



# Annual Plan 2023/24

## Te Mahere ā-Tau 2023/24



# Welcome to the Annual Plan 2023/2024

## Message from Council

The Annual Plan 2023/24 (the Annual Plan) was developed together with the Long Term Plan 2021-2041 Amendment (LTPA) and was formed in that light.

The LTPA was needed to address several big issues to ensure water services our community expects, and relies on, could continue to be provided. Council had received new information and circumstances had changed which resulted in Council making the decision to amend the LTP 2021-2041.

The Amendment was limited to the following key areas: The future of the Levin Landfill, key water projects and a rates review and Revenue and Financing Policy review.

This process was about ensuring our fundamental services were and remain fit for purpose. It was developed when Council and our community were facing increased, and still increasing, costs of living. In that light, the Annual Plan was 'business as usual' and 'no frills'. It was not the time to consider new projects.

What you will see in this Annual Plan is any financial changes that have flowed through from the LTPA, and changes to some funding levels to reduce the increase in rates. The changes to projects from the LTPA are reflected in the Activity Statements for Water Supply, Wastewater Treatment and Stormwater. The remaining Activity Statements have consequential changes made due to interest rates and inflation.

The issues Council sought feedback through the combined LTPA and LP that relate to the AP were:

- The proposed rates increase for 2023/24
- Adjusting user fees and charges
- Foxton Beach Freeholding Account.



The image features a solid green background with a faint, repeating pattern of stylized, swirling floral or vine motifs. A white, horizontal banner with slightly irregular edges is positioned in the upper left quadrant. Inside this banner, the word "Introduction" is written in a bold, green, sans-serif font.

# Introduction

## Introduction

As part of the annual plan process, Council has revised its financial forecasts, including updates to the capital programme (mainly timing adjustments) for key water infrastructure projects.

Our Annual Plan for 2023/24 (AP) isn't significantly different to year three of the LTP 2021-2041 in terms of the organisational direction and major projects to be undertaken.

The LTP amendment consulted on in conjunction with the Annual Plan has enhanced and brought forward key water projects.

The main differences in the annual plan from the budgets in year 3 of the LTP are around: timing and cost of delivery, general cost increases across the economy, and carrying forward capital expenditure that was budgeted for 2022/23 but not spent.

## Our financial approach

Council's financial goal, agreed in the LTP 2021-2041, is to manage growth while remaining within our financial limits. The main challenge Council currently faces is maintaining current infrastructure assets and providing new infrastructure assets to support growth, while keeping rates affordable. Several components underpin our approach:

### **We're managing our finances carefully and making good decisions about spending**

Our district is full of opportunity but we come from a constrained position. Managing our finances really 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.

Our focus is on getting our finances on a sound footing so we have what we need to progress the development people want to see in our district and ensure that we have the infrastructure needed to provide for our growing population – and do this in a way that considers the future needs of the community and works for everyone.

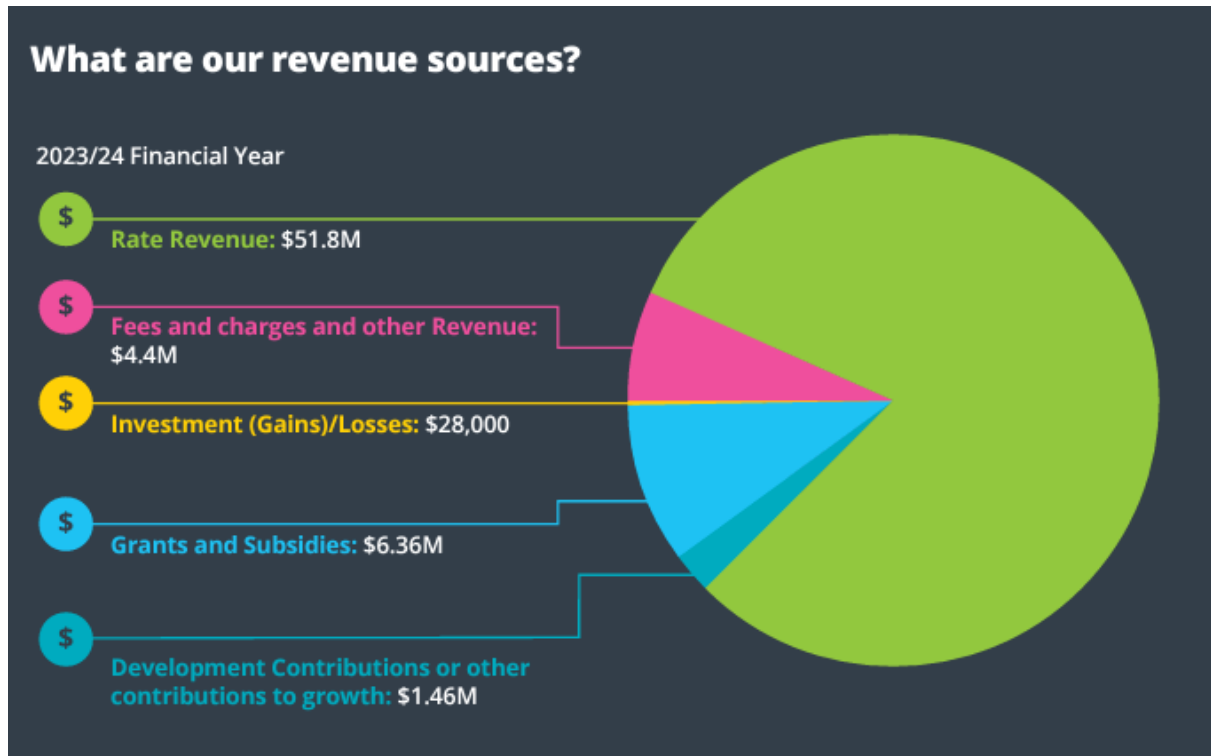
It is extremely important that we manage our finances very carefully so that we can afford what we will need to pay for in the future and ensure that rates are as affordable as they can be for our community.

### **We're delivering value for money and continuing to improve services**

The Council is a service organisation and we are mindful that we are here to manage our district's infrastructure and facilities – \$750 million in assets – on behalf of the community. We are also very aware that most of the Council's annual budget to provide services in the community is paid for through rates.

