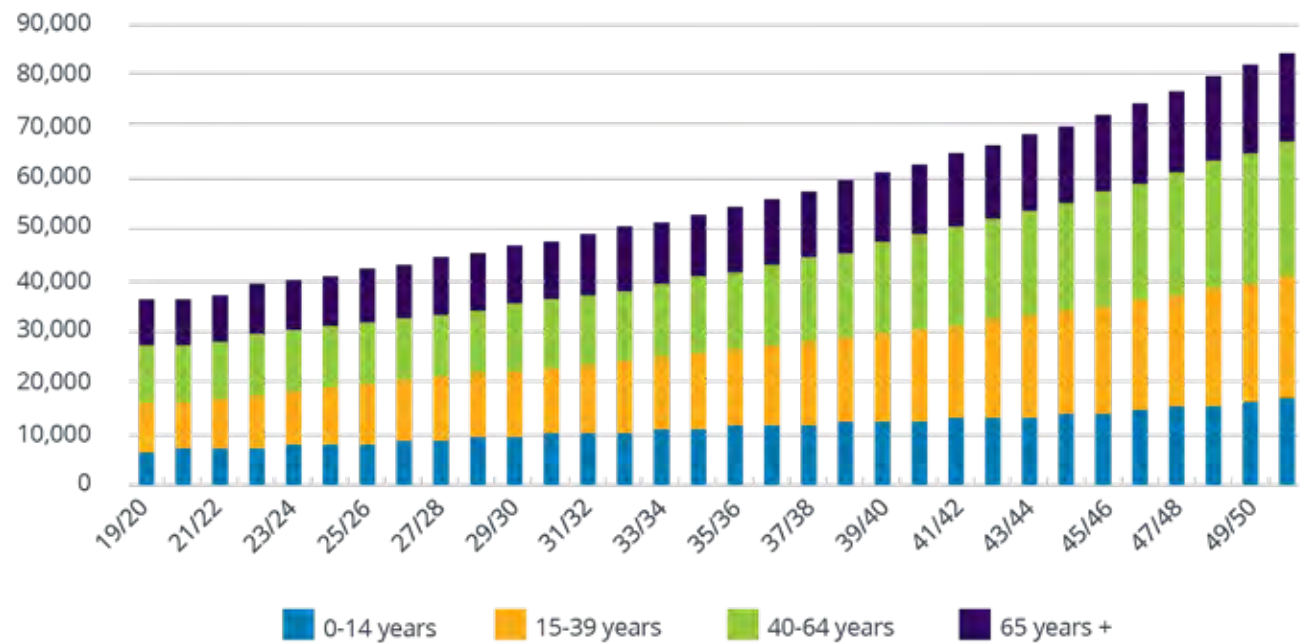


Figure 19: Population Age Trend to 2051.

**Table 2: Population Age Trend to 2051**

LTP Year	Financial Year	0-14 years	15-39 years	40-64 years	65+ years
	19/20	6,746	9,329	11,269	8,981
	20/21	7,014	9,329	11,269	8,981
Yr 1	21/22	7,014	9,786	11,309	9,176
Yr 2	22/23	7,513	10,536	11,550	9,509
Yr 3	23/24	7,777	10,874	11,629	9,752
Yr 4	24/25	8,036	11,208	11,756	9,975
Yr 5	25/26	8,363	11,550	11,892	10,231
Yr 6	26/27	8,676	11,906	12,041	10,497
Yr 7	27/28	9,015	12,208	12,249	10,771
Yr 8	28/29	9,378	12,511	12,467	11,027
Yr 9	29/30	9,708	12,824	12,776	11,250
Yr 10	30/31	10,023	13,122	13,111	11,500
Yr 11	31/32	10,302	13,415	13,520	11,723
Yr 12	32/33	10,621	13,728	13,894	11,981
Yr 13	33/34	51,246	Yr 29	49/50	81,583
Yr 14	34/35	11,221	14,540	14,743	12,504
Yr 15	35/36	11,444	15,016	15,203	12,759

LTP Year	Financial Year	0-14 years	15-39 years	40-64 years	65+ years
Yr 16	36/37	11,698	15,504	15,697	13,017
Yr 17	37/38	11,920	16,076	16,243	13,271
Yr 18	38/39	12,180	16,626	16,852	13,518
Yr 19	39/40	12,536	17,166	17,500	13,781
Yr 20	40/41	12,830	17,791	18,171	14,022
Yr 21	41/42	13,070	18,461	18,845	14,247
Yr 22	42/43	13,304	19,044	19,602	14,477
Yr 23	43/44	13,537	19,670	20,317	14,744
Yr 24	44/45	13,976	20,228	21,060	15,034
Yr 25	45/46	14,317	20,837	21,844	15,316
Yr 26	46/47	14,832	21,532	22,612	15,638
Yr 27	47/48	15,341	22,155	23,397	15,997
Yr 28	48/49	15,833	22,859	24,212	16,371
Yr 29	49/50	16,271	23,423	25,086	16,783
Yr 30	50/51	16,867	23,950	25,963	17,206

## Households

There will be an increase of 21,145 dwellings in the Horowhenua District between June 2021 and June 2051.

This assumption is based on the 95th percentile from the Horowhenua Socio-Economic Projections, prepared by Sense Partners.

The district is assumed to have 16,606 dwellings at June 2021.

This figure is based on:

- Census 2018: 15,804 dwellings
- Building consents issued for 2018/2019: 271
- Building consents issued for 2019/2020: 266
- Forecast for 2020/2021: 265

It is assumed the Dwelling Occupancy Rate for the district will be approximately 90%. The dwelling occupancy rate for the 2018 Census was 85%. However, due to the district's rapid growth, an assumed increase in permanent residents at the coastal settlements and

increased pressure on housing the occupancy rate is anticipated to increase.

Of the new dwellings constructed there will be:

- Occupied: 33,976
- Unoccupied: 3,775

This growth will result in an average of dwellings being constructed per year as follows:

- 2021 – 2031: 434
- 2031 – 2041: 686
- 2041 – 2051: 994

Table 3 shows the forecasted number of households (occupied and unoccupied) for the life of this LTP.

There is a moderate risk that household growth will occur at a significantly different rate (much higher or lower) than assumed.

**Table 3: Number of households to 2051**

LTP Year	Financial Year	Households	LTP Year	Financial Year	Households
	19/20	16,341	Yr 18	38/39	26,175
	20/21	16,606	Yr 19	39/40	26,981
Yr 1	21/22	16,958	Yr 20	40/41	27,815
Yr 2	22/23	17,299	Yr 21	41/42	28,658
Yr 3	23/24	17,668	Yr 22	42/43	29,531
Yr 4	24/25	18,073	Yr 23	43/44	30,413
Yr 5	25/26	18,508	Yr 24	44/45	31,388
Yr 6	26/27	18,932	Yr 25	45/46	32,365
Yr 7	27/28	19,426	Yr 26	46/47	33,406
Yr 8	28/29	19,906	Yr 27	47/48	34,461
Yr 9	29/30	20,414	Yr 28	48/49	35,555
Yr 10	30/31	20,951	Yr 29	49/50	36,644
Yr 11	31/32	21,497	Yr 30	50/51	37,751
Yr 12	32/33	22,055			
Yr 13	33/34	22,655			
Yr 14	34/35	23,308			
Yr 15	35/36	23,951			
Yr 16	36/37	24,638			
Yr 17	37/38	25,384			

<sup>2</sup> Based on the average of building consents issued for the past 3 years.

# Levels of Service

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Level of Service (LOS) targets included in activity statements are measured and monitored continuously and reported to Department of Internal Affairs and part of Finance, Audit and Risk committee reports. There are annual Customer Satisfaction surveys carried out and reported for each activity. Council review LoS performances on an ongoing basis. The result of Customer Satisfaction surveys are used in Activity Management Plans and any gaps identified are addressed.

This Strategy assumes Levels of Service targets proposed in the Asset Management Plans will not change. Customer expectations are increasing, putting pressure on levels of service. Planning is being undertaken to make improvements to Council's infrastructure assets, however, identified levels of services will not change.

The level of uncertainty for this assumption is moderate.



## Data and Information

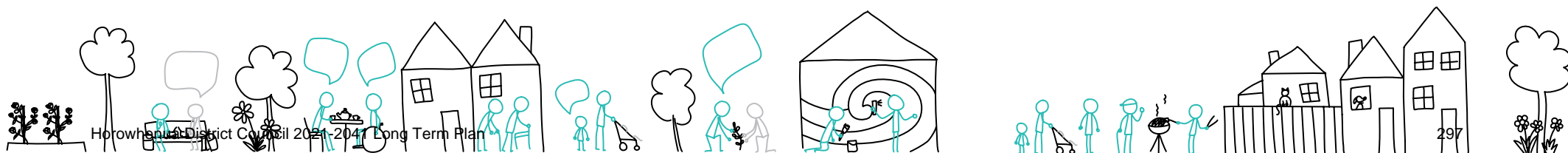
Infrastructure management is working to improve data and information quality. This is needed to establish a more reliable basis for decision making and proposed actions outlined in this Strategy. Council has actively conducted CCTV and condition assessment of pipes to have a better understanding of underground assets. The assumptions related to asset data are that:

- Council will continue to improve processes to better capture asset data, including true operations and maintenance costs;
- Council will update and refine the required renewal expenditure based on the improved data;
- The renewals programmes will continue to

be based on condition and performance monitoring; and

- Asset renewal profiles and depreciation rates/calculations will be reviewed on a regular basis as improved information becomes available.

An assessment of confidence in the data underlying the current Asset Management Plans is shown in Table 5.





**Table 4: Asset Confidence Grade Description**

Grade	Confidence Description
<b>A Highly reliable.</b>	Data based on sound records, procedure, investigations and analysis, documented properly and recognized as the best method of assessment. Dataset is complete and estimated to be accurate $\pm 2\%$ .
<b>B Reliable.</b>	Data based on sound records, procedures, investigations and analysis, documented properly but has minor shortcomings, for example some data is old, some documentation is missing and/or reliance is placed on unconfirmed reports or some extrapolation. Dataset is complete and estimated to be accurate $\pm 10\%$ .
<b>C Uncertain.</b>	Data based on sound records, procedures, investigations and analysis which is incomplete or unsupported, or extrapolated from a limited sample for which grade A or B data are available. Dataset is substantially complete but up to 50% is extrapolated data and accuracy estimated $\pm 25\%$ .
<b>D Very uncertain.</b>	Data based on unconfirmed verbal reports and/or cursory inspection and analysis. Dataset may not be fully complete and most data is estimated or extrapolated. Accuracy is $\pm 40\%$ .
<b>E Unknown.</b>	None or very little data held.

**Table 5: Asset Data Confidence Rating**

Asset Class	Data Confidence Grade	Method of Assessment
<b>Water</b>	<p>C overall – Data based on sound records, investigations and analysis but has minor shortcomings in treatment plants. All critical asset and majority of non-critical assets information have been captured within water reticulation system. Regular condition assessment are performed via continuous leak detection and 24/7 SCADA monitoring of flow and pressure in our biggest water reticulation network.</p> <p>As for treatment plants, all critical and non-critical assets information have been captured at a high level. Above-ground assets are continuously visually inspected. Feedback from operation and maintenance team are captured continuously. There is an improvement plan for asset-register and as-build at a component level to improve asset data capture and valuation.</p> <p><i>Asset data (GIS) is continuously being updated to capture monthly work orders and incidents.</i></p>	Asset data analysis
<b>Wastewater</b>	<p>C overall – Data based on sound records and investigations but has minor shortcomings in treatment plants. All critical asset and majority of non-critical assets information have been captured within reticulation system. Regular condition assessment are performed via CCTV and visual inspections (pump stations).</p> <p>As for treatment plants, all critical assets information have been captured at a high level. Above-ground assets are continuously visually inspected. Feedback from operation and maintenance team are captured continuously. There is an improvement plan for asset-register and as-build at a component level to improve asset data and valuation.</p> <p><i>Asset data (GIS) is continuously being updated to capture monthly work orders and incidents.</i></p>	Asset data analysis
<b>Stormwater</b>	<p>B – Data based on sound records, but has minor shortcomings. All critical asset information has been captured on GIS. Regular condition assessment are performed, for example, CCTV and Inflow and Infiltration surveys.</p> <p><i>Asset data (GIS) is continuously being updated to capture monthly work orders and incidents.</i></p>	Asset data analysis

Note: This rating is not a condition assessment, Council has a separate condition assessment process to prioritise work programmes.

Asset Class	Data Confidence Grade	Method of Assessment
<b>Land Transport</b>	<p>B – Data based on sound records, but has minor shortcomings. All critical asset information has been captured. Regular condition assessments are undertaken. The NZTA ONRC PMRT Asset Management Data Quality Report for 2019/20 gave our aggregated Overall Percentage Result of data quality metrics at 80%, for data at the Expected Standard or Minor Issues, which correlates with the B assessment given.</p> <p><i>Asset data is being updated with work orders on monthly basis. All data updates are quality assurance checked to a minimum of 5%.</i></p>	Asset data analysis
<b>Community Infrastructure</b>	<p>B – Data based on sound records, but has minor shortcomings. All asset information is captured and used to generate renewal forecasts based on well-established and accurate component life-cycles from a national database. Renewal forecasts from the asset datasets reflect the value of need, and component costs are amended annually to reflect changes in cost of supply and labour. Data is audited before inclusion onto the asset database following renewals. Asset information is reviewed annually by an independent organisation.</p> <p><i>Condition assessments are ongoing and are reviewed by an independent organisation every fifth year.</i></p>	Asset data analysis
<b>Property</b>	<p>B – Data based on sound records, but has minor shortcomings. All asset information is captured and used to generate renewal forecasts based on well-established and accurate component life-cycles from a national database. Renewal forecasts from the asset datasets reflect the value of need, and component costs are amended annually to reflect changes in cost of supply and labour. Data is audited before inclusion onto the asset database following renewals. Asset information is reviewed annually by an independent organisation.</p> <p><i>Condition assessments are ongoing and are reviewed by an independent organisation every fifth year.</i></p>	Asset data analysis
<b>Community Facilities</b>	<p>B – Data based on sound records, but has minor shortcomings. Full independent condition assessments have been undertaken for Community Facilities and this data has directly influenced Capital renewal and maintenance budgets for the 2021-41 LTP. This is the first assessment of this nature for Aquatic Facilities and all critical assets have been captured (plant, pool tank, building and hardware). The data will be independently reviewed every three years in line the Long Term Planning cycles.</p> <p><i>Asset Data is updated annually and full condition assessments undertaken in line with LTP cycles.</i></p>	Asset data analysis

Council is continuously updating asset data condition. All renewals are planned not just on the basis of age but also consider the material type, criticality, incident history, asset performance and the road sealing programme. The expected useful life of each asset type in each Activity is also set in the Asset Management Plans and the Asset Valuation to help determine how long the assets are expected to last for.


A data confidence grading system is used for describing the confidence Council has in the accuracy of the asset data; i.e. if the data was taken from "as-built" drawings and robust asset register, the data would have a high confidence rating but if most of the data is based on estimate, the confidence would be low.


For water and wastewater treatment plants, an improvement plan has been put in place to improve asset register at a component level and as-built. This would help with asset data confidence (currently sitting at C), maintenance and valuations. The implication of the data confidence rating of C for the water and wastewater treatment plants is that there may be unplanned maintenance or renewal costs, or renewals may need to occur earlier or later than planned.

Asset lifecycle – asset condition and asset data confidence of our assets are extensively covered in Activity Management Plans. Performance of our network assets are continuously measured by Level of Service targets, asset data collection are continuously collected (CCTV in wastewater/ stormwater pipelines and water leak detection and pressure/flow monitoring via pressure zones in water supply network). Also improvement plans are in place to improve asset data confidence levels.

# Lifecycle of Significant Assets

These tables set out the asset lives in years used for each asset type. The asset lives are used to set the depreciation rates for each asset and calculate the Depreciated Replacement Cost (book value) of each asset portfolio. They are also used to set the default renewal intervals for each asset where condition and performance levels are not known.

 Water	
Asset Type	Life
Treatment	1-100
Air-valve	25
Borehole	40
Hydrant	60
Intake	60
Junction	60
Lateral	30-100
Meter	20
Pipe	30-100
Pump Station	100
Pump Station Mechanicals	15
Backflow Preventer	20
Service Meter	20
Sprinkler	10
Storage	50
Valve	60

 Wastewater	
Asset Type	Life
Treatment	1-100
Air-valve	25
Cleaning Eye	80
Junction	80
Lac	80
Lateral	60-100
Lateral Cleaning Eye	80
Manhole	80
Meter	20
Pipe	40-100
Pump Station	60
Pump Station Mechanicals	15
Storage	50
Valve	60

## Stormwater

Asset Type	Life
Air-valve	25
Catch pit (sump)	80
Channel	60-100
Culvert	50-100
Detention Area	80
Inlet/Outlet	80
Junction	60
Lateral	80
Manhole	80
Pipe	40-100
Pump Station	100
Pump Station Mechanicals	15
Soak Pit	60
Soak Trench	60
Valve	60

## Roading

Asset Type	Life
Crossing	100
Bridge	40-100
Crossing	50
Drainage	50-100
Footpath	20-100
Marking	1
Minor Structure	60
Railing	15-50
Shoulder	40
Sign	12
Street Light Lamp	10-25
Street Light Pole	25-50
Storm Channel	10-100
Traffic Facility	8
Road Surface	3-25
Basecourse	60

## Community Facilities

Asset Type	Life
<b>Libraries</b>	
Lending Collection	3-9
<b>Aquatics</b>	
External Building Fabric	3-75
Internal Finishing	10-50
Ceiling	20-30
Fittings and Fixtures	3-30
Floor	10-30
Interior Doors	15-30
Interior Walls	50
Wall Finishes	10-50
Electrical Services	5-20
Fire Services	5-20
Lift/Hoists	5-20
Mechanical Services	5-20
Pool Structure	5-20
Sanitary Plumbing	5-20
Special Services	5-20
Pool Tanks	5-30
Filtration and Treatment System	5-30
Heating Systems	5-30
Air Supply and Extraction	3-22

## Property

Asset Type	Life
Ceilings	10 - 75
Electrical	15 - 40
External Stairs	50 - 75
External Walls	25 - 100
Fences	10 - 75
Fire Services	10 - 40
Fixtures and Fittings	5 - 75
Floor Finishes	10 - 75
Interior Doors	10 - 50
Interior Walls	18 - 25
Mechanical	7 - 35
Roof	10 - 50
Exterior Works	5 - 50
Sanitary Plumbing	20 - 50
Wall Finishes	10 - 75
Windows and Doors	10 - 50
Tanks	35 - 50
Swimming Pools	25 - 50
Special	5 - 50

## Community Infrastructure

Asset Type	Life
Bins	1 - 15
Fences	15 - 75
Electrical	15 - 25
Exterior Works - Access	5 - 50
Exterior Works - Grounds	15 - 50
External Walls	10 - 100
Fixtures and Fittings	1 - 25
Park Furniture	12 - 50
Play Equipment	5 - 50
Roof	10 - 50
Sanitary Plumbing	20 - 35
Special	12 - 50
Bollards	25
Signs	10 - 15
Sports Equipment	3 - 25
Structures	25 - 60
Windows and Doors	25 - 35
Footpath	10 - 50
Gardens	8 - 32
Gates	25 - 50
Jettys	45 - 60
Seats	1 - 15







# Financial Strategy

Te Rautaki Ahumoni

# Definitions

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## **Business and Economic Research Limited (BERL)**

Leading provider in economic research, analysis, advice, and consultancy for business and public sector clients.

## **Consumer Price Index (CPI)**

Measures changes in the price of consumer goods and services.

## **Core Infrastructure**

Horowhenua defines the following Groups of Activities as Core Infrastructure, Water Supply, Wastewater, Stormwater, and Land Transportation (roading and footpaths).

## **Deficit**

The amount by which expenditures or liabilities exceed income (i.e. spend more than you earn).

## **Funding Assistance Rate (FAR)**

A subsidy from New Zealand Transport Agency (NZTA) to partially fund council owned roading networks. The subsidy partially funds maintenance, renewals and minor safety improvements. This is referred to as a “rate” which is different for each Council based on an assessment of the local economy and need.

## **Infrastructure Strategy**

Describes how a local authority intends to manage infrastructure assets and associated expenditure over 30 years.

## **Legislation**

A reference in this strategy to any law, legislation or legislative provision includes any statutory modification, amendment or re-enactment, and any subordinate legislation or regulations issued under that legislation or legislative provision.

## **Levels of Service (LoS)**

The quality of service a Council Activity is committed to provide to the community.

## **Local Authority Protection Programme (LAPP)**

A disaster fund to assist with the replacement of infrastructure following catastrophic damage caused by a natural disaster.

## **Local Government Cost Price Index (LGCI)**

Measures the cost drivers of Local Government, such as the price of construction material for large infrastructure (i.e. Water reticulation networks, treatment plants and local road maintenance).

## **Local Government Funding Agency (LGFA)**

Provides more efficient funding costs and diversified funding sources for local authorities.

## **Long Term Plan (LTP)**

Council's key strategic planning document outlining Council's financial situation as well as the level of service Council is committed to for the activities it undertakes and capital work programme for at least ten years.

## **Manawatū-Whanganui Local Authority Shared Services (MW LASS)**

Shared service partnership within the Manawatū- Whanganui Region to achieve financial savings.

## **Society of Local Government Managers (SOLGM)**

An organisation for local government professionals to support and promote professional management.

## **Surplus**

Operating revenue in excess of what is required to meet operating expenses (i.e. earn more money than is spent).



# Summary

## What is a Financial Strategy?

This is a fundamental strategy in Council's Long Term Plan that sets out 20 years of prudent financial management. It covers the key financial parameters Council will operate within, including limits on rates and debt.

## Financial Goal

Our key financial goal is to manage growth while living within our means. This includes achieving a balance between:

- ensuring affordable rates for the community
- minimising Council's debt
- making the best use of capital spending.

## Financial Challenges

The key financial challenge Council is facing is funding the capital programme needed to support the projected growth of our district. The population is expected to almost double within 20 years, which increases demand on existing infrastructure and community assets and requires considerable investment in new assets. The funding of this investment needs to be managed prudently and sustainably.

## Debt Limits

With significant growth on the horizon, Council is raising its debt limits. Debt is primarily driven by capital expenditure, and with growth comes a need to fund new infrastructure. We are therefore raising the debt limit from 195% to 225% of operating revenue, still leaving adequate borrowing in the event of a natural disaster.

## Rate Limits

Rates are Council's primary income source. The proposed rate increases and limits are in the table below.

## Balancing the Budget

Balancing the budget means Council's revenue is equal to or exceeds operating expenditure so there is no budget deficit. Council has a history of budget deficits. However, we are planning to significantly increase the level of rates funding every year of this 20 year plan, apart from a small deficit in 2023/24. This will help us catch up for years where we haven't fully funded our renewals and help to ensure borrowings stay below the limit we have set in our financial strategy.

### Our proposed rates increases over 20 years

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031+
<b>Rates Increase (after growth)</b>	7.8%	7.4%	6.4%	4.7%	5.6%	3.8%	4.6%	3.1%	2.8%	3.0%	0.6% <i>(Average)</i>
<b>Rates Limit (after growth)</b>	8.0%	7.5%	6.5%	5.0%	5.8%	4.0%	5.0%	4.7%	4.7%	4.6%	4.4% <i>(Average)</i>

*Note: penalties and remissions are not included in the above. Individual household rates may be higher or lower than the above percentage increases.*

# Introduction

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## “Balancing the budget while planning for growth and maintaining sustainable infrastructure”

Council aims to find a cost effective and efficient balance between the operating budget, prudent debt levels, levels of service, providing for growth and limiting rate increases. The Financial Strategy covers the key financial parameters Council will operate within, including limits on rates and debt. Council's Long Term Plan (LTP) focuses on 20 years to better understand the effects of new projects related to Horowhenua's anticipated growth.

Our community is currently experiencing significant growth which means Council is faced with the challenge of maintaining existing infrastructure assets, as well as providing new infrastructure to support a growing population while trying to keep rates affordable.

This Strategy is the foundation of Council's LTP goal of managing growth while living within its means, focused on achieving a balance between:

- ensuring affordable rates for the community
- minimising Council's debt
- making the best use of capital spending.

Council uses debt (loans) to fund the cost of providing new infrastructure for growth and increases to levels of service, to ensure future generations pay their fair portion of the cost of the new assets which they will use. We are also re-introducing the use of development contributions.

Council aims to use rates to fund the replacement (renewal) of assets, this ensures current generations contribute to the asset replacement as they use the asset. Council has not always funded renewals from rates in the past, this has resulted in the need to loan fund some of those renewals to maintain assets which is not sustainable. Council is continuing its strategy of increasing the rates funding of renewals to achieve a more sustainable financial position.

Council has set limits on debt and rates to ensure we are able to maintain existing levels of service and meet additional demands resulting from growth. Council has increased the level of renewal capital spending in this plan to be able to provide and maintain existing levels of service. This is particularly significant in infrastructure where we are catching up on renewals work needed. We also have additional demand for infrastructure due to our population growing significantly. We have increased our borrowings limit from 195% to 225% of operating income and are proposing the reintroduction of development contributions to enable the growth spending to occur sustainably. The increased rates funding of renewals also supports ensuring borrowings are below our limit.

# Population Growth and Changing Land Use

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**The district is going through a period of transformation. Our population has been growing at a rate of 2% per annum since 2014 and is projected to increase at a rate of 2.6% per annum until 2031, increasing to 2.9% per annum until 2041.**

The population of the Horowhenua District at the 2018 Census was 33,261, is projected to be 36,708 by June 2021 and reach 62,716 by 2041. This is an increase of 26,008 people between June 2021 and June 2041.

As a result of the increased population growth, there is projected to be an increase of 11,209 dwellings in the Horowhenua District between June 2021 and June 2041 (a total of 27,815 dwellings). This growth will result in an average of 434 dwellings being constructed per year between 2021 and 2031, and an average of 686 per year between 2031 and 2041.

Population growth will have an impact on land use in the Horowhenua and is likely to result in both greenfield (large scale development of previously vacant land) and brownfield (redevelopment/intensification within the existing urban footprint) housing and business land development. Growth is projected to be

largely residential (85%) and in Levin (51.8% of the urban growth).

Council is currently working on three Master Plans for future development in the growth areas of Levin East (Tara-Ika), Waitārere Beach and Foxton Beach. Over a number of years these Master Plan areas will transition from rural/semi-rural areas to urban environments. Council is also in the early stages of planning for other future residential and commercial growth areas that will see land use transition over time.

The Ōtaki to North of Levin (O2NL) highway, part of the Wellington Northern Corridor project, is planned to be constructed by 2029. Land use is likely to change near the highway, particularly around interchange locations which are likely to attract commercial and industrial activities. In addition, O2NL will change how our local road network functions – some exiting roads will be

severed, while other new road connections will be provided. This will change movement patterns, altering how people move around the District. Foxton and Shannon will each become the first towns on a State Highway outside of Wellington – both towns will likely experience changes in land use as a result of this as businesses seek to entice passing travellers to stop for a rest.

**For more detail on the projected change in population see the Significant Forecasting Assumptions on our website as supporting information:**



[horowhenua.govt.nz/](https://horowhenua.govt.nz/)  
GrowingOurFutureTogether

# Investing in Our Infrastructure and Community Assets

**Council is facing a challenging environment and must respond to these challenges while trying to reach a balance between loan and rate funding.**

The growth our district is projecting is significant. The population is expected to almost double within 20 years, which increases demand on existing infrastructure and community assets and requires considerable investment in new assets.

Council's growth capital programme has implications for operational expenditure. Over the 20 year plan, there will be an additional \$1.3 million of operational spending occurring as a result of planned growth projects. This extra operational expenditure is due to ongoing maintenance requirements associated with parks and reserves, cemeteries and our wastewater treatment plants.

**Figure 1. Major Capital Expenditure Projects.**

	<b>Total Project</b>	<b>2021/22-2022/23</b>	<b>2023/24-2025/26</b>	<b>2026/27+</b>
<b>Alternative water source for Levin</b>	<b>\$37.4m</b>	\$1.2m	\$5.1m	\$31.0m
<b>Levin North East Stormwater drainage</b>	<b>\$4.6m</b>	\$2.9m	\$1.7m	-
<b>Levin wastewater treatment plant - strategic upgrade</b>	<b>\$33.6m</b>	-	-	\$33.6m
<b>Ōhau future supply of wastewater services</b>	<b>\$16.7m</b>	-	-	\$16.7m
<b>Ōhau future water supply services option</b>	<b>\$16.4m</b>	-	-	\$16.4m
<b>Subsidised Roding - road improvements due to O2NL</b>	<b>\$30.5m</b>	\$3.0m	\$10.0m	\$17.5m
<b>Waitārere Beach future water supply services option</b>	<b>\$23.7m</b>	-	-	\$23.7m
<b>Waitārere Beach Surf Life Club design and build</b>	<b>\$3.2m</b>	\$3.2m	-	-
<b>Foxton Pool Redevelopment</b>	<b>\$2.6m</b>	2.6m	-	-
<b>Tara-Ika</b>	<b>\$34.6m</b>	\$18.0m	\$16.6m	-

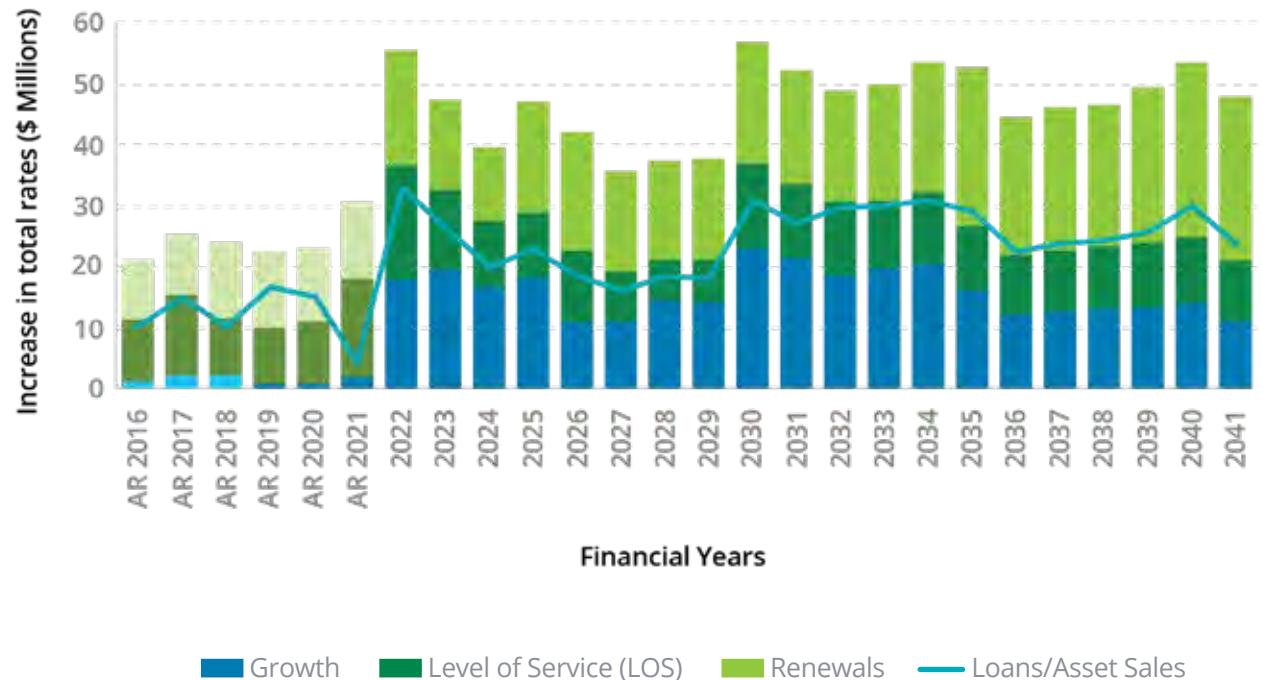
Council has plans in place to ensure the significant investment in our infrastructure assets are able to be delivered. For further information see the Infrastructure Strategy.

The primary challenges in managing our infrastructure assets are: :

- Population growth resulting in increased demand. This includes the need to plan for changes to the roading network as a result of the Ō2NL expressway, finding a new water source for Levin and the need to make major upgrades to our parks and reserves.
- Ageing infrastructure and renewals, particularly for the three waters network. This includes maintaining our infrastructure networks to continue to deliver the levels of service the community has come to expect.
- Public health and environmental outcomes. Needed to increase investment in the three waters space to provide higher quality environmental outcomes and strengthening earthquake-prone buildings to protect public health and safety.

Figure 2 shows the capital expenditure required for our infrastructure assets for growth, levels of service and renewals, which averages \$47 million each year. The capital expenditure required to service growth equates to about 34% of the programme.

**Figure 2. Asset Expenditure and Loans**



The loans/asset sales line in the graph shows that we do not need to use debt to fund all of the capital programme. We aim to fund our renewals through rates, grants from NZTA and other sources that contribute towards renewals and new assets.

We are also proposing to recover our growth spending through contributions from new households. This makes sure new properties pay their share which helps to ensure our borrowings will be below the limits we set by contributing \$94m of the 20 year capital programme.

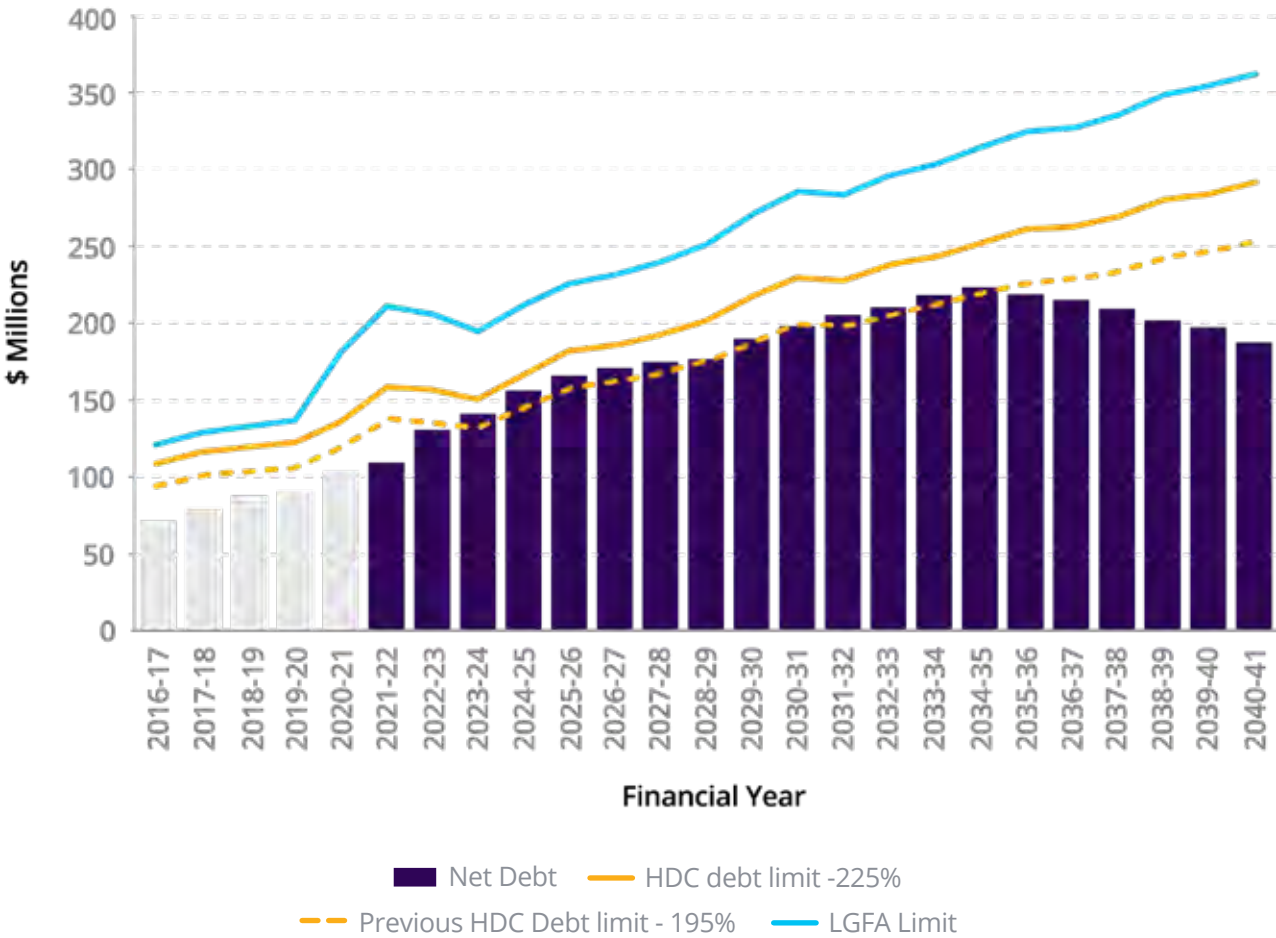


# Debt

**Council uses debt (loans) to fund the cost of providing new infrastructure for growth and increases to levels of service, to ensure future generations pay their fair portion of the cost of the new assets which they will use.**

Throughout the 20 year plan we are planning to spend approximately \$407m to continue maintaining existing assets and to ensure our infrastructure and community assets are able to service the extra 11,000 dwellings we are expecting to be constructed in the district over the next 20 years. This renewal capital programme will be fully funded by rates and subsidies from NZTA. Of the total growth and upgrade programme of \$538m, \$94m is assumed to be funded from development contributions over the next 20 years.

**Figure 3. Net Debt**



Council's net debt is predicted to peak at \$232m in 2035. For the LTP 2021-41, Council is proposing to increase its debt limit from 195% to 225% to provide sufficient room to fund growth projects. Figure 3 shows that a significant portion of Council's debt requirements are projects that maintain existing assets, however, to also fund the projects needed to support such a fast growing community additional debt is required. Increasing the debt limit to 225% is considered to be prudent as there is still sufficient headroom with the debt limit imposed by the LGFA (who Council borrows money from) and provides a sufficient buffer to access additional funds if required in the event of an emergency such as a natural disaster.

In the past, Council has used debt to fund some of the renewals of assets and to keep rates affordable. This is unsustainable and resulted in above average debt and an unbalanced budget. This is proposed to be addressed through this 20 year plan by increasing rates to fund renewals.

Council is also committed to exploring other sources of revenue, such as external grants, to pay for infrastructure needed to meet the needs of the growing community. Council has had recent success in receiving Central Government Funding for investment in delivering infrastructure for the Tara-Ika growth area, the Foxton River Loop and for the 3 Waters network.

### LGFA

The LGFA is the Agency where Council sources the bulk of its loan funding.

**Council has maintained an A+ credit rating with Standard and Poors every year since first being rated in 2015.**

This credit rating enables the LGFA limit to be set at 300% of Council's operating income for the 2020/21 and 2021/22 years, reducing to 280% in year 2025/26 and remaining at 280%.

Gaining a credit rating has also helped to reduce Council's interest rates on new borrowings since May 2015.

### Limit - Debt

The net debt to revenue ratio will be within the maximum of 225% of Council's operating income as calculated for LGFA covenant disclosures.



# Rates

**Council remains committed to a long-term programme of increasing income to:**

- 1 Increase rates funding of asset renewals expenditure.**
- 2 Pay for operational expenses.**
- 3 Maintain a balanced operating budget.**

In recent years, a key aspect of Council's Financial Strategy has been increasing rates to move from the partial loan funding of renewals to rate funding of renewals, with an aim of fully rates funding renewals and achieving a balanced budget.

Rates funding renewals ensures that current generations contribute to the asset replacement as they use the asset. This has led to above inflation rate increases since the 2013/14 financial year, apart from in 2020/21, when Council decided on a 1.83% decrease to the total rates income collected in response to the Covid-19 pandemic. This rates decrease for the 2020/21 year (compared to the 5.54% increase projected in the LTP 2018-38) means Council's rates income is currently lower than anticipated, this is contributing to the need for higher rates increases in the short term to catch up.

However, in order to keep rates increases below 8% in the first 3 years, Council is proposing to continue to loan fund some asset renewals for the first four years of the plan. After that, we will be fully funding our depreciation each year.

Between 2025 and 2026 we also need to keep rates at between 4.5 and 6% to increase rates funding of asset renewals and reach the goal of fully funding renewals by rates by the end of the 20 year plan.

A key benefit of growth is that the rates income increase needed each year is split between a greater number of ratepayers, decreasing the impact on the community (Figure 4).

Council's long-term aim is to have rate increases (net of growth) close to the level of inflation (Local Government Cost Index (LGCI)) plus 2%. This is proposed to be achieved in the 2026/27 financial year. Council is committed to getting the most value out of every dollar spent, while achieving the right balance between progress and affordability.

## LGCI

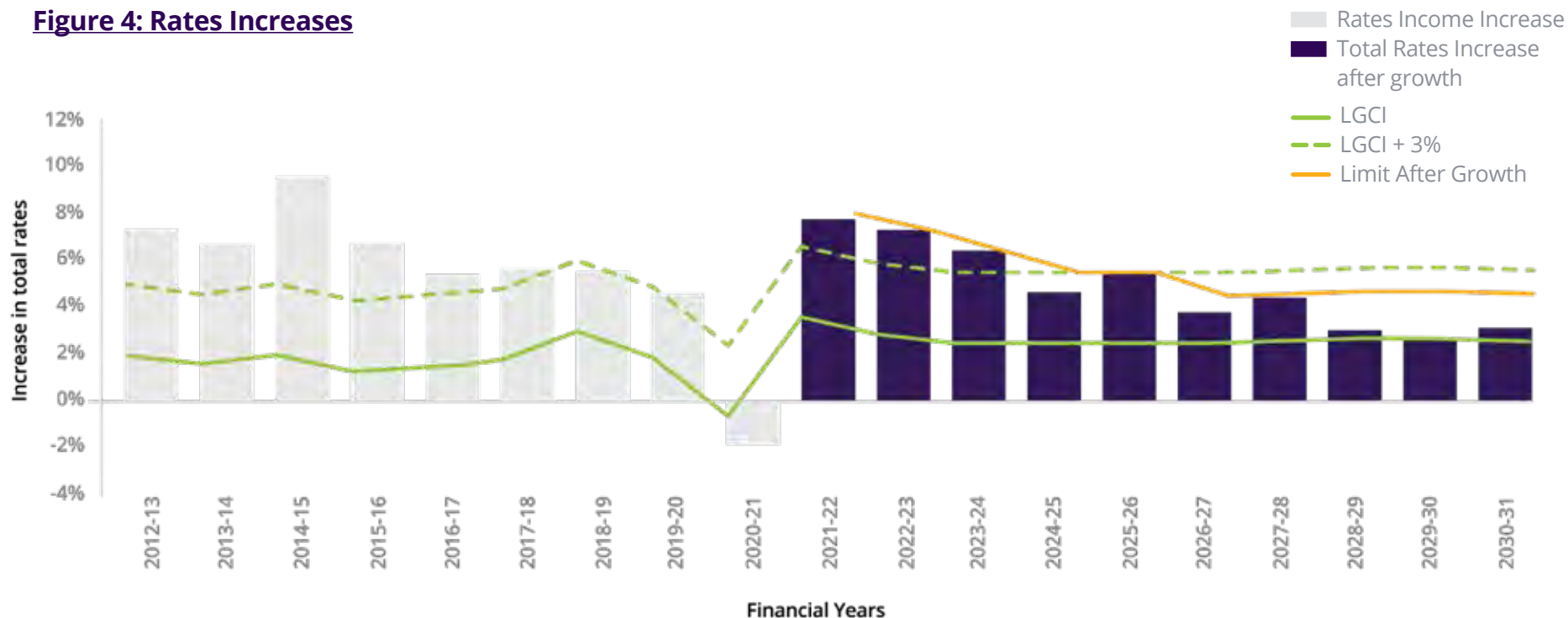
The LGCI is the inflation index relating to local government (as opposed to the Consumer Price Index (CPI) which measures inflation for households).

Local government inflation differs from household inflation mainly due to the greater influence of petroleum inflation on local government than individual households.



*The Society of Local Government Managers (SOLGM) has commissioned Business and Economic Research Limited (BERL) to forecast inflation/price changes for 2021-2041 for local authorities as a basis on which to prepare their forecast LTP financial information. These forecasts are used within Council's Significant Forecasting Assumptions outlining inflation over the 20 years of the LTP*

**Figure 4: Rates Increases**



Note: Neither the CPI or LGCI provide forecasts past 2030/31. The LGCI trend-line was simulated from 2030/31 based on the previous 10-years of data.

**Table 1: Rates Increases**

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031+
<b>Rates Increase (after growth)</b>	7.8%	7.4%	6.4%	4.7%	5.6%	3.8%	4.6%	3.1%	2.8%	3.0%	0.6% (Average)
<b>Rates Limit (after growth)</b>	8.0%	7.5%	6.5%	5.0%	5.8%	4.0%	5.0%	4.7%	4.7%	4.6%	4.4% (Average)

Note: penalties and remissions are not included in the above. Individual household rates may be higher or lower than the above percentage increases.



# Balancing the budget

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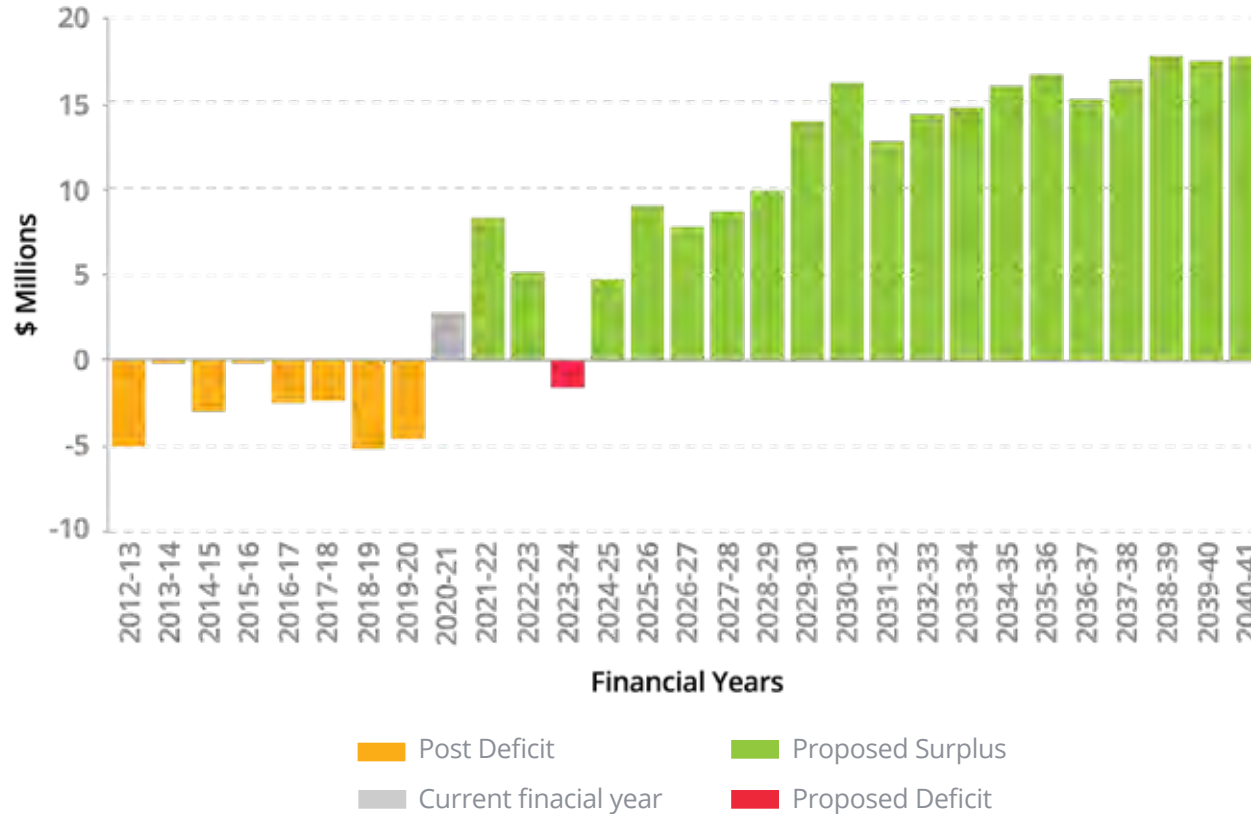
**Balancing the budget means Council's income is equal to or more than operational expenses.**

Council has a history of budget deficits, largely resulting from partial loan funding of the asset renewal programme as outlined in the section related to rates. For this 20 year plan we are planning to balance the budget in all years, apart from a small deficit in 2023/24, however, in order to keep the rate increases affordable in the first 3 years Council is proposing to loan fund some asset renewals. The following 5 year period still has above inflation increases to increase rates funding of asset renewals necessary to keep the loan portfolio sustainable in the long-term. This also has the consequence of increasing surpluses in all years from 2024/25 onwards.

Operating in surplus means we will be able to pay-off more capital project loans (debt) used previously to fund renewals. This has also been helped by the NZTA Funding Assistance Rate (subsidy) on Land Transport increasing from an initial assumption of 60% to 62% reducing to 60% in 2023/24.