## Others have confirmed Council's efficiency

Our focus is on operating as efficiently as possible, and it is very pleasing that, we have demonstrated our efficiency with the fourth lowest operating spending per ratepayer amongst all New Zealand councils.<sup>1</sup> Operating spending includes all our day-to-day costs for providing services and all maintenance.



## We're reliant on rates income

Rates help us provide facilities and services making Horowhenua a great place to call home. Your rubbish collection, libraries, pools, water, road improvements, walkways, parks and reserves are all funded by rates.

Horowhenua has many natural advantages, but we don't have the income-generating assets that other local authorities have to draw on to help keep rates increases lower. For example, some councils have ports or investment funds set up from the sale of local power suppliers and, therefore they have more substantial income streams. Unfortunately, we don't have such means and so we must rely heavily on our rates. This means we can't keep rates as low as we would like and still be able to provide the services needed.

It means we are very focused on how we manage our money and where and when we invest in new initiatives. We have to be very efficient. The advantage of this is it puts us in a good position for the challenge of planning a sustainable long term future for our district.

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<sup>1</sup> 2021 Ratepayers Report, New Zealand Taxpayers Union

We've worked to reduce the rates increase this year. We are not investing in any new initiatives that weren't agreed in the LTP 2021-2041, and with several other factors combined, the average rates increase this year is 7.0%, lower than consulted on. The detail about this is in the section below.

The Council has also committed to a review of how rates are shared to ensure it is as equitable as it can be.

As part of setting the draft proposed rates increase, we also reviewed our Revenue & Financing together with our proposed fees and charges to make sure that there was a fair split between user charges and rates.

### **We're using debt as a tool**

Balancing affordability and delivery of services means we need to use more tools rather than relying solely on rates.

#### ***Our debt – our borrowings***

While our operating costs per household are relatively low, our level of debt is relatively high compared to other Councils. Taking on more debt allows Council to finance large projects along with their continued maintenance while ensuring future generations pay for their portion of the costs associated with the new assets.

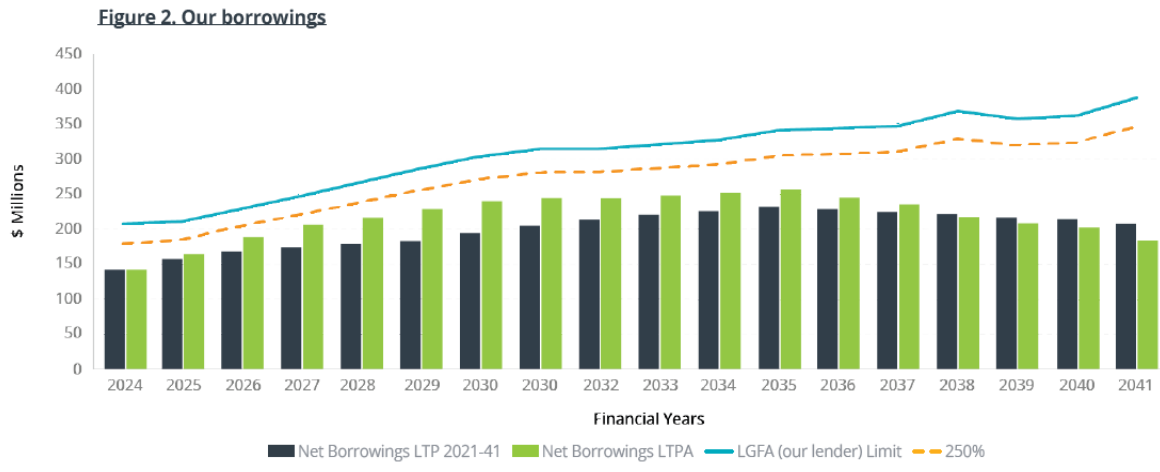
Our capital spending is largely funded through debt/borrowing. In the past this has enabled significant investments to be made for the community to deliver facilities as well as upgrading and renewing our infrastructure assets.

Although Council has planned to take on more debt in the 2022/2023 financial year, we remain under the debt limit set within the LTP 2021-2041. By 30 June 2023 Council will have a net debt of \$113m.

While you will see a capital programme of \$45.9m outlined within our activity areas, we have chosen to limit the funding for this to a \$35m programme. This is more in line with what we are normally able to complete.

#### ***Repaying our debt***

To bring the rates down from 18.9% to 7.9% we made decisions to fund some of the additional operational costs in three waters through borrowings in the short term and slowed the level of depreciation funding increases that were planned in the LTP. This has the effect of delaying the year where we will be fully funding depreciation from 2026 to 2028.



We have made a start into paying back money borrowed and living within our means. The main way we have done this is by committing to fully funding the costs of depreciation (asset replacement). In the LTP 2021-2041 we committed to fully funding depreciation within the first five years of the plan, and to charge for development contributions which ensure that new developments are paying for the extra infrastructure costs to provide for growth. The Council's financial position has improved as a result, and the benefits will increase the more we continue to keep a tight rein on spending, reduce our debt and stick to the strategy. Infrastructure is the biggest category of Council spending and accounts for most of the capital spending (CAPEX) you see in our budgets.

# The year ahead

We are focused on our top 10 priorities. As these are completed others will be added.

### Our top 10 priorities

 <p>Enabling affordable <b>housing</b> that meets the needs of a growing population through the implementation of the Housing Action Plan</p>	 <p>Get the basics right and support the customer focused delivery of <b>core services</b></p>
 <p>Achieve the best outcome for Horowhenua in the face of <b>Three Waters Reform</b> Transition</p>	 <p>Deliver the <b>capital infrastructure programme</b>, and achieve an increase in the percentage of completed works</p>
 <p>Deliver on the Levin <b>Town Centre Transformation</b> Strategy</p>	 <p>Reset our <b>engagement and partnership</b> approach, and work more with and for the community</p>
 <p>Complete a <b>Rates review</b> as part of the Long Term Plan Amendment, to ensure a rating system that is fair and equitable</p>	 <p>Enable the <b>rebuilding</b> of the Horowhenua District Council organisation, with a focus to empower a culture of excellence, service and continuous improvement</p>
 <p>Provide advocacy and leadership to <b>Ōtaki to North Levin</b> expressway project.</p>	 <p>Make a decision on the <b>Future of the Levin Landfill</b> and follow through on the review of our WMMP</p>



## Key Consultation Items and How Council Responded

The draft Long Term Plan 2021-2041 Amendment and Annual Plan 2023/24 were consulted on together.

While the 'key' or biggest consultation issues sat under the LTPA, Council also consulted on the proposed rates increase for 2023/24, and alongside these, the proposed fees and charges for 2023/24 and a proposal to spend part of the Foxton Beach Freeholding Account. Those issues and Council decisions are presented here.

### Consultation

- Fourteen events were planned at the start of the consultation period, using a range of engagement methods: Meetings with interested groups, Facebook Live sessions, Ask Me Anything Sessions, Rates Review Meetings, stalls at local fairs, and an open day.
- Eight more meetings were added in response to interest and opportunities to attend meetings.
- A total of 22 consultation events were held.

### New ways of engaging

Throughout our activities Council is seeking to increase the engagement and interaction with our community, and the LTP Amendment, with the big issues it covered, provided an opportunity to try some different ways of engaging with people. Those that were successful could be used for the LTP 2024, and all lessons would be taken on board.

Through the engagement and consultation processes, our aims were to break down the barriers that prevent our community from engaging with Local Government, and to ensure our community feels heard, that their feedback is valued and that decision-making is transparent and not pre-determined.

This would be done by adopting a multichannel communications campaign that reaches our community in their preferred channels, at a time that suits them, and in a way that encourages participation and interaction in Council's consultation process.

There were a range of social media engagements including Facebook Live sessions, Citizens Panels, media coverage, trial of the new Let's Korero website and its feedback and polling tools.

We had good turnout at most events, with the 4WD tour being a highlight. Feedback from our community was they enjoyed the ability to engage directly with EM's via Facebook Lives. Having them at the same time on the same day each week helped to build an engaged audience.

## Reach

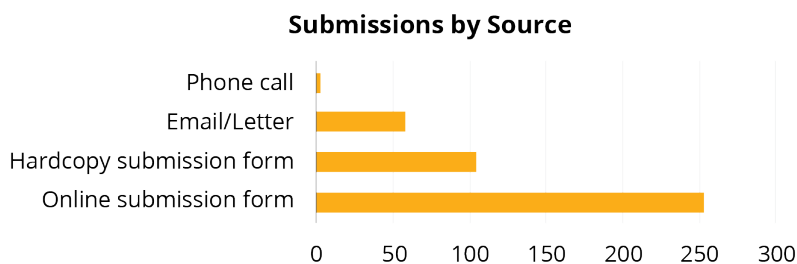
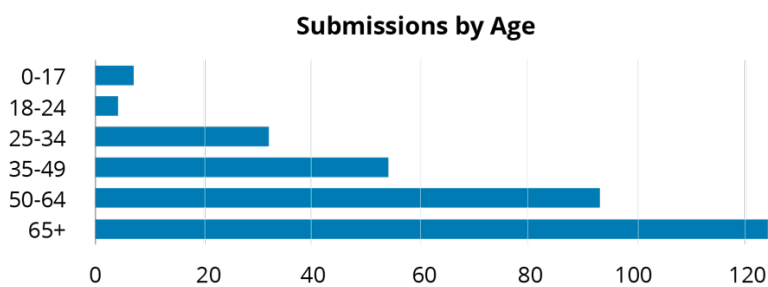
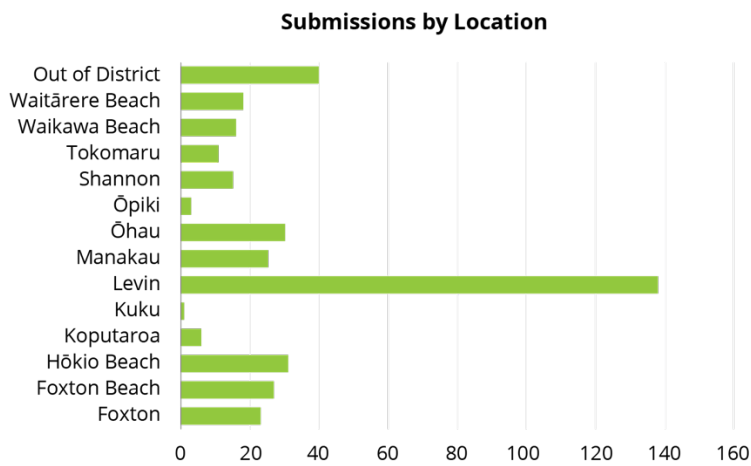
A total of 302 people attended the live events and there were 252 reactions, comments and shares on the Facebook Lives.

Throughout the consultation period, over 500 hardcopy submission forms were distributed and over 350 hardcopy consultation documents.

In total 418 submissions were received, and formally received by Council ahead of the oral submission hearings. Of those 68 people or organisations indicated they wished to make an oral submission. With illnesses and withdrawals, 51 oral submissions were made.

## Submissions received

- 418 total submissions
- 25 submissions from Iwi, hapu, community groups & other organisations
- 51 Oral submissions



## Summary of Key Decisions

### Rates increase for 2023/24

When the LTP 2021-2041 was developed, we expected that we would need a 6.4% rates revenue increase and set a limit of 6.5% for the total rates revenue increase. However, things have changed.

Our first look at the budget, when setting the draft LTPA showed us we'd need an 18.9% rates increase to do everything planned for 2023/24 in the LTP. This figure isn't something a council would usually share – it's not something we'd propose. By sharing it this year we hope it gave more insight into how Council calculates rates increase, the pressures the budget is facing and how little we could sensibly cut.

When we develop LTPs and Annual Plans, we look at the work we're proposing, how we pay for it and whether that's reasonable. Rates revenue lets our Council deliver the levels of service we agreed to provide in the LTP. Unlike some other councils, we don't have income from assets in airports or ports to offset our rates income. We rely on rates to pay for the majority of what we do.

As part of setting the draft proposed rates increase, we also reviewed our Revenue & Financing Policy together with our proposed fees and charges to make sure that there was a fair split between user charges and rates. To bring the rates increase down we made decisions to fund some of the additional operational costs in three waters through borrowings in the short term and slowed the level of depreciation funding increases that were planned in the LTP. This has the effect of delaying the year where we will be fully funding depreciation from 2026 to 2028.