# Policy on Securities

**Figure 5: Benchmark Operating Surplus/Deficit**



It is still Council’s intention to increase fees and charges by inflation as a source of income. Although no increases were made in the 2020/21 year to help the local economy recover from the Covid-19 pandemic.

*The balanced budget measure is calculated by measuring incomes less expenses but excluding income from development contributions, vested assets, asset revaluation gains/ losses and other non-operating income and expenses.*

**In order to borrow money, Council has to offer our lenders some security.**

In general, councils secure debt by giving the lender the ability to raise a rate (i.e. rate you more) to repay the loan. Council uses the LGFA as a source of loans and uses rates as security for all borrowings from the LGFA. Using rates as security helps Council take out loans with low interest rates.

# Investments

## Council holds investments in companies, commercial property and cash.

### Investment in Companies

Council is an equity holder in three companies (listed in Table 2). Council does not hold these equity interests to receive a financial return. The reason for holding the share is strategic, to foster efficiencies and positive outcomes in reducing costs. Council holds an investment in Civic Financial Services Limited. Before 1 March 2017 it was known as the New Zealand Local Government Insurance Corporation Ltd and traded under the name of Civic Assurance, however, the company no longer offers insurance products. Council's initial reason for investing, to foster a competitive insurance market, no longer applies. Recently the Company sold its Wellington building and paid out a special dividend to shareholders.

### Investment in Property

Council owns a mix of properties both core, relating to Council's primary services (e.g. drainage and sewage) and non-core, pertaining to non-traditional services (e.g. commercial buildings and motor camps). Council has been implementing a programme of asset sales of non-core property following an evaluation of the property portfolio in accordance with Council's Property Strategy.

This programme of sale of non-core property assets will be continued, with the aim of Council owning and maintaining only core property by 2028.

There is a risk that the sale of assets will not occur in the assumed timeframe due to unforeseen property markets.

**Table 2: Council Shareholdings**

Company	Shareholding	Principal reason for investment	Budgeted Return
<b>Manawatū-Whanganui Local Authority Shared Services Ltd</b>	\$16,000 (14.29%)	Efficient cost effective back office functions	nil
<b>New Zealand Local Government Funding Agency</b>	\$100,000 (0.4%)	Cost effective borrowing	\$6,000 pa
<b>Civic Financial Services Ltd</b>	\$104,000 (1.0%)	Historically for risk management, and ensuring a competitive insurance market	nil

## Cash investments

Council has surplus cash from operations from time to time. Surplus cash is invested for short periods of time (30 to 90 days) to maximise returns from these funds.

Council's practice is to use surplus cash to minimise external debt. It is prudent to hold some cash to ensure short-term liquidity. Council generally holds approximately \$10m to \$11m in cash. Cash is supplemented by the use of a committed banking facility of \$10m that enables Council to raise short-term borrowings in the event of a natural disaster when Council would need access to funds quickly to provide relief.

Council recently increased cash reserves to reduce the liquidity risk (i.e. to reduce the risk of not covering our short-term debt).

## Other investments

As part of borrowing from the LGFA, the Council is required to invest in financial bonds at 2.5% of the borrowing from the LGFA. Council will receive interest and full repayment of these "borrower's notes" upon repayment of the loan to which they relate. Interest is calculated to cover the cost of funds.





# Insurance

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## Council has full insurance cover through the MW LASS insurance procurement project.

Council currently insures all Water, Wastewater and Stormwater assets as well as Council's operational assets (plant and equipment) and buildings. Land Transport (Roads and Footpaths) assets are uninsured.

A key assumption is that Central Government will contribute towards the replacement of Land Transport assets following a qualifying natural disaster event. This assistance would be provided at the Council's current Funding Assistance Rate (FAR), which will be 62% in 2021/22, 61% in 2022/23 and 60% in 2023/24. For the portion of cumulative claims of the total costs of emergency works that exceed 10% of the Council's approved maintenance programme for the year, Central Government would provide funding at the normal FAR plus an additional 20%. Council will loan fund the difference.

Another key assumption with any disaster recovery is that Central Government will contribute 60% of the funding to reinstate infrastructural assets following a significant natural disaster. Council's 40% share is insured for disaster recovery through the Local Authority Protection Programme (LAPP). LAPP is a mutual self-insurance arrangement with other local government entities to insure underground infrastructure against disaster damage similar in nature to Christchurch's earthquake.

Council is reviewing its membership of LAPP due to the continued withdrawal of member councils in recent years. This increases Council's risk of LAPP not being able to cover insurance claims in the long-term. If Council decided to leave LAPP, it will replace this form of mutual insurance with normal insurance subject to affordable premiums and excess. Normal insurance for operational assets and buildings is sourced through the Manawatū-Whanganui Local Authority Shared Services (MW LASS) procurement in conjunction with our regional partners.

Central Government is reviewing their commitment to cover 60% of any disaster reinstatement whereby they will withdraw from this arrangement in all but catastrophic events. However, the Government has not made any definitive decisions as yet. Council has, therefore, assumed the status quo in the interim. Council believes it will have sufficient capacity to borrow to cover the costs of any emergency within the new 225% of income debt limit and well within the LGFA limit of 300% (decreasing to 280%).

# Policies

## Ngā Kaupapa Here

- Revenue and Financing Policy
- Rates Remissions Policy
- Remissions of Rates on Māori Freehold Land
- Liability Management Policy
- Accounting Policies
- Summary of Council's Policy on Determining Significance

# Revenue and Financing Policy

## 1. Introduction

Section 102(1) of the Local Government Act 2002 requires the adoption of policies that outline how operating and capital expenditure for each activity will be funded. The policies are aimed at providing predictability and certainty about sources and levels of funding.

In deciding the most appropriate funding source for each activity Council has taken into account:

- the Community Outcomes to which the activity primarily contributes;
- the distribution of benefits between the Community as a whole an identifiable part of the Community, and individuals;
- the period in or over which those benefits are expected to occur;
- the extent to which the actions or inactions of particular persons or a group contribute to the need to undertake the activity;
- the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities; and
- the overall impact of any allocation of liability for revenue needs on the Community.

Note, Councils actual performance against the targets set in this policy may differ. As Council's aim is to maximize revenue from sources other than rates and also any changes in activity (especially in relation to resource consents and building consents) many activities may return better results than anticipated while others may return worse results. It is, however, council's intention to meet these targets in terms of the long-term averages for each activity and as such Council's ability to amend this policy.

## 2. Funding Sources Available

### 2.1 General rates

General rates are used when there are general benefits to the District as a whole, where there is typically a high public benefit from the services funded from the rate, when Council considers the Community as a whole should meet the costs of those services, and when the Council is unable to meet its user charge targets. The General rate will fund both operating and capital expenditure for all activities other than those funded by Targeted rates or other revenue sources or funding mechanisms. All ratepayers are assessed (charged) a General rate, but this rate is set differentially, in order to set the rates in proportion to the relative benefits generated by Council's expenditure.

Council has decided to depart from the previous method of calculating the differentials from previously being a percentage of the total rate income to one where the Farming Categories will have a differential factor of 0.5.

Therefore the proportions of general rate are proposed to change as follows:

## General Rates

Category General Rate		Proposed (Differential Factor) 2021/41
Farming Categories		0.5
Rural		N/A
District Wide (excluding Farming)		1

- a. A District Wide Differential to apply to all rating units other than those in the farming category differential.
- b. The Farming Categories applies to rating units classified as Farming. These properties will be identified in the District Valuation Roll (“DVR”) using the “property Category” codes from Appendix F of the Rating Valuation Rules 2008(LINZS30300), promulgated by the Valuer General. Those categories are;
  - “A” arable
  - “D” Dairy
  - “F” Forestry except protected forestry
  - “H” Horticulture
  - “P” Pastoral
  - “S” Specialist livestock

The Farming Category also applies to rating units located outside the urban boundaries, as defined in the Urban Rating Area maps available in the Council Offices, identified as::

- “LB” Lifestyle Bare
- “LV” Lifestyle Vacant
- “RB” Residential Bare
- “RV” Residential Vacant

The General rates set in each of the categories based on land value.

Council is not setting a Uniform Annual General Charge (under section 15 of the Local Government (Rating) Act 2002 (“LG(R)A”) preferring instead to set Targeted rates as fixed amounts for Libraries, Representation and Community Leadership, Solid Waste and Aquatic Centres (Swimming Pools) (refer below).

## 2.2 Targeted Rates

Targeted rates are set to cover, in a transparent manner, the operating and capital expenditure for the following major activities. Targeted rates are used when Council considers that transparency is important, or where location or the method of rating make the use of a Targeted rate more appropriate, fairer, and more equitable.

## Targeted Rates

Activity	Rating Area	Rating Method
Solid Waste	District wide where by all rural rating units pay 20% and all urban rating units pay 80% of the net solid waste costs.	(Separately Used or Inhabited Part) SUIPs
Water Supplies	District wide on all connected properties. Availability charge to those rating units that are able to be connected.	SUIPs and metered supply where applicable
Wastewater	District wide on all connected properties. Availability charge to those rating units that are able to be connected.	SUIPs
Land Transport (Roads and Footpaths)	District wide.	Capital Value
Libraries and Community Centres	District wide.	SUIPs
Representation and Community Leadership	District wide.	SUIPs
Stormwater	Urban rating units.	Capital Value
Aquatic Centre	District wide.	SUIPs

## 2.3 Fees and Charges

Fees and charges are set to recover the costs from users of Council facilities where there is a high private benefit accruing to those individuals or users groups.

In a small number of cases it is also possible and appropriate to recover the private benefit of capital expenditure (e.g. water connections, sewer connections, and subdivision infrastructure).

## 2.4 Interest and Dividends

The interest earned from the investment of special funds is added to those special funds, to help fund future expenditures.

Dividends and other interest earnings are used to offset General rates rather than being used to fund particular expenditures.

## 2.5 Borrowing

Borrowing is used primarily to fund capital expenditure where other sources of funding are not available or not appropriate, in order to spread the incidence of the expenditure over both current and future beneficiaries. Policies in relation to borrowing are presented in the Liability Management Policy. Loan servicing costs are (both internal and external borrowing) borne by the activity requiring the loan funding.

Borrowing will be used to fund operational costs only in the following circumstances;

1. To smooth rating increases where a substantial and unexpected change in costs would increase rates above the rates increase limits set out in the Financial Strategy.
2. To fund Operational projects over 10 years for projects like district plans and strategic planning documents that plan for a 10 year or more time period.
3. To reduce rates in a year where a major disaster (natural or otherwise) has had an impact on the local economy and where Council wishes to reduce the rate as a way to stimulate the economy.

## 2.6 Proceeds from Asset Sales

The proceeds of asset sales are primarily used to reduce or avoid borrowing. This is to strengthen Council's Balance Sheet and to create capacity to respond to future growth opportunities.

## 2.7 Development Contributions and Lump Sum Contributions

The Council is proposing to reintroduce Development Contributions Policy and from 1 July 2021.

Contributions may be negotiated through private developer agreements. Council may set financial contributions (under the Resource Management Act 1991) to assist with the costs of providing infrastructure for developments and providing for the recreational needs of the community.

Council may set Lump Sum contributions under the Local Government (Rating) Act 2002 where infrastructural improvements have been requested or necessary to existing ratepayers.

## 2.8 Grants and Subsidies

Most grants and subsidies are primarily sourced from Central Government and are typically related to specific activities. Council seeks to maximize the opportunity and ensure use is made of grants and subsidy funding whenever and wherever they are available:

- a. Roading subsidies are tied to specific operating and capital expenditures;
- b. Petrol tax distributions are used to offset the Land Transport Targeted rate; and
- c. Other grants and subsidies tend to be tied to particular expenditures, for relatively small sums, and of insecure tenure according to the policies of Central Government.

## 2.9 Reserves

Reserves are held to ensure that funds received for a particular purpose are used for that purpose and any surplus created is managed in accordance with the reason for which the reserve was established. Surpluses held in reserves are credited with interest. Council holds 15 reserves, with four being restricted reserves. Restricted reserves are reserves that have rules set by legal obligation that restrict the use that Council may put the funds towards. The remaining Council created reserves are discretionary reserves which the Council has established for the fair and transparent use of monies. Reserve balances are not separately held in cash and the funds are managed as part of Council's treasury management.

## 3. Funding of Operating Expenses

The Council's policies and practices as regards to the funding of its operating expenses are set to ensure that the policies comply with applicable legislation and generally accepted accounting practice, and after consideration of the matters set out in section 101(3) of the Local Government Act 2002.

In general terms it will use a mix of revenue sources to meet operating expenses, the major sources being rates, grants and subsidies, and fees and charges.

The following sources of funding are used to finance operating expenses:

Activity Group	General Rates	Targeted Rates	Grants and Subsidies	Reserves	Fees and Charges	Borrowing
Regulatory Services	✓			✓	✓	✓
Community Infrastructure	✓		✓	✓	✓	✓
Community Facilities		✓ Library and Community Centres, Aquatics Centres	✓	✓	✓	✓
Land Transport (Roads and Footpaths)		✓	✓	✓		✓
Water Supply		✓		✓	✓	✓
Wastewater Disposal		✓		✓	✓	✓
Solid Waste		✓	✓	✓	✓	✓
Stormwater		✓		✓		✓
Property	✓			✓	✓	✓
Community Support	✓		✓	✓	✓	✓
Representation and Community Leadership	✓ Strategic Planning and District Planning	✓		✓		✓

## 4. Funding of Capital Expenditure

The Council's policies and practices as regards to the funding of its capital expenditure are set to ensure that it complies with applicable legislation and generally accepted accounting practice.

In general terms it will use a mix of funding sources to meet capital expenditure, the major sources being rates, reserves, and borrowing.

The following sources of funding are used to finance capital expenditure in the order of preference shown:

1. The first source of financing capital expenditure will always be third party sources that relieve the burden on ratepayers generally. These are not commonly available, but would include any government subsidies for water and wastewater schemes, and third party donations, development contributions, financial contributions lump sum contributions and Special Purpose Vehicles (SPVs) under the Infrastructure Funding and Financing Act 2020.
2. The second source considered will be asset sales. Such sales will be applied firstly to the activity to which the asset is attributed to. This may also result in early repayment of any borrowing relating to this activity. However, Council is setting up an Economic Development Trust which may be involved in selling non-core property assets and utilising the funds for economic development activities and growth initiatives and projects.
3. The third source considered will be rates. This reflects a prudent propensity on the Council's part to ensure that special purpose reserves are only utilised on a selective basis on relatively significant works in the

context of long-term planning, rather than on minor works over a shorter term, and a prudent reluctance to increase loan indebtedness unless necessary.

4. The fourth source considered will be reserves, and in particular funds that may be held for larger capital works in specific activities. Examples include water, wastewater, road and property works financed from the Foxton Beach Freeholding Account, cemetery extensions financed from the Capital Projects Fund and vehicle purchases financed from the Plant Depreciation Fund.
5. The final source considered for the financing of capital expenditure will be borrowing. This reflects a prudent reluctance to increase loan indebtedness unless necessary. Although it is the last option considered, the Long Term Plan (LTP) provides for substantial new borrowing to achieve an element of intergenerational equity in the financing of a range of major capital expenditure works. Loan funding is also used for infrastructural asset renewals where the rate generated reserves are inadequate due to the level of renewals in any one year.



## Funding of Capital Expenditure

Activity group	General Rates	Targeted Rates	Grants and Subsidies	Reserves	Borrowing	Development/Financial Contributions	Lump Sum Contributions
Regulatory services	✓			✓	✓		
Community Infrastructure	✓		✓	✓	✓	✓	
Community Facilities and Services		✓ Library, Community Centres and Aquatics Centres		✓	✓	✓	✓
Land Transport (Roads and Footpaths)	✓		✓	✓	✓	✓	✓
Water Supply		✓	✓	✓	✓	✓	✓
Stormwater		✓		✓	✓	✓	✓
Wastewater		✓	✓	✓	✓	✓	✓
Solid waste		✓			✓	✓	
Property	✓			✓	✓		
Community support	✓			✓	✓		
Representation and Community Leadership		✓		✓	✓		

## 5. Depreciation Reserves

Depreciation reserves have generally been funded from rates (or other funding from a surplus within the activity in any particular year). Depreciation reserves are only used to fund replacements and renewals of operational and infrastructural assets.

## 6. Funding Allocations between Ratepayers and Users

### 6.1 Regulatory Services

#### 6.1.1 Resource Consent Applications

Processing applications within the confines of the Resource Management Act (“RMA”) 1991 and the Horowhenua District Plan.

Matters that must be considered under the Local Government Act (“LGA 2002”).

<b>Community Outcomes</b>	The “Outstanding Environment” Community Outcome is supported by this service as it involves managing development within the confines of the District Plan and the RMA.
<b>Who Benefits</b>	<p>The benefits are primarily a private good. Planning consents are undertaken within the confines of the RMA. The guiding principle, as stated in section 2 of the RMA is “to promote the sustainable management of natural and physical resources”. In the RMA sustainable management is defined as “managing the use, development, and protection of natural and physical resources in a way, or at a rate, which enables people and communities to provide for their social, economic and cultural wellbeing and for their health and safety”.</p> <p>It is possible to directly charge the primary beneficiaries i.e. the applicant. The wider public however also benefits since they are protected from “unsustainable practices” and have the opportunity to participate in the decision making process either via the District Plan development or the notification process.</p> <p>The wider public also benefit from this activity as it helps to protect high class soils which are a national asset.</p>
<b>Period of Benefit</b>	At the time the consent is processed.
<b>Whose acts create a need</b>	The applicant for resource consent benefits the most directly from resource consent, although the public at large also benefits in certain instances.
<b>Separate funding</b>	A large degree of private benefit makes user charging feasible.
<b>Funding Source</b>	<p>Public good - General rate: 30% - 40%</p> <p>Private Benefit - Fees and Charges: 60% - 70%</p>
<b>Rationale</b>	Although primarily a private benefit the RMA exists to protect the wider environment for the benefit of all residents

## 6.1.2 Resource Management Policy and Enforcement, District Plan, Strategic Planning

The development and review of a Strategic Plan and District Plan and enforcement of the district planning consent as required by the RMA.

Matters that must be considered under the LGA 2002.

<b>Community Outcomes</b>	The “Outstanding Environment” and “Exuberant Economy” Community Outcomes are supported by means of enabling growth while managing development of the District within the confines of the District Plan and RMA.
<b>Who Benefits</b>	All residents are given the opportunity to participate in realising the future of the District via the development of Strategic and District Plans. The activity contributes to a well organised Community and a sustainable environment in which all residents have the opportunity to participate in formulating the desired outcomes.
<b>Period of Benefit</b>	This activity should be funded over the life of the District Plan and Strategic Plan. Public enquiry and enforcement should be funded in the year the work was carried out.
<b>Whose acts create a need</b>	Those who create the need for enforcement. However, the enforcement action protects the wider Community by enforcing consent conditions.
<b>Separate funding</b>	No private benefit exists from this activity.
<b>Funding Source</b>	Public good - General rate: 100% Private Benefit: 0%
<b>Rationale</b>	This activity is strategic in nature and is primarily involved in setting strategic goals and enabling growth while protecting the environment for the benefit of the wider Community. The activity also aids in public understanding and compliance with the RMA.

### 6.1.3 Building Consents

The provision of services as required under the Building Act 2004 and associated legislation. To ensure that building work undertaken in the District is done with an approved consent and inspection process that ensures standards are met.

Matters that must be considered under the LGA 2002.

<b>Community Outcomes</b>	The “Strong Communities” and “Vibrant Economy” Community Outcomes are supported as everyone needs to be able to assume that the buildings in the District are not dangerous or unsanitary.
<b>Who Benefits</b>	It is possible to directly charge the primary beneficiaries i.e. the applicant. The wider public however also benefits since they are protected from “unsustainable practices” and poor building practices especially in relation to commercial buildings. Potential buyers of property benefit from surety around previous work undertaken.
<b>Period of Benefit</b>	At the time the permit is processed.
<b>Whose acts create a need</b>	The applicant for building permits benefits the most directly from the permitting process.
<b>Separate funding</b>	A large degree of private benefit makes user charging feasible.
<b>Funding Source</b>	Public good- General rate: 10% - 20% Private Benefit - Fees and Charges: 80% - 90%
<b>Rationale</b>	Although primarily a private benefit the Building Act 2004 exists to protect the wider Community from poor building practices.

## 6.1.4 Building Policy, Accreditation, Public liaison

The provision of services as required under the Building Act 2004 and associated legislation. To ensure that building work undertaken in the District is done with an approved consent and inspection process that ensures standards are met.

Matters that must be considered under the LGA 2002.

<b>Community Outcomes</b>	The “Strong Communities” and “Vibrant Economy” Community Outcomes are supported as everyone needs to be able to assume that the buildings in the District are not dangerous or unsanitary.
<b>Who Benefits</b>	The wider public benefit since they are protected from “unsustainable practices” and poor building practices especially in relation to commercial buildings. Potential buyers of property benefit from surety around previous work undertaken.
<b>Period of Benefit</b>	Over the period of the accreditation.
<b>Whose acts create a need</b>	The economic activity that leads to the need for building permits activity to be undertaken and for the need for standards to be set.
<b>Separate funding</b>	No private benefit exists from this activity.
<b>Funding Source</b>	Public good - General rate: 100% Private Benefit - Fees and Charges: 0%
<b>Rationale</b>	Although the building consenting activity is a private benefit, the Building Act 2004 and the accreditation process exists to ensure standards set by regulatory agencies are met to protect the wider Community from poor building practices.

## 6.1.5 Health Licensing

To provide inspection and licensing of premises service to ensure hygiene and other regulatory standards are met for the health and safety of users.

Matters that must be considered under the LGA 2002:

<b>Community Outcomes</b>	The “Strong Communities” Community Outcome is supported as Council will monitor and mitigate problems, nuisances, and threats to public health.
<b>Who Benefits</b>	The public benefit as the purpose of licensing is to enforce legal provisions under the Health Act and relevant Bylaws for the benefit of the wider public. It also gives users of premises surety around hygiene and food standards. The activity is a statutory requirement and the provision of the service provides direct health benefits to the Community.
<b>Period of Benefit</b>	Over the period of the license.
<b>Whose acts create a need</b>	Premises operators will incur direct costs in not complying and such costs should be passed on to them to ensure standards set are established and maintained. The cost incurred in obtaining a licence should also be borne to some degree by the Premises Operators.
<b>Separate funding</b>	A degree of private benefit to the premises operators makes user charging feasible.
<b>Funding Source</b>	Public good – General rate: 65% - 75% Private Benefit - Fees and Charges: 25% - 35%
<b>Rationale</b>	The 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.

## 6.1.6 Dog and Animal Control

This Activity is undertaken to meet the Council's obligations under the Dog Control Act 1996 and associated legislation and Bylaws. It involves the provision of services in respect of animals, particularly dogs, for the general safety and wellbeing of the Community.

Matters that must be considered under the LGA 2002.

<b>Community Outcomes</b>	The "Strong Communities" Community Outcome is supported. The public has concerns about risks associated with dogs and wandering livestock e.g. can be dangerous to people, traffic and flora.
<b>Who Benefits</b>	By legislation, dog owners are required to register their dog/s. Other residents benefit from dog and animal control services by having dog and stock rangers to ensure public safety. Any person may require the service.
<b>Period of Benefit</b>	Over the period the service is rendered.
<b>Whose acts create a need</b>	Animal owners, through the need to regulate for the care of those animals, and to protect the public from any health and safety issues caused by the keeping of those animals.
<b>Separate funding</b>	User charging for stock has proven ineffectual; the cost is not so significant as to warrant a separate rate.
<b>Funding Source</b>	Public good - General rate: 20% - 30% Private Benefit - Fees and Charges: 70% - 80%
<b>Rationale</b>	Although primarily a private benefit, the Dog Control Act exists to protect the wider Community from errant dogs.

## 6.1.7 Parking Enforcement

This service exists to carry out the enforcement of parking restrictions that apply, including traffic safety policing but also ensuring vehicle car park turnover i.e. the public availability of parking.

Matters that must be considered under the LGA 2002.

<b>Community Outcomes</b>	The "Vibrant Economy" Community Outcome is supported by ensuring that parking is made available for retailers in the Commercial Business District.
<b>Who Benefits</b>	Shopkeepers ensuring parking turnover availability to their premises and the wider public by ensuring convenient car parking is available.
<b>Period of Benefit</b>	Continuously as wardens carry out their duties.
<b>Whose acts create a need</b>	The errant motorist who overstays the permitted time.
<b>Separate funding</b>	Being predominantly self-funding there is no need for separate rating mechanisms.
<b>Funding Source</b>	Public good - General rate: 0 -10% Private Benefit - Fees and Charges: 90 - 100%
<b>Rationale</b>	Predominantly funded from exacerbators.



## 6.1.8 Liquor Licensing

As the District Licensing Authority, considering and approving or declining liquor licence applications.

Matters that must be considered under the LGA 2002.

<b>Community Outcomes</b>	The “Strong Communities” Community Outcome is supported by ensuring there are controls on availability and appropriate controls on the sale of liquor.
<b>Who Benefits</b>	The wider public by ensuring that licensees are reliable and the public’s health and safety is maintained by compliance with the statutory standards.
<b>Period of Benefit</b>	Continuously as licenses are issued.
<b>Whose acts create a need</b>	Licensee of clubs, premises etc, fees set by legislation.
<b>Separate funding</b>	Being of relatively small cost there is no need for separate rating mechanisms.
<b>Funding Source</b>	Public good - General rate: 60-80% Private Benefit - Fees and Charges: 20-40%
<b>Rationale</b>	License fees are set by regulation and cannot be altered by Council.

## 6.1.9 Health and Liquor Policy and Public liaison

The provision of services as required under the health and sale of alcohol legislation. This helps to ensure that Council is able to react to changes in legislation and policy and to enable public education and liaison.

Matters that must be considered under the LGA 2002.

<b>Community Outcomes</b>	The “Strong Communities” Community Outcome is supported as everyone needs to be able to assume that there are appropriate general and legislatively required policies in place to regulate health and liquor licensing activities.
<b>Who Benefits</b>	The wider public.
<b>Period of Benefit</b>	As changes in legislation occur and public liaison occurs.
<b>Whose acts create a need</b>	The need to educate the public and react to changes in legislation results in the public at large creating the need.
<b>Separate funding</b>	No private benefit exists from this activity.
<b>Funding Source</b>	Public good - General rate: 100% Private Benefit - Fees and Charges: 0%
<b>Rationale</b>	This activity is entirely for the benefit of the public at large and should therefore be funded from the General rate.

### 6.1.10 General Inspection services

Regulatory activities required to be provided for which the user generally cannot be identified e.g. Bylaw and Policy Reviews, Enforcement, Abandoned Vehicles, Noise, Litter, and Gaming Machine Venue consents).

Matters that must be considered under the LGA 2002.

<b>Community Outcomes</b>	The "Strong Communities" Community Outcome is supported by ensuring a clean environment from litter, abandoned vehicles, noise etc.
<b>Who Benefits</b>	The wider public.
<b>Period of Benefit</b>	Continuously as the inspections and enforcement actions occur.
<b>Whose acts create a need</b>	Offenders, noise, abandoned vehicles, litterers etc.
<b>Separate funding</b>	Being of relatively small cost there is need for separate rating mechanisms.
<b>Funding Source</b>	Public good - General rate: 100% Private Benefit - Fees and Charges: 0%
<b>Rationale</b>	As it is not practicable to charge the exacerbators of the service which necessitates rating the general public through the general rate.

## 6.2 Community Support

### 6.2.1 Emergency Management

To meet Council's obligation under the Civil Defence Emergency Management Act 2002 including provide access resources, co-ordinate support, and assist welfare and recovery measures in the Community in the case of an emergency.

Matters that must be considered under the LGA 2002.

<b>Community Outcomes</b>	The "Strong Communities" Community Outcome is supported by this activity. Preparing the Community under the 4Rs 'Readiness, Reduction, Response and Recovery'. Protecting life and property and removing potential fire hazards.
<b>Who Benefits</b>	The emergency management activity is carried out for and on behalf of the public.
<b>Period of Benefit</b>	Continuously as the service is predominantly to ensure public education and preparedness.
<b>Whose acts create a need</b>	In certain circumstances costs may be recovered from landowner where culpability exists.
<b>Separate funding</b>	Being of relatively small cost there is no need for separate rating mechanisms.
<b>Funding Source</b>	Public good- General rate: 100% Private Benefit - Fees and Charges: 0%
<b>Rationale</b>	With emergency management there is limited ability to secure external funding except for minor annual subsidises on expenditure. As a Community activity, fees and charges cannot be charged.

## 6.2.2 Community Grants and Funding

Grants for; maintenance of Community Halls, general grants, grants of \$10k to \$100k towards sporting, environmental or cultural developments of a capital nature, artistic and cultural products and events, Beach Wardens, one off grants, lifesaving and international representation.

Matters that must be considered under the LGA 2002.

<b>Community Outcomes</b>	The “Strong Communities” Outcome has been identified as being enhanced through the provision of Community grants funding.
<b>Who Benefits</b>	It is possible to identify those receiving the grants but to charge those people would defeat the purpose of making the grant. Only qualifying Community groups or individuals are eligible for grants.
<b>Period of Benefit</b>	Continuously the grant pool is available and replenished each year.
<b>Whose acts create a need</b>	None exist, unless the applicants themselves are considered exacerbators but to charge those people would defeat the purpose of making the grant.
<b>Separate funding</b>	Being of relatively small cost there is no need for separate rating mechanisms.
<b>Funding Source</b>	Public good - General rate: 100% Private Benefit - Fees and Charges: 0%
<b>Rationale</b>	The activity should be funded as a true tax with no user charge element.

### 6.2.3 Community Development

The function of Council's Community Development activity includes coordination, facilitation and advocacy for Community organisations and it aims to improve the wellbeing of our Community. This activity includes the implementation of Council's Youth, Positive Ageing, Arts, Culture and Heritage, Education, Disability, and Pride and Vibrancy Action Plans.

Matters that must be considered under the LGA 2002.

<b>Community Outcomes</b>	The "Vibrant Economy" and "Strong Communities" Outcomes are being supported by the Community Development activity.
<b>Who Benefits</b>	All residents and ratepayers of the Horowhenua District.
<b>Period of Benefit</b>	Immediate and ongoing, however, these benefits cannot be easily quantified. The effect of Council's expenditure is indeterminate.
<b>Whose acts create a need</b>	None exist.
<b>Separate funding</b>	Being of relatively small cost there is no need for separate rating mechanisms.
<b>Funding Source</b>	Public good - General rate: 100% Private Benefit - Fees and Charges: 0%
<b>Rationale</b>	The activity should be funded as a true tax with no user charge element.

## 6.2.4 District Communications and Marketing

These activities help keep residents and ratepayers informed of the Council's activities and promote Horowhenua as a valued destination to visit, work in, live in and play in. This function also supports Council's legislative requirements surrounding consultation and emergency management.

Matters that must be considered under the LGA 2002.

<b>Community Outcomes</b>	All Community Outcomes are being supported as all areas of Council are supported by the provision of this function.
<b>Who Benefits</b>	All residents and ratepayers of Horowhenua District benefit from this activity as well as local businesses and industries.
<b>Period of Benefit</b>	Ongoing, but difficult to quantify.
<b>Whose acts create a need</b>	No specific acts create a need.
<b>Separate funding</b>	Being of relatively small cost there is no need for separate rating mechanisms.
<b>Funding Source</b>	Public good - General rate: 100% Private Benefit - Fees and Charges: 0%
<b>Rationale</b>	The activity should be funded as a true tax with no user charge element.

## 6.2.5 Economic Development and Visitor Information

To fund a broad range of proactive strategies to encourage new investment and strengthen present industries to provide greater economic security for the District and lower levels of unemployment. There is a focus on encouraging downstream processing of primary produce.

Matters that must be considered under the LGA 2002.

<b>Community Outcomes</b>	The "Vibrant Economy" and "Strong Communities" Community Outcomes have been identified as being enhanced through the provision of this activity.
<b>Who Benefits</b>	The private benefit of providing assistance and advice is outweighed by the wider economic security of the District as a whole. The benefits are difficult to assign to any one industrial group or group of individuals.
<b>Period of Benefit</b>	Costs incurred may have long term benefits. However, these benefits cannot be easily quantified. Increased economic activity is created from a number of factors. The effect of Council's expenditure is indeterminate.
<b>Whose acts create a need</b>	None exist.
<b>Separate funding</b>	Relatively low costs suggest there is no particular need for separate funding to achieve greater transparency or accountability.
<b>Funding Source</b>	Public good - General rate: 100% Private Benefit - Fees and Charges: 0%
<b>Rationale</b>	The activity should be funded as a true tax with no user charge element.



## 6.3 Community Facilities and Services

### 6.3.1 Library and Community Centres

The operational cost of Libraries and Community Centres throughout the District to provide for the social and cultural wellbeing of the Community.

Matters that must be considered under the LGA 2002.

<b>Community Outcomes</b>	The "Strong Communities" Community Outcome has been identified as being enhanced through the provision of this activity.
<b>Who Benefits</b>	The Libraries and Community Centres provide a research facility, and community services, that anyone can access. People are willing to pay for a library to ensure they have access even if they are not current users. Libraries are seen as core business and an essential service that needs to be preserved for the main urban centres of the Horowhenua District. Educational costs to other institutions such as universities and schools are lowered due to the resources held in the library.
<b>Period of Benefit</b>	Benefits accrue in the year the costs are incurred. Capital expenditure will benefit future periods in line with resultant asset lives. The capital costs will be evenly allocated to operating expenditure over the life of the asset by use of loan interest and repayments costs and straight line depreciation costs.
<b>Whose acts create a need</b>	Borrowers who retain items issued from the libraries beyond the loan period are exacerbators, since they are limiting access to other potential readers. Renewal and overdue fees are charged as well as the cost of lost books.
<b>Separate funding</b>	A Targeted rate would aid in the transparency and accountability to residents of the District. Through a Targeted rate using a fixed charge to every used or inhabited part of any rating unit across the District. Capital expenditure for the new facilities will be funded by loan with interest payments funded through the fixed charge rate. Book renewals, asset renewals, and loan capital repayments will be funded from the Targeted rate overtime.
<b>Funding Source</b>	Public good- Targeted rate: 75-85% Private Benefit - Fees and Charges: 15-25%
<b>Rationale</b>	A fixed charge rate better matches the benefit to individual households than a value based rate. High levels of user fees and charges have proven to be a barrier to participation and accessibility, especially among low income groups to which the service is targeted. Also the Local Government Act (LGA) 2002 has the following section. Section 142 of the LGA 2002 - Obligation to provide free membership of libraries: <i>"If a local authority or a council-controlled organisation provides a library for public use, the residents in the district or region are entitled to join the library free of charge."</i>

### 6.3.2 Passive Recreation Reserves, Urban Cleansing and Street Beautification

The provision of passive reserves, street cleaning, roadside rubbish bin collection and beautification of District streets.

Matters that must be considered under the LGA 2002.

<b>Community Outcomes</b>	The “Strong Communities” and “Outstanding Environment” Community Outcomes are enhanced by this activity.
<b>Who Benefits</b>	The general public benefits from this activity as the reserves tend to be available to all unless congested. However there are occasions where reserves are used to hold events where the public is charged entry. Ratepayers generally are prepared to pay for the option of using reserves for recreation while others would be prepared to pay rates to ensure the continued existence of reserves and for the collection of rubbish from roadside bins. Most Districts and towns of any size would be expected to have reserves. Some reserves are iconic and attract visitors from outside the District. Preservation of such reserves for future generations is worth paying for.
<b>Period of Benefit</b>	Most reserves and roadside bins have been in existence for some time and only incur yearly operational costs. Any new facility would be loan funded and loan cost spread over future generations. Council has a maximum loan period of 25 years.
<b>Whose acts create a need</b>	Vandals and those who dispose rubbish to road side bins are an exacerbator. However, the general Community, particularly those with children, that create the need for play equipment and facilities. Financial Contributions in the form of land will be used to provide esplanade reserves where subdivision developments occur adjacent to Priority Water Bodies identified in the District Plan.
<b>Separate funding</b>	A separate Targeted rate is probably not necessary as reserves and Roadside bins are generally located throughout the District and can be used by the public and visitors alike.
<b>Funding Source</b>	Public Good - General Rate: 95% - 100% Private Benefit - Fees and Charges: 0% - 5%
<b>Rationale</b>	As reserves are able to 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 while the collection of fees from vandals those who use road side bins is impracticable.

### 6.3.3 Cemeteries

The provision of cemeteries is a legal obligation of Council.

Matters that must be considered under the LGA 2002.

<b>Community Outcomes</b>	The "Strong Communities" Community Outcome is enhanced by this activity.
<b>Who Benefits</b>	The whole Community benefits from the provision of a cemetery. Wider benefits accrue to public health providers as the costs to District Health Board's (DHB) would undoubtedly increase without the existence of cemeteries.
<b>Period of Benefit</b>	Most cemeteries have been in existence for some time and only incur yearly operational costs. Any new facility would be loan funded and loan cost spread over future generations. Council has a maximum loan period of 25 years. The provision of new concrete berms does not occur every year but are relatively immaterial in costs.
<b>Whose acts create a need</b>	The general public who die and create the need to provide cemeteries.
<b>Separate funding</b>	A separate Targeted rate is probably not necessary as cemeteries are generally located throughout the District and can be used by the public and visitors alike. Burial fees and plot charges will continue to be charged.
<b>Funding Source</b>	Public Good - General Rate: 50% - 70% Private Benefit - Fees and Charges: 30% - 50%
<b>Rationale</b>	While cemeteries have a degree of private benefit, the true cost of burials has never been able to be collected as it would be too onerous for some families to bear the full cost.

### 6.3.4 Aquatic Centres (Swimming Pools)

The provision of safe and hygienic pools for recreation and sporting activities. Public swimming pools are located at Levin and Foxton. The Levin pool is available all year while the Foxton pool is available for summer period only.

Matters that must be considered under the LGA 2002.

<b>Community Outcomes</b>	The “Strong Communities” Community Outcome is enhanced by this activity.
<b>Who Benefits</b>	The public who use the facility, although people are prepared to pay for the option of using the service, while others are prepared to pay to ensure the pool's continued existence. Residents and visitors to the District are able to use the facilities. A wider health benefit accrues for use of the pools and increased public safety from learning to swim.
<b>Period of Benefit</b>	Benefits accrue in the year the costs are incurred. Capital expenditure will benefit future periods in line with resultant asset lives. The capital costs will be evenly allocated to operating expenditure over the life of the asset by use of loan interest and repayments costs and straight-line depreciation costs.
<b>Whose acts create a need</b>	Those who use the pool, swimming clubs, and learn to swim classes that are charged a fee for usage.
<b>Separate funding</b>	A Targeted rate would aid in the transparency and accountability to residents of the District. Through a Targeted rate using a fixed charge to every used or inhabited part of any rating unit across the District. Capital expenditure will be funded by loan with interest payments funded through the fixed charge rate.
<b>Funding Source</b>	Public Good - Targeted Rate: 75% - 85% Private Benefit - Fees and Charges: 15% - 25%
<b>Rationale</b>	Providing swimming pools are 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.

### 6.3.5 Sports Grounds

The provision of sports grounds that can be utilised by individuals and sporting organisations for the health and wellbeing of the Community. Sports grounds have a dual purpose in that they are available for passive and active recreation.

Matters that must be considered under the LGA 2002.

<b>Community Outcomes</b>	The “Strong Communities” Community Outcome is enhanced by this activity.
<b>Who Benefits</b>	Residents, sports people and groups, and visitors recognised sporting codes when booked for recognised events benefit from this activity. Most of the time they are available for passive recreation. The particular sporting codes where the grounds are specifically marked for a particular sport and cannot be used (other than passively) for any other sport especially when games are scheduled.
<b>Period of Benefit</b>	Most grounds have been in existence for some time and only incur yearly operational costs. Any new facility would be loan funded and loan cost spread over future generations. Council has a maximum loan period of 25 years.
<b>Whose acts create a need</b>	Players and spectators, and those sporting codes that use the grounds and are charged a fee for usage.
<b>Separate funding</b>	The most efficient and transparent method of funding capital is through the general rate (depreciation charge) as it avoids debt and financial contributions. Operational expenditure should be funded by all ratepayers. Rents and leases are arranged where there are opportunities to recover the private good component.
<b>Funding Source</b>	Public Good - General Rate: 95% - 100% Private Benefit - Fees and Charges: 0% - 5%
<b>Rationale</b>	Providing sports grounds is regarded as a 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.

### 6.3.6 Public Halls and Community Buildings (under direct Council management)

Incidental uneconomic property holdings that are being reviewed as to whether they should be held for some strategic reason or sold including but not limited to public halls, rental houses, the Levin town clock, the Surf Lifesaving buildings at Waitāreke Beach and Foxton Beach, Thompson House and adjacent Pottery Club building, and the Shannon Railway Station. This excludes Council's Civic Building which is treated as an overhead and the costs are allocated against all activities.

Matters that must be considered under the LGA 2002.

<b>Community Outcomes</b>	The "Strong Communities" Community Outcome is supported by this activity.
<b>Who Benefits</b>	The Community at large benefits from the variety of halls and meeting venues throughout the District as well as the users of specific Community property assets. Council's involvement is largely historical.
<b>Period of Benefit</b>	Depreciation funding is used to cover cyclic maintenance. Any new facility would be loan funded and loan cost spread over future generations. Council has a maximum loan period of 25 years.
<b>Whose acts create a need</b>	None identified a part from those organisations that use the facilities and are charged a rental for usage. As the size and composition of communities change so does the extent of the usage of the facilities.
<b>Separate funding</b>	The most efficient and transparent method of funding capital is through the General rate (depreciation charge) as it avoids debt and financial contributions. Operational expenditure should be funded by all ratepayers. Rents and leases are arranged where there are opportunities to recover the private good component.
<b>Funding Source</b>	Halls: Public Good - General Rate: 85% - 100% Private Benefit - Fees and Charges: 0% - 15% Community Buildings: Public Good - General Rate: 80% - 100% Private Benefit - Fees and Charges: 0% - 20%
<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.

### 6.3.7 Public Toilets

This activity provides for clean public toilets for the benefit of the District and travelling public.

Matters that must be considered under the LGA 2002.

<b>Community Outcomes</b>	The “Strong Communities” Community Outcome is supported by provision of public toilets.
<b>Who Benefits</b>	The general public and Community as users, and possibly the retail shops in the vicinity. Although technically able to charge for use, most toilets are set up free of charge to ensure towns remain sanitary and healthy.
<b>Period of Benefit</b>	Depreciation funding is used to cover cyclic maintenance. Any new facility would be loan funded and loan cost spread over future generations. Council has a maximum loan period of 25 years.
<b>Whose acts create a need</b>	None identified, apart from the users and possibly vandals.
<b>Separate funding</b>	The most efficient and transparent method of funding capital is through the General rate (depreciation charge) and financial contributions. Operational expenditure should be funded by all ratepayers.
<b>Funding Source</b>	Public Good - General Rate: 100% Private Benefit - Fees and Charges: 0%
<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. Funding should be by General rate as the toilets are used by visitors to towns primarily which would include country residents as well as out of District residents. Town's folk gain benefit from the toilets aiding in keeping towns clean and sanitary. It could be argued that toilets could benefit shop owners in the CBD as when people stop to use toilets they quite often take a break and visit cafes etc. The benefit is not easily measurable and could be seen as negligible.

## 6.4 Representation and Community Leadership

### 6.4.1 Representation and Community Leadership

All costs of operating the Council including those costs associated with elections and the Foxton Community Board. The ability of all residents and ratepayers to participate in the democratic process through the LTP, Annual Plan, Annual Report processes and the advocacy offered by Council on issues affecting our local Community.

Matters that must be considered under the LGA 2002.

<b>Community Outcomes</b>	The Outcome of “Strong Communities” is served by this activity.
<b>Who Benefits</b>	No one can legally be excluded from participating in the democratic process. All residents and ratepayers are identified as beneficiaries of this process. No one can legally be excluded from the voting process. All residents and ratepayers are identified as beneficiaries of the electoral process.
<b>Period of Benefit</b>	Given that the costs are incurred year by year with no variation no intergenerational equity issues exist. The costs of running an election are incurred once in every three years and will be smoothed over the remaining two years of each triennium.
<b>Whose acts create a need</b>	None exist. The right to participate in the democratic process is universal.
<b>Separate funding</b>	All residents and ratepayers gain equal benefit regardless of the value attributable to their properties. Some residents may not even have property. As residents and ratepayers live in houses and often conduct their businesses from separate premises a rating mechanism that targets separately used or inhabited portions of a rating unit is more appropriate.
<b>Funding Source</b>	Public good - Targeted Rate: 100% Private Benefit - Fees and Charges: 0%
<b>Rationale</b>	A fixed charge rated based on separately used or inhabited portions of each rating unit over the whole District would be most appropriate.



## 6.5 Property

### 6.5.1 Commercial Property and Endowment property

This activity includes all commercially tenanted property within the District owned by Horowhenua District Council as well as the Endowment Property held at Foxton Beach.

Matters that must be considered under the LGA 2002.

<b>Community Outcomes</b>	The “Vibrant Economy” and “Strong Communities” Outcomes are supported through the provision of buildings for businesses to occupy.
<b>Who Benefits</b>	The tenants occupying the land and buildings, as tenants are excluded unless they have a current lease agreement. The rental space can only be occupied by one tenant at a time, the Community of Foxton beach as the Endowment monies are to be spent for the benefit of the people in Foxton Beach.
<b>Period of Benefit</b>	Depreciation funding is used to cover cyclic maintenance. Any new facility would be loan funded and loan cost spread over future generations. Council has a maximum loan period of 25 years. All such costs to be funded from rents received or sale of land holdings.
<b>Whose acts create a need</b>	None identified, apart from the tenants themselves.
<b>Separate funding</b>	No separate funding mechanism is used other than rents and land sales.
<b>Funding Source</b>	Public Good - General Rate: 0% Private Benefit - Fees and Charges: 100%
<b>Rationale</b>	Total private good to the leases.

## 6.5.2 Motor camps owned and/or operated by Council

This activity involves the provision of low cost holiday accommodation.

Matters that must be considered under the LGA 2002.

<b>Community Outcomes</b>	The “Vibrant Economy” and “Strong Communities” Outcome are supported by this activity.
<b>Who Benefits</b>	The campers who are able to be charged for the space or facilities used or occupied. Or lessees who operate the Levin and Waitārere camping grounds.
<b>Period of Benefit</b>	Depreciation funding is used to cover cyclic maintenance. Any new facility would be loan funded and loan cost spread over future generations. Council has a maximum loan period of 25 years. All such costs to be funded from rents received.
<b>Whose acts create a need</b>	None identified, apart from the campers themselves.
<b>Separate funding</b>	No separate funding mechanism is used other than fees and charges. Foxton Beach Holiday Park capital development may be funded from the Foxton Freeholding Fund.
<b>Funding Source</b>	Public Good - General Rate: 0% Private Benefit - Fees and Charges: 100%
<b>Rationale</b>	Total private good to the campers or lessees of the camps.

## 6.6 Land Transport (Roads and Footpaths)

### 6.6.1 Land Transport

The Land Transport activity includes all roading activities that attract a government subsidy plus unsubsidised roading, footpaths, car parks, street cleaning and any main street developments.

Matters that must be considered under the LGA 2002.

<b>Community Outcomes</b>	The “Strong Communities”, “Vibrant Economy” and “Fit for purpose Infrastructure” Community Outcomes are enhanced through having a good land transport network.
<b>Who Benefits</b>	All residents derive a benefit to access schools, their place of employment, and to pursue recreational and social opportunities. However, there is a high reliance on our network by businesses to enable them: To maintain and carry their network assets (in the case of utility companies); To enable customers to access their shops (in the case of businesses in CBD); and To enable products to be delivered to markets (farmers and manufacturers). Although primarily located in urban centres the footpaths and car parks are used by all residents and motorists. Most residents will pay for the roading network to enable recreational and business interests to be facilitated even if they currently have no need to use the network.
<b>Period of Benefit</b>	Any new roading development will be loan funded with loan charges recouped over time. However, most renewals are done in a cyclic manner where the costs are evenly spread year by year and will be funded from rates into available depreciation reserves.
<b>Whose acts create a need</b>	Some high density users such as dairying or forestry can cause localised deterioration of the roading network. Council has no formal policy on user compensation but has successfully negotiated a contribution from forestry owners in the past depending on the situation and circumstance. Financial Contributions and/or Development contributions will be used to fund roading capital expenditure necessitated by new developments in identified growth areas in the District Plan.
<b>Separate funding</b>	All residents and ratepayers gain equal benefit regardless of the value attributable to their properties. Some residents may not even have property. The capital value of a rating unit reflects the sale value. In the case of a business, this would also have a correlation to the use of the roading network as the capital value, in some respects, reflects the sale price and therefore the economic activity generated. Also, utility companies use the roading networks but pay minimal rates under land value, as their assets do not have a land value. It is therefore appropriate to rate fund this activity separately using the capital value of the rating unit.

**Land Transport (continued)**

<b>Funding Source</b>	Public good - Targeted Rate: 100% Private Benefit - Fees and Charges: 0% Petrol Tax revenue should off-set roading costs (not treated as revenue offsetting General Rates) as the revenue is sourced from road users.
<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.