### We asked the community whether they supported:

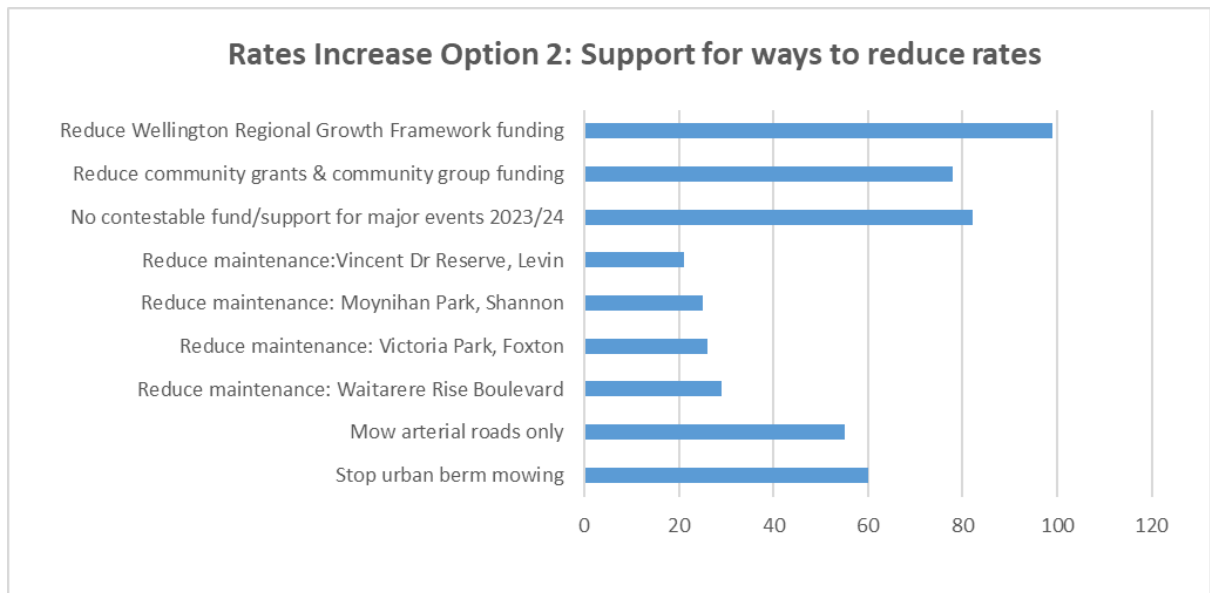
- Option 1 – A 7.9% rates increase.
- Option 2 – A rates increase less than 7.9%.
- In this option people were asked to identify where they would support reductions or stops to levels of service being made, with several proposed and room for other ideas:
  -
- Option 1 was identified as Council's preferred option for consultation material.

### What we heard

279 submissions were received on the proposed increase to rates Long Term Plan 2021-2041 Amendment/Annual Plan 2023/24 consultation topic. Of those, 101 supported Option 1 and 178 supported Option 2.

The response was similar to the Rates Review in that very few comments were made in support of the identified preferred option and those favouring the alternatives said cost of living increases made further increases unwelcome.

Options put forward received different levels of support, as shown in the graph below. The most popular additional ideas were to reduce Council's own costs and to shift more costs to user pays.



### What Council decided and why

Council agreed to a rates increase of 7% for 2023/2024, lower than the 7.9% rates increase Council consulted on.

Council acknowledged that the proposed 7.9% rates increase is significant for many households within the district, while also acknowledging that Council needs to be financially prudent. Council decided to reduce the rates increase for the 2023/2024 financial year to a total of 7.0% after accounting for growth. This was achieved by reducing the following levels of service:

- Requiring the Chief Executive to work with our partners, Recreational Services, to find \$75,000 in savings across the maintenance budgets,
- Reducing targeted capital spend from \$41 million to \$35 million,
- Reducing the budget for professional services across the organisation by \$100,000,
- Reducing the budget for Governance/Māori Partnerships by \$152,000.

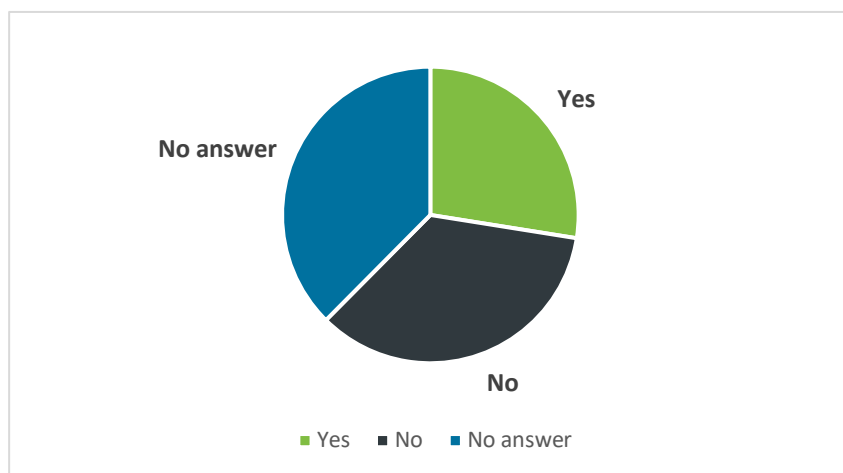
## Fees and charges

**We asked the community** whether they supported the proposed changes to the way fees and charges are shared?

Changes were proposed to rebalance the public/private share of costs. Under the proposal those benefitting from a service (private benefit) would pay more of the cost than that paid by ratepayers as a whole (public benefit).

### What we heard

A total of 261 submissions were made on the Fees and Charges issue. Of those 115 submitters agreed with the proposed changes to the way fees and charges are shared, with 146 against. Suggestions were made that a discount be applied for owners of four or more stock dogs, as these are working dogs.



### What Council decided and why

Council approved the changes to the fees and charges for 2023/2024. Council also agreed to add a Registration Class for multi-dog owner (stock dogs) with a discount of \$10.00 per stock dog, for dog owners who have four or more dogs.