## 6.7.1 Stormwater

To provide effective drainage and disposal to enable the roading network to function and to protect people and property from water damage during rain events as well as mitigating the environmental effects of contaminants in Stormwater.

Matters that must be considered under the LGA 2002.

<b>Community Outcomes</b>	The “Strong Communities”, “Vibrant Economy”, “Outstanding Environment” and “Fit for purpose Infrastructure” Community Outcomes are enhanced through this activity.
<b>Who Benefits</b>	<p>Primarily urban property owners who gain benefits from the mitigation of flooding events. Stormwater kerb, channel and piped network are only located in urban areas.</p> <p>Stormwater drainage in rural areas is primarily part of the roading expenditure or, when the water drains into streams, it becomes a Regional Council responsibility. Most residents will pay for the stormwater network to enable their recreational and business interests, and protection from flooding, even if they currently have no direct use the stormwater network.</p>
<b>Period of Benefit</b>	Any new stormwater development will be loan funded with loan charges recouped over time. However, most renewals are done in a cyclic manner where the costs are evenly spread year by year and will be funded from rates using available depreciation reserves.
<b>Whose acts create a need</b>	<p>Exacerbations include developers who increase the impervious surface areas in their developments.</p> <p>Financial Contributions will be used to fund stormwater capital expenditure necessitated by new developments in identified growth areas in the District Plan.</p>
<b>Separate funding</b>	All urban residents, ratepayers and road users gain a benefit related in part to the size of the house on the rating units serviced by the network. As the capital value of the property bears some relationship to the size of the house, a Capital Value rating system was seen as an appropriate mechanism. It is not practicable to charge a fee for such a service as it is equally available to all urban ratepayers.
<b>Funding Source</b>	<p>Public Good - Targeted Rate: 100%</p> <p>Private Benefit - Fees and Charges: 0%</p>
<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.

## 6.8 Solid Waste Management

### 6.8.1 Solid Waste Landfills and Waste Transfer Stations

The provision of a solid waste disposal network available to all residents and also any aftercare costs of closed landfills to ensure clean and sanitary towns and lack of fly tipping in the rural areas.

Matters that must be considered under the LGA 2002.

<b>Community Outcomes</b>	The “Outstanding Environment” and “Strong Communities” Community Outcomes are enhanced by this activity.
<b>Who Benefits</b>	The Community benefits through the availability of the disposal site which allows for waste collection. Central Government health costs would undoubtedly increase if transfer stations were not available.
<b>Period of Benefit</b>	The immediate benefit accrues to those able to dispose of refuse. The capital cost of the facility needs to be spread over its useful life by way of an annual depreciation charge. Initial funding of new "cells" will be by way of loan with loan charges spread over time. The after care costs of landfills are also valued and spread evenly each year.
<b>Whose acts create a need</b>	Those who create the need for the service are the users and beneficiaries who create the refuse taken to waste transfer stations.
<b>Separate funding</b>	User fees are charged to dispose District refuse into the transfer station and from there through to the Landfill. Any unrecovered cost to be included in the Solid Waste rate. This rate is currently (and proposed to be) set as a fixed charge per SUIP (Separately Used or Inhabited Part) of each rating unit. It also has a differential of 80% urban and 20% rural. The differential is justified recognising that rural residents tend to make relatively less use of solid waste management facilities.
<b>Funding Source</b>	Public Good - Targeted Rate: 30% - 40% Private Benefit - Fees and Charges: 60% - 70%
<b>Rationale</b>	Council is proposing to retain the Targeted rate for solid waste to enhance transparency and accountability.

## 6.8.2 Refuse Collection

Collection of refuse from local streets by use of official bags.

Matters that must be considered under the LGA 2002.

<b>Community Outcomes</b>	The “Outstanding Environment” and “Strong Communities” Community Outcomes are enhanced by this activity.
<b>Who Benefits</b>	Households who choose to use the service. Only the official bags will be collected.
<b>Period of Benefit</b>	The immediate benefit accrues to those able to dispose of refuse.
<b>Whose acts create a need</b>	Those who create the need for the service are the users and beneficiaries who purchase the rubbish bags for collection.
<b>Separate funding</b>	<p>Bag fees used to cover the private benefit. One could argue for full cost recovery. However, the existence of alternative providers reduces the economies of scale by reducing the numbers using bags. To simply increase the bag price to cover full costs may be counter-productive.</p> <p>Often reducing the costs can achieve greater participation and greater cost recovery. Any unrecovered cost should be included in the Solid Waste rate. This rate is currently set as a fixed charge per SUIP of each rating unit. It also has a differential of 80% urban and 20% rural recognising that rural residents tend to make relatively less use of solid waste management facilities.</p>
<b>Funding Source</b>	Public Good :- Targeted Rate: 0% - 15% Private Benefit - Fees and Charges 85% - 100%
<b>Rationale</b>	<p>Currently Council has a Solid Waste rate that covers the costs of all the public good elements relating to the Solid Waste activity.</p> <p>Council is proposing to retain the Targeted rate for solid waste to enhance transparency and accountability.</p>

### 6.8.3 Waste minimisation and recycling

The public benefit costs of waste minimisation education and providing for recycling initiatives. To achieve a reduction in refuse that needs to be disposed of while increasing public awareness and education to reduce the waste stream.

Matters that must be considered under the LGA 2002.

<b>Community Outcomes</b>	The “Outstanding Environment” and “Strong Communities” Community Outcomes are enhanced by this activity.
<b>Who Benefits</b>	The public benefits through the education service, while those using the recycling service benefit from the service and will contribute through the collection service costs of kerbside recycling.
<b>Period of Benefit</b>	The immediate benefit accrues to those able to dispose of refuse.
<b>Whose acts create a need</b>	Those who create the need for the service are the users and beneficiaries by using the recycling bins provided for roadside collection.
<b>Separate funding</b>	All cost should be included in the Solid Waste rate. This rate is currently set as a fixed charge per SUIP of each rating unit. It also has a differential of 80% urban and 20% rural recognising that rural residents tend to make relatively less use of solid waste management facilities.
<b>Funding Source</b>	Public good - Targeted Rate: 100% Private Benefit - Fees and Charges: 0%
<b>Rationale</b>	Currently Council has a Solid Waste rate that covers the costs of all the public good elements relating to the Solid Waste activity. Council is proposing to retain the Targeted rate for solid waste to enhance transparency and accountability.



## 6.9 Wastewater

### 6.9.1 Wastewater (Sewer) Systems

The supply of wastewater networks to urban communities including reticulated networks that render the effluent less harmful and more environmentally acceptable to discharge.

Matters that must be considered under the LGA 2002.

<b>Community Outcomes</b>	The “Strong Communities”, “Fit for purpose Infrastructure”, Vibrant Economy” and “Outstanding Environment” Outcomes have been identified as benefactors of the provision of this service.
<b>Who Benefits</b>	All residents and businesses. All rating units connected can be identified and only those rating units connected or to which connection is available, benefit. Some industries place increased demand on the treatment system due to the nature of the effluent they wish to dispose of. Benefits accrue to health providers in Council's provision of a wastewater disposal service as well as the wider benefit to the environment.
<b>Period of Benefit</b>	For operational costs there are no intergenerational equity issues. Capital projects for improvements should be loan funded to spread costs over the next generation. Renewals of assets will be rate funded in the first instance, any annual shortfall will be loan funded.
<b>Whose acts create a need</b>	Industries can place extra burden on the treatment plant. Such users should pay for their disposal on a user pays basis. Financial Contributions will be used to fund wastewater capital expenditure necessitated by new developments in identified growth areas in the District Plan.
<b>Separate funding</b>	Ideally the funding mechanism should be fully user pays by use of volumetric charging. The ability to charge in such a manner is not available as yet. A Targeted rate for wastewater is proposed. Council does charge industries that are connected using the Trade Waste Bylaw provisions and this will be retained.
<b>Funding Source</b>	Public Good -Targeted Rate: 80% - 90% Private Benefit - Fees and Charges: 10% - 20%
<b>Rationale</b>	Wastewater was traditionally charged as a fixed charge Targeted rate which has been determined using the cost structure for each individual scheme. This approach favours those communities that have larger populations and greater economies of scale. The converse is that small communities pay more for the same service which can lead to affordability issues for small communities. Since 2009 Council has set a fixed rate on each SUIP of each rating unit or for each connection, whichever is the greater, across the District as one uniform charge. An availability charge on vacant sections will be charged 50% of this Targeted rate.

## 6.10 Water Supply

### 6.10.1 Urban Water Supply

The supply of potable water to urban communities and surrounding hinterland. Council also administers some small water race supplies to rural communities.

Matters that must be considered under the LGA 2002.

<b>Community Outcomes</b>	The “Strong Communities”, “Vibrant Economy” and “Outstanding Environment” Outcomes have been identified as benefactors of the provision of this service.
<b>Who Benefits</b>	Those people residing on the rating units supplied with a reticulated water supply. All rating units connected can be identified. It is only those rating units connected or to which connection is available that benefit.
<b>Period of Benefit</b>	For operational costs there are no intergenerational equity issues. Capital projects for improvements should be loan funded to spread costs over the next generation. Renewals of assets will be rate funded in the first instance, any annual shortfall will be loan funded.
<b>Whose acts create a need</b>	High users can place extra burden on the supply necessitating greater storage capacity etc. Such users should pay for their supply on a user pays basis. Vacant sections and unconnected rating units benefit from the provision of firefighting capacity and should be charged an availability charge. Financial Contributions will be used to fund water supply capital expenditure necessitated by new developments in identified growth areas in the District Plan.
<b>Separate funding</b>	Ideally the funding mechanism should be fully user pays by use of universal water meters. However the cost of providing meters to each household outweighs the benefits of using this charging mechanism. Water meters should be used, however, for high users and anyone that is supplied outside the designated network area (being that area where houses are obliged to connect or have a right to connect). Universal volumetric charging only occurs in the Foxtan Beach Community. A Targeted rate for water supply is proposed for all other communities and to cover the fixed cost component of the Foxtan Beach supply. Council does charge extraordinary users that are connected by use of a charge per cubic meter consumed. Currently metered users are charged a fixed charge enabling them to use up to a cubic meter a day (90m <sup>3</sup> a quarter) and are charged regardless of whether they use this or not.
<b>Funding Source</b>	Public Good -Targeted Rate: 70% - 80% (fixed charge) Private Benefit - Fees and Charges: 20% - 30% (water by meter)

## ***Urban Water Supply (continued)***

### **Rationale**

Water Supply was traditionally charged as a fixed charge Targeted rate which has been determined using the cost structure for each individual scheme. This approach favours those communities that have larger populations and greater economies of scale. The converse is that small communities pay more for the same service which can lead to affordability issues for small communities. Since 2009 Council has set a fixed rate on each SUIP of each rating unit or for each connection, whichever is the greater, across the District as one uniform charge. Vacant sections will be levied 50% of this Targeted rate. As an availability charge to cover fixed costs and the provision of firefighting hydrants.

# Rates Remissions Policy

## Introduction

This policy is adopted pursuant to section 85 of the Local Government (Rating) Act 2002 and section 109 of the Local Government Act 2002.

The general objectives sought to be achieved by this policy are:

- (1) The vision and goals of the Community Outcomes, particularly those supporting community development, voluntary initiatives and the protection of the natural environment, and
- (2) Equity and efficiency in the administration of the rating system.

Applications meeting the conditions and criteria laid out in the policy will be considered, each on its merits, and the outcome is a matter for Council's discretion.

### The policy provides for the following classes of rate remissions:

- Part 1 Community groups
- Part 2 Voluntarily protected land
- Part 3 Penalties on rates
- Part 4 Excessive water charges
- Part 5 Remnant land
- Part 6 Rating units in industrial and commercial areas used for residential purposes
- Part 7 Land Used for Primary Industry and Rural Residential purposes in areas that have been rezoned as Residential and Business Zones
- Part 8 Small rate balances
- Part 9 Targeted rates on non-rateable land
- Part 10 Properties affected by disasters
- Part 11 Subdivisions which are in Common Ownership but do not meet the criteria of a Contiguous Property
- Part 12 On Bare Land

Part 13 Council Owned Utilities

Part 14 Contiguous rating units not in common ownership.

## Part 1: Remission of Rates on Community Groups

### (a) Objective

To facilitate the ongoing provision of non-governmental, not-for-profit community support services to the residents of the District.

### (b) Conditions and Criteria

To qualify for remission under this part of the policy a rating unit must:

- be owned and occupied by a community support organisation;
- used primarily for the provision of community support services to the general public; and
- (except as provided in the next paragraph) not receiving any other form of rating relief.

Rating units that are 50% non-rateable under Part 2 of Schedule 1 of the Act, except for that area where a liquor license is in force, shall have 100% remission of rates other than water and sewer rates over that part of the land. Where an owner has a liquor license they are ineligible for a remission.

Other matters taken into account in determining whether a rating unit qualifies for remission will include:

- the level of rates assessed on the rating unit;
- the extent to which the primary purpose of the ratepayer is to provide services to disadvantaged groups (including children, youth, young families, aged people and economically-disadvantaged people);
- the impact of the ratepayer's activities on the social, cultural, economic or environmental well-being of the District;
- the number of members and/or clients;

- history of service to the residents of the District; and
- the rating status of similar groups.

Applications must be in writing, supported by:

- statement of objectives;
- description of governance structure;
- financial accounts;
- information on activities and programmes; and
- information on membership or clients.

Applications must be received prior to the commencement of the rating year. Applications received during a rating year will be considered from the commencement of the following rating year commencing the next 1st July. Applications will not be backdated.

### **(c) Process**

Applications will be determined by the Group Manager – Finance or Finance Manger (or equivalent positions within the Finance Department) to a value of \$2,500. Any requested remissions above \$2,500 or if there is any doubt or dispute arising, the application is to be referred to the Chief Executive and a member of the Finance Subcommittee for a decision.

Each application will be considered on its merits, and if approved the value of the remission will be 100% of all general and targeted rates generally applied across the District except water and waste water. The ratepayer will be informed of the outcome of the application in writing.

## **Part 2: Remission of Rates on Voluntarily Protected Land**

### **(a) Objective**

To encourage and promote the conservation and protection of significant natural features.

### **(b) Conditions and Criteria**

To qualify for remission under this part of the policy a rating unit or part thereof must:

- be the subject of a QEII Open Space or similar DOC covenant (in which case 100% remission of all rates will apply), or the likes of a DOC Management Agreement under the Reserves Act or Conservation Act (in which case 50% remission of some or all rates may apply), and
- not be receiving any other form of rating relief.

Other matters taken into account in determining whether a rating unit qualifies for remission will include:

- the degree to which significant natural features worthy of conservation and protection are present on the land;
- the degree to which such significant natural features inhibit the economic utilisation of the land;
- the extent to which the conservation and protection of such significant natural features would be promoted by the remission of rates; and
- the ability or potential of the public to enjoy the significant natural features.

Applications must be in writing, supported by documentary evidence of the protected status.

Applications must be received prior to the commencement of the rating year.

Applications received during a rating year will be considered from the commencement of the following rating year commencing the next 1st July. Applications will not be backdated.

### **(c) Process**

Applications will be determined by the Group Manager – Finance or Finance Manger (or equivalent positions within the Finance Department) to a value of \$2,500. Any requested remissions above \$2,500 or if there is any doubt or dispute arising, the application is to be referred to the Chief Executive and a member of the Finance Subcommittee for a decision.

Each application will be considered on its merits and if approved the value of the remission will be 100% if General and Targeted rates generally applied

across the District except Water and Wastewater (QEII covenants only) and 50% of General and Targeted rates generally applied across the District except Water and Wastewater on others.

The Council will arrange a two-way apportionment of the rating value of the rating unit between the area covered by the application and the balance for this purpose. The ratepayer will be informed of the outcome of the application in writing.

### Part 3: Remission of Penalties on Rates

#### (a) Objective

The objective of the Remission of Penalties is to enable the Council to act fairly and reasonably in its consideration of rates which have not been received by the Council by the penalty date, primarily due to circumstances outside the ratepayer's control.

#### (b) Conditions and Criteria

Remission of penalties on late payment of rates may be made when it is considered just and equitable to do so. In determining justice and equity, one or more of the following criteria shall be applied.

- a) Where there exists a history of regular, punctual payment over the last five years (or back to purchase date if the rating unit has been owned for less than five years) and payment is made within a 10 days following the ratepayer being made aware of the non-payment, a one-off reduction of instalment penalties may be made.
- b) Where an agreed payment plan is in place, penalties may be suppressed or reduced, where the ratepayer complies with the terms of the agreed payment plan which include payment by direct debit. In the event that the agreement is not maintained, Council reserves the right to levy future penalties.
- c) Where the rates instalment was issued in the name of a previous property owner. The rating unit has a new owner who has been given insufficient notice of invoice due date.

d) Where a ratepayer has been ill or in hospital or suffered a family bereavement or tragedy of some type and has been unable to attend to payment, on compassionate grounds.

e) Where an error has been made on the part of the Council staff or arising through error in the general processing or incorrect rates being applied which has subsequently resulted in a penalty charge being imposed.

#### (c) Process

- a) A ratepayer may request in writing that the penalty applied for late payment be remitted.
- b) Each application will be considered on its merits, and if approved, the value of the remission may be all or part of any penalties incurred.
- c) Applications may also be at the initiative of the Group Manager – Finance or Finance Manger (or equivalent positions within the Finance Department).
- d) Applications will be determined by the Group Manager – Finance or Finance Manger (or equivalent positions within the Finance Department) to a value of \$2,500. Any requested remissions above \$2,500 or if there is any doubt or dispute arising, the application is to be referred to the Chief Executive and a member of the Finance Subcommittee for a decision.

### Part 4: Remission of Excessive Water Charges

#### (a) Objective

To enable Council to act fairly, reasonably and consistently in its assisting ratepayers who have excessively high water rates due to a fault in the internal reticulation serving their rating unit.

#### (b) Conditions and Criteria

To qualify for remission under this part of the policy a rating unit must have incurred excessive water charges attributable to a fault in the internal reticulation serving the rating unit.

Applications must be made in writing, with verification that the fault has been rectified (e.g. a plumber's bill).

### (c) Process

Applications will be determined by the Group Manager – Finance or Finance Manger (or equivalent positions within the Finance Department) to a value of \$2,500 Any requested remissions above \$2,500 or if there is any doubt or dispute arising, the application is to be referred to the Chief Executive and a member of the Finance Subcommittee for a decision.

Assessment of the excessive water charge will take into account:

- the charges for normal levels of water consumption; and
- the time taken to have the fault repaired.

Each application will be considered on its merits, and if approved the value of the remission will be half of the value of the excessive consumption.

The ratepayer will be informed of the outcome of the application in writing.

## Part 5: Remission of Rates on Remnants of Land

### (a) Objective

To enable Council to act fairly and equitably in the assessment of rates on what are determined for these purposes to be remnants of land.

### (b) Conditions and Criteria

To qualify for remission under this part of the policy a rating unit must:

- comprise a piece of land that does not warrant the assessment or invoicing of rates
- not be the subject of any other form of rating relief.

Matters taken into account in determining whether a rating unit qualifies for remission, and a guide as to what may be expected to qualify as a remnant, will include:

Matter taken into account	Example for guidance
Area	Only a few square metres
Location	Remote, landlocked
History	Unintended remnant of subdivision
Ownership	Indeterminate
Rateable Value	Nominal
Potential Uses	Nil

Applications must be received prior to the commencement of the rating year. Applications received during a rating year will be considered from the commencement of the following rating year commencing the next 1st July.

Applications will not be backdated.

Applications may be at the initiative of the Group Manager – Finance, Finance Manager, or Rates Officer or in writing from the ratepayer.

### (c) Process

Applications will be considered and determined by the Group Manager – Finance or Finance Manger (or equivalent positions within the Finance Department) to a value of \$2,500. Any requested remissions above \$2,500 or if there is any doubt or dispute arising, the application is to be referred to the Chief Executive and a member of the Finance Subcommittee for a decision.

Each application will be considered on its merits, and if approved the value of the remission will be the whole of the rates that would otherwise be assessed on the rating unit. The ratepayer will be informed of the outcome of the application in writing.

## Part 6: Remission of Rates on Rating Units in Industrial and Commercial Areas Used for Residential Purposes

### (a) Objective

To ensure that owners of rating units situated in commercial or industrial areas used for residential purposes are not duly penalised by the zoning restrictions of this Council and previous local authorities.

### (b) Conditions and Criteria

To qualify for consideration for remission under this part of the policy the rating unit must:

- be situated within an area of land that has been zoned for commercial or industrial use. (Ratepayers can determine the zoning of their property by inspecting the District Plan, copies of which are available from the Levin office, Te Takere and the, Shannon and Foxton libraries. Alternatively the District Plan is available for viewing on the Council website [www.horowhenua.govt.nz](http://www.horowhenua.govt.nz).)
- be rated the same as an equivalent urban rating unit;
- have an excessive rateable value in comparison to similar residential rating units in the vicinity; and
- not be the subject of any other form of rating relief.

Applications must be received prior to the commencement of the rating year. Applications received during a rating year will be considered from the commencement of the following rating year commencing the next 1st July.

Applications will not be backdated. Applications must be made in writing.

### (c) Process

Applications will be determined by the Group Manager – Finance or Finance Manger (or equivalent positions within the Finance Department) to a value of \$2,500. Any requested remissions above \$2,500 or if there is any doubt or

dispute arising, the application is to be referred to the Chief Executive and a member of the Finance Subcommittee for a decision.

Each application will be considered on its merits, and if approved the value of the remission will be given effect by the determination by Council of a special rateable value.

The ratepayer will be informed of the outcome of the application in writing.

## Part 7: Rates Remission on Land Used for Primary Industry and Rural Lifestyle purposes in areas that have been rezoned as Residential and Business Zones

### (a) Objectives of the policy

The objectives of the policy are:

1. To provide rates relief in respect of land used for primary industry and rural lifestyle purposes where rating units greater than 659m<sup>2</sup> (or rating units, including residential use rating units, that are able to be subdivided under the operative District Plan) where the Council is satisfied that the rating valuation of the land is in some measure attributable to the potential use to which the land may be put for residential, commercial or industrial development.
2. To preserve uniformity and equitable relativity with comparable parcels of land used for primary production and rural lifestyle purpose land, that is able to be subdivided, in the district where the valuations do not contain any “potential value”.

### (b) Conditions and criteria

The Council will remit value based rates on land used for primary industry and rural lifestyle rating units greater than 659m<sup>2</sup> and rating units, including residential use rating units, that are able to be subdivided creating saleable lots under the operative District Plan as a Controlled Activity in the Residential, Greenbelt Residential, Commercial and Industrial zones or in the case of the Greenbelt Residential (Foxton Beach North Overlay) Zone as a



Limited Discretionary Activity, where it is satisfied that the rating valuation of the land is in some measure attributable to the potential use to which the land may be put for residential, commercial or industrial development.

1. For the purposes of this policy, “land used for primary industry” means land that is classified by the Office of the Valuer General as being used for primary industry under Clause C.3.4 primary Level use code 1 in Appendix C of the Rating Valuation Rules 2008, is used exclusively or principally for agricultural, horticultural, or other pastoral purposes or for the keeping of bees or poultry or other livestock; and “farming purposes” has a corresponding meaning. This may include land used for dairy farming, stock fattening, arable farming, storage of livestock, market gardens and orchards, specialist livestock, forestry, mineral extraction and vacant/idle land.
2. For the purposes of this policy, “land used for Rural Lifestyle purposes” means land that is classified by the Office of the Valuer General as being used for lifestyle use under Clause C.3.4 primary Level use code 2 in Appendix C of the Rating Valuation Rules 2008. This does not include residential properties in rural areas or rural lifestyle properties that are too small in area to be subdivided under the operative District Plan as a Controlled Activity.
3. For the purposes of this policy, “land used for Residential purposes” means land that is classified by the Office of the Valuer General as being used for residential use under Clause C.3.4 primary Level use code 9 in Appendix C of the Rating Valuation Rules 2008. This does not include residential properties formerly zoned as rural or lifestyle properties that are too small in area to be subdivided under the operative District Plan as a Controlled Activity.
4. Rating units for which a subdivision consent has been approved or lodged and under consideration by the Council shall not be eligible for rates remission under this policy.

### **(c) Process**

The process for seeking rates remission is as follows:

1. On written application from the ratepayer of any rating unit that is:
  - a) located in a zone in the District Plan other than the Rural zone, and is
  - b) land used for primary industry, or

- c) land used for rural lifestyle purposes, or
- d) land used for residential purposes that are able to be subdivided.

The Council will request its Valuation Service Provider to issue a special “rates remission value” for that rating unit.

2. The rates remission value will be determined so as to:
  - a) exclude any potential value that, at the date of valuation, the land may have for residential purposes, or for commercial or industrial use; and
  - b) preserve uniformity and equitable relativity with comparable parcels of land used for primary industry, rural lifestyle and residential purposes the valuations of which do not contain any such potential value.
3. Rates remission special values allocated under this policy are final and there is no right of objection against the level of valuation. (The owner still has the right to object to the rating valuation of the property where those values have been determined under the Rating Valuations Act 1998).
4. Where a rates remission value has been determined, the payment of rates will be remitted to the extent specified in clause (5) of this policy.
5. The amount of rates remitted in any year shall be an amount equal to the difference between the amount of the rates for that period calculated according to the rateable value of the property and the amount of the rates that would be payable for that period if the rates remission value of the property were its rateable value.
6. Notice of the amount of rates remitted shall be expensed and entered as a credit to the rates owing in the rating records and will be notified with the rates assessment issued in respect of that rating unit.
7. Subject to the rates remission value remaining in force, rates will be remitted from the commencement of the rating period in respect of which they were made and levied.
8. Rates remission will apply from the beginning of the rating year following the period in which the rates remission application

is approved and will not be backdated to prior years. However, in the event that an application is approved prior to 1 August, rates remission may apply from the beginning of the financial year in which the application is approved.

*The following delegations apply in respect of:*

- *Group Manager - Finance or Finance Manager, - to approve remissions which meet the requirements of this policy.*
- *Chief Executive and/or the Chairperson of the Finance Sub-committee, – to hear and make a final decision on any appeal on an application for remission that has been declined.*

## Part 8: Remission of Small Rates Balances

### (a) Objective

To save Council the costs of processing rates of uneconomic value.

### (b) Conditions and Criteria

To qualify for remission under this part of the policy the rating unit must have a balance of less than \$5 owing on a general or targeted rate as at 30 June in any year.

Applications may be at the initiative of the Group Manager – Finance or Finance Manager, or Rates Officer or in writing from the ratepayer.

### (c) Process

Applications will be determined by the Group Manager – Finance or Finance Manager acting under delegated authority.

Each application will be considered on its merits, and if approved the value of the remission will be the whole of any outstanding rate of \$5 or less at year end.

## Part 9: Remission of Targeted Rates on Non-rateable Land

### (a) Objective

To balance user-pays, equity and community interest in the assessment of targeted rates on non-rateable rating units.

### (b) Conditions and Criteria

To qualify for consideration for remission under this part of the policy the rating unit must be:

- *non-rateable*
- *otherwise liable for rates for services described in s.9 of the Local Government (Rating) Act 2002 (i.e. rates for water supply, sewage disposal or waste collection).*

Determinations will not be backdated.

### (c) Process

Decisions will be made by way of policy determinations by Council in respect of a type of ratepayer or rating unit. The value of the remission will be the whole or part of any or all of the applicable rates.

Under this policy targeted water rates are levied by way of the normal water rates in the case of non-rateable residences, libraries and halls, but by metered water consumption in all other cases.

## Part 10: Properties Affected by Disasters

### (a) Objective

To provide rating relief to ratepayers whose property has been affected by a disaster event.

## **(b) Conditions And Criteria**

To qualify for remission under this part of the policy a rating unit or part thereof must be

- *Affected by a disaster event such as a flood, storm, earthquake, subsidence; and*
- *Rendered incapable of normal use by the ratepayer for a certain period.*

Other matters taken into account in determining whether or not the rating unit qualifies for remission, and the extent of such remission, will include

- *The impact(s) of the disaster event on the property, and*
- *The duration of such impact(s)*
- *The extent to which the losses were insurable.*

Applications must be in writing, either from the applicant or at the initiative of an officer of the Council.

## **(c) Process**

Applications will be considered, and decision made, by Council.

No remission will be made before further guidelines specific to the disaster event are established.

Such guidelines will take into account the extent of funding available from which to make any remissions, and may cover such factors as:

- *Special conditions and criteria, including any period for which a property may have been incapable of normal use*
- *Special application forms and information to be provided*
- *Deadlines for applications*
- *The extent of remissions to be made, whether on a fixed sum, percentage, sliding scale or other basis*
- *The appointment of an advisory committee to assist in the consideration of applications, if appropriate.*

Each application will be considered on its merits, and in the context of guidelines established in response to the disaster event.

The ratepayer will be informed of the outcome of the application in writing.

## **Part 11: Rates Remission for Subdivisions which are in Common Ownership but do not meet the criteria of a Contiguous Property**

### **(a) Background**

Developers face significant costs in the early stages of subdivision development, including the payment of development contributions to Council. Once titles are issued, all properties are rated individually and the holding costs can be quite high until properties are sold.

### **(b) Objectives**

To provide a positive development incentive by supporting the development and holding of subdivision land for residential and rural lots by remitting all rates levied using fixed (uniform) charges on unsold development land where each separate lot or title is treated as a separate Rating Unit.

### **(c) Conditions and Criteria**

This remission applies to unsold subdivided land, where each separate lot or title is treated as a separate Rating Unit, and such land is implied to be not used as a single rating unit under s20 of the Local Government (Rating) Act 2002.

1. The rating units must have been created in accordance with Council's subdivision development requirements and have been granted a subdivision consent.
2. The rating units must be vacant land i.e. the rating unit does not contain any habitable dwelling.
3. The rating units on which remission is applied must be owned by the same ratepayer who must be the original developer
4. Rate remission to the extent of fixed (uniform) charges for unsold subdivided land.

5. Remission shall cease for any allotment if any interest in the land is passed by the developer to another party. Remission ceases from the end of the year in which the change in title occurs.
6. Application must be submitted in writing and submitted to Council prior to the commencement of the rating year (i.e. before 30 June).
7. The ratepayer will remain liable for at least one “set” of fixed (uniform) general and/or targeted rates.
8. Remissions will not apply to Water, Stormwater and Sewerage targeted rates.
9. Each application will be considered in line with the general guidelines; however, individual circumstances may vary and could influence the final decision.
10. From 1 July 2015 any remissions will only apply for a period of five years and then be reviewed. Remissions will not be granted in retrospect for previous years.
11. Decisions on remission under this policy will be delegated to the Group Manager –Finance, Finance Manager (or equivalent positions).

## Part 12: Remission of Rates on Bare Land

### (a) Objectives:

To reduce the rates burden on bare, uninhabited land, where the owner of the rating unit is not able to use the services funded from targeted rates. Council may remit any rate set using a fixed (uniform) charge in respect of one or more rating units owned by the same ratepayer (as recorded on the certificate of title and recorded in the Rating Information Database) if it considers it reasonable in the circumstances to do so.

### (b) Conditions and Criteria

1. Rating units must be owned by the same ratepayer (as recorded on the certificate of title and recorded in the Rating Information Database).
2. Council may remit any rate set using a fixed (uniform) charge on rating units considered to be bare land, provided that the ratepayer pays at least one “set” of the rates set using a fixed (uniform) charges within the District.

3. Bare land is defined as rating units with no habitable improvements. For the purposes of this policy forestry blocks (without habitable buildings) are deemed to be bare land.
4. Decisions on remission under this policy will be delegated to the Group Manager –Finance, Finance Manager (or equivalent positions).

## Part 13: Remission Rates for Council Owned Utilities

### (a) Objectives

To avoid incurring the rating costs to Council that would be indirectly recovered from other ratepayers.

### (b) Conditions and Criteria

Utilities (i.e. water, stormwater and wastewater) owned by the Horowhenua District Council will receive 100% remission of all rates that have been set, which includes any rate set using a fixed (uniform) charge.

## Part 14: Remission of any rate set using a fixed (uniform) charge on contiguous properties

### (a) Objectives

To enable Council to act fairly and equitably with respect to the imposition of any rate set using a fixed (uniform) charge on two or more separate rating units that are contiguous, but separately owned and used jointly for a single residential, business or farming use.

### (b) Background

This policy has been developed to provide for the remission of rates in situations where two or more rates set using a fixed (uniform) charge, are assessed on contiguous, but separately owned rating units which are being used jointly as a single property or business.

The circumstances where an application for a remission of charges will be considered are:

- residential dwelling and associated garden and ancillary buildings where the property occupies a maximum of two rating units and those rating units are used jointly as a single property.
- A farm that consists of a number of separate rating units that are contiguous.
- A commercial, retail or industrial business that operates from more than one rating unit where those rating units are contiguous and are used jointly as a single property.
- However, Council's "Separately Used or Inhabited" (SUIP) definition will still be applied.

### **(c) Conditions and Criteria**

Applications under this policy must be in writing, signed by the ratepayer and must comply with the conditions and criteria set out below.

1. The rating units must be contiguous.
2. The rating units must:
  - a) In the case of a residential property, be owned by the same ratepayer (as recorded on the certificate of title and recorded in the Rating Information Database) who uses the rating units jointly as a single residential property.
    - (i) A vacant section adjoining a residential lot does not comply.
    - (ii) The individual areas of the rating units concerned must not exceed the size of a typical residential lot.
  - b) In the case of a farm, be owned by the same owner (as recorded on the certificate of title and recorded in the Rating Information Database) or be leased, from other owners, for a term of not less than five (5) years, to the same ratepayer who uses the rating units jointly as a single farm. The owners of each of the individual rating units must confirm in writing that their unit/s is being jointly used as a single farming operation.
3. The Council may on written application from a rate payer of such rating units remit any rate set using a fixed (uniform) charge levied

on the rating units if it considers it to be reasonable in the circumstances to do so.

4. The applicant must provide sufficient evidence as is necessary to prove that the properties are being jointly used as a single property and Council's decision on the matter is final.
5. The Council reserves the right to determine that any specific targeted charge will be excluded from this policy
- 6 Remissions will not apply to Water, Stormwater and Sewerage targeted rates
- 7 Each application will be considered in line with the general guidelines; however, individual circumstances may vary and could influence the final decision
- 8 Decisions on remission under this policy will be delegated to the Group Manager –Finance or Finance Manager (or equivalent positions).

# Remission of Rates on Māori Freehold Land

## 1. Introduction

This Policy is prepared under Section 102(2)(e) of the Local Government Act (LGA) 2002. 'Māori Freehold Land' is defined in Section 5 of the Local Government (Rating) Act 2002 as 'land whose beneficial ownership has been determined by the Māori Land Court by Freehold Order'. Only land that is the subject of such an order may qualify for remission under this Policy.

This Policy aims to ensure the fair and equitable collection of rates from all sectors of the Community and recognises that certain Māori owned lands have particular conditions, features, ownership structures, or other circumstances that make it appropriate to provide relief from rates.

Council does not provide for the postponement of rates set on Māori Freehold land.

## 2. Objectives

The objectives of this Policy are set out in Schedule 11 (2) of the LGA 2002;

- a) supporting the use of the land by the owners for traditional purposes,
- b) recognising and supporting the relationship of Māori and their culture and traditions with their ancestral lands,
- c) avoiding further alienation of Māori Freehold Land,
- d) facilitating any wish of the owners to develop the land for economic use,
- e) recognising and taking account of the presence of wāhi tapu that may affect the use of the land for other purposes,

- f) recognising and taking account of the importance of the land in providing economic and infrastructure support for marae and associated
- g) papakāinga housing (whether on the land or elsewhere),
- h) recognising and taking account of the importance of the land for community goals relating to -
  - i) the preservation of the natural character of the coastal environment;
  - j) the protection of outstanding natural features;
  - k) the protection of significant indigenous vegetation and significant habitats of indigenous fauna;
  - l) recognising the level of community services provided to the land and its occupiers, and
  - m) recognising matters relating to the physical accessibility of the land.

## 3. Principles

The principles used to develop and establish this Policy are;

- a) that, as defined in Section 91 of the Local Government (Rating) Act 2002, Māori Freehold Land is liable for rates in the same manner as if it were general land,
- b) that Council is required to consider whether it should have a policy on rates relief on Māori Freehold Land,
- c) that Council and the Community benefit through the efficient collection of rates that are properly payable and the removal of rating debt that is considered non-collectible,
- d) that applications for relief meet the criteria set by Council, and
- e) that the Policy does not provide for the permanent remission or postponement of rates on the property concerned.

## 4. Conditions and Criteria

Māori Freehold Land is defined by Section 5 of the Local Government (Rating) Act 2002 as;

- “Land whose beneficial ownership has been determined by the Māori Land Court by freehold order”.
- Only land that is the subject of such an order may qualify for remission under this Policy.

To qualify, a property must meet all of the required criteria and at least one of the optional criteria.

### The required criteria are:

1. The land must be Māori Freehold land as defined in the Local Government (Rating) Act 2002,
2. in multiple or trust ownership, and
3. be unoccupied or papakāinga housing.

### The optional criteria are:

1. Development of the land for economic use;
  - i. particularly if it will provide employment for local Māori.
  - ii. this remission will decrease in proportion to the properties increased economic use through the development period.
  - iii. plans of the development and financial projections will be required to support application under this criterion;
2. The presence of wāhi tapu that may affect the use of the land for other purposes;
3. Where houses are in the vicinity of the Marae and are used for papakāinga, the Council will consider applications for a rates remission.
4. How the land is used for the preservation and/or protection of the coastline, outstanding natural features, significant indigenous

vegetation, and habitats of indigenous fauna. Applications under this criterion need to be supported by an existing Department of Conservation or Regional Council Management Plan (e.g. in the Department of Conservation Coastal Management Plan for the area);

5. When it is difficult to legally, physically or practically access a property, a rates remission will be considered. Examples of accessibility issues are;
  - i. the property is landlocked by properties owned by other people/entities.
  - ii. access is legally available by paper road or easement but the road does not exist.
  - iii. a road ends or passes a property but a river, ravine, cliff or other impediment prevents practical access.
6. If the property is in and will remain in a natural and undeveloped state and there is no financial income, a rates remission will be considered.

Applications for remission should be made prior to the start of the rating year (1 July). Applications made after the start of the rating year may be accepted at the discretion of Council. Owners or trustees making an application should include the following information in their applications:

- i. details of the property, the objectives that will be achieved by providing a remission, and
- ii. documentation that proves the land is Māori freehold land.

Council may, at its own discretion, apply remissions to qualifying rating units. Rating relief, and the extent thereof, is at the sole discretion of Council and may be cancelled and reduced at any time.

## 5. Process

Applications will be determined by the Group Manager – Finance or Finance Manger (or equivalent positions within the Finance Department) to a value of \$2,500. Any requested remissions above \$2,500, or if there is any doubt or

dispute arising, will be referred to the Chief Executive and a member of the Finance Subcommittee for a decision.

The remission will be 100% of any rates except targeted rates made for water supply, sewage disposal or refuse collection.

## Appendix

### Appendix 1: Definitions and Interpretations

**Wāhi tapu:** Sites, area or localities of special cultural, spiritual or historical significance to Tangata Whenua and associated with tapu. May include (but is not limited to) urupa, places where baptismal rites are performed and historical battlegrounds.

**Natural state (land):** The state or condition in which something occurs in nature, untreated or unprocessed, as before the application of any manufacturing process; the condition to which a thing, person, or system tends in the absence of external influences.

**Undeveloped state (land):** The state or condition of being developed for commercial, residential, and/or personal use.



# Liability Management Policy

## 1. Legislative Provisions

The Local Government Act (LGA) 2002 requires: liabilities to be managed prudently and in a manner that promotes the current and future interests of the Community (Section 101(1)); a Liability Management Policy to be adopted by Council (Section 102); and specific content of such a policy (Section 104).

## 2. Objectives

- A) The objectives of the Liability Management Policy are to:
- minimise the cost of borrowing (including interest, contracted services, staff, time and administration);
  - minimise the exposure to the risks associated with borrowing;
  - maintain strong financial ratios;
  - consider long term indebtedness as a means of creating intergenerational equity; and
  - maintain the integrity of Council's Long Term Plan (LTP).
- B) The objectives of the Management of Liquidity and Funding Risk are to:
- ensure Council's continued ability to meet its debts in an orderly manner as and when they are due in both the short and long term, through appropriate liquidity and funding risk management;
  - arrange appropriate funding facilities for Council, ensuring they are at market related margins utilising bank debt facilities and/or capital markets as appropriate; and

- maintain lender relationships and Council's general borrowing profile in the local debt and capital markets, so that Council is able to fund itself appropriately at all times.

C) The objectives relating to Reporting are to:

- produce accurate and timely information that can be relied on by senior management and the full Council for control, exposure monitoring, and performance measurement purposes in relation to treasury activity.

## 3. Current Liabilities

Current liabilities are those which Council has to meet within the following 12 months.

Council will arrange such terms and conditions as it considers necessary for the establishment and provision of normal trade credit to enable it to carry out its Activities. Such credit will not normally involve the issue of any security, undertaking, or collateral as a condition of the provision of such credit, except finance leases and hire purchase, which normally include a charge over the assets being purchased.

Council policy is to pay all routine expenditure obligations by the due date.

## 4. Borrowing

(For these purposes 'borrowing' does not include hire purchase, deferred payment, or the giving of credit for goods and services where the transaction is for less than 91 days or does not exceed \$500,000).

## 4.1 Borrowing Limits

Debt will be managed within the following limits:

- Net annual interest costs will not exceed 20% of total annual operating revenue.
- Net annual interest costs will not exceed 25% of total annual rates revenue.
- Net debt shall not exceed 225% of total operating revenue.

Council will also monitor and report:

- The ratio of equity: debt.
- Debt per rateable property.

## 4.2 Instruments or methods to raise debt

- The following funding instruments and methods may be used by Council to raise external debt:
- Committed bank facilities.
- Uncommitted bank facilities.
- Local Authority Bonds which includes fixed rate bonds and floating rate notes.
- Medium Term Notes.
- Local Government Funding Agency.

## 4.3 Management of Interest Rate Risk

Fixed Rate Hedging Percentages		
Years	Minimum Fixed Rate Amount	Maximum Fixed Rate Amount
0 - 2 years	40%	100%
2 - 4 years	25%	80%
5 -8 years	0%	60%

The fixed rate hedging percentages shall apply to the core debt of Council as detailed in the Long Term Plan or Annual Plan.

The Chief Executive Officer after consulting with appropriate external advisors may use the following interest rate risk management instruments to manage the core debt of Council.

- Interest rate swaps.
- Swaptions (options on swaps).
- Interest rate options, including collar type structures but only in a ratio of 1 : 1.
- Forward rate agreements.

## 4.4 Management of Credit Risks

All bank borrowing and interest rate hedging transactions must be undertaken with a New Zealand Registered Bank with a minimum Standard and Poor's Long Term credit rating of at least A+ (or the Moody's or Fitch Ratings equivalents).

Council will satisfy itself in all its borrowing transactions that counterparties are financially adequate, have an appropriate industry standing, and have an appropriate track record to give Council reasonable certainty that obligations under concluded contracts will be performed.

## 4.5 Management of Liquidity Risks

Liquidity Risk Management has the objective of ensuring that adequate funding sources and liquid assets are available at all times to meet the short term commitments of Council as they arise. Appropriate cash flow reports will be maintained to monitor Council's estimated liquidity position over the next 12 months, with such reports being updated at least every three months.

## 4.6 Management of Funding Risk

- Council must maintain committed funding lines of not less than 110% of projected core debt.
- Where practicable no more than 40% of debt shall mature in any rolling 12 month period.

## 4.7 Debt Repayment

Loan Repayment Reserves will be established to ensure that sufficient funds are on hand to allow appropriate repayment and/or appropriate refinancing.

## 4.8 Provision of Security

When arranging funding facilities, Council will have a preference for unsecured facilities unless a cost benefit accrues from offering security.

Council's first choice will be to offer security for borrowings by way of a pledge of rates.

Physical assets will be pledged only where there is a direct relationship between the debt and the asset purchase or construction, or Council considers such a pledge to be more appropriate.

Finance leases for such assets as office equipment, information technology, and vehicles may be entered into provided that the interest rates are commercially advantageous.

## 4.9 Accountabilities

As provided in the Delegations Register, the authority to provide for and manage Council's borrowing facilities, debt and risk hedging is delegated to the Chief Executive (who can further delegate to any other officer of Council as required) in accordance with the Council's Borrowing Management Policy and the Long Term Plan and/or applicable Annual Plan. (This includes without limitation issuing bonds, drawing debt under existing facilities, renegotiation and extension of existing facilities, negotiation and establishment of new facilities,

hedging interest rates, entry into ISDA agreements to govern derivative hedges, and the approval of counterparties).

The quarterly debt reports shall detail Council's weighted average cost of funds as at the end of the relevant quarter.

The Group Manager – Finance or Finance Manager will report to the Finance, Audit and Risk Subcommittee or Council meetings on borrowing management transactions and any instances where the policy has not been able to be complied with, and on all aspects of the Liability Management Policy.

## 4.10 Internal Borrowing

Council may, from time to time, instead of raising loans or borrowing on overdraft, internally borrow from any Special Fund accounts on such terms and conditions as it thinks appropriate in any instance, but without interrupting the normal cash flow requirements of any such fund. Such terms and conditions may include, amongst other matters, a nil rate of interest and deferral or future waiving of repayments.

Repayments may be made directly to the source fund or through an Internal Loan Repayment Fund.

Internal borrowing arrangements will not be subject to clauses 4.1 or 4.2 of the Liability Management Policy.

The interest rate for internal borrowing will be the sum of the current three year swap bid rate as quoted by Council's principal bank, plus a margin (which includes a commitment fee) of 1.50%.

## 4.11 New Zealand Local Government Funding Agency Limited Investment

Despite anything earlier in this Liability Management Policy, Council may borrow from the New Zealand Local Government Funding Agency Limited (LGFA) as a Principal Shareholding Local Authority. In connection with that borrowing, Council may enter into the following related transactions to the extent it considers necessary or desirable:

- (a) Contribute a portion of its borrowing back to the LGFA as subordinate debt, convertible equity if required by LGFA;
- (b) Provide a guarantee of the indebtedness of the LGFA;
- (c) Commit to contributing additional equity to the LGFA if required;
- (d) Subscribe for shares and uncalled capital the LGFA; and
- (e) Secure its borrowings from LGFA, and the performance of other obligations to the LGFA or its creditors with a charge over Council's rates and rates revenue.

# Prospective Accounting Policies

## 1. Reporting Entity

The prospective financial statements of the Horowhenua District Council are for the year ended 30 June 2022 and for the subsequent nineteen years, ending 30 June 2041.

The Horowhenua District Council is a territorial Local Authority governed by the provisions of the Local Government Act 2002 and is domiciled in New Zealand.

The Horowhenua District Council group (HDC) consists of Horowhenua District Council and Shannon Community Development Trust, both incorporated in New Zealand.

The primary objective of HDC is to provide goods and services for the community for social benefit rather than making a financial return. Accordingly, Council have designated themselves as PBE for financial reporting purposes.

The prospective financial statements contained in the long term plan are in full compliance with FRS 42 Prospective Financial Statements.

The operations of HDC have been divided into the following activities:

- Land Transport (Roads and Footpaths)
- Stormwater
- Water Supply
- Wastewater Disposal
- Solid Waste
- Regulatory Services

- Community Facilities
- Community Infrastructure
- Property
- Community Support

HDC also advise caution that the information in these statement may not be appropriate for purposes other than those described.

The prospective financial statements were authorised by issue by Council on 30 June 2021. The Mayor and Chief Executive that authorise the issue of the prospective financial statements by HDC are responsible for the prospective financial statements presented, including the appropriateness of the assumptions underlying the prospective financial statements and all other required disclosures.

The actual results achieved for the period covered by this plan are likely to vary from the information presented in this document, and these variances may be material.

### ***Measurement Base***

The measurement base adopted is that of historical cost, modified by the revaluation of certain assets.

### ***Accounting Policies***

The following accounting policies which materially affect the measurement of results and financial position have been applied consistently to all years presented from 1 July 2021 unless otherwise stated.

## 2. Basis of Preparation

The prospective financial statements have been prepared in accordance with the requirement of the Local Government Act 2002: Part 6, Sec 93 and Part 1 of Schedule 10, which includes the requirements to comply with New Zealand accepted accounting practice (NZ GAAP).

These financial statements have been prepared in accordance with NZ GAAP. They comply with NZ PBE IPSAS, and other applicable financial reporting standards, as appropriate for public benefit entities. HDC is a tier 1 reporting entity using the public sector Public Benefit Entity Accounting Standards, as it has expenses greater than \$30m, and is not publicly accountable.

### ***Basis of Consolidation***

The consolidated financial statements are prepared by adding together the items as assets, liabilities, equity, revenue, and expenses of entities in the group on a line-by-line bases. All intragroup balances, transactions, revenues and expense are eliminated on consolidation.

The Financial Statements are presented in New Zealand Dollars. The functional currency of HDC is New Zealand dollars. All values are rounded to the nearest one thousand dollars.

### ***Comparative Information***

The Annual Plan 2020/2021 adopted by the council on 30 June 2020 has been provided as a comparator for these consolidated prospective financial statements. The closing balance in this comparative differs from the opening position used to prepare these consolidated prospective financial statements which is based on the most up-to-date forecast information.