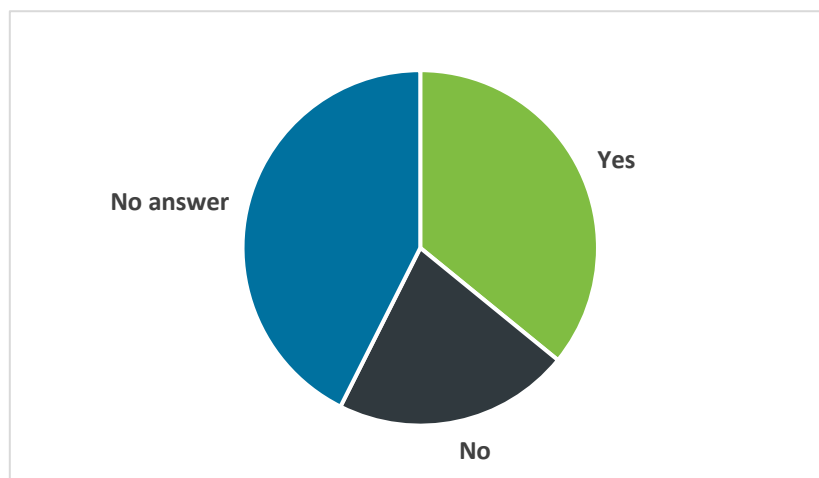
## Foxton Beach Freeholding Account

**We asked the community** whether or not they agree with \$500,000 from the Foxton Beach Freeholding Account being used for the Foxton Pools Redevelopment Project?

### What we heard

Overall a total of 240 submissions were received on the Foxton Beach Freeholding Account spending question. 150 submissions supported the proposal, and 90 were opposed.

When responses from residents of Foxton and Foxton Beach are analysed, there are similar percentages of those in favour at 59.4%. However, when responses from only Foxton Beach are considered, the position is reversed with 55.6% opposed. Conversely there is strong support within Foxton with 78.6% supportive.



### What Council decided and why

Council agreed that **\$500,000 from the Foxton Beach Freeholding Account be used for the Foxton Pools Redevelopment Project.** Council noted the extensive consultation that has been undertaken in relation to this matter, and the predominant views, not only of the wider community, but more specifically the residents of the Foxton Beach community. This deviation from the Policy will be included in the background which informs the current Policy review.

## Decisions on Topics Raised by Submitters

### Ōhau Shared pathway

Council has requested that Officers:

- Include the Ōhau Shared Path proposal in Council's Cycling Facilities funding application to the 2024/2027 National Land Transport Programme.
- Investigate options to improve pedestrian and cyclist connectivity under the Ōhau rail over bridge.
- Continue to work with the submitter to undertake engagement with the Ōhau community. This engagement should focus on understanding their perspective, gauging the level of support for the proposed shared pathway, and exploring opportunities for community input in the pathway's development

Council also requested, pending a better understanding of the project's feasibility, that the development of the shared pathway is included within the programme of Cycling Facilities Budget for consideration as part of the 2024 Long Term Plan (LTP).

### Ōhau to Kimberley Road Cycleway

Council was asked to support a proposal for a safe cycling facility on State Highway 1 Between Ōhau and Kimberley. A safe cycling facility on this section of SH1 would effectively connect Ōhau and Levin, as a gravel pathway exists on the west side for State Highway 1, extending from Kimberly Road north through to Levin.

Council will write to the submitter thanking them for their submission, acknowledging that we support the idea in principle but suggest he take it to the controlling authority "Waka Kotahi" with the understanding it would be better suited for the Revocation process for the Otaki to North Levin expressway.

### Manawatū Mountain Biking Club – Target Reserve

Council was asked by the Manawatū Mountain Bike Club and Foxton residents to support a proposed Mountain Bike Park on the vacant area of Target Reserve Foxton.

Council has requested that officers in consultation with community develop a comprehensive and inclusive development plan for Target Reserve within the next financial year given the diverse range of recreational demands on this site. This plan should consider various recreational activities, including walking, mountain biking, horse riding, and other existing recreational groups such as Horowhenua Paintballing and the Levin Pistol Club, notwithstanding discussions will continue with the Manawatū Mountain biking club to progress a Memorandum of Understanding.

## **Te Awaroa Manawatū Trust**

Council was asked to fund a proprietary toilet with a self-contained tank that can be emptied when necessary, at the Tokomaru Shelter site of the Te Awaroa Trail.

- Council approved funding up to \$15,000 for the cost-effective fibreglass Single pan Long Drop Wilderness Toilet Unit in the event funding cannot be secured within the next 6 months.
- Council requested that officers:
  - collaborate with representatives from the Te Araroa Manawatū Trust regarding the installation of the fibre glass Single pan Long Drop Wilderness Toilet Unit. This approach ensures that the facilities meet the necessary Trail standards and contribute to the overall quality of the Te Araroa trail and contribute to the overall visitor experience.
  - work with the Te Araroa Manawatū Trust to pursue further funding opportunities via the Tourism Infrastructure Fund to advance projects across Horowhenua.

## **Manakau Domain improvements**

Council was asked to support a list of improvements the Manakau United Football Club wish to introduce to Manakau Domain.

Council requested that Officers:

- Continue the ongoing consultation process between the involved parties, including Manakau United Football Club, the Manakau District Community Association, Ngāti Wehi Wehi and Council, regarding the capital funding obtained from the 'Better Off' fund. This funding should be utilised as the initial phase of works to improve the site.
- Council agreed to explore the possibility of bringing Manakau Domain back under Council control. This would entail the transfer of operational maintenance and renewal responsibilities to the Council. It is important to consider the associated costs and budget implications, including an estimated annual expenditure of approximately 20-30k for maintenance, which would need to be funded through rates. Any decision to bring the site under Council control should also ensure that it remains available for public use.

## **Skid Pad**

Council was asked to enable the establishment of a “skid pad” facility for the purpose of enabling car enthusiasts to conduct manoeuvres which are illegal and unsafe on public roads such as “skidding”.

Council agreed to provide support to the submitter and other interested community groups to help them identify requirements and possible suitable sites for a privately funded skid pad or other motorsport facility.



## **Living Wage**

Council was asked to introduce a Living Wage for all employees.

Council agreed to consider implementing a living wage for Council employees during the Long Term Plan 2024.



# **Council Activity Statements**

## Water Supply

The Water Supply Activity aims to provide a safe and reliable supply of water to urban (residential, industrial and commercial) and agreed rural properties, which adjoin urban areas.