### ***Budget Figures***

The budget figures have been prepared in accordance with NZ GAAP and comply with NZ PBE IPSAS, and other applicable financial reporting standards, using accounting policies that are consistent with those adopted in preparing these financial statements. Then as a tier 1 reporting entity HDC uses the public sector Public Benefit Accounting Standards.

HDC has not presented group prospective financial statements because it believes that the parent financial statements are more relevant to users. The main purpose of prospective financial statements is to provide users with information about the core services that the HDC intends to provide ratepayers, the expected cost of those services and as a consequent how much HDC requires by way of rates to fund the intended levels of service. The level of rates funding required is not affected by subsidiaries except to the extent that HDC obtains distribution from, or further invests in, those subsidiaries. Such effects are included in the prospective financial statement of HDC.

## 3. Revenue

Revenue is measured at the fair value of consideration received or receivable.

### ***Rates Revenue***

The following policies for rates have been applied:

- General rates, targeted rates (excluding water-by-meter), and uniform annual general charges are recognised at the start of the financial year to which the rates resolution relates. They are recognised at the amounts due. The Council considers the effect of payment of rates by instalments is not sufficient to require discounting of rates receivables and subsequent recognition of interest revenue.

- Rates arising from late payment penalties are recognised as revenue when rates become overdue.
- Revenue from water-by-meter rates is recognised on an accrual basis based on usage. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis.
- Rate remissions are recognised as a reduction of rates revenue when the Council has received an application that satisfies its rates remission policy.

### ***Development and financial contributions***

Revenue from development and financial contributions is recognised at the later of the point when Council provides, or is able to provide, the service for which the contribution was charged. Otherwise, development and financial contributions are recognised as liabilities until such time as Council provides, or is able to provide, the service.

Development contributions are disclosed separately.

### ***Infringement Fees Revenue***

Revenue from infringement fees and fines mostly relate to traffic and parking infringements and are recognised when the infringement notice is issued. The Council recognises revenue at an amount based on the probability of collecting fines, which is estimated by considering the collection history of fines over the preceding 2 year period.

### ***Subsidises Revenue***

HDC receives revenue from New Zealand Transport Agency, which subsidises part of HDC's costs in maintaining the local roading infrastructure, is recognised as revenue upon entitlement as conditions pertaining to eligible expenditure have been fulfilled.

### ***Grants Revenue***

Revenue from other grants are recognised as revenue when they become receivable unless there is an obligation in substance to

return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

### ***Rendering of Services Revenue***

Revenue from the rendering of services is recognised by reference to the stage of completion of the transaction at balance date, based on the actual service provided, as a percentage of the total services to be provided.

### ***Sale of Goods Revenue***

Revenue from the sale of goods is recognised when a product is sold to the customer. Sales are usually in cash or by credit card. The recorded revenue is the gross amount of the sale, including credit card fees payable for the transaction. Such fees are included in other expenses.

### ***Vesting of Assets Revenue***

Revenue from vesting of physical assets is recognised for assets received for no or nominal consideration, the asset is recognised at its fair value when the Council obtains control of the asset. The fair value of the asset is recognised as revenue, unless there is a use or return condition attached to the asset.

The fair value of vested or donated assets is usually determined by reference to the cost of constructing the asset. For assets received from property developments, the fair value is based on construction price information provided by the property developer.

For long-lived assets that must be used for a specific use (e.g. land must be used as a recreation reserve), the Council immediately recognises the fair value of the asset as revenue. A liability is recognised only if the Council expects it will need to return or pass the asset to another party.

### **Commission Revenue**

Revenue from acting as an agent for another party is recognised in the form of the commission or fee on the transaction.

### **Interest and Dividend Revenue**

Revenue from interest is recognised using the effective interest method. Interest revenue on an impaired financial asset is recognised using the original effective interest rate.

Revenue from dividends is recognised when the right to receive payment has been established.

### **Financial Contributions Revenue**

Revenue from financial contributions is recognised as revenue when the Council provides, or is able to provide, the service for which the contribution was charged. Otherwise, development and financial contributions are recognised as liabilities until such time as the Council provides, or is able to provide, the service.

### **Building and resource consent revenue**

Fees and charges for building and resource consent services are recognised on a percentage completion basis with reference to the recoverable costs incurred at balance date.

### **Landfill fees**

Fees for disposing of waste at the Council's landfill are recognised as waste is disposed by users.

### **Lease revenue**

Lease revenue from operating leases is recognised as revenue on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which benefits derived from the leased asset is diminished.

## **4. Borrowing Costs**

All borrowing costs are recognised as an expense in the period in which they are incurred.

## **5. Income Tax**

Income tax expense includes components relating to both current tax and deferred tax. Current tax is the amount of income tax payable based on the taxable profit for the current year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted at balance date.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the statement of financial position and the corresponding tax bases used in the computation of taxable profit.

Deferred tax is measured at the tax rates that are expected to apply when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at balance date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the entity expects to recover or settle the carrying amount of its assets and liabilities.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset or liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting profit nor taxable profit.



Current and deferred tax is recognised against the surplus or deficit for the period, except to the extent that it relates to a business combination, or to transactions recognised in other comprehensive revenue and expense or directly in equity.

## 6. Grant Expenditure

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received.

Discretionary grants are those grants where HDC has no obligation to award on receipt of the grant application and are recognised as expenditure when a successful applicant has been notified of HDC's decision.

The Council's grants awarded have no substantive conditions attached.

## 7. Leases

### ***Finance Leases***

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred.

At the commencement of the lease term, HDC recognises finance leases as assets and liabilities in the Statement of Financial Position at the lower of the fair value of the leased item or the present value of the minimum lease payments.

The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability.

The amount recognised as an asset is depreciated over its useful life. If there is no certainty as to whether HDC will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

### ***Operating Leases***

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

## 8. Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities in the Statement of Financial Position.

## 9. Trade and Other Receivables

Trade and other receivables are initially measured at face value less any provision for impairment.

A provision for impairment of receivables is established when there is objective evidence that HDC will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the estimated present value of the expected future cash flows, discounted using the effective interest method.

## 10. Derivative Financial Instruments

Derivative financial instruments are used to manage exposure to interest rate risks arising from the Council's financing activities. In accordance with its treasury policy, the Council does not hold or issue derivative financial instruments for trading purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance date. The resulting gains or losses are recognised in the surplus or deficit as Council does not hedge account.

The portion of the fair value of an interest rate derivative that is expected to be realised within 12 months of balance date is classified as current, with the remaining portion of the derivative classified as non-current.

## 11. Financial Assets

HDC classifies its financial assets into four categories:

- financial assets at fair value through surplus or deficit,
- held-to-maturity investments,
- loans and receivables and
- financial assets at fair value through other comprehensive revenue and expenses.

The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial acquisition and re-evaluates this designation at every reporting date.

Financial assets are initially measured at fair value plus transaction costs unless they are carried at fair value through surplus or deficit,

in which case the transaction costs are recognised in the surplus or deficit in which case transaction costs are recognised in the surplus or deficit.

Purchases and sales of financial assets are recognised on trade-date, the date on which HDC commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and HDC has transferred substantially all the risks and rewards of ownership.

The categories of financial assets are:

### ***Financial Assets at Fair Value through Surplus or Deficit***

Financial assets at fair value through surplus or deficit include financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term or it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of short-term profit-taking.

Financial assets acquired principally for the purpose of selling in the short-term or part of a portfolio classified as held for trading are classified as a current asset. The current/non-current classification of derivatives is explained in the derivatives accounting policy above.

After initial recognition, financial assets in this category are measured at their fair values with gains or losses on remeasurement recognised in the surplus or deficit.

### ***Held-to-maturity Investments***

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that HDC has the positive intention and ability to hold to maturity. They are included in current assets, except for maturities greater than 12

months after balance date, which are included in non-current assets.

After initial recognition they are measured at amortised cost using the effective interest method less impairment. Gains and losses when the asset is impaired or derecognised are recognised through surplus or deficit.

### ***Loans and Receivables***

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after balance date, which are included in non-current assets.

After initial recognition they are measured at amortised cost using the effective interest method less impairment. Gains and losses when the asset is impaired or derecognised are recognised through surplus or deficit. Loans and receivables are classified as "trade and other receivables" in the Prospective Statement of Financial Position.

Loans, including loans to community organisations made by HDC at nil, or below-market interest rates are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar asset or investment. They are subsequently measured at amortised cost using the effective interest method. The difference between the face value and the present value of expected future cash flows is recognised in the surplus or deficit as a grant.

### ***Financial Assets at Fair Value through Other Comprehensive Revenue and Expenses***

Financial assets at fair value through other comprehensive revenue and expenses are those that are designated as fair value through other comprehensive revenue and expenses or are not classified in

any of the other categories above. They are included in non-current assets, unless management intends to dispose of, or realise, the investment within 12 months of balance date. After initial recognition these investments are measured at their fair value.

Gains and losses are recognised directly in other comprehensive revenue and expenses except for impairment losses which are recognised in the surplus or deficit.

On de-recognition the cumulative gain or loss previously recognised in equity is recognised in the surplus or deficit.

Financial assets in this category include investments HDC intends to hold long-term but which may be realised before maturity and shareholdings that HDC holds for strategic purposes.

## **12. Impairment of financial assets**

At each balance sheet date HDC assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised in the surplus or deficit.

### ***Loans and Other Receivables and Held-to-maturity Investments***

Impairment is established when there is objective evidence that the Council and Group will not be able to collect amounts due according to the original terms of the debt. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy and default in payments are considered indicators that the asset is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate. For debtors and other receivables, the carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the

surplus or deficit. When the receivable is uncollectible it is written off against the allowance account. Overdue receivables that have been renegotiated are reclassified as current (that is, not past due). Impairment in term deposits, local authority stock, Government bonds and community loans are recognised directly against the instrument's carrying amount.

#### ***Financial Assets at Fair Value through Other comprehensive revenue and expenses***

For equity investments, a significant or prolonged decline in the fair value of the investment below its cost is considered objective evidence of impairment.

For debt investments, significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy and default in payments are considered objective indicators that the asset is impaired.

If impairment evidence exists for investments at fair value through other comprehensive revenue and expenses, the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the surplus or deficit) recognised in other comprehensive revenue and expenses is reclassified from equity to the surplus or deficit.

Equity instrument impairment losses recognised in the surplus or deficit are not reversed through the surplus or deficit.

If in a subsequent period the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised, the impairment loss is reversed through surplus or deficit.

### 13. Non-Current Assets Held For Sale

Non-current assets held for sale are classified as 'held for sale' if their carrying amount will be recovered principally through a sale transaction, not through continuing use. Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Any impairment losses for write-downs of non-current assets held for sale are recognised through surplus or deficit.

Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses that have been previously recognised.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale.

### 14. Property, Plant and Equipment

Property, plant and equipment consist of:

*Operational Assets* - These include land, buildings, landfill post closure, library collections, plant and equipment and motor vehicles.

*Restricted Assets* - Restricted assets are parks and reserves owned by HDC which provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions.

*Infrastructure Assets* - Infrastructure assets are the fixed utility systems owned by HDC. Each asset class includes all items that are required for the network to function, for example, sewer reticulation includes reticulation piping and sewer pump stations.

Property, plant and equipment are shown at cost or valuation, less accumulated depreciation and impairment losses.

### ***Additions***

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to HDC and the cost of the item can be measured reliably.

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

Work in progress is recognised at cost less impairment and is not depreciated.

### ***Disposals***

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included through the surplus or deficit.

When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated funds.

### ***Subsequent Costs***

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to HDC and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant, and equipment are recognised in the surplus or deficit as they are incurred.

### ***Depreciation***

HDC's depreciation is provided on a straight-line basis on all property, plant and equipment (other than land) at rates that will

write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

	Useful Life	Depreciation Rate
<b>Operational assets</b>		
<b>Land</b>	N/A	N/A
<b>Buildings:</b>		
Structure	20 to 100 years	1% to 5%
Roofing	40 years	2.5%
Electricals	40 years	2.5%
<b>Plant, equipment and vehicles</b>	4 to 25 years	4% to 25%
<b>Library assets</b>	10 years	10%
<b>Solid waste management:</b>		
Building structure	50 to 100 years	1% to 2%
Building roofing	40 years	2.5%
Roading	50 years	2%
Cell site works and earthworks	33 years	3%
Cell lining, drainage and irrigation	33 years	3%
Cell electricals	10 years	10%
<b>Restricted assets</b>		
<b>Land</b>	N/A	N/A
<b>Buildings:</b>		
Structure	20 to 100 years	1% to 5%
Roofing	40 years	2.5%
Electricals	40 years	2.5%
<b>Infrastructural assets</b>		
<b>Roading:</b> (average lives and depreciation rates of major components)		
Land	N/A	N/A
Formation	N/A	N/A
Berms	100 years	1%
Surface water channels	50 to 100 years	1% to 2%
Bridges and culverts	40 to 100 years	1% to 2.5%
Drainage	80 years	1.25%
Sealed pavement	78 years	1.29%
Basecourse	60 years	1.66%
Footpaths – concrete	60 years	1.66%
Footpaths – metal	100 years	1.0%
Footpaths – other	20 to 45 years	2.22% to 5%
Crossings	50 years	2.0%
Streetlights – poles	30 to 50 years	2% to 3.33%
Streetlights – lights	25 years	4.0%
Signage	12 years	8.33%
Surfacing	1 to 25 years	4% to 100%

	Useful Life	Depreciation Rate
<b>Stormwater:</b>		
Pump stations	100 years	1%
Manholes	80 years	1.25%
Sumps	60 years	1.67%
Pipes	20 to 100 years	1% to 5%
Pumps	15 years	6.67%
<b>Water:</b>		
Land	N/A	N/A
Buildings:		
Structure	50 to 100 years	1% to 2%
Roofing	40 years	2.5%
Electricals	40 years	2.5%
Treatment facilities	8 to 100 years	1% to 12.5%
Pipes	20 to 80 years	1.25% to 5%
Laterals	50 to 90 years	1.11% to 2%
Tobies	60 years	1.67%
Valves	60 years	1.67%
Hydrants	60 years	1.67%
Meters	20 years	5%
<b>Sewer:</b>		
Land	N/A	N/A
Buildings:		
Structure	25 to 70 years	1.43% to 4%
Roofing	40 years	2.5%
Electricals	40 years	2.5%
Treatment and disposal facilities	10 to 100 years	1% to 10%
Pipes	60 to 80 years	1.25% to 1.67%
Laterals	60 to 100 years	1% to 1.67%
Pump stations	50 to 60 years	1.67% to 2%
Manholes	80 years	1.25%
Pumps	10 to 25 years	4% to 10%

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year-end.

### **Revaluation**

Horowhenua District Council accounts for revaluations of property, plant and equipment on a 'class of asset' basis.

Land and buildings (operational and restricted) are revalued on a three yearly valuation cycle. Infrastructure assets (except land under roads) are revalued every two years. All other asset classes are carried at depreciated historical cost.

The carrying values of revalued items are reviewed at each balance date to ensure that those values are not materially different to fair value.

The net revaluation results are credited or debited to other comprehensive revenue and expense and are accumulated to an asset revaluation reserve in equity for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive revenue and expense but is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value is recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive revenue and expense.

### **Operational Land and Buildings**

At "fair value" was determined from market-based evidence by an independent valuer. The most recent valuation was performed by B D Lavender (ANZIV, SNZPI) of TelferYoung and the valuation is effective as at 30 June 2020.

### **Restricted Land and Buildings: Parks, Cemeteries and Endowment Land**

At "fair value" was determined from market-based evidence by an independent valuer. The most recent valuation was performed by B D Lavender (ANZIV, SNZPI) of TelferYoung and the valuation is effective as at 30 June 2020.

### **Infrastructural Asset Classes: Roads, Water Reticulation, Sewerage Reticulation and Stormwater Systems**

At "fair value" was determined on a depreciated replacement cost basis by Council staff. At balance date HDC assesses the carrying values of its infrastructural assets to ensure that they do not differ materially from the assets' fair values.

### **Valuations completed by:**

The roading infrastructure assets were valued as at 1 July 2020 using unit rates calculated by Simon Gough (Bachelor of Engineering BE Civil Engineering) of GHD. Wastewater assets, water supply assets and stormwater assets were valued as at 1 July 2020 using unit rates calculated by WSP. Land and buildings associated with the water supply and wastewater activities was valued by B D Lavender (ANZIV, SNZPI) of TelferYoung and the valuation is effective as at 30 June 2020. Land under the roads is valued at deemed cost.

The landfill infrastructure was valued in two parts, both as at 30 June 2020. The land and buildings were valued by B D Lavender (ANZIV, SNZPI) of TelferYoung. The remainder of the asset was valued by Phil Landmark (BScEng (Civil) CP Eng) of MWH New Zealand Ltd, and reviewed by Brian Smith (BCom (Acc & Eco.), CA) of MWH New Zealand Limited.



## 15. Intangible Assets

### **Software Acquisition and Development**

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs associated with maintaining computer software are recognised as an expense when incurred. Costs that are directly associated with the development of software for internal use by HDC are recognised as an intangible asset. Direct costs include the software development, employee costs and an appropriate portion of relevant overheads.

### **Easements**

Easements are recognised at cost, being the costs directly attributable in bringing the asset to its intended use. Easements have an indefinite useful life and are not amortised, but are instead tested for impairment annually.

### **Carbon credits**

Carbon credits are initially recognised at cost. After initial recognition they are not amortised but all carbon credits are measured, annually, at fair value. The net revaluation result is credited or debited to other comprehensive revenue and expense and is accumulated to fair value through general reserve. Where this results in a debit balance in the reserve, this balance is not recognised in other comprehensive revenue and expense but is recognised in the surplus or deficit. Any subsequent increase in revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive revenue and expense. They are derecognised when they are used to satisfy carbon emission obligations.

### **Amortisation**

HDC's carrying value of an intangible asset with a finite life is amortised on a 'straight-line' basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is de-recognised. The amortisation charge for each period is recognised through the surplus or deficit.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Computer software: 10 years, 10%.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Kete software – 4 years, 60%

Koha software – 8 years, 30%

Other software – 60% diminishing value.

## 16. Forestry Assets

Forestry assets are independently revalued annually at fair value less estimated point of sale costs. Fair value is determined based on the present value of expected net cash flows discounted at a current market determined pre-tax rate. This calculation is based on existing sustainable felling plans and assessments regarding growth, timber prices, felling costs and silvicultural costs and takes into consideration environmental, operational and market restrictions.

Gains or losses arising on initial recognition of forestry assets at fair value less estimated point of sale costs and from a change in fair value less estimated point of sale costs are recognised through surplus or deficit.

The costs to maintain the forestry assets are included through surplus or deficit.

## 17. Investment Property

Properties leased to third parties under operating leases are classified as investment property unless the property is held to meet service delivery objectives, rather than to earn rentals or for capital appreciation. Investment property is measured initially at its cost, including transaction costs. After initial recognition, HDC measures all investment property at fair value as determined annually by an independent valuer.

Gains or losses arising from a change in the fair value of investment property are recognised through surplus or deficit.

## 18. Impairment of Non-Financial Assets

Property, plant, and equipment that have a finite useful life are reviewed for impairment at each balance date and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use.

If an asset's carrying amount exceeds its recoverable amount, the asset is regarded as impaired and the carrying amount is written-down to the recoverable amount. For revalued assets, the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus or

deficit. For assets not carried at a revalued amount, the total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss on a revalued asset is credited to other comprehensive revenue and expense and increases the asset revaluation reserve for that class of asset. However, to the extent that an impairment loss for that class of asset was previously recognised in the surplus or deficit, a reversal of the impairment loss is also recognised in the surplus or deficit.

For assets not carried at a revalued amount, the reversal of an impairment loss is recognised in the surplus or deficit.

The value in use for cash-generating assets is the present value of expected future cash flows.

### ***Value in use for non-cash generating assets***

Non-cash generating assets are those assets that are not held with the primary objective of generating a commercial return.

For non-cash generating assets, value in use is the depreciated replacement cost.

### ***Value in use for cash generating assets***

Cash generating assets are those assets that are held with the primary objective of generating a commercial return.

The value in use for cash-generating assets is the present value of expected future cash flows.

## 19. Employee Benefits

### ***Short-term Benefits***

Employee benefits that Horowhenua District Council expects to be settled within 12 months after the end of period in which the employee renders the related service are measured at nominal

values based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, retiring and long service leave entitlements expected to be settled within 12 months.

HDC recognises a liability and an expense for bonuses where contractually obliged or where there is a past practice that has created a constructive obligation.

### ***Long-term Benefits***

Entitlements that are payable beyond 12 months after the end of period in which the employee renders the related service, such as long service leave and retiring leave, have been calculated on an actuarial basis.

The calculations are based on:

- the likely future entitlements accruing to staff (based on years of service), years to entitlement, the likelihood that staff will reach the point of entitlement and contractual entitlements information and;
- the present value of the estimated future cash flows.

### ***Employees Benefit Liabilities***

These are calculated based on estimate of individual staff members reaching the long service leave milestones based on current salaries.

### **Superannuation Schemes**

#### ***Defined Contribution Schemes***

Obligations for contributions to defined contribution superannuation schemes are recognised as an expense through surplus or deficit when incurred.

### ***Defined benefit schemes***

Horowhenua District Council does not belong to any Defined Benefit Scheme.

## **20. Creditors and Other Payables**

Short-term creditors and other payables are recorded at their face value.

## **21. Provisions**

HDC recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event. It is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense.

### ***Financial Guarantee Contracts***

A financial guarantee contract is a contract that requires HDC to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due.

Financial guarantee contracts are initially recognised at fair value. If a financial guarantee contract was issued in a stand-alone arm's length transaction to an unrelated party, its fair value at inception is equal to the consideration received. When no consideration is received, the fair value of the liability is initially measured using a

valuation technique, such as considering the credit enhancement arising from the guarantee or the probability that HDC will be required to reimburse a holder for a loss incurred discounted to present value. If the fair value of a guarantee cannot be reliably determined, a liability is only recognised when it is probable there will be an outflow under the guarantee. The portion of the guarantee that remains unrecognised, prior to discounting to fair value, is disclosed as a contingent liability.

Financial guarantees are subsequently measured at the higher of:

- the estimated amount determined if it is probable there will be an outflow to settle the guarantee; and
- the amount initially recognised less, when appropriate, cumulative amortisation as revenue.

## 22. Borrowings

Borrowings are initially recognised at their fair value plus transaction costs incurred. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

Borrowings due to be settled within 12 months of balance date are treated as current liabilities. All other borrowing is classified as term liabilities.

## 23. Equity

Equity is the community's interest in HDC and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of reserves. The components of equity are:

- Retained earnings
- Restricted reserves
- Asset revaluation reserves

### ***Restricted reserves***

Restricted reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by HDC.

Restricted reserves are those subject to specific conditions accepted as binding by HDC and which may not be revised by HDC without reference to the Courts or a third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.

Also included in restricted reserves are reserves restricted by Council decision. The Council may alter them without references to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Council.

### ***Asset revaluation reserves***

These reserves relates to the revaluation of property, plant and equipment to fair value.

## 24. Goods and Services Tax

All items in the financial statements are stated exclusive of GST, except for receivables and payables which are stated on a GST inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the Statement of Financial Position.

The net GST paid to or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the Statement of Cash Flows.

Commitments and contingencies are disclosed exclusive of GST.

## 25. Cost Allocation

HDC has derived the cost of service for each significant activity of HDC using the cost allocation system outlined below.

Direct costs are those costs directly attributable to a significant activity.

Indirect costs are those costs which cannot be identified in an economically feasible manner with a specific significant activity.

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities using appropriate cost drivers such as costs and revenues, actual usage, staff numbers and floor area.

## 26. Critical Accounting Estimates and Assumptions

In preparing these financial statements HDC has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

### ***Landfill Aftercare Provision***

The Prospective Statement of Financial Position discloses the exposure of HDC in relation to the landfill aftercare provision.

### ***Infrastructural Assets***

There are a number of assumptions and estimates used when performing depreciated replacement cost (DRC) valuations over infrastructural assets. These include:

- The physical deterioration and condition of an asset, for example the Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for assets that are not visible, for example stormwater, wastewater and water supply pipes that are underground. This risk is minimised by Council performing a combination of physical inspections and condition modelling assessments of underground assets.
- Estimating any obsolescence or surplus capacity of an asset.
- Estimates are made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be impacted by the local conditions, for example, weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then HDC could be over or under estimating the annual depreciation charge recognised as an expense through surplus or deficit. To minimise this risk HDC's infrastructural asset useful lives have been determined with reference to the NZ Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group and have been adjusted for local conditions based on past experience. Asset inspections, deterioration and condition modelling are also carried out regularly as part of the HDC's asset management planning activities, which gives HDC further assurance over its useful life estimates.
- Experienced independent valuers perform the Council's infrastructural asset revaluations.

## 27. Accounting Standards issued but not yet Effective

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the prospective financial statements are as follow:

### ***Financial Instruments***

In January 2017, the XRB issued PBE IPSAS 41 Financial instruments. This replaces PBE IPSAS 29 Recognition and Measurement, and introduces into PBE Standards the reforms introduced by NZ IFRS 9 in the for-profit sector. PBE IPSAS 41 is effective for annual periods beginning on or after 1 January 2022, with earlier application permitted.

The main changes under this standard relevant to Council are:

- New financial asset classification requirements for determining whether an asset is measured at fair value or amortised cost
- A new impairment model for financial assets based on expected losses, which might result in earlier recognition of impairment losses

The Council plans to apply this standard in preparing the 30 June 2023 financial statements and anticipates that the standard will not have a material effect on Council's financial statements.

### ***Service Performance Reporting***

Council is required under the Local Government Act 2002 to produce a Statement of Service Performance as part of its annual report.

In November 2017, the XRB issued a new standard, Service Performance Reporting (PBE FRS 48).

This Standard establishes new requirements for public benefit entities (PBEs) to select and present services performance information. PBEs will need to provide users with: (i) sufficient contextual information to understand why the entity exists, what it intends to achieve in board terms over the medium to long term, and how it goes about this; and (ii) information about what the entity has done during the reporting period in working towards its broader aims and objectives. The new standard is mandatory for annual periods beginning on or after 1 January 2022, with early application permitted.

The Council plans to apply this standard in preparing the 30 June 2023 financial statements and anticipates that the standard will not have a material effect on Council's financial statements.

### **Other changes in accounting policies**

There have been no other changes in accounting policies since 30 June 2020.

# Summary of Council's policy on determining significance

## Legislative requirements

In accordance with section 76AA of the Local Government Act (LGA) 2002 the Council is required to have a Significance and Engagement Policy (Policy). This Policy is required to set out the following:

- a) *Council's general approach to determining the significance of proposals and decisions in relation to issues, assets, and other matters;*
- b) *any criteria or procedures that are to be used by Council in assessing the extent to which issues, proposals, assets, decisions, or activities are significant or may have significant consequences;*
- c) *how Council will respond to community preferences about engagement on decisions relating to specific issues, assets, or other matters, including the form of consultation that may be desirable; and how Council will engage with communities on other matters.*

## Determining whether a decision is significant

The Policy outlines the criteria and procedures for Council when determining whether or not a decision is significant. In accordance

with its general approach, Council will determine all decisions to be significant unless the impact on the:

- Current or future cultural, economic, environmental and social wellbeing of the district is minimal
- Achievement of, or ability to achieve, Council's stated levels of service as set out in the current Long Term Plan (LTP) is minimal
- Capacity of Council to perform its role and carry out its activities, now and in the future is unaffected
- Financial resource and other costs of the decision are minimal or included in an adopted LTP

## Engagement with the Community

Community involvement in Council's decision making process for significant decisions is important. The Policy outlines how Council intends to engage with the Community during its decision making process for significant decisions using a principle-based approach to community engagement:

- Be fairly informal and not too bureaucratic
- Seek the views of interested and affected people

- Seek the views of the people whom Council does not normally hear from
- Give people relevant and honest information in a way that suits them
- Use plain language
- Make it easy for people to give their views to Council
- Engage in the community by going to where people are and not always expecting them to come to Council
- Involve people right through the decision making process
- Give people time to think about the issues and respond to them
- Be clear about the process being used and the levels of influence that people have
- Undertake the engagement with an open mind
- Be receptive to new ideas
- Give people involved in the engagement a response to the issues they raise
- Undertake the engagement in a cost effective

## Decision making

When Council makes decisions about issues/plans/policies identified as significant then it will:

- Identify and assess as many options as are practicable
- Quantify the costs and benefits resulting from the decision to be made
- Provide detailed information accessible to the public
- Maintain clear and complete records showing how compliance with the Significance and Engagement Policy was achieved

- Take into account views already expressed in the community, where there has been no material change to the issue since previous engagement
  - Provide processes to encourage and engage with Māori\*
- \* If the issue, proposal, decision or other matters concerned involved a significant decision in relation to land or a body of water, Council will take into account the relationship of Māori and their culture and traditions with their ancestral land, water, sites, waahi tapu, valued flora and fauna, and other taonga.

## Review of the Significance and Engagement Policy

This Policy will be reviewed at least once every three (3) years.

As part of the engagement process for the adoption of this Policy and subsequent reviews, Council will work with people in Horowhenua to gain an understanding of their engagement preferences.

It is recommended the review occurs prior to each Draft LTP consultation so that learnings may be incorporated into the Policy prior to one of the triennium's largest engagement projects.

**Note:** *This is just a summary of the Significance and Engagement Policy. The full version of this Policy is available online on Horowhenua District Council's website (<https://www.horowhenua.govt.nz/Council/Documents/Local-Bylaws-Policies>) or it is available upon request from the Council's Civic building in Levin.*



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# Financial Statements

## Ngā Tauākī Ahumoni

- Balancing of the Operating Budgets Statement
- Funding Impact Statement
- Financial Statements
- Reserve Funds
- Benchmark Disclosure Statements

# Balancing of the Operating Budget

## Legislative Context

In accordance with Section 100(1) of the Local Government Act (LGA) 2002, Council must ensure that each years projected operating revenues are set at a level sufficient to meet that years projected operating expenses.

However, Section 100(2) of the LGA allows Council to resolve that it is financially prudent to set projected operating revenues at levels less than what would be required to meet projected operating costs, having regard to the following:

- a) The estimated expenses of achieving and maintaining the predicted levels of service provision set out in this LTP, including the estimated expenses of maintaining the service capacity and integrity of assets throughout their useful life;
- b) The projected revenue available to fund those expenses;
- c) The equitable allocation of responsibility for funding the provision of and maintenance of assets throughout their useful life; and
- d) The funding and financial policies adopted under Section 102 of the LGA.

## Balancing the budget for this LTP period

For the period of this Long Term Plan (LTP), Council will be achieving a surplus in each year. Council considers that in the long term, operating revenues should be set at levels to cover all operating costs, as this is a necessary condition for prudent financial management.

However, Council may fund some renewals of assets using debt instead of rates. This could increase debt and subsequently interest costs on that debt as discussed in the Financial Strategy.

# Funding Impact Statement

## 1. Revenue and Financing Sources Generally

The following revenue mechanisms will be used in 2021/22 and throughout the term of this Long Term Plan (LTP):

- General rates;
- Targeted rates;
- Fees and charges;
- Interest and dividends; and
- Grants and subsidies.

## 2. Funding Mechanisms

The following funding mechanisms will be used in 2021/22 and throughout the term of this LTP:

- Financial contributions;
- Borrowing;
- Proceeds from asset sales; and
- Reserves.

Refer to Council's Revenue and Financing Policy for further information on how these funding mechanisms will be used.

## 3. Definition of Separately Used or Inhabited Parts (SUIP)

Several of the rates listed in this statement are assessed on the basis of the number of SUIPs there are in a rating unit.

SUIPs are listed in Schedule 3 of the Local Government (Rating) Act 2002 as one of the factors that may be used in calculating liability for targeted rates.

Section 15(1)(b) allows SUIPs to be used as the basis for Uniform Annual General Charges (UAGCs) as well.

Where rates are calculated on each SUIP of a rating unit, the following definitions will apply:

- A SUIP of a rating unit includes any portion inhabited or used by the owner/a person other than the owner, and who has the right to use or inhabit that portion by virtue of a tenancy, lease, licence, or other agreement.
- This definition includes separately used parts, whether or not actually occupied at any particular time, which are provided by the owner for rental (or other form of occupation) on an occasional or long-term basis by someone other than the owner.
- Any part/s of a rating unit that is used or occupied by the ratepayer for more than one single use.
- For the purpose of this definition, vacant land and vacant premises offered or intended for use or habitation by a person other than the owner and usually used as such are defined as 'used'.
- For the avoidance of doubt, a rating unit that has a single use or occupation is treated as having one separately used or inhabited part.

For clarity, Separately Used or Inhabited Parts include:

- On a residential property, each separately habitable unit, flat, house or apartment.
- On a commercial property, each separate space intended to be used as a shop or other retail or wholesale outlet, other than that used by the owner.
- In an office block, each space intended to be used as offices that is or would be used by a different business from the owner.

A separately used habitable unit, flat, house, or apartment is defined as having a separate entrance, cooking facilities, living facilities, and toilet/bathroom facilities.

Council has recognised that there are certain instances where the above situations will occur, but in circumstances that do not give rise to separate uses or inhabitations. For clarity, SUIP do not include:

- A hotel room with or without kitchen facilities. A hotel room is defined as one or multiple rooms/units offered on an occasional basis for rental;
- A motel room with or without kitchen facilities. A motel room is defined as one or multiple rooms/units offered for on an occasional basis for rental; and
- A single residential unit in a non-residential property that is an integral part of the commercial operation and is used for the commercial operation, i.e. not separately tenanted (such as a single house in conjunction with a farm, a motel, or a dairy).

## 4. Rates for the 20 Years Ending 30 June 2041

### 4.1 General Information

**Rating period:** The rates described in this section are for the financial years 1 July 2021 to 30 June 2041.

**Goods and Services Tax (GST):** The rates described below include Goods and Services Tax (GST). The revenues required are net of GST.

**Rating information database:** The information held to determine the liability for rates in 2021/22 are available for inspection at Council's office at 126-148 Oxford Street, Levin during normal office hours. This information includes the rating valuations as at 1 August 2019 which form the basis of rating in 2021/22 (and the subsequent first two years of this LTP) and the categories and factors for the various relevant rates described below in respect of particular rating units.

### 4.2 General Rates

The General rates are assessed to fund all activities not funded from Targeted rates or other revenue sources or funding mechanisms. The Activities funded from the General rates include:

- Regulatory Services (liquor, health and safety licensing, building consents, resource consents, animal control, parking enforcement, and general regulatory services);
- Community Facilities and Services, except Library and Community Centres and Aquatic Centres (passive reserves, street beautification, sports grounds, cemeteries, halls and community buildings, and public toilets);
- Community Support (emergency management, community engagement, visitor information, and economic development);
- Governance and Community Leadership for the activities of Strategic Planning and District Plan development only;
- Property (commercial property, general property, Council buildings); and
- Treasury activities (investment and borrowing activities).

General rates are to be set on a differential rate in the dollar on the Land Value (LV) of the land. LVs are assessed every three years, and were last assessed in 2019. These values have formed the basis of rating from 1 July 2021.

The General rates levied on LV are set differentially, so as to maintain the incidence of the rates between the categories of property.

The Farming differential applies to those rating units identified as Arable, Dairy, Forestry (except protected forestry), Horticultural, Pastoral, Specialist Livestock, The Farming Category also applies to rating units located outside the urban boundaries, as defined in the *Urban Rating Area* maps available in the Council Offices, identified as vacant and bare lifestyle and residential properties using the "Property Category" codes from Appendix F of the Rating Valuation Rules 2008, promulgated by the Valuer-General. This category has a differential factor of 0.50.

District Wide - all rating units other than those in the Farming category. This category also includes all rating units in rural areas other than those in the Farming differential. This category has a differential factor of 1.

Council is not setting a Uniform Annual General Charge (under Section 15 of the Local Government (Rating) Act 2002 (LG(R)A)), preferring instead to set Targeted rates as fixed amounts for Library Services and Community Centres, Representation and Community Leadership, Solid Waste, Aquatic Centres, Water Supply and Wastewater (refer below).

### 4.3 Targeted Rates for Roothing

This rate funds all Roothing (Land Transport) costs (maintenance, renewals and minor capital improvements of roads, streets, roadside signage, road marking, bridges, footpaths, roadside drainage) covered by the Land Transport Group of Activities.

The Roothing rate is set using Capital Value (CV) which is assessed every three years. These were last assessed in 2019, and it is those values that will form the basis of rating from 1 July 2021.

This rate is set District wide.

### 4.4 Targeted Rates for Stormwater

This rate funds all stormwater costs within the Stormwater Group of Activities.

This rate is to be set using CV of all urban rating units. Urban rating units are defined as those rating units within the towns of Levin, Foxton, Shannon, Tokomaru, Foxton Beach, Waitārere Beach, Hōkio Beach, Ōhau, Waikawa Beach, and Manakau as shown on the maps available defining those areas for rating purposes held at Council's office in Levin.

### 4.5 Targeted Rates for Library Services and Community Centres

This rate is assessed as a fixed charge of a uniform amount on the basis of the number of SUIPs of each rating unit within the District.

### 4.6 Targeted Rates for Representation and Community Leadership

This is a Targeted rate to fund Representation and Community Leadership costs (Council and committees, consultation, advocacy, and elections).

This rate is assessed as a fixed charge of a uniform amount on the basis of the number of SUIPs of each rating unit within the District.

### 4.7 Targeted Rates for Aquatic Centres (Swimming Pools).

This is a Targeted rate to fund the cost of operating Council's public Aquatic Centres (swimming pools).

This rate is assessed as a fixed charge of a uniform amount on the basis of the number of SUIPs of each rating unit within the District.

### 4.8 Targeted Rates for Solid Waste Disposal

This rate funds the Solid Waste Group of Activities including the provision of the Landfill, Waste Transfer Stations, waste minimisation initiatives, and recycling facilities.

This rate is set differentially as a fixed charge of a uniform amount on the basis of the number of SUIPs of each rating unit using the urban and rural differential categories. Urban rating units pay a differential of 80% for the solid waste costs. Urban rating units are defined as those rating units within the towns of Levin, Foxton, Shannon, Tokomaru, Foxton Beach, Waitārere Beach, Hōkio Beach, Ōhau, Waikawa Beach and Manakau as shown on the maps available defining those areas for rating purposes held at Council's office in Levin.

Rural rating units pay a differential of 20% for the solid waste costs. Rural areas are defined as all areas within the District that are outside the defined "urban" differential described above.

### 4.9 Targeted Rates for Water Supply

This rate funds the cost of operating, maintaining and improving the supply of reticulated drinkable water to various Communities within the District.

This rate is set differentially as a fixed charge of a uniform amount. Council also charges for metered supplies.

### Connected Differential

Council sets a fixed charge rate on all rating units for which connection to a reticulated drinkable water supply is available. This does not include Moutoa, Waikawa, or Kuku schemes, which are not drinkable supplies. A reticulated potable water supply is available to a rating unit if a lateral/s exists for the purpose of delivering water from the trunk main to the rating unit, and there is a connection from the land within the rating unit to that lateral/s or trunk main.

Liability for the rate will be assessed on whichever is the greater of:

- a) each rating unit, or
- b) the number of SUIPs of each rating unit, or
- c) the number of connections of each rating unit.

The Foxton Beach charge is reduced by an allowance to account for the universal metering of Foxton Beach.

### Availability Differential

A fixed charge rate on any rating unit not connected to, but within 100 metres of a trunk main for a reticulated drinkable water supply that is available to the rating unit. A reticulated drinkable water supply is available to a rating unit if a lateral/s exists for the purpose of delivering water from the trunk main to the rating unit or, if no lateral exists, if Council will allow the rating unit to be connected. This rate is set at 50% of the fixed charge for a connected rating unit.

### Water by meter

In all schemes (except Foxton Beach), the additional fees for metered supplies are subject to an allowance of 91 cubic metres (m<sup>3</sup>) per quarter. A charge per m<sup>3</sup> will be made for water consumed in excess of 91m<sup>3</sup> per quarter on any rating unit connected to any water supply; except Foxton Beach where a meter is used to measure consumption on the network.

The charge per m<sup>3</sup> of water consumed in excess of 91m<sup>3</sup> per quarter on any rating unit connected to the Shannon untreated bore water supply, where a meter is used to measure consumption on the network during the period, will be half that charged for treated water.

Foxton Beach water supply will be charged by cubic metre (in addition to the fixed charge described above) using a three step system:

**Step 1** – A charge per m<sup>3</sup> for the first 50m<sup>3</sup> of water consumed per quarter on any rating unit or SUIP of a rating unit connected to the Foxton Beach water supply network during the period.

**Step 2** – A charge per m<sup>3</sup> for the second 50m<sup>3</sup> of water consumed per quarter in excess of 50 m<sup>3</sup> on any rating unit or SUIP of a rating unit connected to the Foxton Beach water supply network. This will be set at 200% of the rate set in step 1.

**Step 3** – A charge per m<sup>3</sup> for the balance of water consumed per quarter in excess of 100m<sup>3</sup> on any rating unit or SUIP of a rating unit connected to the Foxton Beach water supply network. This will be set at 300% of the rate set in step 1.

## 4.10 Targeted Rates for Wastewater Disposal

The Wastewater rate will fund the cost of providing reticulated wastewater disposal for various Communities in the District, according to whether a property is connected or serviceable.

This rate is set differentially as a fixed charge of a uniform amount.

### Connected Differential

Council sets a fixed charge rate on all rating units across the District for which connection to a reticulated wastewater disposal system is available. A reticulated wastewater disposal system is available to a rating unit if a lateral/s exists for the purposes of accepting wastewater from the rating unit to the wastewater trunk main, where there is a connection from the land within the rating unit to that lateral/s or trunk main.

Liability for the fixed-sum rate will be assessed on whichever is greater:

- a) each rating unit, or
- b) the number of SUIPs of each rating unit, or
- c) the number of connections of each rating unit.

### **Availability Differential**

A fixed charge rate on any rating unit that is not connected to a reticulated wastewater disposal system, but is within 30m of a trunk main that is available to take waste from the rating unit. A reticulated wastewater disposal system is available to a rating unit if a lateral/s exists for the purpose of accepting wastewater from the rating unit to the wastewater trunk main or, if no lateral exists, if Council will allow the rating unit to be connected. This rate is set at 50% of the fixed charge for a connected rating unit.