### What Water Supply involves:

- Providing drinking water to defined urban and rural areas for Levin, Foxton Beach, Foxton, Shannon, Mangaore and Tokomaru.
- Management and maintenance of river intakes, groundwater bores, water treatment plants and treated water storage facilities, pump stations, underground pipe networks and associated infrastructure.
- Ensuring that water demand management kept current using tools such as the SCADA (Supervisory Control and Data Acquisition), i2O systems and PRVs (pressure reducing valves).
- Continuous improvements and extensions to Council’s water supply pipe network that addresses leaky pipes through applying a good asset management process.
- Providing water for firefighting capability in areas where a Council reticulated water supply is provided and ensuring compliance with firefighting requirements in areas not reticulated.
- Ensuring compliance with relevant legislation:
  - Meeting resource consent requirements for water intakes and assets
  - Meeting with Drinking Water Standards under the new regulator, Taumata Arowai. This replaces Drinking Water Standards for New Zealand 2018
- Respond to and resolve (if possible) complaints relating to the Water Supply Activity.

### 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.	<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.	Provider/ Advocate
The water supply is safe to drink.	<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.	Funder/ Provider
There is adequate supply of water for firefighting.	<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. 'Fit for purpose' infrastructure There is sufficient capacity in our networks to provide up to FW3 level firefighting flow.	Funder/ Provider
The water supply can be quickly restored following a natural disaster event.	<b>Strong communities</b> Providing safe drinking water supply for our community is an essential part of ensuring community health and wellbeing. 'Fit for purpose' infrastructure We are improving the resilience of our infrastructure so that it can be restored quickly in a natural disaster event.	Funder/ Provider

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## How we measure our performance

Service	Community Outcomes	How will we measure our performance	Target 2022/23	Target 2023/24
Safe water supply*	Strong communities	Council's drinking water supply complies with:		
		(a) MAV Table 1 <sup>1</sup> of the Drinking Water Standards (bacteria compliance criteria) in:		
		Levin	1	1
		Shannon	1	1
		Foxton	1	1
		Foxton Beach	1	1
		Tokomaru	1	1
		(b) MAV Table 1 <sup>1</sup> of the Drinking Water Standards (protozoa compliance criteria) in:	1	1
		Levin		
		Shannon		

		Foxton Foxton Beach Tokomaru <sup>1</sup> Table 1: Maximum Allowable Value for Microbiological Determinands. New Drinking Water Standards under new water regulator, Taumata Arowai	1 1 1 1 1	1 1 1 1 1
<b>What does this tell me?</b> 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.				
Drinking water that tastes and looks satisfactory*	Strong communities	The total number of complaints received about any of the following (expressed per 1000 connections):  Drinking water clarity; Drinking water taste; Drinking water odour; Drinking water pressure or flow; Continuity of supply; and Council's response to any of these issues  Total:*	1 1 1 1 1 1 ≤ 6	1 1 1 1 1 1 ≤ 6
<b>What does this tell me?</b> 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  Fit for purpose Infrastructure	The median time from the time that Council received notification, to the time that service personnel:  Reach the site for urgent call-outs;^  Confirm resolution of the fault or interruption of urgent call-outs;^  Reach the site for non-urgent callouts; and*^	< 1 hour  < 8 hours  < 3 days	< 1 hour  < 8 hours  < 3 days

		Confirm resolution of the fault or interruption of no-urgent call-outs.*^	< 3 days	< 3 days
<b>What does this tell me?</b> 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.				
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%
<b>What does this tell me?</b> 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
<b>What does this tell me?</b> 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). lpcd – litres per capita per day.	≤ 300 lpcd	≤ 300 lpcd
<b>What does this tell me?</b> 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.				
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"
<b>What does this tell me?</b> 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. The Infrastructure Leakage Index (ILI) is used to categorise operational performance in real loss management into one of 4 Bands, which (for Developed Countries) are as shown in below:

**Table 2.3 World Bank Institute Bands for Leakage Management in Developed Countries**

Band	ILI Range	Guideline Description of Real Loss Management Performance Categories for Developed Countries
A	< 2.0	Further loss reduction may be uneconomic unless there are shortages; careful analysis needed to identify cost-effective leakage management
B	2.0 to < 4.0	Possibilities for further improvement; consider pressure management, better active leakage control, better maintenance
C	4.0 to < 8.0	Poor leakage management, tolerable only if plentiful cheap resources; even then, analyse level and nature of leakage, intensify reduction efforts
D	8.0 or more	Very inefficient use of resources, indicative of poor maintenance and system condition in general, leakage reduction programs imperative and high priority

Higher the ‘Band’ the better the performance from a water leakage point of view in water supply reticulation system. Band B is a resource consent condition requirement.

Sustainable water supply management	Outstanding environment	The number of:		
		Abatement Notices;	0	0
	Infringement Notices;	0	0	
	Enforcement Orders; and			
Strong communities	Convictions	0	0	
	Received by Council in relation to Horizons Regional Council resource consents.*	0	0	

**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%
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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

## **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 and implement targeted renewal programmes for the water supply networks and treatment plants.
- Achieving compliance with New Zealand Drinking Water Standards (Taumata Arowai) 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 negative effects on the social, cultural, economic and environmental wellbeing of the local community associated with this Activity**

- A significant negative effect associated with the 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.