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## Rating Mechanisms

		GST Incl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl
	Rating Basis	Rate in the \$ 2020/2021	AP 2020/2021 1 \$000	LTP 2021/2022 2 \$000	Yr 2 2022/2023 3 \$000	Yr 3 2023/2024 4 \$000	Yr 4 2024/2025 5 \$000	Yr 5 2025/2026 6 \$000	Yr 6 2026/2027 7 \$000	Yr 7 2027/2028 8 \$000	Yr 8 2028/2029 9 \$000	Yr 9 2029/2030 0 \$000
General Rate												
Rural Differential	Land Value		2,590									
Farming Differential	Land Value	0.00170179		2,748	2,783	2,814	2,774	2,646	2,783	3,156	3,224	3,347
District Wide Differential	Land Value	0.00340357	7,770	8,889	9,061	9,216	9,141	8,772	9,284	10,591	10,885	11,365
<b>Total General Rate</b>			<b>10,359</b>	<b>11,637</b>	<b>11,844</b>	<b>12,029</b>	<b>11,915</b>	<b>11,418</b>	<b>12,067</b>	<b>13,747</b>	<b>14,110</b>	<b>14,711</b>
<b>Roading Rate</b>												
Business Use Differential	Capital Value		1,269									
District Wide Other Differential	Capital Value		2,357									
District Wide	Capital Value	0.00036909		3,011	3,936	4,379	4,856	5,259	5,515	5,936	6,171	6,637
<b>Total Roading Rate</b>			<b>3,627</b>	<b>3,011</b>	<b>3,936</b>	<b>4,379</b>	<b>4,856</b>	<b>5,259</b>	<b>5,515</b>	<b>5,936</b>	<b>6,171</b>	<b>6,637</b>
Stormwater Rate	Capital Value	0.00037864	1,386	1,656	2,208	2,404	2,679	2,792	3,076	3,152	3,288	3,368
Library and Community Centre Rate	SUIP	281.80	4,517	4,596	4,939	5,170	5,263	5,366	5,491	5,626	5,775	5,937
Representation and Community Leadership Rate	SUIP	248.40	3,564	4,051	4,182	4,368	4,456	4,576	4,896	4,838	4,971	5,261
Aquatic Centre Rate District Wide	SUIP	137.60	2,056	2,244	2,553	3,091	2,951	3,013	3,092	3,202	3,319	3,488
<b>Solid Waste Rate</b>												
Rural Differential	SUIP	99.70	246	443	483	526	539	553	570	589	607	626
Urban Differential	SUIP	149.20	986	1,771	1,933	2,105	2,155	2,211	2,282	2,355	2,428	2,505
<b>Total Solid Waste Rate</b>			<b>1,232</b>	<b>2,214</b>	<b>2,416</b>	<b>2,632</b>	<b>2,694</b>	<b>2,764</b>	<b>2,852</b>	<b>2,944</b>	<b>3,034</b>	<b>3,132</b>
Water Supply District Wide Connected (excl Foxton Beach)	Refer Note 1	480.00	4,523	5,059	5,400	5,957	6,901	8,131	8,516	9,135	9,873	10,564
Water Supply District Wide Availability	Rating Unit	240.00	65	79	78	84	90	110	111	111	124	130
Foxton Beach Connected	Refer Note 1	348.20	449	475	554	628	706	922	959	979	1,138	1,230
<b>Total Water Supply Rate</b>			<b>5,037</b>	<b>5,613</b>	<b>6,032</b>	<b>6,669</b>	<b>7,697</b>	<b>9,162</b>	<b>9,587</b>	<b>10,225</b>	<b>11,135</b>	<b>11,924</b>

## Rating Mechanisms (continued)

GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	
Yr 10 2030/2031 \$000	Yr 11 2020/2021 \$000	Yr 12 2021/2022 \$000	Yr 13 2022/2023 \$000	Yr 14 2023/2024 \$000	Yr 15 2024/2025 \$000	Yr 16 2025/2026 \$000	Yr 17 2026/2027 \$000	Yr 18 2027/2028 \$000	Yr 19 2028/2029 \$000	Yr 20 2029/2030 \$000	
											General Rate
											Rural Differential
3,450	3,465	3,535	3,476	3,429	3,480	3,437	3,385	3,387	3,296	3,215	Farming Differential
11,785	11,906	12,218	12,083	11,989	12,238	12,155	12,039	12,116	11,857	11,628	District Wide Differential
<b>15,235</b>	<b>15,372</b>	<b>15,753</b>	<b>15,559</b>	<b>15,418</b>	<b>15,718</b>	<b>15,592</b>	<b>15,424</b>	<b>15,503</b>	<b>15,153</b>	<b>14,843</b>	<b>Total General Rate</b>
											Roading Rate
											Business Use Differential
											District Wide Other Differential
6,882	7,441	7,620	8,051	8,253	8,744	8,974	9,558	9,862	10,531	10,862	District Wide
<b>6,882</b>	<b>7,441</b>	<b>7,620</b>	<b>8,051</b>	<b>8,253</b>	<b>8,744</b>	<b>8,974</b>	<b>9,558</b>	<b>9,862</b>	<b>10,531</b>	<b>10,862</b>	<b>Total Rooding Rate</b>
3,411	3,433	3,525	3,555	3,652	3,687	3,795	3,835	3,954	4,000	4,130	Stormwater Rate
6,052	6,162	6,263	6,379	6,485	6,619	6,733	6,865	6,985	7,129	7,280	Library and Community Centre Rate
5,275	5,396	5,684	5,666	5,796	6,099	6,079	6,224	6,540	6,523	6,679	Representation and Community Leadership Rate
3,664	3,758	3,703	3,639	3,745	3,963	4,073	4,189	4,415	4,542	4,717	Aquatic Centre Rate District Wide
											Solid Waste Rate
641	655	668	681	695	709	723	735	748	761	774	Rural Differential
2,565	2,620	2,672	2,725	2,779	2,834	2,890	2,940	2,991	3,043	3,096	Urban Differential
<b>3,207</b>	<b>3,275</b>	<b>3,340</b>	<b>3,406</b>	<b>3,473</b>	<b>3,543</b>	<b>3,613</b>	<b>3,675</b>	<b>3,739</b>	<b>3,804</b>	<b>3,870</b>	<b>Total Solid Waste Rate</b>
11,572	12,111	12,852	13,446	14,013	14,452	14,372	14,902	15,612	15,993	16,348	Water Supply District Wide Connected (excl Foxton Beach)
133	142	148	135	142	145	135	143	165	160	167	Water Supply District Wide Availability
1,292	1,423	1,525	1,395	1,511	1,568	1,467	1,601	1,930	1,889	2,026	Foxton Beach Connected
<b>12,997</b>	<b>13,677</b>	<b>14,525</b>	<b>14,977</b>	<b>15,666</b>	<b>16,165</b>	<b>15,974</b>	<b>16,646</b>	<b>17,707</b>	<b>18,042</b>	<b>18,541</b>	<b>Total Water Supply Rate</b>

## Rating Mechanisms (continued)

		GST Incl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl
	Rating Basis	Rate in the \$ 2020/2021	AP 2020/2021 \$000	LTP 2021/2022 \$000	Yr 2 2022/2023 \$000	Yr 3 2023/2024 \$000	Yr 4 2024/2025 \$000	Yr 5 2025/2026 \$000	Yr 6 2026/2027 \$000	Yr 7 2027/2028 \$000	Yr 8 2028/2029 \$000	Yr 9 2029/2030 \$000
Waste Water District Wide Connected	Refer Note 1	594.80	6,225	6,747	7,504	8,687	10,196	12,383	13,439	14,450	15,638	16,291
Waste Water District Wide Availability	Rating Unit	297.40	97	107	112	127	145	173	183	191	202	207
<b>Total Wastewater Rate</b>			<b>6,323</b>	<b>6,854</b>	<b>7,616</b>	<b>8,814</b>	<b>10,342</b>	<b>12,556</b>	<b>13,623</b>	<b>14,641</b>	<b>15,840</b>	<b>16,497</b>
<b>Total Rates Required</b>			<b>38,101</b>	<b>41,875</b>	<b>45,726</b>	<b>49,555</b>	<b>52,853</b>	<b>56,906</b>	<b>60,198</b>	<b>64,311</b>	<b>67,645</b>	<b>70,955</b>
Penalties			390	390	400	409	418	427	437	446	456	466
Rates Remissions			(370)	(370)	(379)	(388)	(397)	(405)	(414)	(423)	(433)	(442)
Water - by - meter rates			1,564	1,552	1,606	1,648	1,692	1,741	1,790	1,847	1,908	1,973
<b>Total Rates income</b>			<b>39,684</b>	<b>43,447</b>	<b>47,352</b>	<b>51,223</b>	<b>54,566</b>	<b>58,669</b>	<b>62,010</b>	<b>66,181</b>	<b>69,576</b>	<b>72,952</b>
Rate Income Increase				9.91%	9.19%	8.37%	6.65%	7.67%	5.79%	6.83%	5.18%	4.89%
Horowhenua portion of the Statutory Fixed Charge Cap of 30%			25.56%	25.08%	24.67%	24.66%	23.23%	22.09%	21.74%	20.66%	20.22%	20.14%
% of Fixed Charge based targeted Rates			57.30%	58.88%	60.66%	62.04%	63.20%	65.79%	65.68%	64.49%	65.16%	65.17%
<b>Rating Base</b>												
Total Rates GST inclusive			43,816	48,157	52,584	56,988	60,781	65,442	69,228	73,958	77,792	81,598
Rateable Rating Units			18,007	18,425	18,843	19,261	19,679	20,097	20,515	20,933	21,351	21,769
Average rates			2,433	2,614	2,791	2,959	3,089	3,256	3,375	3,533	3,643	3,748
Total number of rating units LGA Schedule 10 Part 1 Clause 15A			18,197	18,615	19,033	19,451	19,869	20,287	20,705	21,123	21,541	21,959
<b>Water by Meter rates</b>												
District wide except Foxton Beach	Cubic Meter	2.47	1,384	1,372	1,420	1,456	1,496	1,539	1,582	1,633	1,687	1,744
Foxton Beach	Cubic Meter	1.04	180	180	186	191	196	202	208	214	221	229
<b>Total Water by meter rates</b>			<b>1,564</b>	<b>1,552</b>	<b>1,606</b>	<b>1,648</b>	<b>1,692</b>	<b>1,741</b>	<b>1,790</b>	<b>1,847</b>	<b>1,908</b>	<b>1,973</b>

## Rating Mechanisms (continued)

GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	
Yr 10 2030/2031 \$000	Yr 11 2020/2021 \$000	Yr 12 2021/2022 \$000	Yr 13 2022/2023 \$000	Yr 14 2023/2024 \$000	Yr 15 2024/2025 \$000	Yr 16 2025/2026 \$000	Yr 17 2026/2027 \$000	Yr 18 2027/2028 \$000	Yr 19 2028/2029 \$000	Yr 20 2029/2030 \$000	
17,732	18,347	20,051	21,030	22,832	23,398	22,970	23,461	24,849	24,899	25,478	Waste Water District Wide Connected
220	222	238	245	258	259	248	249	259	255	257	Waste Water District Wide Availability
<b>17,952</b>	<b>18,569</b>	<b>20,289</b>	<b>21,275</b>	<b>23,090</b>	<b>23,657</b>	<b>23,218</b>	<b>23,709</b>	<b>25,108</b>	<b>25,154</b>	<b>25,735</b>	<b>Total Wastewater Rate</b>
<b>74,674</b>	<b>77,082</b>	<b>80,701</b>	<b>82,506</b>	<b>85,578</b>	<b>88,196</b>	<b>88,049</b>	<b>90,125</b>	<b>93,813</b>	<b>94,877</b>	<b>96,657</b>	<b>Total Rates Required</b>
476	486	495	505	516	526	536	547	558	569	581	Penalties
(452)	(461)	(470)	(479)	(489)	(499)	(509)	(519)	(529)	(540)	(551)	Rates Remissions
2,034	2,085	2,137	2,190	2,245	2,301	2,359	2,418	2,478	2,540	2,604	Water - by - meter rates
<b>76,733</b>	<b>79,192</b>	<b>82,863</b>	<b>84,722</b>	<b>87,849</b>	<b>90,525</b>	<b>90,436</b>	<b>92,571</b>	<b>96,320</b>	<b>97,446</b>	<b>99,290</b>	<b>Total Rates income</b>
5.24%	3.22%	4.70%	2.24%	3.72%	3.06%	-0.17%	2.36%	4.09%	1.13%	1.88%	Rate Income Increase
19.54%	19.35%	18.89%	18.52%	18.25%	18.43%	18.68%	18.67%	18.63%	18.68%	18.82%	Horowhenua portion of the Statutory Fixed Charge Cap of 30%
65.81%	65.95%	66.67%	67.08%	68.07%	68.08%	67.79%	68.03%	68.75%	68.71%	69.13%	% of Fixed Charge based targeted Rates
											<b>Rating Base</b>
85,875	88,644	92,806	94,882	98,414	101,426	101,257	103,644	107,885	109,108	111,155	Total Rates GST inclusive
22,187	22,605	23,023	23,441	23,859	24,277	24,695	25,113	25,531	25,949	26,367	Rateable Rating Units
3,871	3,921	4,031	4,048	4,125	4,178	4,100	4,127	4,226	4,205	4,216	Average rates
22,377	22,795	23,213	23,631	24,049	24,467	24,885	25,303	25,721	26,139	26,557	Total number of rating units LGA Schedule 10 Part 1 Clause 15A
											<b>Water by Meter rates</b>
1,798	1,843	1,889	1,936	1,985	2,034	2,085	2,137	2,191	2,246	2,302	District wide except Foxton Beach
236	242	248	254	260	267	274	281	288	295	302	Foxton Beach
<b>2,034</b>	<b>2,085</b>	<b>2,137</b>	<b>2,190</b>	<b>2,245</b>	<b>2,301</b>	<b>2,359</b>	<b>2,418</b>	<b>2,478</b>	<b>2,540</b>	<b>2,604</b>	<b>Total Water by meter rates</b>

Note 1: Liability for the rate will be assessed on whichever in the greater of: (a) each rating unit, or (b) the number of SUIPs of each rating unit, or (c) the number of connections of each rating unit

## Forecast Funding Impact Statement (Whole of Council)

	AP 2020/2021 \$000	Yr 1 2021/2022 \$000	Yr 2 2022/2023 \$000	Yr 3 2023/2024 \$000	Yr 4 2024/2025 \$000	Yr 5 2025/2026 \$000	Yr 6 2026/2027 \$000	Yr 7 2027/2028 \$000	Yr 8 2028/2029 \$000	Yr 9 2029/2030 \$000	Yr 10 2030/2031 \$000
<b>Sources of Operating Funding</b>											
General rates, uniform annual general charges, rates penalties	10,379	11,657	11,864	12,050	11,936	11,440	12,089	13,770	14,133	14,735	15,260
Targeted rates	29,305	31,790	35,488	39,173	42,630	47,229	49,921	52,411	55,443	58,217	61,473
Subsidies and grants for operating purposes	2,104	2,101	1,891	1,793	1,956	2,013	2,071	2,131	2,192	2,256	2,321
Fees and charges	4,551	4,721	4,911	5,062	5,183	5,310	5,437	5,575	5,719	5,868	6,014
Interest and dividends from investments	206	200	205	210	214	219	224	229	234	239	244
Local authorities fuel tax, fines, infringement fees, and other receipts	3,191	4,749	4,302	4,635	4,671	5,881	6,015	4,994	5,107	5,100	5,214
<b>Total Operating Funding (A)</b>	<b>49,736</b>	<b>55,218</b>	<b>58,661</b>	<b>62,923</b>	<b>66,590</b>	<b>72,092</b>	<b>75,757</b>	<b>79,110</b>	<b>82,828</b>	<b>86,415</b>	<b>90,526</b>
<b>Applications of Operating Funding</b>											
Payments to staff and suppliers	39,663	45,003	46,111	48,587	48,195	49,061	50,675	51,411	53,007	54,212	55,573
Finance costs	3,202	2,964	3,835	4,492	4,806	5,269	6,057	6,732	7,398	8,038	8,522
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>42,865</b>	<b>47,967</b>	<b>49,946</b>	<b>53,079</b>	<b>53,001</b>	<b>54,330</b>	<b>56,732</b>	<b>58,143</b>	<b>60,405</b>	<b>62,250</b>	<b>64,095</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>6,871</b>	<b>7,251</b>	<b>8,715</b>	<b>9,844</b>	<b>13,589</b>	<b>17,762</b>	<b>19,025</b>	<b>20,967</b>	<b>22,423</b>	<b>24,165</b>	<b>26,431</b>
<b>Sources of capital funding</b>											
Subsidies and grants for capital expenditure	10,676	15,135	11,158	4,311	7,641	8,704	7,112	6,742	7,206	10,604	11,819
Development and financial contributions	-	2,744	2,744	4,520	4,643	4,643	4,643	4,643	4,643	7,281	4,643
Increase (decrease) in debt	9,325	20,022	21,925	10,469	15,416	10,738	5,973	4,936	3,666	12,099	10,220
Gross proceeds from sale of assets	5,000	2,056	4,293	11,874	5,067	1,083	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>25,001</b>	<b>39,957</b>	<b>40,120</b>	<b>31,174</b>	<b>32,767</b>	<b>25,168</b>	<b>17,728</b>	<b>16,321</b>	<b>15,515</b>	<b>29,984</b>	<b>26,682</b>

## Forecast Funding Impact Statement (continued)

Yr 11 2031/2032 \$000	Yr 12 2032/2033 \$000	Yr 13 2033/2034 \$000	Yr 14 2034/2035 \$000	Yr 15 2035/2036 \$000	Yr 16 2036/2037 \$000	Yr 17 2037/2038 \$000	Yr 18 2038/2039 \$000	Yr 19 2039/2040 \$000	Yr 20 2040/2041 \$000	
<b>Sources of Operating Funding</b>										
15,396	15,779	15,585	15,444	15,745	15,619	15,453	15,532	15,182	14,873	General rates, uniform annual general charges, rates penalties
63,795	67,085	69,137	72,405	74,779	74,816	77,119	80,788	82,264	84,417	Targeted rates
2,379	2,438	2,499	2,561	2,625	2,690	2,757	2,826	2,896	2,968	Subsidies and grants for operating purposes
6,144	6,276	6,412	6,550	6,692	6,836	6,984	7,135	7,289	7,447	Fees and charges
249	254	259	264	270	275	281	286	292	298	Interest and dividends from investments
5,320	5,429	5,539	5,652	5,767	5,884	6,004	6,127	6,251	6,379	Local authorities fuel tax, fines, infringement fees, and other receipts
<b>93,283</b>	<b>97,261</b>	<b>99,431</b>	<b>102,876</b>	<b>105,878</b>	<b>106,120</b>	<b>108,598</b>	<b>112,694</b>	<b>114,174</b>	<b>116,382</b>	<b>Total Operating Funding (A)</b>
<b>Applications of Operating Funding</b>										
56,733	58,168	59,248	60,698	61,859	63,285	64,060	65,906	67,139	68,555	Payments to staff and suppliers
8,931	9,277	9,536	9,767	9,999	9,863	9,751	9,571	9,363	9,270	Finance costs
-	-	-	-	-	-	-	-	-	-	Other operating funding applications
<b>65,664</b>	<b>67,445</b>	<b>68,784</b>	<b>70,465</b>	<b>71,858</b>	<b>73,148</b>	<b>73,811</b>	<b>75,477</b>	<b>76,502</b>	<b>77,825</b>	<b>Total applications of operating funding (B)</b>
<b>27,619</b>	<b>29,816</b>	<b>30,647</b>	<b>32,411</b>	<b>34,020</b>	<b>32,972</b>	<b>34,787</b>	<b>37,217</b>	<b>37,672</b>	<b>38,557</b>	<b>Surplus (deficit) of operating funding (A-B)</b>
<b>Sources of capital funding</b>										
8,384	8,969	9,434	10,091	10,616	11,353	11,839	12,540	13,068	13,842	Subsidies and grants for capital expenditure
4,870	4,534	7,285	4,612	4,612	4,616	4,625	4,629	4,632	4,634	Development and financial contributions
8,654	6,489	5,769	5,812	(3,416)	(2,789)	(4,511)	(5,187)	(2,326)	(8,071)	Increase (decrease) in debt
-	-	-	-	-	-	-	-	-	-	Gross proceeds from sale of assets
-	-	-	-	-	-	-	-	-	-	Lump sum contributions
-	-	-	-	-	-	-	-	-	-	Other dedicated capital funding
<b>21,908</b>	<b>19,992</b>	<b>22,488</b>	<b>20,515</b>	<b>11,812</b>	<b>13,180</b>	<b>11,953</b>	<b>11,982</b>	<b>15,374</b>	<b>10,405</b>	<b>Total sources of capital funding (C)</b>

## Forecast Funding Impact Statement (continued)

	AP 2020/2021 \$000	Yr 1 2021/2022 \$000	Yr 2 2022/2023 \$000	Yr 3 2023/2024 \$000	Yr 4 2024/2025 \$000	Yr 5 2025/2026 \$000	Yr 6 2026/2027 \$000	Yr 7 2027/2028 \$000	Yr 8 2028/2029 \$000	Yr 9 2029/2030 \$000	Yr 10 2030/2031 \$000
<b>Applications of capital funding</b>											
Capital Expenditure											
- to meet additional demand	2,000	18,042	19,453	16,874	18,372	11,010	11,341	14,438	14,281	23,025	21,532
- to improve the level of service	16,182	18,659	13,060	10,605	10,450	11,661	6,898	6,814	6,999	14,017	11,993
- to replace existing assets	12,425	18,838	14,897	12,295	18,349	19,283	17,438	16,133	16,566	19,641	18,685
Increase (decrease) in reserves	1,265	(8,331)	1,425	1,244	(815)	976	1,076	(97)	92	(2,534)	903
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>31,872</b>	<b>47,208</b>	<b>48,835</b>	<b>41,018</b>	<b>46,356</b>	<b>42,930</b>	<b>36,753</b>	<b>37,288</b>	<b>37,938</b>	<b>54,149</b>	<b>53,113</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(6,871)</b>	<b>(7,251)</b>	<b>(8,715)</b>	<b>(9,844)</b>	<b>(13,589)</b>	<b>(17,762)</b>	<b>(19,025)</b>	<b>(20,967)</b>	<b>(22,423)</b>	<b>(24,165)</b>	<b>(26,431)</b>
<b>Funding Balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Depreciation	14,848	14,197	14,776	15,792	16,528	17,507	18,402	19,083	19,859	20,974	22,160



## Forecast Funding Impact Statement (continued)

Yr 11 2031/2032 \$000	Yr 12 2032/2033 \$000	Yr 13 2033/2034 \$000	Yr 14 2034/2035 \$000	Yr 15 2035/2036 \$000	Yr 16 2036/2037 \$000	Yr 17 2037/2038 \$000	Yr 18 2038/2039 \$000	Yr 19 2039/2040 \$000	Yr 20 2040/2041 \$000	
										<b>Applications of capital funding</b>
										Capital expenditure
18,854	19,902	20,542	16,080	12,491	12,907	13,346	13,602	14,038	11,121	- to meet additional demand
11,889	10,993	11,550	10,609	9,471	9,758	10,059	10,408	10,998	9,928	- to improve the level of service
18,138	18,857	21,401	25,964	22,574	23,574	23,224	25,428	28,418	26,996	- to replace existing assets
646	56	(358)	273	1,296	(87)	111	(239)	(408)	917	Increase (decrease) in reserves
-	-	-	-	-	-	-	-	-	-	Increase (decrease) of investments
<b>49,527</b>	<b>49,808</b>	<b>53,135</b>	<b>52,926</b>	<b>45,832</b>	<b>46,152</b>	<b>46,740</b>	<b>49,199</b>	<b>53,046</b>	<b>48,962</b>	<b>Total applications of capital funding (D)</b>
<b>(27,619)</b>	<b>(29,816)</b>	<b>(30,647)</b>	<b>(32,411)</b>	<b>(34,020)</b>	<b>(32,972)</b>	<b>(34,787)</b>	<b>(37,217)</b>	<b>(37,672)</b>	<b>(38,557)</b>	<b>Surplus (deficit) of capital funding (C-D)</b>
-	-	-	-	-	-	-	-	-	-	Funding Balance ((A-B)+(C-D))
23,318	24,507	25,431	26,538	28,076	29,187	30,357	32,088	33,393	34,761	<b>Depreciation</b>

## Indicative Rates on Select Properties (GST inclusive)

Locality	Land Value \$	Capital Value \$	2020/21	2021/2022					
			Total \$	General \$	Roading \$	Library \$	Rep & Gov \$	Aquatics \$	Solid Waste \$
Hōkio Bch	135,000	220,000	1,294	459	81	282	248	138	149
Waikawa Bch	235,000	425,000	1,751	800	157	282	248	138	149
Waikawa Bch	280,000	465,000	1,919	953	172	282	248	138	149
Ōhau	245,000	560,000	2,319	834	207	282	248	138	149
Manakau	300,000	600,000	2,080	1,021	221	282	248	138	149
			-	-					
Waitārere Bch	160,000	325,000	2,009	545	120	282	248	138	149
Waitārere Bch	195,000	365,000	2,146	664	135	282	248	138	149
Waitārere Bch	375,000	550,000	4,112	1,276	203	564	496	276	298
			-	-					
Foxton Bch	155,000	305,000	2,315	528	113	282	248	138	149
Foxton Bch	230,000	330,000	2,563	783	122	282	248	138	149
Foxton Bch	390,000	710,000	3,334	1,327	262	282	248	138	149
Foxton Bch	155,000	365,000	2,360	528	135	282	248	138	149
			-	-					
Tokomaru	110,000	325,000	2,293	374	120	282	248	138	149
Tokomaru	140,000	365,000	2,415	476	135	282	248	138	149
			-	-					
Vacant lifestyle	215,000	220,000	1,113	366	81	282	248	138	100
Rural	760,000	1,300,000	2,539	1,293	480	282	248	138	100
Rural	5,600,000	6,670,000	12,781	9,530	2,462	282	248	138	100
Rural Comm/Indust	650,000	2,000,000	2,737	2,212	738	282	248	138	100
Rural	3,570,000	3,835,000	8,180	6,075	1,415	282	248	138	100
Rural	3,220,000	3,340,000	7,383	5,480	1,233	282	248	138	100
Rural	7,820,000	8,920,000	19,440	13,308	3,292	1,128	992	552	400

## Indicative Rates on Select Properties (GST inclusive) (continued)

Indicative Rates 2021/2022				Increase				Locality
Stomwater \$	Water \$	Sewer \$	Indicative Total \$	Total \$	Total %	Land Value	Capital Value	
83	-	-	1,440	146	11.3%	135,000	220,000	Hökio Bch
161	-	-	1,935	184	10.5%	235,000	425,000	Waikawa Bch
176	-	-	2,118	199	10.4%	280,000	465,000	Waikawa Bch
212	480	-	2,550	231	9.9%	245,000	560,000	Öhau
227	-	-	2,286	206	9.9%	300,000	600,000	Manakau
123	-	595	2,200	191	9.5%	160,000	325,000	Waitärere Bch
138	-	595	2,349	204	9.5%	195,000	365,000	Waitärere Bch
208	-	1,190	4,511	399	9.7%	375,000	550,000	Waitärere Bch
115	348	595	2,516	201	8.7%	155,000	305,000	Foxtton Bch
125	348	595	2,790	227	8.8%	230,000	330,000	Foxtton Bch
269	348	595	3,618	284	8.5%	390,000	710,000	Foxtton Bch
138	348	595	2,561	202	8.5%	155,000	365,000	Foxtton Bch
123	480	595	2,509	216	9.4%	110,000	325,000	Tokomaru
138	480	595	2,641	227	9.4%	140,000	365,000	Tokomaru
-	-	-	1,215	102	9.2%	215,000	220,000	Vacant lifestyle
-	-	-	2,541	2	0.1%	760,000	1,300,000	Rural
-	-	-	12,760	(21)	-0.2%	5,600,000	6,670,000	Rural
-	-	-	3,718	981	35.8%	650,000	2,000,000	Rural Comm/Indust
-	-	-	8,258	78	1.0%	3,570,000	3,835,000	Rural
-	-	-	7,481	98	1.3%	3,220,000	3,340,000	Rural
-	-	-	19,672	232	1.2%	7,820,000	8,920,000	Rural

## Indicative Rates on Select Properties (GST inclusive) (continued)

Locality	Land Value \$	Capital Value \$	2020/21	2021/2022					
			Total	General \$	Roading \$	Library \$	Rep & Gov \$	Aquatics \$	Solid Waste \$
Lifestyle	250,000	450,000	1,644	851	166	282	248	138	100
Lifestyle	375,000	680,000	2,559	1,276	251	282	248	138	100
Lifestyle	255,000	960,000	2,310	868	354	282	248	138	100
			-						
Utility	-	20,550,000	11,455	-	7,585	282	248	138	100
			-						
Levin - business	70,000	140,000	2,048	238	52	282	248	138	149
Levin	180,000	530,000	2,659	613	196	282	248	138	149
Levin 2 Dwlgs	155,000	335,000	4,155	528	124	564	496	276	298
Levin	180,000	360,000	2,533	613	133	282	248	138	149
Levin	185,000	385,000	2,567	630	142	282	248	138	149
Levin - business	95,000	265,000	2,202	323	98	282	248	138	149
Levin - business	400,000	930,000	3,726	1,361	343	282	248	138	149
	295,000	1,200,000	3,634	1,004	443	282	248	138	149
Foxton			-						
Foxton	64,000	180,000	2,046	218	66	282	248	138	149
Foxton	88,000	375,000	2,263	300	138	282	248	138	149
	195,000	400,000	2,609	664	148	282	248	138	149
Shannon			-						
Shannon	76,000	245,000	2,130	259	90	282	248	138	149
Shannon	136,000	235,000	2,307	463	87	282	248	138	149

## Indicative Rates on Select Properties (GST inclusive) (continued)

Indicative Rates 2021/2022				Increase				Locality
Stomwater \$	Water \$	Sewer \$	IndicTotal \$	Total \$	Total %	Land Value	Capital Value	
-	-	-	1,785	141	8.6%	250,000	450,000	Lifestyle
-	480	-	2,775	216	8.4%	375,000	680,000	Lifestyle
-	480	-	2,470	160	6.9%	255,000	960,000	Lifestyle
-			8,353	(3,102)	-27.1%	-	20,550,000	Utility
53	480	595	2,235	187	9.1%	70,000	140,000	Levin - business
201	480	595	2,902	243	9.1%	180,000	530,000	Levin
127	960	1,190	4,563	408	9.8%	155,000	335,000	Levin 2 Dwlgs
136	480	595	2,774	241	9.5%	180,000	360,000	Levin
146	480	595	2,810	243	9.5%	185,000	385,000	Levin
100	480	595	2,413	211	9.6%	95,000	265,000	Levin - business
352	480	595	3,948	222	6.0%	400,000	930,000	Levin - business
454	480	595	3,793	160	4.4%	295,000	1,200,000	
								Foxton
68	480	595	2,244	198	9.7%	64,000	180,000	Foxton
142	480	595	2,472	209	9.2%	88,000	375,000	Foxton
151	480	595	2,855	247	9.5%	195,000	400,000	
								Shannon
93	480	595	2,334	204	9.6%	76,000	245,000	Shannon
89	480	595	2,531	224	9.7%	136,000	235,000	Shannon

# Financial Statements

The Financial Statements include:

- **Forecast Statement for Comprehensive Revenue and Expense**
- **Forecast Statement of Changes in Equity**
- **Forecast Statement of Financial Position**
- **Forecast Cashflow Statement**
- **Forecast Funding Impact Statement**
- **Capital Expenditure**
- **Reconciliation between Forecast Funding Impact Statement and the Forecast Statement of Comprehensive Income**

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## Forecast Statement for Comprehensive Revenue and Expense

	AP 2020/2021 \$000	Yr 1 2021/2022 \$000	Yr 2 2022/2023 \$000	Yr 3 2023/2024 \$000	Yr 4 2024/2025 \$000	Yr 5 2025/2026 \$000	Yr 6 2026/2027 \$000	Yr 7 2027/2028 \$000	Yr 8 2028/2029 \$000	Yr 9 2029/2030 \$000	Yr 10 2030/2031 \$000
<b>Revenue</b>											
Rates Revenue	39,684	43,447	47,352	51,223	54,566	58,669	62,010	66,181	69,576	72,952	76,733
Grants & Subsidies	12,780	17,235	13,050	6,104	9,597	10,717	9,183	8,873	9,398	12,859	14,139
Finance Revenue	200	200	205	210	214	219	224	229	234	239	244
Other Revenue	7,748	9,470	9,213	9,697	9,854	11,191	11,453	10,569	10,825	10,968	11,228
Gain Disposal of Assets	-	-	-	-	-	-	-	-	-	-	-
Investment (Gains)/Losses	-	17	29	28	28	30	31	33	36	38	38
Development Contributions	-	2,744	2,744	4,520	4,643	4,643	4,643	4,643	4,643	7,281	4,643
Vested Assets	-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue</b>	<b>60,412</b>	<b>73,113</b>	<b>72,593</b>	<b>71,782</b>	<b>78,902</b>	<b>85,469</b>	<b>87,544</b>	<b>90,528</b>	<b>94,712</b>	<b>104,337</b>	<b>107,025</b>
<b>Expenditure</b>											
Employee benefit Expenses	15,771	18,169	18,882	19,137	19,469	19,867	20,310	20,777	21,279	21,835	22,427
Finance Costs	3,202	2,964	3,835	4,492	4,806	5,269	6,057	6,732	7,398	8,038	8,522
Depreciation & Amortisation	14,848	14,197	14,776	15,792	16,528	17,507	18,402	19,083	19,859	20,974	22,160
Loss Disposal of Assets	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	23,892	26,832	27,420	29,622	28,898	29,374	30,552	30,824	31,925	32,580	33,355
<b>Total Expenditure</b>	<b>57,713</b>	<b>62,162</b>	<b>64,913</b>	<b>69,043</b>	<b>69,701</b>	<b>72,017</b>	<b>75,321</b>	<b>77,416</b>	<b>80,461</b>	<b>83,427</b>	<b>86,464</b>
<b>Surplus/(deficit)</b>	<b>2,699</b>	<b>10,951</b>	<b>7,680</b>	<b>2,739</b>	<b>9,201</b>	<b>13,452</b>	<b>12,223</b>	<b>13,112</b>	<b>14,251</b>	<b>20,910</b>	<b>20,561</b>
<b>Other Comprehensive Revenue</b>											
Gain/(loss) on property revaluation	5,472	2,968	23,420	18,345	24,900	29,977	19,023	24,735	34,734	31,900	25,135
<b>Total Other Comprehensive Revenue</b>	<b>5,472</b>	<b>2,968</b>	<b>23,420</b>	<b>18,345</b>	<b>24,900</b>	<b>29,977</b>	<b>19,023</b>	<b>24,735</b>	<b>34,734</b>	<b>31,900</b>	<b>25,135</b>
<b>Total Comprehensive Revenue and Expenditure</b>	<b>8,171</b>	<b>13,919</b>	<b>31,100</b>	<b>21,084</b>	<b>34,101</b>	<b>43,429</b>	<b>31,246</b>	<b>37,847</b>	<b>48,985</b>	<b>52,810</b>	<b>45,696</b>



## Forecast Statement for Comprehensive Revenue and Expense (continued)

Yr 11 2031/2032 \$000	Yr 12 2032/2033 \$000	Yr 13 2033/2034 \$000	Yr 14 2034/2035 \$000	Yr 15 2035/2036 \$000	Yr 16 2036/2037 \$000	Yr 17 2037/2038 \$000	Yr 18 2038/2039 \$000	Yr 19 2039/2040 \$000	Yr 20 2040/2041 \$000	
<b>Revenue</b>										
79,192	82,863	84,722	87,849	90,525	90,436	92,571	96,320	97,446	99,290	Rates Revenue
10,763	11,407	11,933	12,652	13,240	14,043	14,596	15,366	15,964	16,810	Grants & Subsidies
249	254	259	264	270	275	281	286	292	298	Finance Revenue
11,464	11,705	11,951	12,202	12,458	12,721	12,988	13,262	13,541	13,826	Other Revenue
-	-	-	-	-	-	-	-	-	-	Gain Disposal of Assets
36	38	39	41	43	45	48	50	53	55	Investment (Gains)/Losses
4,870	4,534	7,285	4,612	4,612	4,616	4,625	4,629	4,632	4,634	Development Contributions
-	-	-	-	-	-	-	-	-	-	Vested Assets
<b>106,574</b>	<b>110,801</b>	<b>116,189</b>	<b>117,620</b>	<b>121,148</b>	<b>122,136</b>	<b>125,109</b>	<b>129,913</b>	<b>131,928</b>	<b>134,913</b>	<b>Total Revenue</b>
<b>Expenditure</b>										
22,828	23,263	23,706	24,156	24,616	25,082	25,563	26,048	26,546	27,051	Employee benefit Expenses
8,931	9,277	9,536	9,767	9,999	9,863	9,751	9,571	9,363	9,270	Finance Costs
23,318	24,507	25,431	26,538	28,076	29,187	30,357	32,088	33,393	34,761	Depreciation & Amortisation
-	-	-	-	-	-	-	-	-	-	Loss Disposal of Assets
34,092	35,095	35,737	36,740	37,445	38,410	38,709	40,073	40,812	41,727	Other Expenses
<b>89,169</b>	<b>92,142</b>	<b>94,410</b>	<b>97,201</b>	<b>100,136</b>	<b>102,542</b>	<b>104,380</b>	<b>107,780</b>	<b>110,114</b>	<b>112,809</b>	<b>Total Expenditure</b>
<b>17,405</b>	<b>18,659</b>	<b>21,779</b>	<b>20,419</b>	<b>21,012</b>	<b>19,594</b>	<b>20,729</b>	<b>22,133</b>	<b>21,814</b>	<b>22,104</b>	<b>Surplus/(deficit)</b>
Other Comprehensive Revenue										
47,608	25,078	33,532	45,138	39,116	32,442	63,467	36,994	48,775	65,726	Gain/(loss) on property revaluation
<b>47,608</b>	<b>25,078</b>	<b>33,532</b>	<b>45,138</b>	<b>39,116</b>	<b>32,442</b>	<b>63,467</b>	<b>36,994</b>	<b>48,775</b>	<b>65,726</b>	<b>Total Other Comprehensive Revenue</b>
<b>65,013</b>	<b>43,737</b>	<b>55,311</b>	<b>65,557</b>	<b>60,128</b>	<b>52,036</b>	<b>84,196</b>	<b>59,127</b>	<b>70,589</b>	<b>87,830</b>	<b>Total Comprehensive Revenue and Expenditure</b>

## Forecast Statement of Changes in Equity

	AP 2020/2021 \$000	Yr 1 2021/2022 \$000	Yr 2 2022/2023 \$000	Yr 3 2023/2024 \$000	Yr 4 2024/2025 \$000	Yr 5 2025/2026 \$000	Yr 6 2026/2027 \$000	Yr 7 2027/2028 \$000	Yr 8 2028/2029 \$000	Yr 9 2029/2030 \$000	Yr 10 2030/2031 \$000
Equity balance at 1 July	469,543	515,341	529,260	560,360	581,444	615,545	658,974	690,220	728,067	777,052	829,863
Total comprehensive revenue and expenditure for the year	8,171	13,919	31,100	21,084	34,101	43,429	31,246	37,847	48,985	52,810	45,696
<b>Equity Balance 30 June</b>	<b>477,714</b>	<b>529,260</b>	<b>560,360</b>	<b>581,444</b>	<b>615,545</b>	<b>658,974</b>	<b>690,220</b>	<b>728,067</b>	<b>777,052</b>	<b>829,863</b>	<b>875,559</b>
<b>Components of Equity</b>											
Retained Earnings at 1 July	254,433	250,977	261,599	264,977	267,287	275,891	288,661	300,115	312,354	325,547	345,315
Net Surplus/(Deficit)	2,699	10,951	7,709	2,760	9,224	13,480	12,255	13,145	14,286	20,948	20,602
Transfers to / (from) reserves	-	73	(300)	(4,310)	(427)	(592)	(678)	(768)	(871)	(1,055)	(1,139)
Retained earnings 30 June	257,132	261,928	269,308	267,737	276,511	289,371	300,916	313,260	326,640	346,495	365,917
Revaluation Reserves at 1 July	205,059	254,386	257,354	280,774	299,119	324,019	353,996	373,019	397,754	432,489	464,389
Revaluation Gains	5,472	2,968	23,420	18,345	24,900	29,977	19,023	24,735	34,734	31,900	25,135
Revaluation Reserves 30 June	210,531	257,354	280,774	299,119	324,019	353,996	373,019	397,754	432,488	464,389	489,524
Council Created Reserves at 1 July	10,051	10,051	9,978	10,278	14,588	15,015	15,607	16,285	17,053	17,924	18,979
Transfers to / (from) reserves	-	(73)	300	4,310	427	592	678	768	871	1,055	1,139
Council created Reserves 30 June	10,051	9,978	10,278	14,588	15,015	15,607	16,285	17,053	17,924	18,979	20,118
<b>Equity balance at 30 June</b>	<b>477,714</b>	<b>529,260</b>	<b>560,360</b>	<b>581,444</b>	<b>615,545</b>	<b>658,974</b>	<b>690,220</b>	<b>728,067</b>	<b>777,052</b>	<b>829,863</b>	<b>875,559</b>

## Forecast Statement of Changes in Equity (continued)

Yr 11 2031/2032 \$000	Yr 12 2032/2033 \$000	Yr 13 2033/2034 \$000	Yr 14 2034/2035 \$000	Yr 15 2035/2036 \$000	Yr 16 2036/2037 \$000	Yr 17 2037/2038 \$000	Yr 18 2038/2039 \$000	Yr 19 2039/2040 \$000	Yr 20 2040/2041 \$000	
875,559	940,572	984,309	1,039,620	1,105,177	1,165,305	1,217,341	1,301,537	1,360,664	1,431,253	Equity balance at 1 July
65,013	43,737	55,311	65,557	60,128	52,036	84,196	59,127	70,589	87,830	Total comprehensive revenue and expenditure for the year
<b>940,572</b>	<b>984,309</b>	<b>1,039,620</b>	<b>1,105,177</b>	<b>1,165,305</b>	<b>1,217,341</b>	<b>1,301,537</b>	<b>1,360,664</b>	<b>1,431,253</b>	<b>1,519,084</b>	<b>Equity Balance 30 June</b>
										<b>Components of Equity</b>
364,686	380,820	398,143	418,513	437,444	456,888	474,826	493,812	514,103	533,977	Retained Earnings at 1 July
17,434	18,690	21,811	20,450	21,045	19,625	20,764	22,167	21,851	22,141	Net Surplus/(Deficit)
(1,202)	(1,269)	(1,335)	(1,410)	(1,486)	(1,570)	(1,652)	(1,744)	(1,839)	(1,940)	Transfers to / (from) reserves
382,120	399,510	419,954	438,963	458,489	476,513	495,590	515,979	535,954	556,118	Retained earnings 30 June
489,524	537,132	562,210	595,742	640,880	679,996	712,438	775,905	812,899	861,675	Revaluation Reserves at 1 July
47,608	25,078	33,532	45,138	39,116	32,442	63,467	36,994	48,775	65,726	Revaluation Gains
537,132	562,210	595,742	640,880	679,996	712,438	775,905	812,899	861,674	927,401	Revaluation Reserves 30 June
20,118	21,320	22,589	23,924	25,334	26,820	28,390	30,042	31,786	33,625	Council Created Reserves at 1 July
1,202	1,269	1,335	1,410	1,486	1,570	1,652	1,744	1,839	1,940	Transfers to / (from) reserves
21,320	22,589	23,924	25,334	26,820	28,390	30,042	31,786	33,625	35,565	Council created Reserves 30 June
<b>940,572</b>	<b>984,309</b>	<b>1,039,620</b>	<b>1,105,177</b>	<b>1,165,305</b>	<b>1,217,341</b>	<b>1,301,537</b>	<b>1,360,664</b>	<b>1,431,253</b>	<b>1,519,084</b>	<b>Equity balance at 30 June</b>

## Forecast Statement of Financial Position

	AP 2020/2021 \$000	Yr 1 2021/2022 \$000	Yr 2 2022/2023 \$000	Yr 3 2023/2024 \$000	Yr 4 2024/2025 \$000	Yr 5 2025/2026 \$000	Yr 6 2026/2027 \$000	Yr 7 2027/2028 \$000	Yr 8 2028/2029 \$000	Yr 9 2029/2030 \$000	Yr 10 2030/2031 \$000
<b>ASSETS</b>											
<b>Current Assets</b>											
Cash & Cash Equivalents	13,049	11,519	11,601	11,561	11,724	11,680	11,554	11,470	11,403	11,746	11,647
Debtors & Other Receivables	6,766	6,340	6,525	6,709	6,973	7,245	7,512	7,849	8,187	8,561	8,929
Non-current assets held for sale	-	4,293	11,874	5,067	1,083	-	-	-	-	-	-
Other Financial Assets	5,360	5,360	5,360	5,360	5,360	5,360	5,360	5,360	5,360	5,360	5,360
<b>Total Current Assets</b>	<b>25,175</b>	<b>27,512</b>	<b>35,360</b>	<b>28,697</b>	<b>25,140</b>	<b>24,285</b>	<b>24,426</b>	<b>24,679</b>	<b>24,950</b>	<b>25,667</b>	<b>25,936</b>
<b>Non-Current Assets</b>											
Forestry Assets	942	1,107	1,136	1,164	1,192	1,223	1,254	1,287	1,323	1,361	1,400
Intangible Assets	811	970	922	874	832	827	821	806	800	794	789
Investment Property	-	-	-	-	-	-	-	-	-	-	-
Other Financial Assets	1,805	1,926	1,926	1,926	1,926	1,926	1,926	1,926	1,926	1,926	1,926
Operational Assets	49,908	44,414	49,853	56,653	59,488	67,801	71,574	74,755	82,243	83,348	84,148
Infrastructural Assets	481,592	535,078	578,842	614,463	656,154	695,249	725,327	761,910	794,792	850,277	901,240
Restricted Assets	51,466	71,132	67,582	63,714	72,873	80,872	84,401	87,591	100,039	108,529	112,862
<b>Total Non-Current Assets</b>	<b>586,524</b>	<b>654,627</b>	<b>700,261</b>	<b>738,794</b>	<b>792,465</b>	<b>847,898</b>	<b>885,303</b>	<b>928,275</b>	<b>981,123</b>	<b>1,046,235</b>	<b>1,102,365</b>
<b>TOTAL ASSETS</b>	<b>611,699</b>	<b>682,139</b>	<b>735,621</b>	<b>767,491</b>	<b>817,605</b>	<b>872,183</b>	<b>909,729</b>	<b>952,954</b>	<b>1,006,073</b>	<b>1,071,902</b>	<b>1,128,301</b>

## Forecast Statement of Financial Position (continued)

Yr 11 2031/2032 \$000	Yr 12 2032/2033 \$000	Yr 13 2033/2034 \$000	Yr 14 2034/2035 \$000	Yr 15 2035/2036 \$000	Yr 16 2036/2037 \$000	Yr 17 2037/2038 \$000	Yr 18 2038/2039 \$000	Yr 19 2039/2040 \$000	Yr 20 2040/2041 \$000	
										<b>ASSETS</b>
										<b>Current Assets</b>
11,446	11,374	11,407	11,276	10,832	10,897	10,767	10,761	10,847	10,563	Cash & Cash Equivalents
9,257	9,596	9,928	10,281	10,647	10,841	11,214	11,592	11,925	12,226	Debtors & Other Receivables
-	-	-	-	-	-	-	-	-	-	Non-current assets held for sale
5,360	5,360	5,360	5,360	5,360	5,360	5,360	5,360	5,360	5,360	Other Financial Assets
<b>26,063</b>	<b>26,330</b>	<b>26,695</b>	<b>26,917</b>	<b>26,839</b>	<b>27,098</b>	<b>27,341</b>	<b>27,713</b>	<b>28,132</b>	<b>28,149</b>	<b>Total Current Assets</b>
										<b>Non-Current Assets</b>
1,435	1,473	1,512	1,553	1,596	1,642	1,689	1,739	1,792	1,847	Forestry Assets
783	777	777	777	777	777	777	777	777	777	Intangible Assets
-	-	-	-	-	-	-	-	-	-	Investment Property
1,926	1,926	1,926	1,926	1,926	1,926	1,926	1,926	1,926	1,926	Other Financial Assets
90,425	90,967	92,038	100,129	102,872	104,417	111,340	112,037	113,177	122,614	Operational Assets
954,028	1,001,381	1,058,811	1,107,156	1,158,056	1,202,728	1,258,713	1,308,538	1,370,272	1,420,892	Infrastructural Assets
127,621	130,110	132,845	147,936	151,163	154,352	171,293	174,876	180,431	200,301	Restricted Assets
<b>1,176,218</b>	<b>1,226,634</b>	<b>1,287,909</b>	<b>1,359,477</b>	<b>1,416,390</b>	<b>1,465,842</b>	<b>1,545,738</b>	<b>1,599,893</b>	<b>1,668,375</b>	<b>1,748,357</b>	<b>Total Non-Current Assets</b>
<b>1,202,281</b>	<b>1,252,964</b>	<b>1,314,604</b>	<b>1,386,394</b>	<b>1,443,229</b>	<b>1,492,940</b>	<b>1,573,079</b>	<b>1,627,606</b>	<b>1,696,507</b>	<b>1,776,506</b>	<b>TOTAL ASSETS</b>

## Forecast Statement of Financial Position (continued)

	AP 2020/2021 \$000	Yr 1 2021/2022 \$000	Yr 2 2022/2023 \$000	Yr 3 2023/2024 \$000	Yr 4 2024/2025 \$000	Yr 5 2025/2026 \$000	Yr 6 2026/2027 \$000	Yr 7 2027/2028 \$000	Yr 8 2028/2029 \$000	Yr 9 2029/2030 \$000	Yr 10 2030/2031 \$000
<b>LIABILITIES</b>											
<b>Current Liabilities</b>											
Payables and Deferred Revenue	9,643	13,721	13,986	14,132	14,557	14,789	14,930	15,182	15,452	16,167	16,439
Employee Benefit Liabilities	899	1,060	1,086	1,103	1,122	1,145	1,171	1,198	1,228	1,261	1,296
Provisions	30	30	30	30	30	30	30	30	30	30	30
Borrowings and Other Financial Liabilities	24,000	10,000	11,000	15,000	9,000	10,000	10,000	10,000	10,000	10,000	10,000
Other Financial Liabilities	378	3,615	3,615	3,615	3,615	3,615	3,615	3,615	3,615	3,615	3,615
<b>Total Current Liabilities</b>	<b>34,950</b>	<b>28,426</b>	<b>29,717</b>	<b>33,880</b>	<b>28,324</b>	<b>29,579</b>	<b>29,746</b>	<b>30,025</b>	<b>30,325</b>	<b>31,073</b>	<b>31,380</b>
<b>Non-Current Liabilities</b>											
Employee Benefit Liabilities	167	207	212	215	219	224	229	234	240	246	253
Provisions	4,811	6,425	6,586	6,737	6,886	7,037	7,192	7,350	7,512	7,677	7,846
Borrowings and Other Financial Liabilities	92,062	117,821	138,746	145,215	166,631	176,369	182,342	187,278	190,944	203,043	213,263
Other Financial Liabilities	1,995	-	-	-	-	-	-	-	-	-	-
<b>Total Non-Current Liabilities</b>	<b>99,035</b>	<b>124,453</b>	<b>145,544</b>	<b>152,167</b>	<b>173,736</b>	<b>183,630</b>	<b>189,763</b>	<b>194,862</b>	<b>198,696</b>	<b>210,966</b>	<b>221,362</b>
<b>TOTAL LIABILITIES</b>	<b>133,985</b>	<b>152,879</b>	<b>175,261</b>	<b>186,047</b>	<b>202,060</b>	<b>213,209</b>	<b>219,509</b>	<b>224,887</b>	<b>229,021</b>	<b>242,039</b>	<b>252,742</b>
<b>Net Assets</b>	<b>477,714</b>	<b>529,260</b>	<b>560,360</b>	<b>581,444</b>	<b>615,545</b>	<b>658,974</b>	<b>690,220</b>	<b>728,067</b>	<b>777,052</b>	<b>829,863</b>	<b>875,559</b>
<b>EQUITY</b>											
Retained Earnings	257,132	261,928	269,308	267,737	276,511	289,371	300,916	313,260	326,640	346,495	365,917
Revaluation Reserves	210,531	257,354	280,774	299,119	324,019	353,996	373,019	397,754	432,488	464,389	489,524
Other Reserves	10,051	9,978	10,278	14,588	15,015	15,607	16,285	17,053	17,924	18,979	20,118
<b>TOTAL EQUITY</b>	<b>477,714</b>	<b>529,260</b>	<b>560,360</b>	<b>581,444</b>	<b>615,545</b>	<b>658,974</b>	<b>690,220</b>	<b>728,067</b>	<b>777,052</b>	<b>829,863</b>	<b>875,559</b>

**Forecast Statement of Financial Position (continued)**

Yr 11 2031/2032 \$000	Yr 12 2032/2033 \$000	Yr 13 2033/2034 \$000	Yr 14 2034/2035 \$000	Yr 15 2035/2036 \$000	Yr 16 2036/2037 \$000	Yr 17 2037/2038 \$000	Yr 18 2038/2039 \$000	Yr 19 2039/2040 \$000	Yr 20 2040/2041 \$000	
										<b>LIABILITIES</b>
										<b>Current Liabilities</b>
16,565	16,832	17,197	17,420	17,341	17,599	17,843	18,214	18,633	18,649	Payables and Deferred Revenue
1,321	1,346	1,373	1,399	1,427	1,454	1,482	1,511	1,541	1,571	Employee Benefit Liabilities
30	30	30	30	30	30	30	30	30	30	Provisions
10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	Borrowings and Other Financial Liabilities
3,615	3,615	3,615	3,615	3,615	3,615	3,615	3,615	3,615	3,615	Other Financial Liabilities
<b>31,531</b>	<b>31,823</b>	<b>32,215</b>	<b>32,464</b>	<b>32,413</b>	<b>32,698</b>	<b>32,970</b>	<b>33,370</b>	<b>33,819</b>	<b>33,865</b>	<b>Total Current Liabilities</b>
										<b>Non-Current Liabilities</b>
258	263	268	274	279	284	290	295	301	307	Employee Benefit Liabilities
8,003	8,163	8,326	8,493	8,662	8,836	9,012	9,193	9,377	9,564	Provisions
221,917	228,406	234,175	239,986	236,570	233,781	229,270	224,084	221,757	213,686	Borrowings and Other Financial Liabilities
-	-	-	-	-	-	-	-	-	-	Other Financial Liabilities
<b>230,178</b>	<b>236,832</b>	<b>242,769</b>	<b>248,753</b>	<b>245,511</b>	<b>242,901</b>	<b>238,572</b>	<b>233,572</b>	<b>231,435</b>	<b>223,557</b>	<b>Total Non-Current Liabilities</b>
<b>261,709</b>	<b>268,655</b>	<b>274,984</b>	<b>281,217</b>	<b>277,924</b>	<b>275,599</b>	<b>271,542</b>	<b>266,942</b>	<b>265,254</b>	<b>257,422</b>	<b>TOTAL LIABILITIES</b>
<b>940,572</b>	<b>984,309</b>	<b>1,039,620</b>	<b>1,105,177</b>	<b>1,165,305</b>	<b>1,217,341</b>	<b>1,301,537</b>	<b>1,360,664</b>	<b>1,431,253</b>	<b>1,519,084</b>	<b>Net Assets</b>
										<b>EQUITY</b>
382,120	399,510	419,954	438,963	458,489	476,513	495,590	515,979	535,954	556,118	Retained Earnings
537,132	562,210	595,742	640,880	679,996	712,438	775,905	812,899	861,674	927,401	Revaluation Reserves
21,320	22,589	23,924	25,334	26,820	28,390	30,042	31,786	33,625	35,565	Other Reserves
<b>940,572</b>	<b>984,309</b>	<b>1,039,620</b>	<b>1,105,177</b>	<b>1,165,305</b>	<b>1,217,341</b>	<b>1,301,537</b>	<b>1,360,664</b>	<b>1,431,253</b>	<b>1,519,084</b>	<b>TOTAL EQUITY</b>