## How much it will Cost

### Capital Expenditure Program for Water Supply

	LTP 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000
<b>Primary Type - to replace existing assets</b>			
Levin reticulation - Renewals	1,272	1,139	1,800
Foxtton Water Reticulation - Renewals	450	424	810
Shannon Water Reticulation - Shannon - Mangaore Renewals	1,302	1,202	1,500
Foxtton Beach treatment plant - Renewals	69	259	240
Levin Treatment Plant - Renewals	-	-	100
Shannon Water Treatment Plant - Renewals	360	293	300
Districtwide Water Reticulation - Reactive renewals	120	114	105
Tokomaru Water Treatment Plant - Renewals	100	100	500
Foxtton Beach Water Reticulation - Renewals	252	450	550
Foxtton Water Treatment Plant - Renewals	199	155	155
Levin Water Reticulation - Property renewals	14	15	38
Shannon Water Treatment Plant - Resource consent renewal	199	-	-
Levin Water Treatment Plant - Master plan & Strategic Upgrade	-	-	1,000
Districtwide Water Demand Management - Renewals	-	-	30
Districtwide Water Demand Management - Universal water metering	-	-	-
Shannon Water Treatment Plant - Strategic upgrade	-	-	-
Shannon Water Treatment Plant - Intake resilience	-	-	-
Foxtton Water Treatment Plant - Strategic upgrade	-	-	-
Foxtton Beach Water Treatment Plant - Strategic Upgrade	-	-	-
Mangaore Reservoir - Planned renewal	-	-	-
Tokomaru Water Treatment Plant - Strategic upgrade	-	-	-
Tokomaru Water Treatment Plant Reservoir - Planned renewal	-	-	-
Foxtton Water Treatment Plant - Resource consents expiring 2038	-	-	-
Condition assessment for renewals - Water Supply	-	-	-
Firefighting reservoir capacity increase - tanks (Waitārere Beach/Waikawa/Hōkio Beach)	125	-	-
Levin Water Treatment Plant - Fluoridation upgrade	-	-	-
<b>Total renewals</b>	<b>4,462</b>	<b>4,152</b>	<b>8,208</b>

	<b>LTP 21/22 \$000</b>	<b>Yr 2 22/23 \$000</b>	<b>Yr 3 23/24 \$000</b>
<b>Primary Type - to improve the level of service</b>			
Hydraulic Modelling - Water Supply	-	-	-
New Water Connections Foxton	-	-	-
New Water Connections Foxton Beach	-	-	-
New Water Connections Levin	-	-	-
New Water Connections Shannon	-	-	-
Districtwide - Marae water treatment assessment & upgrade	259	-	-
<b>Total level of service</b>	<b>259</b>	<b>-</b>	<b>-</b>
<b>To meet additional demand</b>			
Levin Water Reticulation - Growth area	530	-	-
Ōhau future water supply services option	-	-	-
Waitārere Beach Water Reticulation - Future water supply services option	-	-	-
Tara-Ika - WS 300dia Central Trunk Main	-	-	1,067
Levin Water Treatment Plant - Poads Rd Source Water Reservoir	200	-	1,000
Levin Water Treatment Plant - resilience (secondary pipeline from River to WTP)	386	379	-
Tara-Ika - Water Reticulation	-	2,381	-
Total Growth	1,116	2,757	2,067
Total Water Supply Projects by type			
Growth	1,420	3,077	2,799
Level of Service	517	188	-
Renewals	3,899	3,644	7,476
<b>Total Water Supply Projects</b>	<b>5,836</b>	<b>6,909</b>	<b>10,275</b>

## Funding impact statement for Water Supply

	LTP 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charges, rates penalties	-	-	-
Targeted rates	7,165	7,457	6,833
Subsidies and grants for operating purposes	-	-	-
Fees and charges	62	64	94
Local authorities fuel tax, fines, infringement fees, and other receipts	128	147	-
Internal charges and overheads recovered	-	-	-
<b>Total Operating Funding (A)</b>	<b>7,355</b>	<b>7,668</b>	<b>6,927</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	3,805	3,856	3,798
Finance costs	471	423	555
Internal charges and overheads applied	852	870	1,054
Other operating funding applications	-	-	-
<b>Total applications of operating funding (B)</b>	<b>5,128</b>	<b>5,149</b>	<b>5,407</b>
Surplus (deficit) of operating funding (A-B)	2,227	2,519	1,520
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	1,254	1,769	980
Development and financial contributions	220	296	296
Increase (decrease) in debt	1,912	2,014	(8,335)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding (C)</b>	<b>3,386</b>	<b>4,079</b>	<b>(7,059)</b>
<b>Applications of capital funding</b>			
Capital expenditure			
- to meet additional demand	1,420	3,077	2,799
- to improve the level of service	517	188	-
- to replace existing assets	3,899	3,644	7,476
Increase (decrease) in reserves	(223)	(311)	(15,814)
Increase (decrease) of investments	-	-	-
<b>Total applications of capital funding (D)</b>	<b>5,613</b>	<b>6,598</b>	<b>(5,539)</b>
Surplus (deficit) of capital funding (C-D)	(2,227)	(2,519)	(1,520)
Funding Balance ((A-B) +(C-D))	-	-	-
Depreciation	3,338	4,035	4,078

## Activity expenditure for Water Supply

<b>Activity Operating Expenditure Including depreciation</b>	<b>LTP 21/22 \$000</b>	<b>Yr 2 22/23 \$000</b>	<b>Yr 3 23/24 \$000</b>
Levin Water Supply	4,693	5,082	5,294
Shannon Water Supply	975	1,065	1,199
Ōhau Water Supply	67	68	66
Foxton Water Supply	1,222	1,327	1,269
Foxton Beach Water Supply	959	1,064	1,024
Tokomaru Water Supply	529	560	617
Waitārere Beach Water Supply	20	18	16
<b>Total Expenditure</b>	<b>8,465</b>	<b>9,184</b>	<b>9,485</b>

## Wastewater Treatment

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

### What Wastewater Treatment involves:

- The collection, transportation, treatment and discharge of treated effluent and trade waste from residential, commercial and industrial properties in Levin, Foxton, Foxton Beach, Shannon, Mangaore, Tokomaru and Waitārere Beach<sup>2</sup>.
- Maintenance and extension to Council’s wastewater systems including; pipes, pumping stations, wastewater treatment plants and discharge facilities.
- Meeting resource consent requirements for the discharge of treated wastewater.
- Responding to and resolving (if possible) customer complaints relating to the Wastewater Activity.
- Incorporate new environmental requirements (national regulatory driver) in our new infrastructure plans

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

Activity	Community Outcome	Council Role
Maintain the safe collection, treatment, and disposal of wastewater produced by residential and business activities.	<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>	Funder/ Provider
Resource consent conditions on the quality of discharges are met.	<p><b>Outstanding environment</b> Making sure that wastewater treatment plants are designed to incorporate resource consent requirements, operated and monitored to meet resource consent conditions to ensure the quality of discharges are met.</p>	Funder/ Provider

<sup>2</sup> Council does not provide a wastewater disposal service for Waikawa Beach, Hōkio Beach, Manakau and Ōhau.