## Forecast Cashflow Statement

	AP 2020/2021 \$000	Yr 1 2021/2022 \$000	Yr 2 2022/2023 \$000	Yr 3 2023/2024 \$000	Yr 4 2024/2025 \$000	Yr 5 2025/2026 \$000	Yr 6 2026/2027 \$000	Yr 7 2027/2028 \$000	Yr 8 2028/2029 \$000	Yr 9 2029/2030 \$000	Yr 10 2030/2031 \$000
<b>Cashflow from Operating Activities</b>											
Cash was provided from:											
Revenue from Rates	39,684	43,447	47,167	51,039	54,303	58,397	61,743	65,845	69,238	72,578	76,364
Interest Received	200	200	205	210	214	219	224	229	234	239	244
Other Revenue	20,528	29,450	25,007	20,321	24,094	26,551	25,278	24,085	24,867	31,108	30,011
	<b>60,412</b>	<b>73,097</b>	<b>72,379</b>	<b>71,570</b>	<b>78,611</b>	<b>85,167</b>	<b>87,245</b>	<b>90,159</b>	<b>94,339</b>	<b>103,925</b>	<b>106,619</b>
<b>Cash was disbursed to:</b>											
Payments Staff & Suppliers	39,663	45,003	45,845	48,442	47,769	48,833	50,534	51,159	52,736	53,495	55,302
Interest Paid	3,202	2,964	3,835	4,492	4,806	5,269	6,057	6,732	7,398	8,038	8,522
	<b>42,865</b>	<b>47,967</b>	<b>49,680</b>	<b>52,934</b>	<b>52,575</b>	<b>54,102</b>	<b>56,591</b>	<b>57,891</b>	<b>60,134</b>	<b>61,533</b>	<b>63,824</b>
<b>Net Cashflow from Operating Activity</b>	<b>17,547</b>	<b>25,130</b>	<b>22,699</b>	<b>18,636</b>	<b>26,036</b>	<b>31,065</b>	<b>30,654</b>	<b>32,268</b>	<b>34,205</b>	<b>42,392</b>	<b>42,795</b>
<b>Cashflow from Investing Activities</b>											
Cash was provided from:											
Proceeds from Sale of Assets	5,000	2,056	4,293	11,874	5,067	1,083	-	-	-	-	-
	<b>5,000</b>	<b>2,056</b>	<b>4,293</b>	<b>11,874</b>	<b>5,067</b>	<b>1,083</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash was disbursed to:</b>											
Purchase of Assets	30,607	47,208	48,835	41,019	46,356	42,930	36,753	37,288	37,938	54,148	53,114
	<b>30,607</b>	<b>47,208</b>	<b>48,835</b>	<b>41,019</b>	<b>46,356</b>	<b>42,930</b>	<b>36,753</b>	<b>37,288</b>	<b>37,938</b>	<b>54,148</b>	<b>53,114</b>
<b>Net Cashflow from Investing Activity</b>	<b>(25,607)</b>	<b>(45,152)</b>	<b>(44,542)</b>	<b>(29,145)</b>	<b>(41,289)</b>	<b>(41,847)</b>	<b>(36,753)</b>	<b>(37,288)</b>	<b>(37,938)</b>	<b>(54,148)</b>	<b>(53,114)</b>



## Forecast Cashflow Statement (continued)

Yr 11 2031/2032 \$000	Yr 12 2032/2033 \$000	Yr 13 2033/2034 \$000	Yr 14 2034/2035 \$000	Yr 15 2035/2036 \$000	Yr 16 2036/2037 \$000	Yr 17 2037/2038 \$000	Yr 18 2038/2039 \$000	Yr 19 2039/2040 \$000	Yr 20 2040/2041 \$000	
										<b>Cashflow from Operating Activities</b>
										Cash was provided from:
78,864	82,524	84,390	87,496	90,159	90,241	92,199	95,942	97,113	98,989	Revenue from Rates
249	254	259	264	270	275	281	286	292	298	Interest Received
27,097	27,645	31,169	29,466	30,311	31,380	32,209	33,257	34,136	35,269	Other Revenue
<b>106,210</b>	<b>110,423</b>	<b>115,818</b>	<b>117,226</b>	<b>120,740</b>	<b>121,896</b>	<b>124,689</b>	<b>129,485</b>	<b>131,541</b>	<b>134,556</b>	
										<b>Cash was disbursed to:</b>
56,607	57,899	58,883	60,476	61,938	63,027	63,818	65,534	66,719	68,537	Payments Staff & Suppliers
8,931	9,277	9,536	9,767	9,999	9,863	9,751	9,571	9,363	9,270	Interest Paid
<b>65,538</b>	<b>67,176</b>	<b>68,419</b>	<b>70,243</b>	<b>71,937</b>	<b>72,890</b>	<b>73,569</b>	<b>75,105</b>	<b>76,082</b>	<b>77,807</b>	
<b>40,672</b>	<b>43,247</b>	<b>47,399</b>	<b>46,983</b>	<b>48,803</b>	<b>49,006</b>	<b>51,120</b>	<b>54,380</b>	<b>55,459</b>	<b>56,749</b>	<b>Net Cashflow from Operating Activity</b>
										<b>Cashflow from Investing Activities</b>
										Cash was provided from:
-	-	-	-	-	-	-	-	-	-	Proceeds from Sale of Assets
<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
										<b>Cash was disbursed to:</b>
49,527	49,808	53,135	52,926	45,831	46,152	46,739	49,199	53,047	48,962	Purchase of Assets
<b>49,527</b>	<b>49,808</b>	<b>53,135</b>	<b>52,926</b>	<b>45,831</b>	<b>46,152</b>	<b>46,739</b>	<b>49,199</b>	<b>53,047</b>	<b>48,962</b>	
<b>(49,527)</b>	<b>(49,808)</b>	<b>(53,135)</b>	<b>(52,926)</b>	<b>(45,831)</b>	<b>(46,152)</b>	<b>(46,739)</b>	<b>(49,199)</b>	<b>(53,047)</b>	<b>(48,962)</b>	<b>Net Cashflow from Investing Activity</b>

## Forecast Cashflow Statement (continued)

	AP 2020/2021 \$000	Yr 1 2021/2022 \$000	Yr 2 2022/2023 \$000	Yr 3 2023/2024 \$000	Yr 4 2024/2025 \$000	Yr 5 2025/2026 \$000	Yr 6 2026/2027 \$000	Yr 7 2027/2028 \$000	Yr 8 2028/2029 \$000	Yr 9 2029/2030 \$000	Yr 10 2030/2031 \$000
<b>Cashflow from Financing Activities</b>											
<b>Cash was provided from:</b>											
Proceeds from Borrowings	23,325	65,022	31,925	21,469	30,416	19,738	15,973	14,936	13,666	22,099	20,220
	<b>23,325</b>	<b>65,022</b>	<b>31,925</b>	<b>21,469</b>	<b>30,416</b>	<b>19,738</b>	<b>15,973</b>	<b>14,936</b>	<b>13,666</b>	<b>22,099</b>	<b>20,220</b>
<b>Cash was disbursed to:</b>											
Repayment of Borrowings	14,000	45,000	10,000	11,000	15,000	9,000	10,000	10,000	10,000	10,000	10,000
	<b>14,000</b>	<b>45,000</b>	<b>10,000</b>	<b>11,000</b>	<b>15,000</b>	<b>9,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>
<b>Net Cashflow from Financing Activity</b>	<b>9,325</b>	<b>20,022</b>	<b>21,925</b>	<b>10,469</b>	<b>15,416</b>	<b>10,738</b>	<b>5,973</b>	<b>4,936</b>	<b>3,666</b>	<b>12,099</b>	<b>10,220</b>
Net Increase (Decrease) in Cash Held	1,265	-	82	(40)	163	(44)	(126)	(84)	(67)	343	(99)
Add Opening Cash bought forward	11,770	11,519	11,519	11,601	11,561	11,724	11,680	11,554	11,470	11,403	11,746
<b>Closing Cash Balance</b>	<b>13,035</b>	<b>11,519</b>	<b>11,601</b>	<b>11,561</b>	<b>11,724</b>	<b>11,680</b>	<b>11,554</b>	<b>11,470</b>	<b>11,403</b>	<b>11,746</b>	<b>11,647</b>
Closing Balance made up of Cash and Cash Equivalents	13,049	11,519	11,601	11,561	11,724	11,680	11,554	11,470	11,403	11,746	11,647

## Forecast Cashflow Statement (continued)

Yr 11 2031/2032 \$000	Yr 12 2032/2033 \$000	Yr 13 2033/2034 \$000	Yr 14 2034/2035 \$000	Yr 15 2035/2036 \$000	Yr 16 2036/2037 \$000	Yr 17 2037/2038 \$000	Yr 18 2038/2039 \$000	Yr 19 2039/2040 \$000	Yr 20 2040/2041 \$000	
										<b>Cashflow from Financing Activities</b>
										Cash was provided from:
18,654	16,489	15,769	15,812	6,584	7,211	5,489	4,813	7,674	1,929	Proceeds from Borrowings
<b>18,654</b>	<b>16,489</b>	<b>15,769</b>	<b>15,812</b>	<b>6,584</b>	<b>7,211</b>	<b>5,489</b>	<b>4,813</b>	<b>7,674</b>	<b>1,929</b>	
										<b>Cash was disbursed to:</b>
10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	Repayment of Borrowings
<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	
<b>8,654</b>	<b>6,489</b>	<b>5,769</b>	<b>5,812</b>	<b>(3,416)</b>	<b>(2,789)</b>	<b>(4,511)</b>	<b>(5,187)</b>	<b>(2,326)</b>	<b>(8,071)</b>	<b>Net Cashflow from Financing Activity</b>
(201)	(72)	33	(131)	(444)	65	(130)	(6)	86	(284)	Net Increase (Decrease) in Cash Held
11,647	11,446	11,374	11,407	11,276	10,832	10,897	10,767	10,761	10,847	Add Opening Cash bought forward
<b>11,446</b>	<b>11,374</b>	<b>11,407</b>	<b>11,276</b>	<b>10,832</b>	<b>10,897</b>	<b>10,767</b>	<b>10,761</b>	<b>10,847</b>	<b>10,563</b>	<b>Closing Cash Balance</b>
11,446	11,374	11,407	11,276	10,832	10,897	10,767	10,761	10,847	10,563	Closing Balance made up of Cash and Cash Equivalents

## Reconciliation between Forecast Funding Impact Statement and the Forecast Statement of Comprehensive Revenue and Expense

	AP 2020/2021 \$000	Yr 1 2021/2022 \$000	Yr 2 2022/2023 \$000	Yr 3 2023/2024 \$000	Yr 4 2024/2025 \$000	Yr 5 2025/2026 \$000	Yr 6 2026/2027 \$000	Yr 7 2027/2028 \$000	Yr 8 2028/2029 \$000	Yr 9 2029/2030 \$000	Yr 10 2030/2031 \$000
<b>Revenue</b>											
<b>Prospective Statement of Comprehensive Revenue and Expense</b>	<b>60,412</b>	<b>73,113</b>	<b>72,593</b>	<b>71,782</b>	<b>78,902</b>	<b>85,469</b>	<b>87,544</b>	<b>90,528</b>	<b>94,712</b>	<b>104,337</b>	<b>107,025</b>
<b>Summary Funding Impact Statement</b>											
Total Operating Funding	49,736	55,218	58,661	62,923	66,590	72,092	75,757	79,110	82,828	86,415	90,526
Add Sources of Capital Funding											
Sources of capital funding	10,676	15,134	11,159	4,311	7,641	8,704	7,113	6,742	7,205	10,603	11,818
Development Contributions	-	2,744	2,744	4,520	4,643	4,643	4,643	4,643	4,643	7,281	4,643
Investment (Gains)/Losses	-	17	29	28	28	30	31	33	36	38	38
Vested Assets	-	-	-	-	-	-	-	-	-	-	-
Gain Disposal of Assets	-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue</b>	<b>60,412</b>	<b>73,113</b>	<b>72,593</b>	<b>71,782</b>	<b>78,902</b>	<b>85,469</b>	<b>87,544</b>	<b>90,528</b>	<b>94,712</b>	<b>104,337</b>	<b>107,025</b>
<b>Expenditure</b>											
<b>Prospective Statement of Comprehensive Revenue and Expense</b>											
<b>Operating Expenditure</b>	<b>57,713</b>	<b>62,162</b>	<b>64,913</b>	<b>69,043</b>	<b>69,701</b>	<b>72,017</b>	<b>75,321</b>	<b>77,416</b>	<b>80,461</b>	<b>83,427</b>	<b>86,464</b>
<b>Summary Funding Impact Statement</b>											
Total applications of operating funding	42,865	47,965	49,947	53,078	53,002	54,330	56,732	58,142	60,405	62,250	64,094
Add Provision Aftercare	-	-	161	152	148	152	155	158	162	165	169
Add Employee Benefit Movement	-	-	29	21	23	28	32	33	35	38	41
Add Depreciation and Amortisation Expense	14,848	14,197	14,776	15,792	16,528	17,507	18,402	19,083	19,859	20,974	22,160
<b>Total Expenditure</b>	<b>57,713</b>	<b>62,162</b>	<b>64,913</b>	<b>69,043</b>	<b>69,701</b>	<b>72,017</b>	<b>75,321</b>	<b>77,416</b>	<b>80,461</b>	<b>83,427</b>	<b>86,464</b>

**Reconciliation between Forecast Funding Impact Statement and the Forecast Statement of Comprehensive Revenue and Expense  
(continued)**

Yr 11 2031/2032 \$000	Yr 12 2032/2033 \$000	Yr 13 2033/2034 \$000	Yr 14 2034/2035 \$000	Yr 15 2035/2036 \$000	Yr 16 2036/2037 \$000	Yr 17 2037/2038 \$000	Yr 18 2038/2039 \$000	Yr 19 2039/2040 \$000	Yr 20 2040/2041 \$000	
										<b>Revenue</b>
<b>106,574</b>	<b>110,801</b>	<b>116,189</b>	<b>117,620</b>	<b>121,148</b>	<b>122,136</b>	<b>125,109</b>	<b>129,913</b>	<b>131,928</b>	<b>134,913</b>	<b>Prospective Statement of Comprehensive Revenue and Expense</b>
										<b>Summary Funding Impact Statement</b>
93,283	97,261	99,431	102,876	105,878	106,120	108,598	112,694	114,174	116,382	Total Operating Funding
										Add Sources of Capital Funding
8,385	8,968	9,434	10,091	10,615	11,355	11,838	12,540	13,069	13,842	Sources of capital funding
4,870	4,534	7,285	4,612	4,612	4,616	4,625	4,629	4,632	4,634	Development Contributions
36	38	39	41	43	45	48	50	53	55	Investment (Gains)/Losses
-	-	-	-	-	-	-	-	-	-	Vested Assets
-	-	-	-	-	-	-	-	-	-	Gain Disposal of Assets
<b>106,574</b>	<b>110,801</b>	<b>116,189</b>	<b>117,620</b>	<b>121,148</b>	<b>122,136</b>	<b>125,109</b>	<b>129,913</b>	<b>131,928</b>	<b>134,913</b>	<b>Total Revenue</b>
										<b>Expenditure</b>
										<b>Prospective Statement of Comprehensive Revenue and Expense</b>
<b>89,169</b>	<b>92,142</b>	<b>94,410</b>	<b>97,201</b>	<b>100,136</b>	<b>102,542</b>	<b>104,380</b>	<b>107,780</b>	<b>110,114</b>	<b>112,809</b>	<b>Operating Expenditure</b>
										<b>Summary Funding Impact Statement</b>
65,665	67,444	68,784	70,466	71,857	73,151	73,811	75,477	76,500	77,823	Total applications of operating funding
157	160	163	166	170	173	177	181	184	188	Add Provision Aftercare
29	31	32	31	33	31	35	34	37	37	Add Employee Benefit Movement
23,318	24,507	25,431	26,538	28,076	29,187	30,357	32,088	33,393	34,761	Add Depreciation and Amortisation Expense
<b>89,169</b>	<b>92,142</b>	<b>94,410</b>	<b>97,201</b>	<b>100,136</b>	<b>102,542</b>	<b>104,380</b>	<b>107,780</b>	<b>110,114</b>	<b>112,809</b>	<b>Total Expenditure</b>

## Capital Expenditure

Summary of Capital Projects by Primary Type of Activity	AP 2020/2021	Yr 1 2021/2022	Yr 2 2022/2023	Yr 3 2023/2024	Yr 4 2024/2025	Yr 5 2025/2026	Yr 6 2026/2027	Yr 7 2027/2028	Yr 8 2028/2029	Yr 9 2029/2030	Yr 10 2030/2031
<b>Regulatory Services</b>											
To meet additional demand	-	-	-	-	535,850	-	-	-	-	-	-
To improve the level of service	-	80,000	25,625	-	-	93,101	-	-	-	71,694	-
To replace existing assests	36,484	4,000	19,475	-	21,434	27,383	67,164	68,640	29,230	-	-
<b>Community Facilities</b>											
To meet additional demand	10,000	-	-	178,853	42,698	-	1,414,375	1,456,748	1,538,714	1,526,125	1,562,750
To improve the level of service	66,142	1,705,500	1,330,347	-	90,559	-	13,433	-	98,797	-	-
To replace existing assests	937,613	997,018	799,399	870,066	1,545,008	837,361	910,033	1,135,090	902,500	2,423,344	1,259,445
<b>Land Transport</b>											
To meet additional demand	-	4,960,000	4,142,500	7,915,000	2,972,206	3,549,120	2,308,382	1,946,848	2,053,954	4,185,873	4,517,329
To improve the level of service	6,953,500	6,820,000	3,062,500	1,965,000	4,111,701	4,759,782	3,595,876	3,316,115	3,510,098	5,735,906	6,314,934
To replace existing assests	3,624,181	3,540,000	4,220,000	3,940,000	5,651,029	6,197,479	5,948,388	5,973,724	6,446,034	7,751,049	8,865,479
<b>Property</b>											
To meet additional demand	-	1,700,000	513,500	526,350	2,156,000	2,210,000	2,263,000	2,319,600	2,380,000	2,441,800	-
To improve the level of service	200,000	1,500,000	1,540,500	1,579,050	-	-	-	-	-	-	-
To replace existing assests	588,239	1,999,000	1,853,238	432,660	797,720	1,807,780	435,628	553,225	935,340	1,234,330	200,032
<b>Stormwater</b>											
To meet additional demand	461,600	2,006,440	2,458,746	3,044,043	382,364	1,056,664	266,020	263,815	283,592	281,787	302,317
To improve the level of service	1,248,000	3,115,000	1,565,955	2,137,605	2,004,523	2,730,313	286,093	295,244	304,990	315,357	325,128
To replace existing assests	98,400	155,760	163,944	129,977	172,751	272,021	182,730	145,717	194,800	155,644	207,662
<b>Solid Waste</b>											
To meet additional demand	-	42,000	42,207	43,580	43,882	45,274	45,031	46,475	47,968	49,506	51,095
To improve the level of service	577,000	335,040	205,000	188,748	439,397	120,483	123,134	125,840	128,612	131,439	134,332
To replace existing assests	152,500	226,523	95,325	83,622	88,844	90,800	77,686	79,394	81,142	82,926	84,751
<b>Water Supply</b>											
To meet additional demand	873,690	1,420,480	3,366,648	1,014,115	1,181,120	1,206,365	1,423,542	4,772,715	5,004,056	6,447,648	6,766,071
To improve the level of service	56,000	516,800	-	-	-	-	-	-	-	9,537	78,660
To replace existing assests	2,616,000	3,899,371	2,178,696	2,190,922	2,334,429	2,303,316	2,390,836	2,505,407	2,809,478	2,453,552	2,592,503

## Capital Expenditure

Yr 11 2031/2032	Yr 12 2032/2033	Yr 13 2033/2034	Yr 14 2034/2035	Yr 15 2035/2036	Yr 16 2036/2037	Yr 17 2037/2038	Yr 18 2038/2039	Yr 19 2039/2040	Yr 20 2040/2041	Summary of Capital Projects by Primary Type of Activity
										<b>Regulatory Services</b>
-	-	-	-	-	-	-	-	-	-	To meet additional demand
-	-	-	-	-	-	-	-	-	-	To improve the level of service
31,140	76,230	77,754	33,045	-	-	35,067	85,848	87,564	40,192	To replace existing assests
										<b>Community Facilities</b>
1,603,969	1,690,072	1,663,375	1,896,520	1,733,875	1,780,571	1,882,760	1,845,375	1,884,125	1,923,750	To meet additional demand
52,315	-	-	-	2,696	16,502	-	-	112,374	-	To improve the level of service
778,871	919,458	1,214,600	1,652,451	1,106,763	1,405,456	964,574	1,985,444	2,808,836	2,319,219	To replace existing assests
										<b>Land Transport</b>
2,047,984	2,172,590	2,304,899	2,445,169	2,594,027	2,751,959	2,892,620	3,038,966	3,192,792	3,354,433	To meet additional demand
3,954,976	4,195,611	4,451,115	4,722,002	5,009,470	5,314,459	5,584,833	5,867,389	6,164,383	6,476,467	To improve the level of service
7,970,659	8,580,406	8,967,730	9,651,230	10,089,540	10,855,854	11,254,780	11,993,816	12,422,722	13,238,865	To replace existing assests
										<b>Properties</b>
-	-	-	-	-	-	-	-	-	-	To meet additional demand
-	-	-	-	-	-	-	-	-	-	To improve the level of service
610,167	944,892	1,592,848	1,847,696	2,084,811	1,346,806	1,360,592	892,257	1,074,364	595,468	To replace existing assests
										<b>Stormwater</b>
297,786	317,629	312,855	333,701	328,700	350,605	345,342	368,361	362,826	386,993	To meet additional demand
333,263	341,595	350,127	358,881	367,859	377,059	386,483	396,155	406,051	416,193	To improve the level of service
164,481	218,179	172,805	229,221	181,556	240,831	190,748	253,027	200,406	265,826	To replace existing assests
										<b>Solid Waste</b>
52,631	54,213	55,844	57,524	59,252	61,036	62,871	64,765	66,714	68,721	To meet additional demand
137,016	139,755	142,549	145,398	148,302	-	-	-	-	-	To improve the level of service
86,444	88,172	89,936	91,733	93,565	26,678	27,212	27,758	28,312	28,879	To replace existing assests
										<b>Water Supply</b>
3,724,959	4,271,319	4,370,226	4,905,668	4,586,364	4,699,557	4,813,899	4,935,967	5,060,894	1,661,418	To meet additional demand
1,041,391	1,267,208	1,295,326	1,403,687	1,364,636	1,398,768	1,402,560	1,437,660	1,473,570	-	To improve the level of service
2,622,266	2,570,915	2,512,298	3,563,485	2,692,931	2,754,204	2,841,741	2,919,247	2,998,715	3,066,910	To replace existing assests

## Capital Expenditure (continued)

Summary of Capital Projects by Primary Type of Activity	AP 2020/2021	Yr 1 2021/2022	Yr 2 2022/2023	Yr 3 2023/2024	Yr 4 2024/2025	Yr 5 2025/2026	Yr 6 2026/2027	Yr 7 2027/2028	Yr 8 2028/2029	Yr 9 2029/2030	Yr 10 2030/2031
<b>Wastewater</b>											
To meet additional demand	657,000	7,305,948	8,561,106	3,581,576	3,203,856	2,197,021	2,875,902	2,818,604	2,186,560	7,327,315	7,721,502
To improve the level of service	2,765,186	2,464,784	4,090,320	1,296,278	2,395,416	3,004,006	1,226,150	1,117,868	748,813	2,076,764	2,170,216
To replace existing assests	3,437,000	5,490,749	4,189,059	2,628,273	5,334,103	6,051,890	5,277,351	4,054,224	3,687,777	3,683,927	3,801,743
<b>Community Support</b>											
To meet additional demand	-	-	-	-	-	-	-	-	-	-	-
To improve the level of service	6,000	47,000	-	-	-	-	6,716	13,728	-	5,975	-
To replace existing assests	-	28,000	9,943	22,545	2,143	8,762	12,313	26,312	9,938	10,754	4,885
<b>Community Infrastructure</b>											
To meet additional demand	-	607,098	368,659	570,634	7,854,219	745,839	744,829	813,329	785,718	764,609	611,057
To improve the level of service	4,079,024	1,302,698	614,626	789,701	1,226,136	819,874	1,509,610	1,806,002	2,036,289	5,496,696	2,821,285
To replace existing assests	-	1,882,013	1,089,832	1,587,287	1,832,750	1,410,888	1,524,572	1,391,127	1,122,287	1,213,493	1,497,982
<b>Representation and Community Leadership</b>											
To meet additional demand	-	-	-	-	-	-	-	-	-	-	-
To improve the level of service	-	500,000	500,000	2,500,000	-	-	-	-	-	-	-
To replace existing assests	-	-	-	-	-	-	-	-	-	-	-
<b>Treasury and Support</b>											
To meet additional demand											
To improve the level of service	278,000	272,000	795,298	701,897	1,552,660	641,757	1,262,425	127,890	921,496	-3,336,174	2,231,836
To replace existing assests	232,000	616,000	277,775	410,003	568,537	274,920	611,192	200,200	347,252	631,505	170,968
<b>Total Capital Projects</b>	<b>30,606,220</b>	<b>55,539,222</b>	<b>47,409,973</b>	<b>39,774,786</b>	<b>47,170,862</b>	<b>41,954,068</b>	<b>35,676,554</b>	<b>37,385,557</b>	<b>37,845,811</b>	<b>56,681,814</b>	<b>52,211,111</b>
<b>Make up of above Projects by type:</b>											
To meet additional demand	2,002,290	18,041,966	19,453,367	16,874,151	18,372,194	11,010,282	11,341,081	14,438,133	14,280,561	23,024,663	21,532,120
To improve the level of service	16,228,852	18,658,822	13,730,170	11,158,279	8,715,071	12,169,315	8,023,437	6,802,687	7,749,095	10,507,194	14,076,392
To replace existing assests	12,375,078	18,838,434	14,896,685	12,295,353	18,348,748	19,282,601	17,437,894	16,133,059	16,565,778	19,640,523	18,685,449
<b>Total Capital Projects</b>	<b>30,606,220</b>	<b>55,539,222</b>	<b>47,409,973</b>	<b>39,774,786</b>	<b>47,170,862</b>	<b>41,954,068</b>	<b>35,676,554</b>	<b>37,385,557</b>	<b>37,845,811</b>	<b>56,681,814</b>	<b>52,211,111</b>



**Capital Expenditure (continued)**

Yr 11 2031/2032	Yr 12 2032/2033	Yr 13 2033/2034	Yr 14 2034/2035	Yr 15 2035/2036	Yr 16 2036/2037	Yr 17 2037/2038	Yr 18 2038/2039	Yr 19 2039/2040	Yr 20 2040/2041 \$	Summary of Capital Projects by Primary Type of Activity
										<b>Wastewater</b>
10,498,009	10,752,233	11,174,934	5,643,951	2,494,584	2,551,505	2,621,821	2,693,505	2,802,042	2,819,677	To meet additional demand
3,328,848	3,400,649	3,651,182	2,146,614	858,371	858,858	890,142	923,122	1,008,069	954,711	To improve the level of service
3,899,278	3,999,254	5,172,101	6,360,700	4,209,723	4,350,595	4,460,888	4,572,525	4,690,013	4,810,526	To replace existing assests
										<b>Community Support</b>
-	-	-	-	-	-	-	-	-	-	To meet additional demand
-	7,623	15,551	-	-	-	-	37,201	17,513	-	To improve the level of service
17,439	11,435	35,637	1,983	10,785	13,752	21,040	12,162	24,809	5,954	To replace existing assests
										<b>Community Infrastructure</b>
629,017	644,178	659,718	797,182	693,921	711,311	726,228	655,133	668,891	906,112	To meet additional demand
2,889,571	1,453,397	1,485,949	1,640,737	1,555,171	1,590,630	1,623,987	1,571,768	1,604,773	1,861,677	To improve the level of service
1,134,015	1,226,182	1,281,652	1,727,065	1,915,187	1,828,981	1,657,513	2,398,030	3,311,441	2,243,184	To replace existing assests
										<b>Representation and Community Leadership</b>
-	-	-	-	-	-	-	-	-	-	To meet additional demand
-	-	-	-	-	-	-	-	-	-	To improve the level of service
-	-	-	-	-	-	-	-	-	-	To replace existing assests
										<b>Treasury and Support</b>
-	-	-	-	-	-	-	-	-	-	To meet additional demand
797,490	147,460	-53,931	-912,075	2,864,578	114,724	282,076	156,410	1,716,268	2,685,821	To improve the level of service
823,341	222,338	283,802	805,637	188,748	750,859	409,589	287,591	771,293	381,082	To replace existing assests
<b>48,881,799</b>	<b>49,752,296</b>	<b>53,492,913</b>	<b>52,652,941</b>	<b>44,535,317</b>	<b>46,238,990</b>	<b>46,628,419</b>	<b>49,437,630</b>	<b>53,455,105</b>	<b>48,045,081</b>	<b>Total Capital Projects</b>
										<b>Make up of above Projects by type:</b>
18,854,355	19,902,234	20,541,851	16,079,715	12,490,723	12,906,544	13,345,541	13,602,072	14,038,284	11,121,104	To meet additional demand
12,534,870	10,953,298	11,337,868	9,505,244	12,171,083	9,671,000	10,170,081	10,389,705	9,070,465	12,394,869	To improve the level of service
18,138,101	18,857,461	21,401,163	25,964,246	22,573,609	23,574,016	23,223,744	25,427,705	28,418,475	26,996,105	To replace existing assests
<b>48,881,799</b>	<b>49,752,296</b>	<b>53,492,913</b>	<b>52,652,941</b>	<b>44,535,317</b>	<b>46,238,990</b>	<b>46,628,419</b>	<b>49,437,630</b>	<b>53,455,105</b>	<b>48,045,081</b>	<b>Total Capital Projects</b>

# Reserve Funds

Reserves are held to ensure that funds received for a particular purpose are used for that purpose and any surplus created is managed in accordance with the reason for which the reserve was established. Surpluses held in reserves are credited with interest. Council holds 14 reserves, with four being restricted reserves. Restricted reserves are reserves that have rules set by legal obligation that restrict the use that Council may put the funds towards. The remaining Council created reserves are discretionary reserves which the

Council has established for the fair and transparent use of monies. Reserve balances are not separately held in cash and the funds are managed as part of the Council's treasury management.

Below is a list of current reserves outlining the purpose for holding each reserve and the Council activity to which each reserve relates, together with summary financial information across the Long Term Plan.

	Activity	AP Forecast Opening Balance 1 July 2021	Deposits for the period of the LTP	Withdrawals for the period of the LTP	Forecast Closing Balance 30 June 2041
		\$000	\$000	\$000	\$000
<b>Restricted Reserves – Purpose of the Fund</b>					
<b>Foxton Beach Freeholding Fund</b> Accumulated cash reserves from the Foxton Beach Endowment land sales under the separate Act gifting the land for the benefit of Foxton and Foxton Beach community projects.	Endowment Property	5,784	22,406	-	28,190

	Activity	AP Forecast Opening Balance 1 July 2021	Deposits for the period of the LTP	Withdrawals for the period of the LTP	Forecast Closing Balance 30 June 2041
		\$000	\$000	\$000	\$000
<b>Reserve Land Reserve</b> To hold funds derived from the sale of surplus reserve land to be spent on the future development of reserves under the Reserve Act.	Community Facilities and Services Activity	192	111	303	0
<b>Wairarawa Stream Walkway</b> To hold funding derived for the purpose of upgrading the walkway to be spent on the upgrade.	Community Facilities and Services Activity	56	33	-	89
<b>Road Upgrade Reserve</b> To fund transport network improvements as approved by the Council, from the accumulated funds of the former Horowhenua County Council subdivision contributions to roading.	Land Transport/ Roads and Footpaths Activity	812	937	-	1,749
<b>Council created Reserves – Purpose of the Fund</b>					
<b>Financial and Capital contributions for Roading</b> To fund transport network improvements, from the accumulated funds from financial and capital contributions under the District Plan prior to Development Contributions regime.	Land Transport/ Roads and Footpaths Activity	89	102	-	191

	Activity	AP Forecast Opening Balance 1 July 2021	Deposits for the period of the LTP	Withdrawals for the period of the LTP	Forecast Closing Balance 30 June 2041
		\$000	\$000	\$000	\$000
<p><b>Financial and Capital contributions for Water Supplies</b></p> <p>To fund water supply improvement projects, from the accumulated funds from financial and capital contributions under the District Plan prior to Development Contributions regime.</p>	Water Supply Activity	590	681	-	1,271
<p><b>Financial and Capital contributions for Wastewater Schemes</b></p> <p>To fund Wastewater Scheme improvement projects, from the accumulated funds from financial and capital contributions under the District Plan prior to Development Contributions regime.</p>	Wastewater Activity	146	168	-	314
<p><b>Financial and Capital contributions for Parks and Reserves</b></p> <p>To fund Parks and Reserves improvement projects, from the accumulated funds from financial and capital contributions under the District Plan prior to Development Contributions regime.</p>	Community Facilities and Services Activity	680	396	817	259
<p><b>Election Fund</b></p> <p>To smooth the rating impact of election costs and fund any by-election</p>	Representation and Governance Activity	25	389	360	54
<p><b>Hockey Turf Replacement Fund</b></p> <p>To fund the replacement of the water turf at Donnelly Park on behalf of the Turf Trust.</p>	Community Facilities and Services Activity	313	957	125	1,145

	Activity	AP Forecast Opening Balance 1 July 2021	Deposits for the period of the LTP	Withdrawals for the period of the LTP	Forecast Closing Balance 30 June 2041
		\$000	\$000	\$000	\$000
<b>Shannon Rail Station</b> Set aside from grants to preserve the historic Shannon Railway Station.	Properties Activity	27	31	-	58
<b>Esplanade Fund</b> To provide a fund to construct or provide for possible public access ways to esplanade reserves created under the Resource Management Act.	Community Facilities and Services Activity	138	159	-	297
<b>Capital Projects Fund</b> To provide funds for strategic capital projects with the last \$250,000 as a disaster relief working capital fund.	All Activities	900	1,039	-	1,939
<b>Foxton Citizens Fund</b> To provide a fund for awards in recognition of community service in Foxton.	Community Support Activity	4	5	-	9
<b>Total</b>		<b>9,756</b>	<b>27,414</b>	<b>1,605</b>	<b>35,565</b>

# Benchmarks Disclosure Statement

## What is the purpose of this statement?

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

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

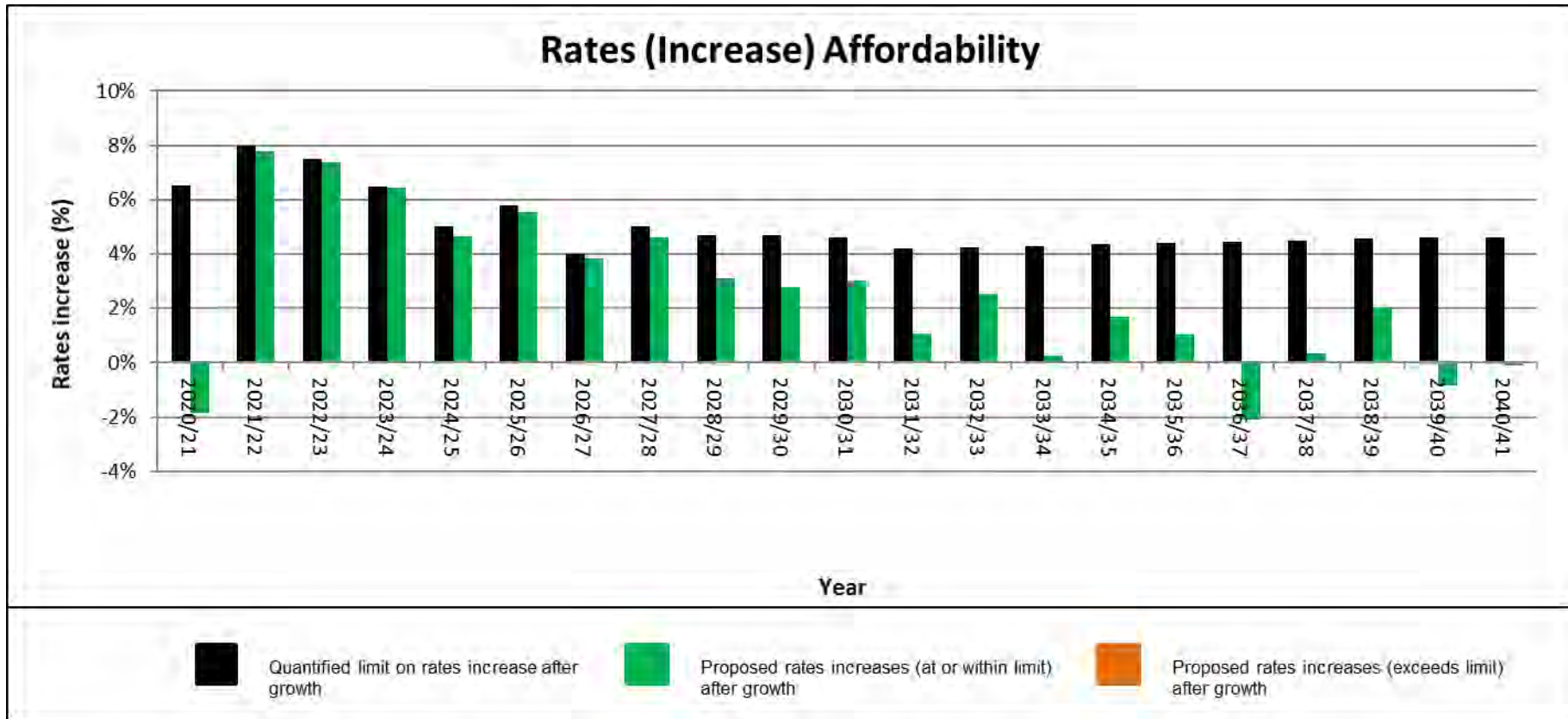
## Rates affordability benchmark

The council meets the rates affordability benchmark if -

- its planned rates income equals or is less than each quantified limit on rates; and
- its planned rates increases equal or are less than each quantified limit on rates increases.

## Rates (increases) affordability

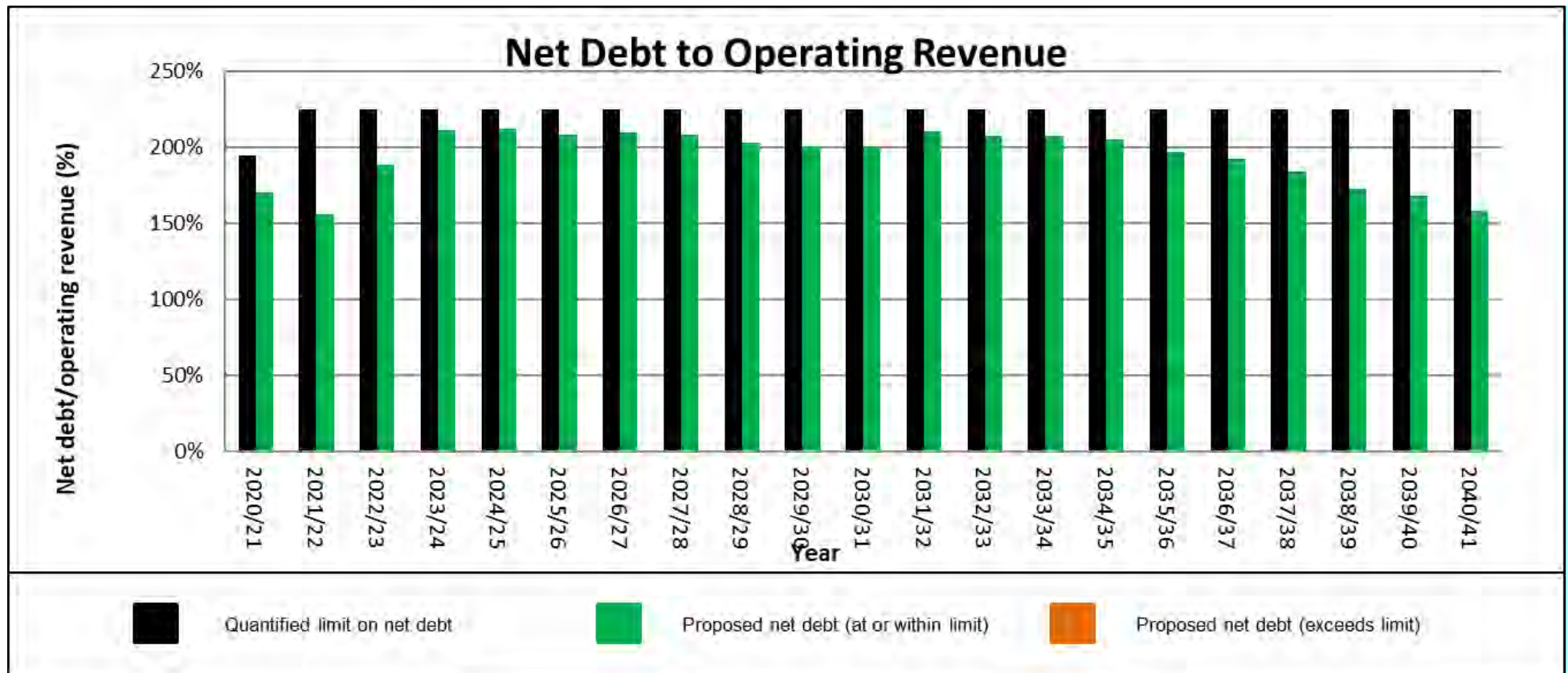
The following graph compares the council's planned rates increases with a quantified limit on rates increases contained the the financial strategy included in this long-term plan. The quantified limit is LGCI + 2%.



## Debt affordability benchmark

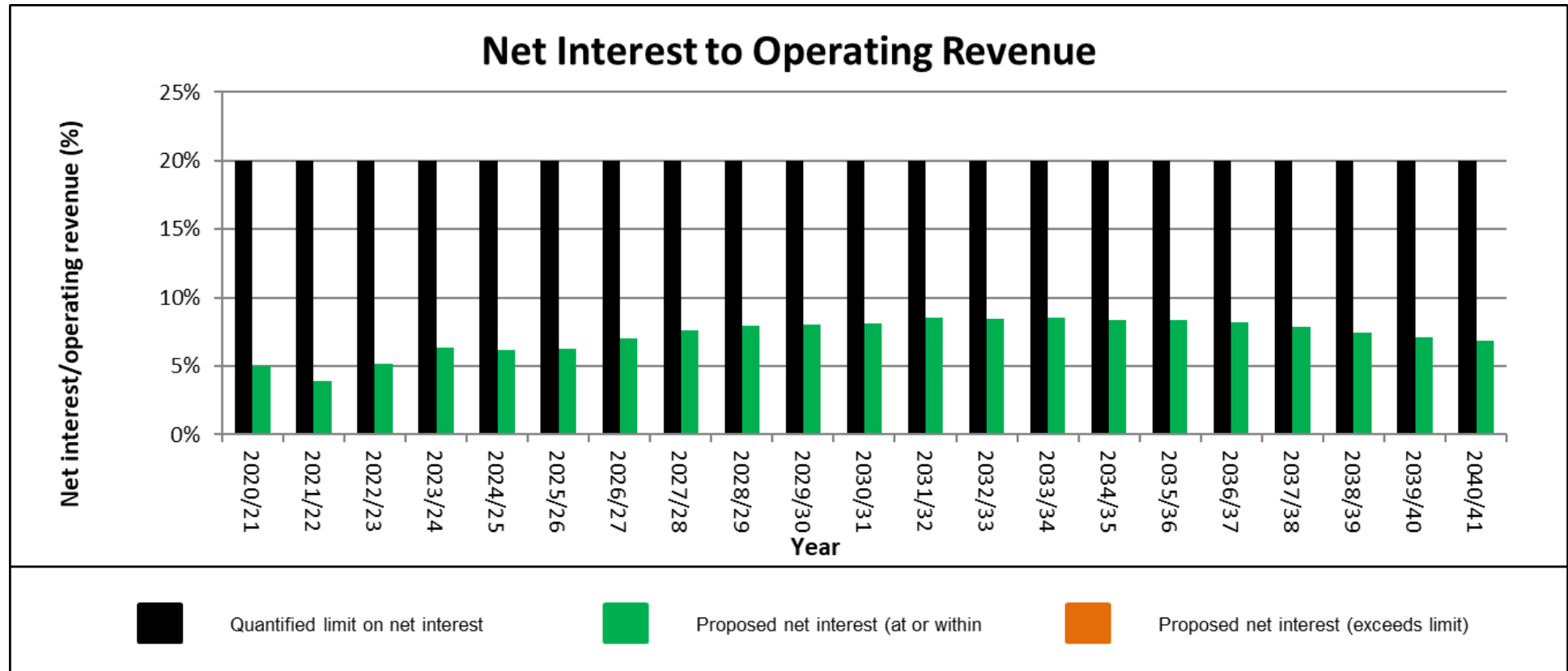
The council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing. The following graphs compares the council's planned debt with a quantified limit on borrowing contained the Financial Strategy included in this Long Term Plan. The quantified limits are:

- Net debt does not exceed 250% of operating revenue.
- Net annual interest costs do not exceed 20% of the total annual operating revenue.
- Net annual interest costs do not exceed 25% of the total annual rates revenue.

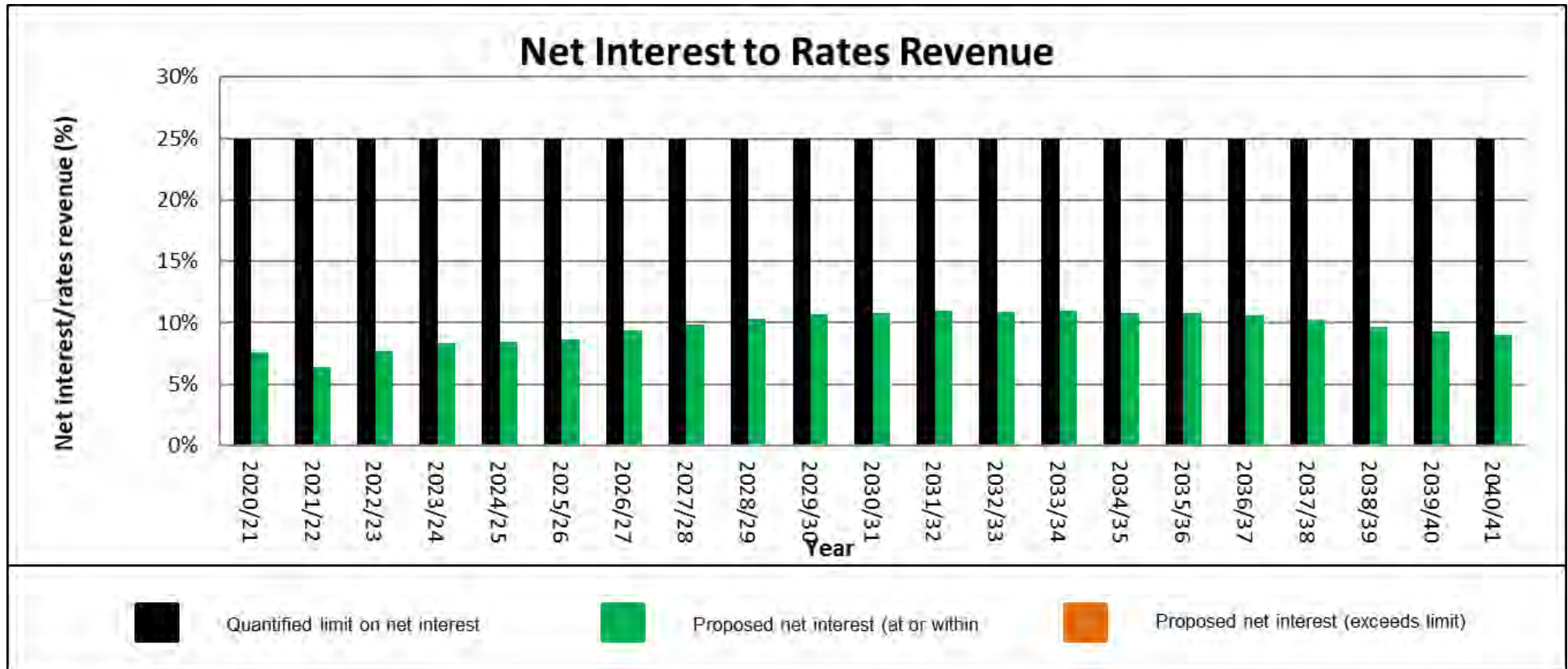




## Debt affordability benchmark



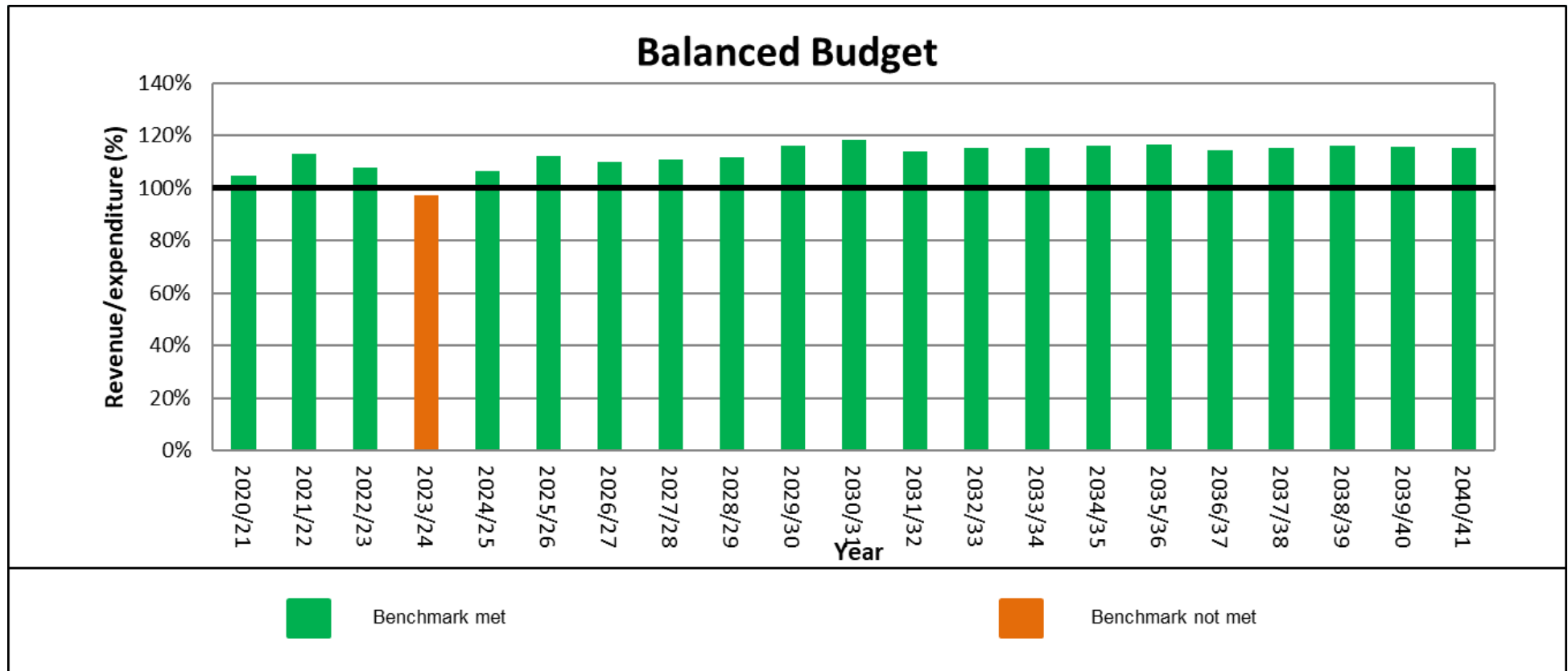
## Debt affordability benchmark



## Balanced budget benchmark

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

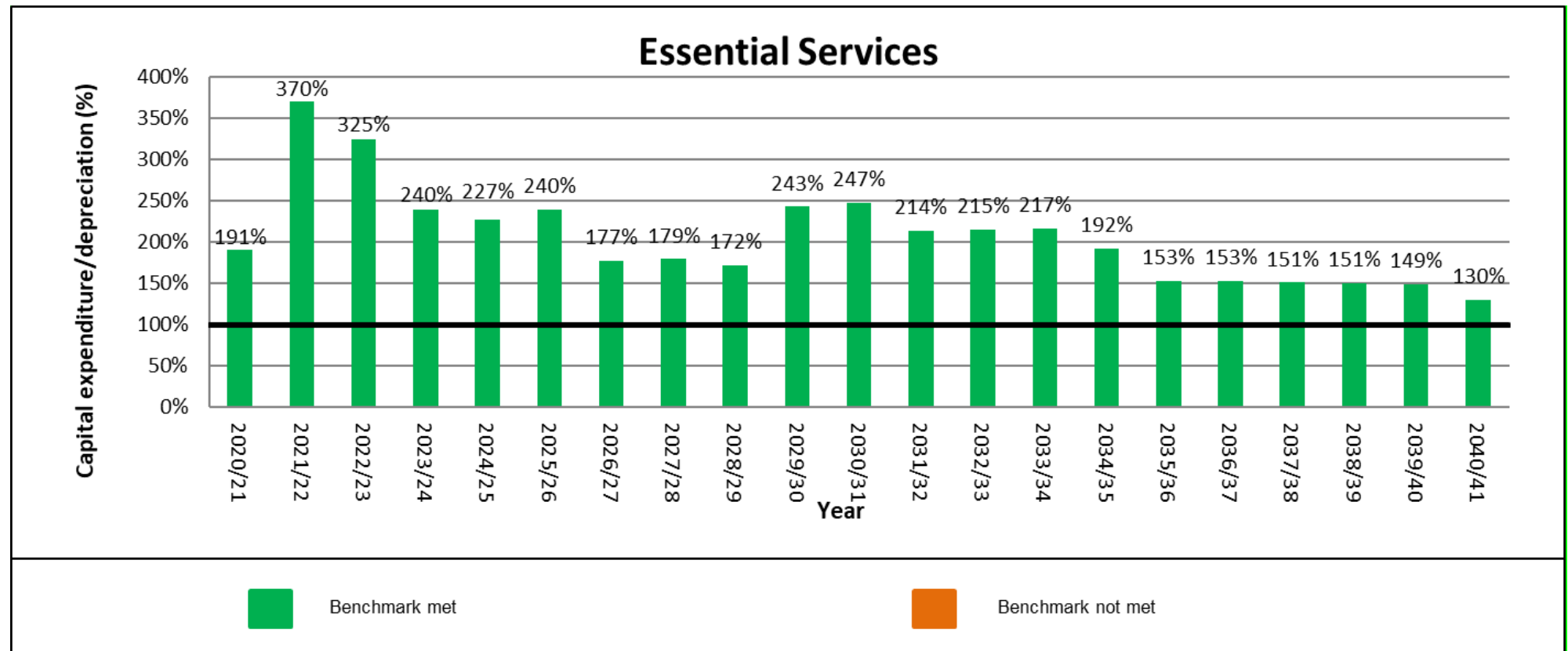
The council meets the balanced budget benchmark if its planned revenue equals or is greater than its planned operating expenses.



## Essential services benchmark

The following graph displays the council's planned capital expenditure on network services as a proportion of expected depreciation on network services.

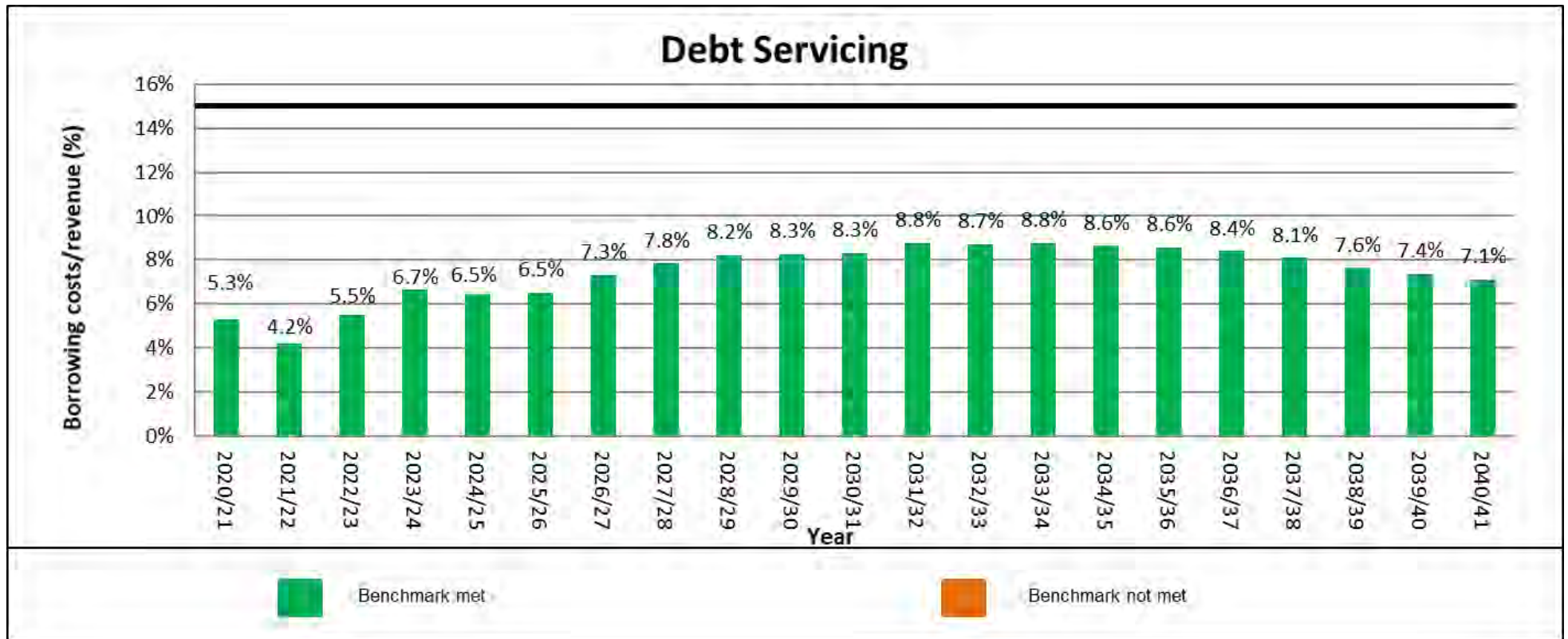
The council meets the essential services benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services.



## Debt servicing benchmark

The following graph displays the council's planned borrowing costs as a proportion of planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment).

Because Statistics New Zealand projects that the council's population will grow faster than the national population is projected to grow, it meets the debt servicing benchmark if its planned borrowing costs equal or are less than 15% of its planned revenue.



# Significant Forecasting Assumptions

Ngā Matapae Tāpua

# Significant Forecasting Assumptions

The table below identifies the Significant Forecasting Assumptions that Council has made for this Long Term Plan (LTP) and the risks and the level of uncertainty associated with each assumption as well as the potential effects/impact of this uncertainty.

1. Population Growth
2. Demographics
3. Household Growth
4. Household Occupancy
5. Legislative Changes
6. Three Waters Review
7. Pandemics (COVID19)
8. Climate Change
9. Property
10. Waka Kotahi NZTA Subsidy (Funding Assistance Rate)
11. Activity Management Plans
12. Useful Lives of Assets
13. Resource Consent Requirements
14. Availability of Contractors
15. Asset Revaluations
16. Ōtaki to North of Levin Expressway
17. External Funding / Revenue
18. Natural Hazards – Response and Recovery
19. Sources of Funds for Replacement of Significant Assets
20. Interest Costs
21. Funding Asset Renewals
22. Local Government Funding Agency
23. Investment Revenue
24. Inflation
25. Levin Landfill
26. Infrastructure Funding
27. Delivery of the Capital Expenditure Programme
28. Depreciation

# 1. Population Growth

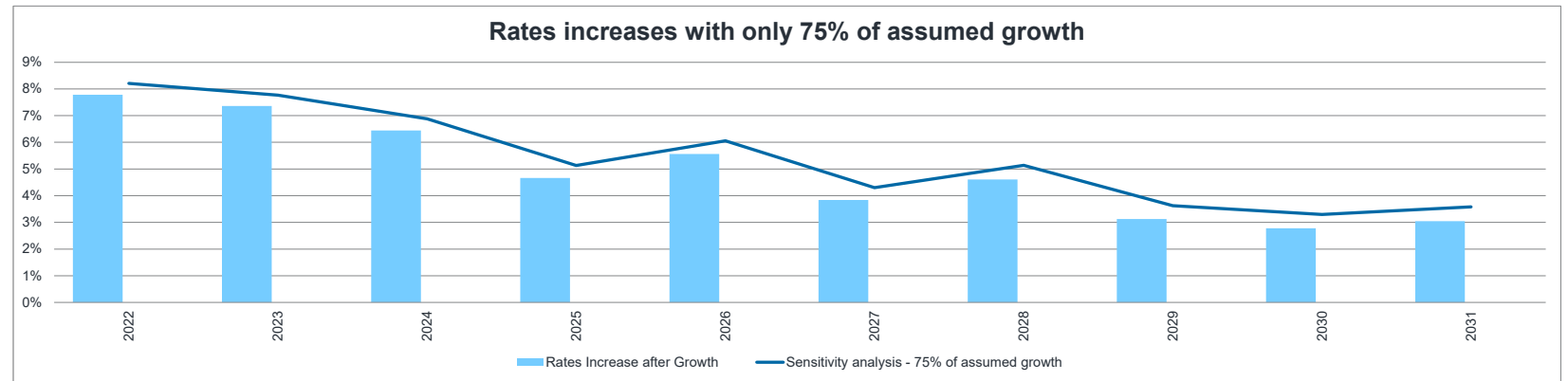
Assumption	Population growth is assumed at an average rate of 2.6% per year between 2021 and 2031 and 2.9% per year between 2031 and 2041.																																																																		
Detailed Forecasts	<p>Council has adopted the 95<sup>th</sup> percentile from the Horowhenua Socio-Economic Projections, prepared by Sense Partners.</p> <p>The 95<sup>th</sup> percentile projections identify the annual average population growth rate will be:</p> <p>2.6% per annum until 2031 2.9% per annum until 2041</p> <p>By June 2041 Horowhenua will have:</p> <p>A total population of 62,716. An increase of 26,008 people between June 2021 and June 2041.</p> <p>The socio-economic projections used have factored in the impact of the COVID-19 pandemic that may influence population growth, such as border closures and an economic shock.</p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr style="background-color: #4b4b8b; color: white;"> <th></th> <th></th> <th>Yr 1</th> <th>Yr 2</th> <th>Yr 3</th> <th>Yr 4</th> <th>Yr 5</th> <th>Yr 6</th> <th>Yr 7</th> <th>Yr 8</th> <th>Yr 9</th> </tr> </thead> <tbody> <tr style="background-color: #d3d3d3;"> <th>19/20</th> <th>20/21</th> <th>21/22</th> <th>22/23</th> <th>23/24</th> <th>24/25</th> <th>25/26</th> <th>26/27</th> <th>27/28</th> <th>28/29</th> <th>29/30</th> </tr> <tr> <td>35,887</td> <td>36,708</td> <td>37,532</td> <td>38,431</td> <td>39,360</td> <td>40,368</td> <td>41,444</td> <td>42,621</td> <td>43,810</td> <td>44,968</td> <td>46,202</td> </tr> <tr style="background-color: #d3d3d3;"> <th>Yr 10</th> <th>Yr 11</th> <th>Yr 12</th> <th>Yr 13</th> <th>Yr 14</th> <th>Yr 15</th> <th>Yr 16</th> <th>Yr 17</th> <th>Yr 18</th> <th>Yr 19</th> <th>Yr 20</th> </tr> <tr style="background-color: #d3d3d3;"> <th>30/31</th> <th>31/32</th> <th>32/33</th> <th>33/34</th> <th>34/35</th> <th>35/36</th> <th>36/37</th> <th>37/38</th> <th>38/39</th> <th>39/40</th> <th>40/41</th> </tr> <tr> <td>47355</td> <td>48,562</td> <td>49,905</td> <td>51,246</td> <td>52,792</td> <td>54,362</td> <td>55,674</td> <td>57,481</td> <td>59,010</td> <td>60,772</td> <td>62,716</td> </tr> </tbody> </table>			Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8	Yr 9	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	35,887	36,708	37,532	38,431	39,360	40,368	41,444	42,621	43,810	44,968	46,202	Yr 10	Yr 11	Yr 12	Yr 13	Yr 14	Yr 15	Yr 16	Yr 17	Yr 18	Yr 19	Yr 20	30/31	31/32	32/33	33/34	34/35	35/36	36/37	37/38	38/39	39/40	40/41	47355	48,562	49,905	51,246	52,792	54,362	55,674	57,481	59,010	60,772	62,716
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Risk	The population growth across the district occurs at a significantly different rate (much faster or slower) than assumed. The likelihood of this risk occurring is considered very likely. The rate of growth depends on many variables, most of which are outside of Council's control.																																																																		
Level of Uncertainty	Moderate / High																																																																		



If growth occurred at only 75% of what we are projecting, there would be the following impacts:

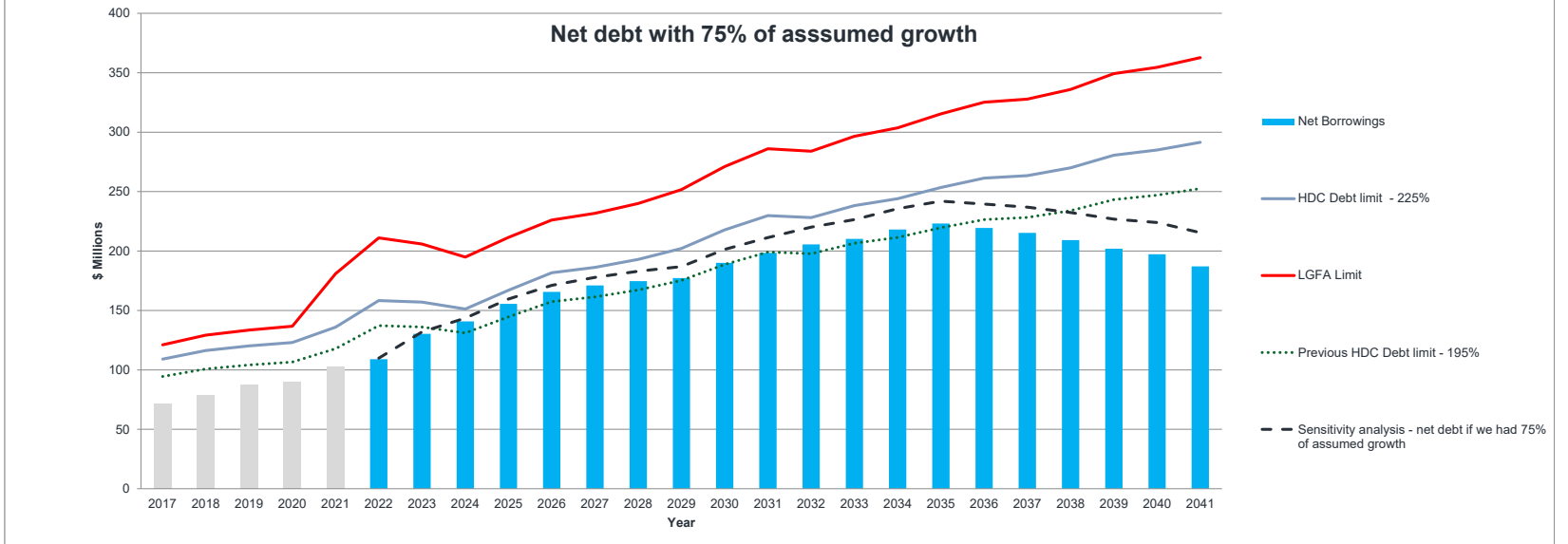
**Rates**

Because we set rates after growth, if growth is lower than expected, the rates increases for existing householders will be higher as there would be fewer households to share the increasing costs between.



**Debt**

If growth is lower than planned we would receive a lower level of contributions towards growth related expenditure. If this occurs then the Council would still be within its borrowings limit



Data Source

Sense Partners – Socio-Economic Projections Update Report May 2020  
 Horowhenua District Council

## 2. Demographics

Assumption	The majority of growth in the Horowhenua District's population will occur in the 15-39 years old range.																																																																								
Detailed Forecasts	<p>This assumption is based on the 95<sup>th</sup> percentile from the Horowhenua Socio-Economic Projections, prepared by Sense Partners.</p> <p>By June 2041, the age profile of the Horowhenua population will be:</p> <p>0-14 years old: 20.43%          15-39 years old: 28.32%          40-64 years old: 28.93%          65 years old or over: 22.32%</p> <p>Each age group will increase by the following number of people between June 2021 and June 2041:</p> <p>0-14 years old: 5,816          15-39 years old: 8,005          40-64 years old: 6,862          65 years old or over: 4,846</p> <p>The number of people in each age group each year is shown in the table below.</p> <table border="1" data-bbox="784 949 1769 1485"> <thead> <tr> <th>LTP Year</th> <th>Financial Year</th> <th>0-14 years</th> <th>15-39 years</th> <th>40-64 years</th> <th>65+ years</th> </tr> </thead> <tbody> <tr> <td></td> <td><b>19/20</b></td> <td>6,746</td> <td>9,329</td> <td>11,269</td> <td>8,981</td> </tr> <tr> <td></td> <td><b>20/21</b></td> <td>7,014</td> <td>9,329</td> <td>11,269</td> <td>8,981</td> </tr> <tr> <td><b>Yr 1</b></td> <td><b>21/22</b></td> <td>7,014</td> <td>9,786</td> <td>11,309</td> <td>9,176</td> </tr> <tr> <td><b>Yr 2</b></td> <td><b>22/23</b></td> <td>7,513</td> <td>10,536</td> <td>11,550</td> <td>9,509</td> </tr> <tr> <td><b>Yr 3</b></td> <td><b>23/24</b></td> <td>7,777</td> <td>10,874</td> <td>11,629</td> <td>9,752</td> </tr> <tr> <td><b>Yr 4</b></td> <td><b>24/25</b></td> <td>8,036</td> <td>11,208</td> <td>11,756</td> <td>9,975</td> </tr> <tr> <td><b>Yr 5</b></td> <td><b>25/26</b></td> <td>8,363</td> <td>11,550</td> <td>11,892</td> <td>10,231</td> </tr> <tr> <td><b>Yr 6</b></td> <td><b>26/27</b></td> <td>8,676</td> <td>11,906</td> <td>12,041</td> <td>10,497</td> </tr> <tr> <td><b>Yr 7</b></td> <td><b>27/28</b></td> <td>9,015</td> <td>12,208</td> <td>12,249</td> <td>10,771</td> </tr> <tr> <td><b>Yr 8</b></td> <td><b>28/29</b></td> <td>9,378</td> <td>12,511</td> <td>12,467</td> <td>11,027</td> </tr> <tr> <td><b>Yr 9</b></td> <td><b>29/30</b></td> <td>9,708</td> <td>12,824</td> <td>12,776</td> <td>11,250</td> </tr> </tbody> </table>	LTP Year	Financial Year	0-14 years	15-39 years	40-64 years	65+ years		<b>19/20</b>	6,746	9,329	11,269	8,981		<b>20/21</b>	7,014	9,329	11,269	8,981	<b>Yr 1</b>	<b>21/22</b>	7,014	9,786	11,309	9,176	<b>Yr 2</b>	<b>22/23</b>	7,513	10,536	11,550	9,509	<b>Yr 3</b>	<b>23/24</b>	7,777	10,874	11,629	9,752	<b>Yr 4</b>	<b>24/25</b>	8,036	11,208	11,756	9,975	<b>Yr 5</b>	<b>25/26</b>	8,363	11,550	11,892	10,231	<b>Yr 6</b>	<b>26/27</b>	8,676	11,906	12,041	10,497	<b>Yr 7</b>	<b>27/28</b>	9,015	12,208	12,249	10,771	<b>Yr 8</b>	<b>28/29</b>	9,378	12,511	12,467	11,027	<b>Yr 9</b>	<b>29/30</b>	9,708	12,824	12,776	11,250
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		<b>Yr 11</b>	<b>31/32</b>	10,302	13,415	13,520	11,723
		<b>Yr 12</b>	<b>32/33</b>	10,621	13,728	13,894	11,981
		<b>Yr 13</b>	<b>33/34</b>	10,994	14,059	14,303	12,245
		<b>Yr 14</b>	<b>34/35</b>	11,221	14,540	14,743	12,504
		<b>Yr 15</b>	<b>35/36</b>	11,444	15,016	15,203	12,759
		<b>Yr 16</b>	<b>36/37</b>	11,698	15,504	15,697	13,017
		<b>Yr 17</b>	<b>37/38</b>	11,920	16,076	16,243	13,271
		<b>Yr 18</b>	<b>38/39</b>	12,180	16,626	16,852	13,518
		<b>Yr 19</b>	<b>39/40</b>	12,536	17,166	17,500	13,781
		<b>Yr 20</b>	<b>40/41</b>	12,830	17,791	18,171	14,022
<b>Risk</b>	Population growth in different age groups is substantially different from what is assumed.						
<b>Level of Uncertainty</b>	Low - Moderate						
<b>Financial impact</b>	<p>If there is a greater increase in the younger age ranges there could be increased demand for facilities or services that are targeted to the needs of a younger population (e.g. playgrounds or aquatic facilities) and increased demand on Council's infrastructure (as younger demographics are more likely to have more people living in each house). A higher level of demand on infrastructure could result in Council needing to replace or upgrade assets faster than anticipated and this may mean a need to reprioritise spending, increase rates or increase debt.</p> <p>If there is a greater increase in the older ranges than anticipated then this could increase pressure for facilities or services that are targeted more specifically to the needs of an ageing population (e.g. a hydrotherapy pool or library services) which would mean that Council would either need to reprioritise funds from other projects, increase rates, or borrow to pay for these facilities or services.</p>						
<b>Data Source</b>	Sense Partners – Socio-Economic Projections Update Report May 2020						

### 3. Household Growth

Assumption	There will be an increase of 11,209 dwellings in the Horowhenua District between June 2021 and June 2041.																																										
Detailed Forecasts	<p>This assumption is based on the 95<sup>th</sup> percentile from the Horowhenua Socio-Economic Projections, prepared by Sense Partners.</p> <p>The district is assumed to have 16,606 dwellings at June 2021. This figure is based on;</p> <p>Census 2018: 15,804 dwellings,          Building consents issued for 2018/2019: 271          Building consents issued for 2019/2020: 266          Forecast<sup>1</sup> for 2020/2021: 265</p> <p>It is assumed the Dwelling Occupancy Rate for the District will be approximately 90%. The dwelling occupancy rate for the 2018 Census was 85%. However, due to the District’s rapid growth, an assumed increase in permanent residents at the coastal settlements and increased pressure on housing the number of dwellings occupied is anticipated to increase.</p> <p>There will be an additional 11,209 dwellings required between June 2021 and June 2041 (a total of 27,815 dwellings). Of the total number of dwellings in the district by June 2041, there will be;</p> <p>Occupied: 25,033          Unoccupied: 2,703</p> <p>This growth will result in an average number of dwellings being constructed per year as follows:</p> <p>2021 – 2031: 434          2031 – 2041: 686</p> <p>The table below shows the forecasted number of dwellings (occupied and unoccupied) for the life of this LTP.</p>																																										
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;"></th> <th style="width: 10%;"></th> <th style="width: 10%;"></th> <th style="width: 10%;"></th> <th style="width: 10%;"></th> <th style="width: 10%;"></th> <th style="width: 10%;"></th> <th style="width: 10%;"></th> <th style="width: 10%;"></th> <th style="width: 10%;"></th> <th style="width: 10%;"></th> </tr> <tr> <th></th> <th></th> <th style="background-color: #2c3e50; color: white;">Yr 1</th> <th style="background-color: #2c3e50; color: white;">Yr 2</th> <th style="background-color: #2c3e50; color: white;">Yr 3</th> <th style="background-color: #2c3e50; color: white;">Yr 4</th> <th style="background-color: #2c3e50; color: white;">Yr 5</th> <th style="background-color: #2c3e50; color: white;">Yr 6</th> <th style="background-color: #2c3e50; color: white;">Yr 7</th> <th style="background-color: #2c3e50; color: white;">Yr 8</th> <th style="background-color: #2c3e50; color: white;">Yr 9</th> </tr> </thead> <tbody> <tr> <td colspan="11" style="height: 100px;"></td> </tr> </tbody> </table>																								Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8	Yr 9											
		Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8	Yr 9																																	

<sup>1</sup> Based on the average of building consents issued for the past 3 years.

<b>19/20</b>	<b>20/21</b>	<b>21/22</b>	<b>22/23</b>	<b>23/24</b>	<b>24/25</b>	<b>25/26</b>	<b>26/27</b>	<b>27/28</b>	<b>28/29</b>	<b>29/30</b>
16,341	16,606	16,958	17,299	17,668	18,073	18,508	18,932	19,426	19,906	20,414
<b>Yr 10</b>	<b>Yr 11</b>	<b>Yr 12</b>	<b>Yr 13</b>	<b>Yr 14</b>	<b>Yr 15</b>	<b>Yr 16</b>	<b>Yr 17</b>	<b>Yr 18</b>	<b>Yr 19</b>	<b>Yr 20</b>
<b>30/31</b>	<b>31/32</b>	<b>32/33</b>	<b>33/34</b>	<b>34/35</b>	<b>35/36</b>	<b>36/37</b>	<b>37/38</b>	<b>38/39</b>	<b>39/40</b>	<b>40/41</b>
20,951	21,497	22,055	22,655	23,308	23,951	24,638	25,384	26,175	26,981	27,815

Where will the growth occur?

Residential 85% of growth

Rural 15% of growth

Location	Residential (75%)	Greenbelt Residential (25%)	Combined (85%)	Number per year 2021 – 2031	Number per year 2031 – 2041
Levin	64.5%	37.5%	51.8%	213	337
Foxton Beach	10.0%	15.0%	10.0%	42	66
Foxton	5.5%	6.5%	7.5%	21	34
Waitārere	7.0%	8.0%	10.5%	27	42
Ōhau	2.0%	25.0%	7.6%	29	45
Waikawa	1.0%	2.0%	4.6%	5	7
Manakau	5.0%	5.0%	3.9%	18	29
Shannon	3.5%	0.0%	3.4%	10	15
Tokomaru	1.0%	1.0%	0.4%	4	6
Hōkio Beach	0.5%	0.0%	0.4%	1	2
Rural	15%			65	103
<b>Total</b>				<b>434</b>	<b>686</b>

Risk

The future growth in the number of dwellings and the location of the new dwellings varies substantially (much higher/lower).

Level of Uncertainty

Moderate / High

Financial impact

Lower level of growth

	<p>A lower level of growth in the number of dwellings would result in higher rates increases, as the total rates income would be split across less properties. This would have a flow on effect of either increasing the cost of rates per ratepayer for the delivery of services, or Council would need to fund some services and/or planned projects through loans, or it would need to reprioritise some of the planned projects.</p> <p><i>The implication for rates and debt if population growth was only 75% of what is assumed is shown in the population growth assumption.</i></p> <p><u>Higher level of growth</u></p> <p>A higher level of growth would increase demand for services and could mean that services need replacing or upgrading earlier than anticipated, however, Council would have a larger rate base to collect rates from to fund the replacement/upgrade of services. Higher than anticipated growth in one part of the District could require upgrading and renewal projects to be prioritised over other parts of the District.</p>
Data Source	<p>Sense Partners – Socio-Economic Projections Update Report May 2020</p> <p>Horowhenua District Council</p> <p>Statistics New Zealand Census 2018</p>

## 4. Household Occupancy

Assumption	The average number of occupants per dwelling will be 2.5 over the life of the LTP.
Detailed Forecasts	<p>This assumption is based on the 95<sup>th</sup> percentile from the Horowhenua Socio-Economic Projections, prepared by Sense Partners.</p> <p>By 2041: 25,033 occupied dwellings x 2.5 people per house = 62,583*.</p> <p>*Note; this is 133 less people than the assumed population which is 62,716 due to rounding for the average number of people per dwelling.</p>
Risk	The average number of occupants per household varies substantially (significantly higher or lower) than assumed.
Level of Uncertainty	Low to Moderate
Financial impact	<p>A lower average number of occupants per dwelling could result in there being a reduction in the demand for services and facilities. This could mean that some of the planned upgrade or replacement of assets may be able to be delayed and this could result in a reduction in rates or Council borrowing. It could result in more land for housing being required to meet the housing needs of the anticipated population growth.</p> <p>A higher average number of occupants per dwelling would result in an increase in demand for services and could mean that services may need replacing or upgrading earlier than anticipated. Council may have to increase rates or borrowing more than assumed to fund the replacement and/or upgrade of these services and facilities. It could result in less land for housing being required to meet the housing needs of anticipated population growth.</p>
Data Source	Sense Partners – Socio-Economic Projections Update Report May 2020



## 5. Legislative Changes

Assumption	Changes in legislation will not significantly affect Council's finances or Levels of Service.
Detailed Forecasts	<p>There are a number of upcoming legislative changes that Council is aware of. These include:</p> <p><u>Resource Management Reform</u></p> <p>Current known changes incorporated into the Long Term Plan budgets include implementation of the National Planning Standards, National Policy Statement on Urban Development, the National Policy Statement for Indigenous Biodiversity and the National Policy Statement for Freshwater.</p> <p>Further national direction is anticipated (National Policy Statement on Highly Productive Soils), in addition to comprehensive review of the resource management system.</p> <p><u>Building (Building Products and Methods, Modular Components, and Other Matters) Amendment Bill</u></p> <p>May require changes to the Building Consent Authority's systems, policies, procedures and processes in relation to buildings constructed from modular components.</p> <p><u>Kainga Ora – Urban Development Act 2020</u></p> <p>The Urban Development Act enables Kainga Ora to initiate, facilitate or undertake urban development. They can request bylaw changes, request Council incorporates maps into planning processes, may transfer consenting functions for specific developments and can require Council to set targeted rates for specified development projects.</p> <p><u>Infrastructure Funding and Financing Act 2020</u></p> <p>To provide a funding and financing model for the provision of infrastructure and housing. The Act enables the imposition of a levy via an Order in Council to fund eligible costs related to eligible infrastructure.</p> <p><u>Local Government (Rating of Whenua Maori) Amendment Bill</u></p> <p>The Bill proposes to extend non-rateable categories of land.</p> <p><u>Burial and Cremation Act 1964 Review</u></p> <p>If proposed changes are progressed this could make Council responsible for managing monuments, imposing maintenance standards at cemeteries, requiring Council to maintain cemeteries where managers declare they are 'no longer in the cemetery business', requiring Council to prepare cemetery management plans, making Council responsible for managing disinterment's, and making Council responsible for agreeing to and overseeing crematoriums.</p>

	<p><u>Water Services Bill 2020</u></p> <p>Proposes to reform the drinking water regulatory system, with targeted reforms to improve the regulation and performance of wastewater and stormwater networks. The bill proposes requirements such as the duty to supply safe water, duty to provide sufficient drinking water, the requirements for water safety plans and the risk assessment and monitoring of source water.</p> <p>There could be further changes in legislation, currently unknown at this stage that could have an impact on Council's finances or levels of service. Council Officers will closely monitor future changes to legislation.</p> <p><i>Note: The assumption around the 3 Waters Review is provide separately.</i></p>
Risk	<p>Whilst we have a good understanding of the implications that the recent amendments to legislation are likely to have for Council in the near future, there is uncertainty about what amendments might be made in the future. This LTP covers a period of 20 years and with this comes less certainty as there could be changes in government or other contributing factors that result in amendments being made to legislation.</p> <p>Such amendments could require Council to implement legislative changes to its plans, bylaws, regulatory processes and/or infrastructure requirements. There is uncertainty around the likely cost implications and timing to undertake such changes although there is high expectation that the implementation requirements would fall within the 20 year life of this LTP.</p>
Level of Uncertainty	Moderate
Financial impact	Changes in legislation may result in a requirement to increase Levels of Service, implement policy, and regulatory changes which may not have been foreseen or accurately budgeted for. Some changes could require additional funding from rates or an increase in fees and charges to implement the legislative changes as directed and within the required timeframes.
Data Source	Horowhenua District Council

## 6. Three Waters Review

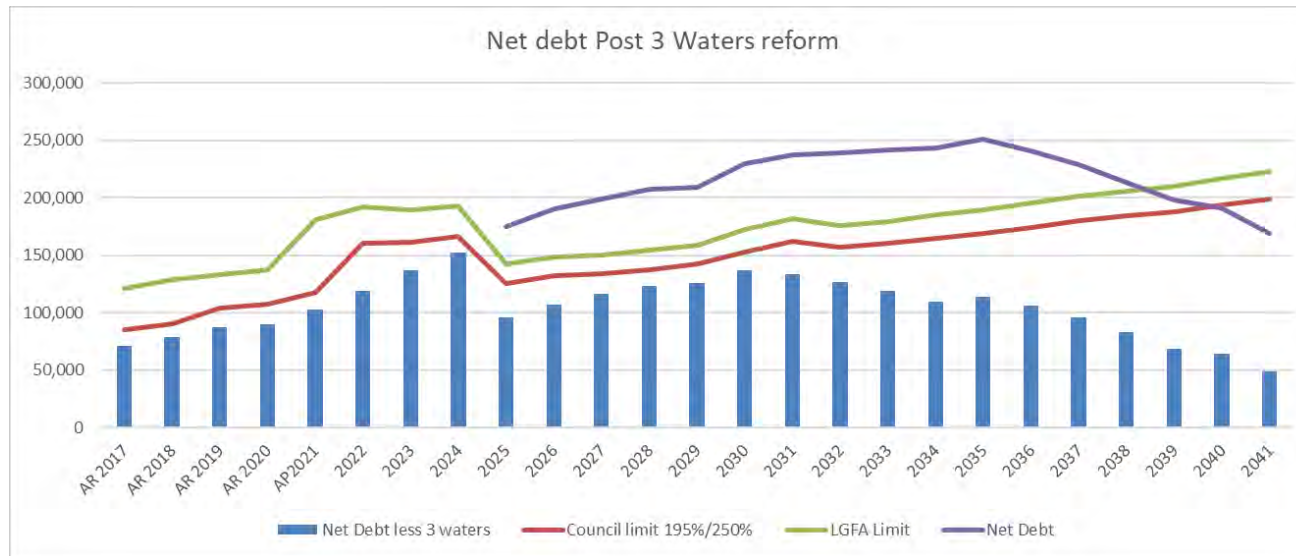
Assumption	Council will retain ownership and management of its three waters assets for the life of the Long Term Plan.
Detailed Forecasts	<p>The Three Waters Reform Programme has been developed by Central Government to transform the delivery of the three waters services across New Zealand. Most recently, this has seen the creation of Taumata Arowai, the new water services regulator. The Government is proposing the creation of multi-regional entities to take over the delivery of the three waters functions from local government.</p> <p>The timeframes for the reform have been identified as follows:</p> <p>2021</p> <ul style="list-style-type: none"> <li>• Sector and iwi/Māori engagement on options.</li> <li>• Cabinet makes decision on suite of reform proposals.</li> <li>• Public communication about proposals.</li> <li>• Councils make decisions about participation in the reforms (September – December).</li> </ul> <p>2022</p> <ul style="list-style-type: none"> <li>• Preparation for the formation of water services entities.</li> </ul> <p>2023</p> <ul style="list-style-type: none"> <li>• Preparation for operation of new water services entities</li> </ul>
Risk	Large scale entities will be set up to take over the three waters assets for the Horowhenua District.
Level of Uncertainty	High
Financial impact	<p>If large scale entities are created that take over the three waters assets for the Horowhenua District, there will be significant impact on Council's finances, requiring an amendment to the LTP.</p> <p><b>Scenario 1 – transfer of 3 waters assets and debt to the multi-regional agency before 30 June 2024 (local body elections).</b></p> <p>Under this scenario Council would transfer its assets and debt to the multi-regional agency before 30 June 2024. Council would no longer fund this asset meaning significant changes to Council's budgets for; capital and operational expenditure, debt servicing, overhead costs, employee expenses, equipment.</p> <p>The effects of this change are outlined below:</p> <p>Total <b>debt</b> associated with 3 Waters June 2025: \$78,670,503.00</p> <p>Total <b>income</b> associated with 3 Waters June 2025: \$ 23,235,968.00</p>

Total **expenditure** associated with 3 Waters June 2025: \$21,317,237.00

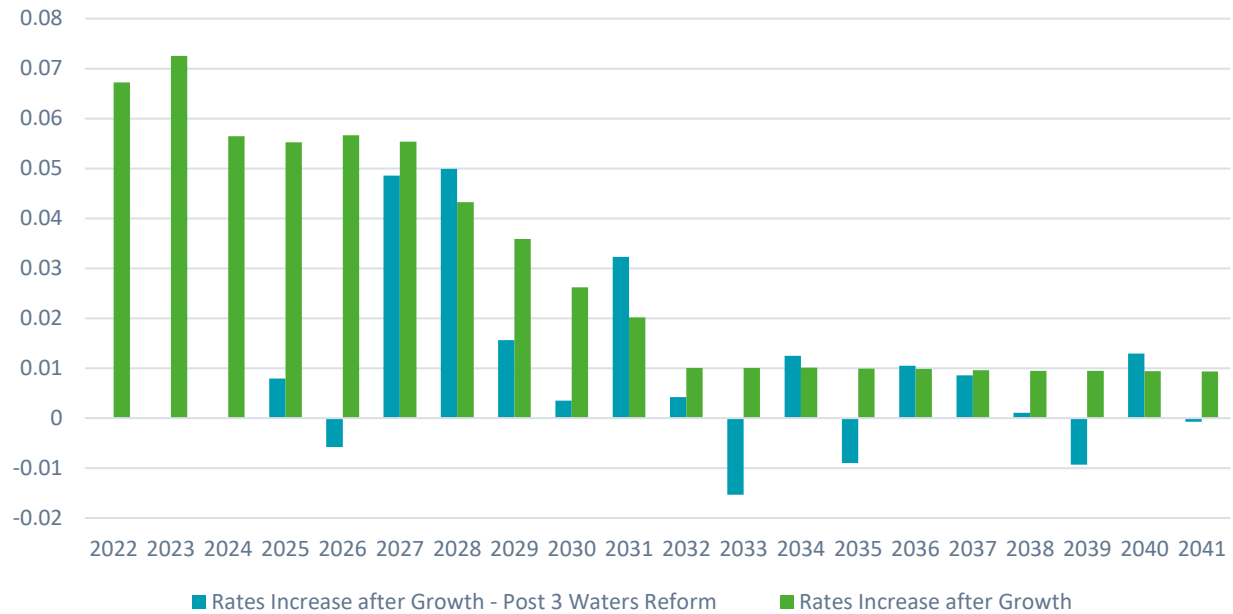
Total **value** of 3 Waters Infrastructure Assets June 2025: \$284,758,008.27

Total **Rates** associated with 3 Waters June 2025: \$20,177,274.00

**Rates increase** without 3 waters 2024/25 financial year would reduce to 2.6%



Rate increases Post 3 Waters Reform



Data Source

Department of Internal Affairs  
 Horowhenua District Council

## 7. Pandemics (COVID-19)

Assumption	<p>There will be no pandemics (including the current COVID-19 pandemic) requiring the implementation of Alert Level 2 to 4 restrictions for the purpose of the forecast budgets.</p>
Detailed Forecasts	<p>There has been no assumed reduction in revenue or increases in expenses associated with the current COVID-19 pandemic or any future pandemics.</p> <p>The New Zealand response to the worldwide COVID-19 pandemic resulted in an Alert level system being introduced that has increasing levels of restrictions. Council's previous response to these restrictions is outlined below.</p> <p><u>In Alert Level 1</u></p> <p>All Council services are <b>operational</b> (rubbish and recycling, water supply, wastewater, stormwater, governance and decision-making, civil defence and emergency management, parks, reserves, cemeteries, playgrounds, public toilets, library services, swimming pools, community centres, animal control, planning, regulatory licensing and compliance, building consents, noise control, roading, parking, strategic planning, finance and information management).</p> <p><u>In Alert Level 2</u></p> <p>All Council services are <b>operational</b> (rubbish and recycling, water supply, wastewater, stormwater, governance and decision-making, civil defence and emergency management, parks, reserves, cemeteries, playgrounds, public toilets, library services, swimming pools, community centres, animal control, planning, regulatory licensing and compliance, building consents, noise control, roading, parking, strategic planning, finance and information management).</p> <p>Maximum 100 people at one time at council facilities to maintain safe distancing. Some restrictions in place to ensure safe distancing and contact tracing. Increased cleaning is in place.</p> <p><u>In Alert Level 3</u></p> <p>All customer service and contact centres are closed to walk-ins, service operating remotely. The following services are <b>operational</b>, although may be occurring remotely; kerbside rubbish and recycling collection, waste transfer stations open, but not accepting recycling, water supply, wastewater and stormwater services, civil defence and emergency management, Council, Foxton Community Board and committees of Council meeting remotely, parks, reserves and cemeteries, noise control, roading services, information management, strategic planning, community development, finance, online library services, planning consents, regulatory, licencing and compliance, building consents, The following are <b>closed</b>; playgrounds, sports grounds and most public toilets, Aquatic Centres, parking services, community halls.</p> <p><u>In Alert Level 4</u></p>

All customer service and contact centres are **closed** to walk-ins, service operating remotely.

The following services are **operational**, although may be occurring remotely; kerbside rubbish collection, water supply, wastewater and stormwater, civil defence and emergency management, parks reserves and cemeteries, litter bins, online library services, animal control, processing planning consents and building consents, noise control, roading services, finance, community development, strategic planning, information management.

The following services are **closed**; kerbside recycling collection, waste transfer stations, playgrounds, public toilets, mowing and general maintenance, Aquatic Centres, building inspections, planning site visits.

Data from infometrics shows that Horowhenua's economy is showing clear signs of bounce back after the lockdown induced slump in the June 2020 quarter. There is a provisional estimate of GDP growth of 1.5% in the September 2020 quarter, compared with the same quarter in 2019.

Over the 12 months to September 2020, GDP declined by 1.1%, compared to a decline of 3.3% nationally.

Growth in consumer spending shows evidence of economic recovery. Spending in the September quarter was up 6.3% compared to the same quarter in 2019.

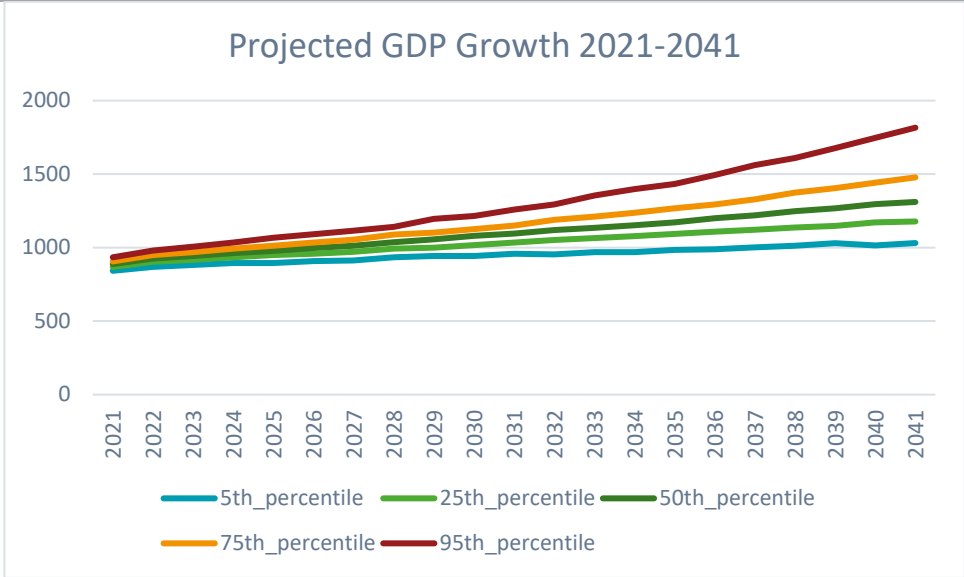
Horowhenua has benefitted from Wellington commuters spending more time working from home and spending more locally.

The Horowhenua housing market is under pressures, with the average house value for the 12 months to September 2020 increasing to \$432,851, up 17% compared to the previous 12 months. More than 250 houses were sold in Horowhenua in the September quarter which is the highest level since 2016. Although the number of residential building consents issued in Horowhenua dropped below 50 in the September quarter (compared to a quarterly average of about 70 over the past three years) it is anticipated the number will rise again due to rocketing house values.

Non-residential building consents are running at a level nearly double the 10-year average.

Horowhenua's agriculture and food processing sectors are a key source of strength in the district. The district's dairy farmers are expected to reap \$120m this coming season, down slightly from \$127m last season.

Sense Partners has projected slow GDP growth for the district over the next 20 years as shown by the figure below.



**Risk**

If New Zealand increases its alert level, Council may incur additional costs or lose potential revenue. Decisions made by the Government such as the decision through Waka Kotahi NZTA to provide an extension for vehicle registrations and Warrant of Fitness can impact on the revenue for Council.

**Level of Uncertainty**

High

**Financial impact**

It is anticipated that further Level 3 & 4 Alert level restrictions would have a minimal financial impact for Council. The financial impact in 2020 was approximately \$200,000 to \$300,000 from a decrease in revenue from public facing activities - Aquatics, Libraries, Resource Planning, Parking and Community Centres. There was no effect on rates revenue collection, assets valuations, and treasury management. Some subsidised capital roading projects were delayed.

**Data Source**

Horowhenua District Council  
 Infometrics



## 8. Climate Change

Assumption	<p>It is assumed that climate change will occur in line with the atmospheric projections based on simulations undertaken for the International Panel on Climate Change's (IPCC) 5<sup>th</sup> Assessment. Climate change will affect the Horowhenua District in a range of ways, including by an increase in temperature, change in annual precipitation patterns and rising sea levels.</p> <p>It is assumed there will not be significant impacts to Council's activities or the community as a result of climate change.</p>
Detailed Forecasts	<p>The National Institute of Water and Atmospheric Research (NIWA) has predicted the following changes in temperature, precipitation (rainfall) and sea level rise using the Intergovernmental Panel on Climate Change (IPCC)'s 5<sup>th</sup> Assessment.</p> <p>Representative Concentration Pathways (RCPs) have been developed by the IPCC to represent different climate change mitigation scenarios, from a low emissions, effective mitigation scenario (RCP2.6) through to a high scenario (RCP8.5). An additional scenario is provided for sea level rise based on the 83<sup>rd</sup> percentile of RCP8.5 (upper end of the likely range) to cover the possibility of polar ice sheet instabilities not factored into the IPCC projections.</p> <p><b>Temperatures</b> in the Manawatū-Whanganui Region could increase by an annual mean of between 0.7°C (RCP 2.6) and 1.1°C (RCP 8.5) at 2040 (2031-2050 average);</p> <p>Projected changes in <b>precipitation</b> for 2040 (2031-2050 average relative to 1986-2005 average):</p> <p>The annual change for Foxton, Levin, Shannon and the Tararua Ranges is between 1% (RCP 2.6) and 2% (RCP 8.5). Projected changes in precipitation vary seasonally (and between RCPs 2.6 and 8.5, and between Levin, Foxton and Shannon) with slight decreases projected for summer (-1% to 0%), autumn (1% to 0%) and spring (1% to 2%), and an increase projected for winter (4% to 7%). Projected changes in precipitation vary seasonally (and between RCPs 2.6 and 8.5) for the Tararua Ranges with slight decreases projected for summer (-2% to 0%), autumn (2% to 1%) and spring (0% and 2%), and an increase projected for winter (3% to 6%).</p> <p><b>Extreme rainfall intensity</b> events are likely to increase.</p> <p>Short duration rare events increase in intensity by ~14% per degree of warming for a 1 hour, 1 in 100 year event.</p> <p>By 2041 <b>sea level rise</b> (relative to 1986-2005) for New Zealand is projected to be under 0.3 metres. The approximate years when specific sea level rise increments (metres above 1986-2005 baseline) could be reached for New Zealand are provided in the table below up to a 1.0m metre sea level rise.</p>

Lea Level Rise (metres)	Year achieved for RCP8.5 (83%ile)	Year achieved for RCP8.5 (median)	Year achieved for RCP4.5 (median)	Year achieved for RCP2.6 (median)
0.3	2045	2050	2060	2070
0.4	2055	2065	2075	2090
0.5	2060	2075	2090	2110
0.6	2070	2085	2110	2130
0.7	2075	2090	2125	2155
0.8	2085	2100	2140	2175
0.9	2090	2110	2155	2200
1.0	2100	2115	2170	>2200

While climate change is not anticipated to have a significant impact on our district, Council is planning a number of projects in the three waters activities to increase our resilience to natural hazards and a changing climate including:

- Improving resilience in the water network \$0.5-\$1 million per annum.
- Taking into account potential impacts from climate change when planning or future water storage options for Levins wider project is \$18.3 million over the 30 year period (note: this cost is largely to increase capacity to supply a growing population).
- Improving resilience in the wastewater networks and wastewater treatment plants approximately \$0.2 million per annum.
- Implementing a programme of stormwater improvements in accordance with catchment management plans approximately \$200,000 per annum.
- Increased investment in active transport \$1 million per year for cycling and \$350,000 for walking, but only a \$40,000 per year increase to Council share due to co-funding by Waka Kotahi (note: this cost is largely driven by a low level of community use and satisfaction with the active transport infrastructure, rather than as a direct result of climate change).

*For further information on the challenge and our response to climate change see Council's Infrastructure Strategy.*

Risk

Climate change occurs at a different rate to what has been projected with greater or lesser implications for the Manawatū-Whanganui Region and the Horowhenua District.

Level of Uncertainty

Moderate to High

Financial impact

If climate change results in changes that are more significant or which occur sooner than currently projected then this could place strain on some of Council's core infrastructure, e.g. less rain may mean that some water supplies may not be sufficient in the driest months of the

	<p>year; or if there is an increase in heavy rainfalls then this could place additional pressure on Council's stormwater system. If infrastructure needs to be upgraded then this may result in unbudgeted expenditure which could result in an increase in borrowing, the use of Council reserves, or an increase in rates.</p>
<p>Data Source</p>	<p>NIWA – 'Climate Change and Variability – Horizons Region'. (September 2016)</p> <p>Horizons Regional Council – 'Climate Change Implications for the Manawatū-Whanganui Region'. (June 2019)</p>

## 9. Property

Assumption	<p>Council will continue the programme of disposing of 'non-core' property, where possible, by 2028.</p> <p>Earthquake-prone properties will be strengthened, or demolished where required unless identified for disposal as non-core assets.</p> <p>Property retained by Council for the delivery of core property activities, will be maintained in a fit for purpose condition.</p>
Detailed Forecasts	<p>Property portfolio will continue to be assessed as core/non-core and readied for sale as necessary.</p> <p>Where property is to be disposed of, Council will aim to achieve the best price possible given the specific set of circumstances.</p>
Risk	<p>Council disposes of more or less property than assumed above, or fails to achieve the appropriate sale prices given the specific set of circumstances, resulting in debt levels that are higher or lower than forecast. The likelihood of these risks occurring is considered unlikely*.</p>
Level of Uncertainty	<p>Moderate</p>
Financial impact	<p>If Council disposes of less property than forecast, or if it does not receive the expected income from sales given the specific set of circumstances, then debt and interest will be higher than forecast, and Council may need to rely on other funding sources to progress Council priorities that may otherwise have been funded through income generated by property sales. If sales do not occur as assumed then there may be ongoing operational and maintenance costs incurred that have not been budgeted.</p> <p>If Council disposes of more property than forecast, or if it receives higher income from sales than expected given the specific set of circumstances, then debt and interest will be lower than forecast, and Council may have greater capacity to progress Council priorities that may otherwise have been funded through debt funding or other sources.</p> <p>If Council does not dispose of its non-core property then it will need to borrow additional money to maintain them in a state 'fit for purpose'.</p>
Data Source	<p>Horowhenua District Council</p>

## 10.Waka Kotahi NZTA Subsidy (Funding Assistance Rate)

Assumption	<p>It is assumed that the roading Funding Assistance Rate (FAR) that Council receives from Waka Kotahi NZ Transport Agency (NZTA) will be:</p> <p>2021/22: 62%                  2022/23: 61%                  2023/24: 60%</p>
Detailed Forecasts	<p>Council received a subsidy of 62% (recalculated figure) of qualifying land transport activities from 1 July 2018 to 30 June 2021 in accordance with the 2018-2021 National Land Transport Programme (NLTP).</p> <p>Council also assumes that the updated Land Transport work programme will be approved by NZTA.</p>
Risk	<p>That NZTA revise the FAR subsidy when they review the National Land Transport Programme. The FAR is set every three years by NZTA as part of the National Land Transport Programme. The risk of a changed FAR rate increases over time.</p>
Level of Uncertainty	<p>2021/22 to 2023/24 – Low                  2025/26 to 2040/41 – Moderate</p>
Financial impact	<p>If NZTA does not approve the requested subsidy in any one year, then Council will have to either increase the funds available for non-subsidised road works which would result in an increase in rates or an increase in borrowing to what Council has initially projected. Alternatively Council would have to reduce the amount of road works that it had intended to undertake.</p> <p>If the FAR was increased there would be a positive financial impact on Council. If the FAR rate was reduced, there would be a negative financial impact on Council. Council would need to decide whether to increase the local share funding to retain the planned level of capital works, or reduce the capital works programme. An increase in the budget would be funded from either a rates increase and/or from increased borrowing.</p>
Data Source	<p>Waka Kotahi NZTA                  Horowhenua District Council</p>

# 11. Activity Management Plans

Assumption	The timing and cost of capital projects and operating costs are undertaken in accordance with the Activity Management Plans for Water, Wastewater, Stormwater, Land Transport (Roads and Footpaths), Solid Waste, Community Infrastructure, Property and Community Facilities.
Detailed Forecasts	<p>Forecasts for Capital and Operational expenditure in Wastewater, Water, Stormwater, Roading, Solid Waste, Community Infrastructure, Property and Community Facilities Activities are based on information in the Activity Management Plans.</p> <p>The Asset Management Plans are based on the best information currently available to Council. Council's information on the condition of its underground assets is continually improving and as this information improves Council will have a better understanding of what assets require renewal and replacement and by when.</p>
Risk	That assets need to be managed differently than outlined in the Activity Management Plans, particularly regarding renewals.
Level of Uncertainty	Moderate
Financial impact	<p>Activity Managers perform due diligence while finalising/identifying assets for renewals by performing condition assessments, assess asset performance and also consider the risk of asset failure.</p> <p>Increased certainty on the condition of underground assets may result in changes to planned replacement programmes and changes to funding requirements.</p>
Data Source	<p>Water, Wastewater, Stormwater data is from IPS/Geographical Information System (GIS) based registers (Horowhenua District Council).</p> <p>Roading data and some Stormwater data are from the Road Assessment and Maintenance Management (RAMM) system (Horowhenua District Council).</p> <p>Solid Waste, Community Infrastructure, Property and Community Facilities data is in spreadsheet registers and in SPM Assets (Horowhenua District Council).</p>

## 12. Useful Lives of Assets

Assumption	Assets will last as long as estimated in Council's Asset Management Plans and Infrastructure Strategy. The estimated useful lives are shown in the Statement of Accounting Policies.
Detailed Forecasts	<p>Asset lives are based on the National Asset Management Steering Group "Valuation and Depreciation Guidelines" 2002 and have been used in Council's Asset Management Plans and Asset Valuation report.</p> <p>Remaining useful lives are adjusted based on condition assessments.</p> <p>The useful lives of assets adopted are industry best practices and condition assessments are performed to identify assets for renewal.</p> <p>Council has estimated the useful lives of its assets on the best information available to it currently. As Council's information improves over time, these estimates will become more certain.</p>
Risk	That assets deteriorate at a faster or slower rate than anticipated.
Level of Uncertainty	Low
Financial impact	<p>If assets deteriorated faster than anticipated unbudgeted expenditure may be required, which could result in an increase in borrowing, use of Council reserves, or an increase in rates.</p> <p>If assets take longer to deteriorate than anticipated Council would have more time to set aside funds for the replacement of assets and would therefore borrow less when assets eventually did require replacement.</p> <p>Changes in timing around the requirement to replace assets could also result in the cost of replacing an asset changing (i.e. being more or less expensive than anticipated). In this situation, Council would either need additional funding sources if the cost of the project had increased or Council could borrow less if replacement costs had decreased.</p>
Data Source	<p>National Asset Management Steering Group "Valuation and Depreciation Guidelines" (2002).</p> <p>Horowhenua District Council – Activity/Asset Management Plans.</p>

## 13.Resource Consent Requirements

Assumption	Council will obtain any resource consents that are required to ensure that Water, Wastewater, Stormwater and Solid Waste Activities (and any other activity) can continue to operate. The consents we apply for are granted within assumed project timeframes and within anticipated expenditure.
Detailed Forecasts	Expenditure estimates for resource consents have been prepared based on experience with and observations of trends of previous resource consent processes and standards with contingency funds included. These costs have been built into the overall costs of each specific project.
Risk	It may cost more than anticipated to obtain the required resource consents, or conditions that are imposed on the consents may be more stringent than expected requiring a higher level of ongoing monitoring that incur higher ongoing costs associated with maintaining the consent. The time taken to obtain a resource consent could be longer than anticipated and delay the implementation or construction of the project associated with the consent. There could also be a change in consenting processes/requirements that we are unable to account for at this time.
Level of Uncertainty	Moderate
Financial impact	<p>If the cost to obtain the required resource consents is more than anticipated and/or if the consent conditions imposed are more onerous on Council (particularly conditions with ongoing costs such as monitoring) than anticipated, and/or the legal processes involved with the consent are more protracted, the overall cost of the project may be higher than budgeted. The additional funding requirements would be met from borrowing, rates, user fees and charges, or other sources.</p> <p>If the consent process takes longer than anticipated then the costs for the implementation of the project may need to be carried forward to later years than specified in the Long Term Plan, particularly if the assumed construction season is missed.</p> <p>If projects that are delayed due to resource consent requirements seek to improve levels of service, these levels of service improvements will be delayed.</p>
Data Source	Horowhenua District Council



## 14.Availability of Contractors

Assumption	It is assumed there is sufficient capacity within the professional services and contractor market to undertake the capital programme.
Detailed Forecasts	There is a high level of forecasted capital expenditure occurring in the region, including from local government, central government and as a result of strong demand in the housing sector and central government's focus on enabling infrastructure. This may put pressure on the contractor market to deliver the capital programme.
Risk	That there is insufficient capacity within the professional services and contractor market to deliver the capital programme, which may create project delays or increase costs.
Level of Uncertainty	Moderate
Financial impact	If projects are delayed this will have an impact on the capital expenditure programme. If costs are increased Council will need to consider deferring or altering projects, or look for additional funding sources from borrowing, external funding sources, rates, or other sources.
Data Source	Horowhenua District Council

## 15.Asset Revaluations

Assumption	Council is assuming that the impact of the periodic revaluation of assets will be in line with the assumed rates of inflation relevant to local government goods and services and cost fluctuations relevant to each infrastructure sector.
Detailed Forecasts	<p>Asset revaluations take place as follows:</p> <ul style="list-style-type: none"> <li>• Roading: Every 2 years starting 2022/23</li> <li>• 3 Waters: Every 2 years starting 2021/22</li> <li>• Land &amp; Buildings: Every 3 years starting 2022/23</li> </ul> <p>This is done in accordance with the accounting standards applicable to each class of asset.</p> <p>Infrastructure asset valuations are based on Council's own recent contract prices where relevant work has been undertaken, and compared with unit rates from other Council's in HDC's peer group and region. Inflation adjustments have been made to reflect changes to construction cost indices applicable to each activity.</p>
Risk	Asset valuations could be higher or lower than assumed. Key impacts on the valuation of infrastructure assets are oil prices and regional economic activity within each relevant sector.
Level of Uncertainty	Low
Financial impact	<p>Increases in valuations would require a higher level of depreciation funding as the cost of renewals would increase. To fund a higher level of depreciation Council would either need to reduce spending in other areas or increase rates.</p> <p>A change in asset valuation would also impact on the long term renewals expenditure projections.</p> <p>Decreases in valuations would require less in depreciation funding as cost of renewals would decrease.</p>
Data Source	Horowhenua District Council

## 16. Ōtaki to North of Levin Expressway

Assumption	<p>The development of the Ōtaki to North of Levin Expressway will occur as scheduled and the relevant sections of existing State Highways 1 and 57 will be revoked.</p> <p>Currently we have not assumed an amount for the assets being vested to Council this will be completed when more information is available.</p>
Detailed Forecasts	<p>Waka Kotahi NZ Transport Agency (NZTA) have confirmed their intention to construct a new four lane expressway (approx. 24km in length) from Ōtaki to north of Levin. This project is part of the Wellington Northern Corridor project which is making improvements State Highway 1 from Wellington airport to north of Levin.</p> <p>In October 2019, NZTA committed to developing the detailed business case and lodging the notice of requirement to designate the new route for the Expressway. NZTA have indicated construction of the road will begin in 2025 and be completed in 2029.</p> <p>Once the proposed Expressway is constructed by NZTA the existing sections of State Highways 1 and 57 which are bypassed by the new road, will be revoked and vested to Council.</p>
Risk	<ol style="list-style-type: none"> <li>1. The Ōtaki to north of Levin Expressway may be delayed due to unforeseen implementation issues, resulting in the revocation of the existing State Highways to be also delayed.</li> <li>2. That it may cost more or less than anticipated to maintain the existing state highway sections once it is revoked and vested in Council.</li> </ol>
Level of Uncertainty	<ol style="list-style-type: none"> <li>1. Low</li> <li>2. Moderate</li> </ol>
Financial impact	<p>If the sections of the existing State Highway 1 and 57 are revoked, Council will be required to manage the asset. Council's budgets include provision for the ongoing management of this asset.</p>
Data Source	<p>Horowhenua District Council</p> <p>Waka Kotahi NZ Transport Agency</p>

## 17.External Funding / Revenue

Assumption	<p>That external funding will be secured for the following projects:</p> <p>The Waitāreere Beach Surf Life Saving Club: \$1,000,000 contribution from the Levin Waitāreere Surf Life Saving Club.</p>
Detailed Forecasts	<p><b>Waitāreere Beach Surf Life Saving Club</b></p> <p>It is assumed external funding will be sourced through the Levin Waitāreere Surf Lifesaving Club. They have already started fundraising for the project and anticipate contributing to the project.</p>
Risk	<p><b>Waitāreere Beach Surf Life Saving Club</b></p> <p>The Surf Club is unable to raise the \$1,000,000 indicated.</p>
Level of Uncertainty	<p><b>Waitāreere Beach Surf Life Saving Club: Low.</b></p>
Financial impact	<p><b>Waitāreere Beach Surf Life Saving Club</b></p> <p>If the Surf Club is unable to raise the \$1,000,000 Council will need to decide whether to fund this portion of the project (and the funding mechanism) or re-scope the project to reduce costs.</p>
Data Source	<p>Horowhenua District Council</p>

## 18.Natural Hazards – Response and Recovery

Assumption	Council has the capacity to borrow any funds it may require to respond to, and recover from, natural hazard events should they occur during the 20 year period covered by this LTP.
Detailed Forecasts	<p>The Horowhenua District is susceptible to a range of natural hazards including flooding and river erosion, coastal erosion, extreme wind events, and inundation (e.g. storm surges and tsunamis), land instability (e.g. slips, slumps and runoff), seismic activity (e.g. ground rupture, shaking and liquefaction) and volcanic activity.</p> <p>Council must have the capacity to borrow funds to respond to a natural hazard event quickly and to be able to provide necessary relief. Council retained its A+ credit rating from Standard and Poors in August 2020. Council's debt limit of 225% (under the LGFA limit of 300% initially, decreasing to 280% from 2025/26) provides Council with an adequate buffer to respond and recover from natural hazard events if necessary.</p> <p>Council does not have any reserve funds to cover the impact of unexpected natural disasters and therefore, would have to use any borrowings capacity between its 225% limit and the LGFA limit.</p>
Risk	There is risk that a natural hazard event, or series of events, could occur and that cost of recovering from the damage caused would be greater than the funds that are available to Council if it was to stay within its current debt limit. Some natural hazards are more likely to occur than others in the Horowhenua District. However, there is a relatively high level of uncertainty around when or what type of natural hazard event may occur.
Level of Uncertainty	Low to Moderate
Financial impact	<p>If Council required more funds to recover from a natural hazard event than what would be available to Council if it was to stay within its current debt limit, then Council would have to borrow funds at a higher interest rate. This could potentially result in Council having to increase rates or reprioritise its work programme to cover the cost of servicing loans.</p> <p>It is noted that the New Zealand Transport Agency (NZTA) provides funding for emergency works required to be done on roads as a result of damage caused by qualifying (natural hazard) events. The NZTA provides assistance at Council's normal Funding Assistance Rate (FAR) for cumulative claims for the costs of emergency works up to 10% of Council's approved maintenance programme for the year. For the portion of cumulative claims of the total costs of emergency works that exceed 10% of Council's approved maintenance programme for the year, the NZTA will provide funding at the normal FAR plus an additional 20%.</p>
Data Source	<p>Horowhenua District Council</p> <p>New Zealand Transport Agency</p>

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## 19.Sources of Funds for Replacement of Significant Assets

Assumption	It is assumed that funding for the replacement of significant assets will be in accordance with Council's Revenue and Financing Policy, and Financial and Infrastructure Strategies.
Detailed Forecasts	<p>Funding sources used to finance capital expenditure (i.e. replacement of significant assets) are as per the Revenue and Financing Policy (in order of hierarchy):</p> <p><b>Third party sources:</b> These are sources that relieve the burden on ratepayers generally. These include development contributions, any government subsidies for water and wastewater schemes and third party donations.</p> <p><b>Asset Sales:</b> In the first instance sales will be applied to the activity to which the asset is attributed to.</p> <p><b>Rates:</b> This reflects a prudent tendency on Council's part to ensure that special purpose reserves are only utilised on a selective basis on relatively significant works in the context of long term planning, rather than on minor works over a shorter term, and a prudent reluctance to increase loan indebtedness unless necessary.</p> <p><b>Reserves:</b> In particular, funds that may be held for larger capital works in specific activities. An example includes water, wastewater, roading and property works financed from the Foxton Beach Freeholding Fund.</p> <p><b>Borrowing:</b> This reflects a prudent reluctance to increase loan indebtedness unless necessary. Although it is the last option considered, the LTP provides for substantial new borrowing to achieve an element of intergenerational equity in the financing of a range of major capital expenditure works.</p> <p><i>Note: loan funding is also used for infrastructural asset renewals where the rate generated reserves are inadequate due to the level of renewals in any one year.</i></p>
Risk	That there are insufficient funds available for the replacement of significant assets.
Level of Uncertainty	Moderate
Financial impact	If the assumed funding sources were not available and a significant asset needed to be replaced then Council would either have to borrow funds and incur higher than usual interest on this loan or defer other planned works that are of lower priority and use the funds that were initially allocated to them to replace the significant asset.
Data Source	Horowhenua District Council – Revenue and Financing Policy

## 20. Interest Costs

<b>Assumption</b>	Council is assuming for the 20 year period of this LTP that the interest rate for new borrowing will be between 2.75% and 4% for the life of the LTP.											
<b>Detailed Forecasts</b>	The table below identifies the assumed interest costs over the 20 year life of this LTP.											
	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29</b>	<b>2029/30</b>	<b>2030/31</b>		
	2.75%	3.00%	3.00%	3.00%	3.00%	3.25%	3.5%	3.75%	4.0%	4.0%		
	<b>2031/32</b>	<b>2032/33</b>	<b>2033/34</b>	<b>2034/35</b>	<b>2035/36</b>	<b>2036/37</b>	<b>2037/38</b>	<b>2038/39</b>	<b>2039/40</b>	<b>2040/41</b>		
	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%		
<b>Risk</b>	Interest rates can vary subject to market conditions and could fluctuate beyond what is anticipated, however, the estimates are considered to be a conservative projection.											
<b>Level of Uncertainty</b>	Moderate.											
<b>Financial impact</b>	As the assumption on interest costs is fundamental to the information underlying the LTP, the below scenarios have been provided. The scenarios outline the financial implications if the interest costs occur higher or lower than anticipated. Each scenario is modelled independently and is compared to the baseline figures from the Financial Strategy.											
	<b>Increase/Decrease in interest costs (1% higher or lower than assumed)</b>											
	<b>Year</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29</b>	<b>2029/30</b>	<b>2030/31</b>	<b>2031+</b>
	Proposed Rate increase (after growth)	7.8%	7.4%	6.4%	4.7%	5.6%	3.8%	4.6%	3.1%	2.8%	3.0%	0.6% Average
	1% higher interest	10.5%	10.3%	9.6%	7.8%	8.8%	7.0%	7.7%	6.1%	5.7%	6.0%	3.3%
	1% lower interest	5.1%	4.4%	3.3%	1.5%	2.3%	0.7%	1.5%	0.1%	-0.1%	0.1%	-2.1% average
<b>Data Source</b>	Horowhenua District Council Bancorp Treasury Services Limited											



## 21.Funding Asset Renewals

Assumption	By 2026 the cost of future asset renewals will be fully funded by rates.
Detailed Forecasts	Rates increases in the first few years of the LTP to increase the proportion of rates funding of asset renewals.
Risk	To keep rates affordable, rates may be decreased through future Annual Plan or Long Term Plan processes.
Level of Uncertainty	Moderate
Financial impact	If the rates funding does not increase to the level required, then borrowings will increase. This may mean the need to re-prioritise the capital expenditure programme to ensure debt limits can be met.
Data Source	Horowhenua District Council

## 22. Local Government Funding Agency

Assumption	<p>The Local Government Funding Agency (LGFA) remains in existence and is Council's preferred source of debt funding.</p> <p>The deed guarantee obligations on default of any Council under the deed will not occur.</p> <p>The LGFA Covenants will not be breached.</p> <p>Refinancing of existing loans will be available on similar terms.</p>
Detailed Forecasts	<p>The LGFA is a Council-Controlled Organisation (CCO) that was established to raise debt on behalf of local authorities on terms that are more favourable to them than if they raised the debt directly.</p> <p>Council is a shareholder of the LGFA and each of the shareholders are party to a deed of guarantee, whereby the parties to the deed guarantee have obligations to the LGFA in the event of default.</p> <p>The LGFA sets Financial Covenants that Council has to comply with in order to be provided with favourable lending rates.</p>
Risk	<p>The risk of the LGFA failing is very low.</p> <p>The risk of Council breaching its LGFA Covenants is low.</p> <p>The risk that new borrowings cannot be accessed to fund future capital requirements is low.</p> <p>If there was a default by the LGFA, each guarantor would be liable to pay a proportion of the amount owing. The proportion to be paid by each guarantor is set in relation to each guarantor relative rates income. The risk of a local authority borrower defaulting is extremely low and highly unlikely especially given that all of the borrowings by a local authority from the LGFA are secured by rates.</p>
Level of Uncertainty	Low
Financial impact	<p>There is an extremely low likelihood of the event of default by a local authority borrower, the financial impact would be based on the value of the default and the shareholders in the scheme at the time.</p> <p>If new borrowings cannot be accessed to fund future capital requirements, then Council will need to reprioritise its capital expenditure programme and consider other sources of funding.</p>
Data Source	Horowhenua District Council

## 23. Investment Revenue

Assumption	Council is assuming that dividends will be zero (or immaterial) and that the rate of interest earned on all future investments for the life of this LTP will be 0.25% higher than then the interest rate.
Detailed Forecasts	Most of Council's interest revenue is tagged to special funds and is not a direct supplement to rating revenue or offset against rates requirements. The proposed utilisation of these special funds does not rely unduly on accumulations of interest earnings.
Risk	The assumed rate is in the range of rates experienced in recent and current prevailing economic environments. There is potential for interest earned to be higher or lower than estimated.
Level of Uncertainty	Low to Moderate
Financial impact	Lower interest rates on Council's investments would lead to lower revenue. However, investment revenue is not significant and as such there would be only a minimal financial impact for Council if these rates were lower than anticipated.
Data Source	Horowhenua District Council Bancorp Treasury Services Limited

## 24. Inflation

Assumption	Annual increases in inflation will be in accordance with the inflation adjusters 'mid-scenario' that have been provided by Business and Economic Research Ltd (BERL) and endorsed for use by the Society of Local Government Managers (SOLGM).																																																																																			
Detailed Forecasts	<p>BERL prepare scenarios for cost adjusters to be used by councils in their planning. They have provided three scenarios, which are consistent with the economic forecasts published by the Reserve Bank of New Zealand.</p> <p><u>Mid-scenario</u> – likely to be relevant to most regions. Areas with a high public sector employment and a growing, young population.</p> <p><u>Stalled rebuild scenario</u> – where GDP and employment grow more slowly. Areas with a high reliance on tourism and retail, or shrinking, aged, population.</p> <p><u>Faster rebuild scenario</u> – where GDP and employment grow more rapidly. Higher proportion of knowledge and agricultural employment.</p> <p>The table below details the inflation adjusters that have been used for each category, they are based on the <b>mid-scenario</b>.</p> <p>Adjustors: % per annum change</p> <p><b>Years 1-10</b></p> <table border="1"> <thead> <tr> <th></th> <th>Planning and Regulation</th> <th>Roading</th> <th>Transport</th> <th>Community Activities</th> <th>Water and Environmental</th> </tr> </thead> <tbody> <tr> <td>Year ending June</td> <td colspan="5">% change (on year earlier)</td> </tr> <tr> <td>2023</td> <td>2.5</td> <td>3.1</td> <td>2.6</td> <td>2.7</td> <td>3.5</td> </tr> <tr> <td>2024</td> <td>2.3</td> <td>3.0</td> <td>2.4</td> <td>2.5</td> <td>2.6</td> </tr> <tr> <td>2025</td> <td>2.2</td> <td>2.9</td> <td>2.4</td> <td>2.4</td> <td>2.7</td> </tr> <tr> <td>2026</td> <td>2.2</td> <td>2.9</td> <td>2.4</td> <td>2.5</td> <td>2.9</td> </tr> <tr> <td>2027</td> <td>2.2</td> <td>2.9</td> <td>2.4</td> <td>2.4</td> <td>2.8</td> </tr> <tr> <td>2028</td> <td>2.2</td> <td>2.9</td> <td>2.4</td> <td>2.5</td> <td>3.2</td> </tr> <tr> <td>2029</td> <td>2.2</td> <td>2.9</td> <td>2.4</td> <td>2.6</td> <td>3.3</td> </tr> <tr> <td>2030</td> <td>2.2</td> <td>2.9</td> <td>2.4</td> <td>2.6</td> <td>3.4</td> </tr> <tr> <td>2031</td> <td>2.2</td> <td>2.9</td> <td>2.4</td> <td>2.4</td> <td>3.1</td> </tr> </tbody> </table> <p><b>Years 11-20</b></p> <table border="1"> <thead> <tr> <th></th> <th>Planning and Regulation</th> <th>Roading</th> <th>Transport</th> <th>Community Activities</th> <th>Water and Environmental</th> </tr> </thead> <tbody> <tr> <td>Year ending</td> <td colspan="5">% change (on year earlier)</td> </tr> </tbody> </table>							Planning and Regulation	Roading	Transport	Community Activities	Water and Environmental	Year ending June	% change (on year earlier)					2023	2.5	3.1	2.6	2.7	3.5	2024	2.3	3.0	2.4	2.5	2.6	2025	2.2	2.9	2.4	2.4	2.7	2026	2.2	2.9	2.4	2.5	2.9	2027	2.2	2.9	2.4	2.4	2.8	2028	2.2	2.9	2.4	2.5	3.2	2029	2.2	2.9	2.4	2.6	3.3	2030	2.2	2.9	2.4	2.6	3.4	2031	2.2	2.9	2.4	2.4	3.1		Planning and Regulation	Roading	Transport	Community Activities	Water and Environmental	Year ending	% change (on year earlier)				
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	20 year average %pa	2.0	2.5	2.2	2.1	2.5
Risk	<p>Actual inflation will be significantly different to assumed.</p> <p>Council uses standard BERL adjusters, however, these are predictions and future rates of inflation are subject to a large number of variables which are beyond Council's control and are difficult to forecast.</p>					
Level of Uncertainty	Moderate					
Financial impact	<p>A lower inflation rate would mean lower rates income increase and total rates income.</p> <p>A higher inflation rate would mean a higher rates income increase and total rates income necessary to deliver the proposed work programme. Council would need to decide whether to increase rates, or reprioritise projects.</p>					
Data Source	Local Government Cost Adjustor Forecasts Three Scenarios 2020: Business and Economic Research Limited (BERL).					

## 25. Levin Landfill

Assumption	The Levin Landfill will remain operating through to the consent expiry in May 2037.
Detailed Forecasts	<p>The Levin Landfill gained resource consent in 2002 for 35 years. The consent was reviewed by Horizons Regional Council in 2015. This review was appealed to the Environment Court. As a result of this process a Landfill Agreement was signed with the parties subject to the appeal that identifies the Chief Executive will recommend to Council a closure date for the Levin Landfill of 31 December 2025 at the latest. However, the Agreement recognises the decision to close the landfill will be made by Council.</p> <p>Significant technical work is being undertaken to understand the implications of different closure dates on the wellbeing of the community (social, environmental, economic and cultural), and the logistics of landfill contract management. This technical work will be completed in late 2021 to form the basis of community consultation prior to Council making a final decision.</p> <p>The current resource consent is held until 2037 but the Council assumes that the Landfill will be full by 2031/32. Therefore Council will need to undertake significant work in the first 10 years of the LTP, to ensure a replacement landfill is available to service the district when the current landfill, is full.</p> <p><i>Note: If Council decides to close the landfill after 31 December 2025, the parties may resume their appeal.</i></p>
Risk	That Council decides to close the Levin Landfill earlier than May 2037.
Level of Uncertainty	Moderate
Financial impact	Investigations are being completed into different closure options to inform a Council decision. The financial impact of early closure of the landfill will be available for community consultation which will occur prior to Council making a decision.
Data Source	Horowhenua District Council

## 26. Delivery of the Capital Expenditure Programme

Assumption	It is assumed that 85% of the budgeted capital programme will be completed each year, with the remaining 15% completed in the following year. The full capital programme is listed in the capital reports for clarity. This is effectively 100% each year.
Detailed Forecasts	<p>The proposed capital expenditure programme is an average of \$47M per year over the 20 year period. This is an increase compared with the previous capital project delivery of approximately \$20M to \$25M per year in the past few years. The increase in the capital expenditure programme is a result of a number of factors, and often as a result of significant, one-off projects, but notably the increase in capital expenditure requirements is associated with meeting the needs of a rapidly growing population.</p> <p>Council has put in place the following to achieve 85% of the capital expenditure programme:</p> <ul style="list-style-type: none"> <li>• Creation of the Infrastructure Development Team to deliver major capital expenditure projects (alongside the Infrastructure Operations team that largely focuses on renewals and levels of service improvements). This gives Council two group managers and two teams focused on delivering the infrastructure capital works programme. The development of the Infrastructure Development Team has provided increased internal capacity and capability.</li> <li>• Long Term Procurement Plan – This will outline a three year work programme to ensure contractors and suppliers are resourced to implement the capital programme. Opportunities with neighbouring councils are being explored to gain efficiencies in procurement and project management in the clustering of contracts.</li> </ul> <p>Assuming 85% of the capital programme will be completed each year reduces the assumed level of borrowing by approximately \$4m to \$5m per year.</p>
Risk	<p>That the capital programme is completed above the 85% assumption, requiring extra borrowing.</p> <p>That less than 85% of the capital programme will be completed, meaning capital projects are delayed.</p> <p>As we have assumed it will be 100% over 2 years it will be a matter of timing rather than total spend.</p>
Level of Uncertainty	High
Financial impact	If 100% of the capital programme is completed each year, borrowing will be increased borrowing by approximately \$4 to \$5m. This will impact on Council being able to meet its debt limits.

	<p>If less than 85% of the capital programme is completed each year, this will decrease borrowing, but has the potential to increase reactive maintenance costs (due to breakage) and increase project costs due to inflation. Delays in one year, have the potential to create a cascade effect on subsequent years unless the source of the delay is addressed.</p>
Data Source	Horowhenua District Council



## 27. Depreciation

Assumption	That depreciation based on asset lives for each activity is identified below.
Detailed Forecasts	<p>The useful lives identified are used to calculate depreciation and are based on activity. The average percentage basis has been used to calculate future depreciation on planned asset purchases.</p> <p>Wastewater: 50 years  Water Supply (Tokomaru, Manakau, Ōhau, Waitārere Beach, Waikawa Beach, Hōkio Beach Beach, Foxton Beach,): 50 years  Water Supply (Foxton, Shannon, Levin): 70 years  Solid Waste Management: 20 years  Stormwater: 70 years  Land Transport (shared pathways, unsubsidised roading, footpaths): 70 years  Land Transport (subsidised roading): 40 years  Representation and Community Leadership: 15 years  Property (general): 80 years  Property (endowment): 50 years  Property (camp grounds): 20 years  Community Infrastructure (public toilets): 50 years  Community Infrastructure (Halls, Sportsgrounds, Reserves, Cemeteries, Urban Cleansing, Beautification): 20 years.  Community Facilities (Aquatic Centres): 20 years  Community Facilities (Libraries and Community Centres): 15 years  Planning &amp; Regulatory: 15 years  Community Support: 15 years  Treasury &amp; Support: 15 years</p>
Risk	That the assets depreciate at a slower or faster rate than assumed.
Level of Uncertainty	Moderate
Financial impact	Underfunding of depreciation would result in increased borrowing requirements.

	<p>If the actual asset lives are shorter than budgeted, the Council would not collect enough depreciation funding and there is potential that the Council would not have the borrowings capacity to fund the asset renewals when they are needed.</p> <p>Overfunding of depreciation would result in higher rates collected and Council reduced borrowings.</p>
Data Source	Horowhenua District Council

# **Development of Māori Capacity to Contribute to Decision Making**

**Te Whakawhanake i te Whai  
Wāhitanga mai o te Māori ki te  
mahi Whakatau Take**

# Development of Māori capacity to contribute to decision making

## Introduction

Te Kaunihera o Horowhenua/Horowhenua District Council are committed to continually enhancing our relationships with Tangata whenua and Māori. Recognising the unique position of Tangata whenua in our district, Council are dedicated to fostering the development of Māori capacity to contribute to the decision making processes of the Council over the next 20 years. While it is a requirement in Schedule 10 of the Local Government Act (LGA) 2002, Council aims to extend beyond the legislative framework, to build and maintain strong and meaningful relationships with the Māori community. Council also acknowledges its own journey that is required to developing cultural competencies and knowledge of Te Tiriti o Waitangi principles with all Council Officers in order to achieve the best outcomes when fostering Māori contribution to decision making processes over the term of the Long Term Plan 2021-2041.

## Background

The Local Government Act 2002 recognises and respects the Crown's obligations under the Te Tiriti o Waitangi by placing some specific obligations on councils. These obligations are intended to facilitate participation by Māori in local authorities' decision making processes. The Act includes requirements for councils to:

- ensure they provide opportunities for Māori to contribute to decision making processes
- establish and maintain processes for Māori to contribute to decision making
- consider ways in which they can foster the development of Māori capacity to contribute to decision making processes provide relevant information to Māori to enable the above
- take into account the relationship of Māori and their culture and traditions

with their ancestral land, water, sites, wāhi tapu, valued flora and fauna, and other taonga.

The Local Government Act 2002 charges local authorities with a clear responsibility to be informed about how their decision making can impact on Māori community wellbeing. These provisions apply to all Māori. This means that local authorities need to understand Māori community values, issues and aspirations as they relate to economic, social, cultural and environmental wellbeing, just as they need to understand those of other communities. This includes understanding the challenges experienced by pre-settled Iwi as opposed to Iwi who have settled with the Crown – two of district Iwi are currently undergoing Treaty negotiations. The intent is for both local authorities and Māori organisations to move beyond engaging on matters of environmental or cultural importance only.

## Where Council are at today

Memorandum of Partnerships exist with: Muaūpoko Tribal Authority, Rangitāne O Manawatū, Te Iwi o Ngāti Tukorehe Trust – representing Ngāti Tukorehe, Te Mateawa, Ngāti Te Rangitawhia and Ngāti Kapu (Ngāti Raukawa), and Te Kotahitanga o Te Iwi o Ngāti Wehi (Ngāti Raukawa). Council does not have Memorandum of Partnership with Ngāti Apa or Te Runanga o Raukawa Inc. (the overarching mandated Iwi body) or with Ngāti Huia ki Matau, Ngāti Huia ki Poroutawhao and Ngāti Whakatere (Ngāti Raukawa); however, Council recognise that they are key stakeholders in the district, and are often involved in formal and informal consultation.

- Monthly hui are held with Ngāti Raukawa hapū representatives appointed from each hapū in the Horowhenua district: Ngāti Huia ki Matau, Ngāti Huia

ki Poroutawhao, Ngāti Rakau, Ngāti Te Au, Ngāti Turanga, Ngāti Whakatere, Ngāti Kikopiri, Ngāti Ngārongo, Ngāti Wehi, Ngāti Takihiku, Ngāti Hikitanga, Ngāti Tukorehe, and Ngāti Pareraukawa.

- To support Iwi to build capacity and actively contribute to Council's work programme in a timely manner, including key infrastructure projects and consents, resourcing agreements are in place with: Muaūpoko Tribal Authority, Rangitāne O Manawatū, Te Iwi o Ngāti Tukorehe and Te Runanga o Raukawa.
- In August 2020, Council appointed a Cultural Outcomes Lead to further build the capacity and capability of Te Kaunihera o Horowhenua/Horowhenua District Council, to educate and help Officers understand how to engage appropriately and adhere to tikanga and kawa, as well as understand different cultural contexts. The role also sets out to assist Officers to understand Council's obligations to Te Tiriti o Waitangi, Kaitiakitanga and various other legislations.
- To enhance Māori engagement in local government, a number of opportunities are available to Council Officers: weekly Te Reo Māori lessons; waiata group membership, including practices and the opportunity to represent Te Kaunihera o Horowhenua at various events; introducing karakia at Council and staff meetings; and establishing our tikanga for new staff introductions.

## What is in play

- All resource consents are made available to Iwi early, to allow their input where they consider necessary or relevant.
- Alongside Iwi, a Māori Engagement Strategy is being developed to assist Officers to understand: who our Iwi are; why engagement with Iwi is important; and helping them to know when, where and how to engage with Māori. The strategy will also contain useful information to increase opportunities for two-way engagement.
- Learning about cultural development is an integral component for Council Officers to be able to effectively and meaningfully give effect to their obligations to Māori under various legislations. The focus areas identified for Officer development include developing sound understanding of our Iwi, hapū and marae, key words and pronunciation, karakia and waiata; understanding of Te Tiriti o Waitangi and other topics of importance.
- Support for Iwi to identify Sites of Significance. This adds to Council's understanding of what areas in our district have special meaning to Māori and assists with future planning.

Māori see people and the environment as closely interrelated – Ko au te taiao, ko te taiao ko au (I am the environment, the environment is me) – and share with Council a strong interest in maintaining and protecting the environment as well as developing the economic future of the area. Te Kaunihera o Horowhenua is committed over the period covered by this LTP and beyond to continuing the process of consultation and engagement with Māori.

# Council Controlled Organisations

Ngā Hinonga ka Whakahaerehia  
e te Kaunihera

# Council Controlled Organisations

Council controlled organisations are described in the Local Government Act 2002 (section 6 (1)(b)) as any organisation in which one or more local authorities control 50% or more of the voting rights or appoint 50% or more of the directors.

Council can, by resolution, exempt small CCOs that are not Council Controlled Trading Organisations from the requirements of CCOs.

Council has two exempt CCOs, these are;

- Manawatū-Wanganui Local Authority Shared Services Limited; and
- Shannon Community Development Trust.

As these CCO's have the status of being exempt there is no requirement for Council to disclose their performance targets and measures.

## Manawatū-Whanganui Local Authority Shared Service Limited (MW LASS Ltd)

### Nature and scope of activities

Formed in 2008, MW LASS Ltd is made up of seven Councils from the Manawatū Whanganui region - Horizons Regional Council, Horowhenua, Manawatū, Rangitikei, Ruapehu, Tararua and Whanganui District Councils.

MW LASS Ltd provides for the Councils in this Region (excluding Palmerston North City Council) to work together on mutually beneficial joint projects to ensure consistent levels of service throughout the Region and to reduce the individual costs of delivering these services incurred by each Council. The projects that have been developed through MW LASS Ltd to date include (but are not limited to):

- The Regional Archives Project (which included the construction, operation and recent system upgrade of Archives Central);
- Joint debt collection service;

- Shared valuation database system;
- Health and Safety Project;
- Insurance Broker Tender; and
- Aerial Photography (rural coverage).

### Policies and Objectives on Ownership and Control

MW LASS Ltd is managed by its own Chief Executive and member Councils are all represented by their Chief Executives on the Board of Directors. In accordance with the MWLASS each Council can opt in or out of a project if it doesn't meet the business need of that Council.

## Shannon Community Development Trust

### Nature and scope of activities

The Shannon Community Development Trust was established in July 2012, and allocates funding assistance to the residents of the Shannon township for the purpose of Community Development including:

- educational activities including scholarships for educational purposes;
- the provision of training and equipment for the protection of the community;
- the provision of financial assistance for events recognising the involvement of community members; and
- the alleviation of hardship (in some circumstances).

### Policies and Objectives on Ownership and Control

Council is responsible for the appointment of all Trustees, but does not control, either directly or indirectly, any votes at any Shannon Community Development Trust meeting. Horowhenua District Council provides secretarial support to the Shannon Community Development Trust for operational purposes.

# Appendices

## Āpitiḡanga

- Independent Auditor's Report
- Definitions and Interpretations



# Definitions and Interpretations

## **Advocate**

Council acts as an advocate when it represents the views and interests of the community to a range of organisations, including Government agencies and the Regional Council.

## **Asset**

An asset is an item of value owned by the Council on behalf of the people of Horowhenua. Examples include bank accounts, amounts owing by debtors, roads, land, buildings, vehicles, computers, and the water, wastewater and stormwater networks.

## **Asset Management Plan (AMP)**

A plan developed for the management of one or more infrastructure assets that combines technical, financial and other techniques over the life of the asset to provide an agreed Level of Service to the Community at optimum cost.

## **Capital Expenditure**

Money spent with effect on the long-term rather than the short-term. Examples include to buy or build a new asset or to improve the potential of an existing asset. Capital Expenditure is generally expected to lead to a higher level of service to the community.

## **Capital Value**

This is the value of a piece of land plus any improvements that have been made to it such as the construction of a dwelling. For rating purposes, Council contracts Quotable Value New Zealand to assess the capital value of all properties every three years.

## **Community Outcomes**

These are statements which set out the outcomes that Council is working to achieve in meeting the current and future needs of the community, for good quality local infrastructure, local public services and performance of regulatory functions.

## **Council Controlled Organisation (CCO)**

An organisation that manages facilities and/or provides services on behalf of the Horowhenua community, in which Council directly or indirectly controls more than 50% of either the votes or the appointments of directors or trustees.

## **Depreciation**

The allocation of the cost of an asset over its estimated useful life.

## **District Plan**

The plan prepared by Council under the Resource Management Act 1991 that manages potential adverse environmental effects of subdivisions and land use on the environment through objectives, policies, and rules.

## **Financial Year**

Council's financial year starts on 1 July in each year and ends on 30 June of the following year.

## **Funding Impact Statement**

An explanation of how Council's funding requirements are planned to be met through various mechanisms such as rates.

## **Governance**

The way that Council engages with the community, how it makes decisions and the way in which ratepayers and residents can influence these processes.

## **Infrastructure**

Assets that form physical links between, or within, communities. Examples include the roading network, water supply systems, wastewater disposal systems and stormwater drainage systems.

## **Land Value**

The value of land excluding any improvements (e.g. a dwelling). For rating purposes, Council contracts Quotable Value New Zealand to assess the land value of all properties every three years.

## **Level of Service (LoS)**

The quality of service a Council Activity is committed to provide to the Community.

## **Liability**

Financial debts to third parties. Current liabilities are those due for payment within one financial year, and non-current liabilities are those due in the longer-term.

## **Long Term Plan (LTP)**

Council's key strategic planning document outlining the Council's financial situation as well as the Level of Service Council is committed to for the activities it undertakes and capital work programme for at least ten years.

## **Operating Costs**

The costs of running Council in the short-term. Examples include the costs of maintaining assets, employing staff, and the interest costs of loans.

## **Performance Target**

A measure that shows how well Council is doing in achieving the goals that it set for itself.

## **Projected Financial Statement**

The 10 year plan for Council's revenue and expenditure, cash flows and borrowing.

## **Rates**

Property taxes collected by Council which help fund the services that the Council provides to the community.

## **Renewal Expenditure**

The cost of replacing components of existing assets to restore them to their original condition. For example the replacement of old water mains and the resealing of roads.

## **Revenue**

Council's income e.g. rates, dog registration fees, building permit fees, subsidies, rental income and interest on investments.

## **Separately Used or Inhabited Part (SUIP)**

Some of Council's targeted rates are set using SUIP's. Generally where there is more than one SUIP, each SUIP will attract a separate targeted rate set using fixed charges. Council's definition of a SUIP can be found in the Funding Impact Statement.

## **Significance**

The degree of importance of an issue, proposal, decision, or matter under consideration, as assessed by Council in terms of its likely impact on and likely consequences for the current and future wellbeing of the community.

## **Stormwater**

Surface water that runs off properties and roads.

## **Sustainability**

The use of natural, social and physical resources in such a way that takes care of our current needs while allowing for the ongoing use of those resources by future generations.

## **Targeted Rates**

Any rate (other than a general rate) targeted at users or beneficiaries of a particular service. Targeted rates are used for solid waste, water supply, swimming pools, library, and representation and community leadership.

## **Uniform Annual General Charge (UAGC)**

A fixed-sum rate payable by all properties as part of their contribution to general rates. Council has chosen not to set a rate using a UAGC, instead opting to rate some targeted rates using Fixed Charges. There are statutory rules whereby the UAGC and Fixed Charges are set on contiguous properties – where two or more properties are next to each other, owned by the same ratepayer, used for a common purpose and provided they are vacant (i.e. do not contain a house defined under Council's definition of Separately Used or Inhabited Part of rating units). There is also a statutory limit of 30% of all rates on the use of UAGC's and Fixed Charges where they are set at the same amount across the District.

## **Wastewater**

The liquid and solid waste (i.e. sewage, grey water and trade waste) carried away from a property by drains.