The collection network is reliable and has minimal blockages or overflows.	<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>	Funder/ Provider
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## How we will measure our performance

Service	Community Outcomes	How we will measure our performance	Target 2022/23	Target 2023/24
Reliable wastewater collection and disposal*	Outstanding environment and Fit for purpose infrastructure	The number of dry weather wastewater overflows from the wastewater system per 1000 connections.*	≤ 2	≤ 2
<p><b>What does this tell me?</b> 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.</p>				
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
		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
<p><b>What does this tell me?</b> This measure shows how quickly we respond when there is a problem with the sewerage system, and how quickly the problem is resolved.</p>				
The service is satisfactory*	Fit for purpose infrastructure	The total number of complaints received (expressed per 1000		

		connections to the wastewater system) regarding: <ul style="list-style-type: none"> <li>• Wastewater odour;</li> <li>• Wastewater systems faults;</li> <li>• Wastewater system blockages; and</li> <li>• Council's response to issues with its wastewater system.</li> </ul>	<4	<3
			<6	<6
			<8	<8
		Total number of complaints received about any of the above. *	<4	<3
		Percentage of customers not dissatisfied with the service, based on the Annual Customer Satisfaction Survey	<22	<20
			≥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.

Safe disposal of wastewater*	Outstanding environment	The number of: <ul style="list-style-type: none"> <li>• Abatement Notices;</li> <li>• Infringement Notices;</li> <li>• Enforcement Orders; and</li> <li>• Convictions</li> </ul>	0	0
			0	0
			0	0
		Received by Council in relation to Horizons Regional Council resource consents for discharge from its wastewater system. *	0	0

**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.

## **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 start undertaking a strategic upgrade six year staged programme (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), projected growth and climate change.
- 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, stakeholder groups and tighten regularity framework.
- 

## **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.



## How much it will cost

### Capital Expenditure for Wastewater

	LTP 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000
<b>Primary Type - to replace existing assets</b>			
Foxtton wastewater treatment plant - Planned renewals	46	52	52
Shannon wastewater treatment plant - Planned renewals	205	175	195
Tokomaru wastewater treatment plant - Planned renewals	36	36	36
Waitārere Beach wastewater treatment plant - Planned renewals	90	104	100
Levin - Reticulation renewals	1,956	1,553	2,601
Districtwide - Reticulation unplanned renewals	160	164	154
Levin wastewater treatment plant - Renewals	1,750	1,449	1,100
Waitārere Beach wastewater treatment plant - Strategic upgrade	-	-	-
Foxtton Wastewater Treatment Plant - Pond Desludge	-	-	-
Foxtton Beach wastewater treatment plant - Planned renewals	66	60	76
Tokomaru wastewater - treated effluent disposal options & consents	120	697	-
Foxtton Beach - Reticulation renewals	330	450	455
Foxtton Reticulation Renewals	330	311	300
Wastewater property renewals	4	5	4
Districtwide Wastewater - De-watered Sludge strategy	-	-	40
Districtwide Wastewater - Stakeholder engagement	-	-	-
Foxtton Wastewater Treatment Plant - Discharge expansion (existing property)	-	-	-
Foxtton Wastewater Treatment Plant - Discharge expansion (additional property)	-	-	-
Foxtton Wastewater Treatment Plant - Treatment upgrade	-	-	-
Foxtton Wastewater Treatment Plant - Compliance management	-	-	-
Foxtton Beach Wastewater Treatment Plant - Treatment upgrade	-	-	-
Foxtton Beach Wastewater Treatment Plant - Treatment upgrade	-	-	-
Foxtton Beach Wastewater Treatment Plant - Additional discharge/new	-	-	-
Shannon Wastewater Treatment Plant - Treatment upgrade	-	-	-
Levin Wastewater Treatment Plant - Irrigation expansion on Tucker (1,500k)	-	-	-

	LTP 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000
Levin Wastewater Treatment Plant - Irrigation expansion (30,000k)	-	-	-
Condition assessment for renewals - Wastewater	-	45	-
Foxton Beach Wastewater Treatment Plant - Strategic	-	-	-
Foxton Wastewater Treatment Plant - Unplanned renewals	-	-	-
Levin Wastewater Treatment Plant - Unplanned renewals	-	-	-
Shannon Wastewater Treatment Plant - Unplanned renewals	-	-	-
Tokomaru Wastewater Treatment Plant - Unplanned renewals	-	-	-
Waitārere wastewater treatment plant - Unplanned renewals	-	-	-
Shannon reticulation - Infiltration&Inflow	150	-	-
Tokomaru reticulation - Infiltration&Inflow	150	-	-
Tara-Ika - Wastewater - Queen - North South to School Site	-	-	1,166
Tara-Ika - Wastewater Network Growth Upgrade	-	-	2,683
<b>Total renewal</b>	<b>5,393</b>	<b>5,099</b>	<b>8,962</b>
<b>Primary Type - to improve the level of service</b>			
Districtwide pump stations - improvement & resilience	100	160	160
Waitārere Beach wastewater treatment plant - Strategic upgrade	-	-	-
Foxton Wastewater Treatment Plant - Pond Desludge	-	-	-
Tokomaru wastewater - treated effluent disposal options & consents	-	-	700
Levin Treated Eff. Discharge - Strategic upgrade POT	1,750	1,500	1,036
Forestry at The Pot - MfE trial of native ecosystem planting	-	-	-
Foxton Beach wastewater treatment plant - Strategic upgrade	-	-	-
Foxton wastewater treatment plant - Strategic upgrade	-	-	-
Hydraulic modelling - Wastewater	-	-	-
Levin wastewater treatment plant - Strategic upgrade POT	-	-	-
New WW connections Foxton	-	-	-
New WW connections Foxton Beach	-	-	-
New WW connections Levin	-	-	-
New WW connections Shannon	-	-	-
New WW connections Waitārere	-	-	-
Tokomaru wastewater treatment plant - Upgrade	-	-	-
Districtwide - Marae wastewater assessment & upgrade	259	-	-
Districtwide - WTP & WWTP structural improvements	300	250	100

	LTP 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000
Foxton wastewater treatment plant - Strategic upgrade	1,300	-	-
<b>Total level of service</b>	<b>3,709</b>	<b>1,709</b>	<b>1,996</b>
<b>Primary Type - to meet additional demand</b>			
Levin wastewater treatment plant - Strategic Upgrade	-	-	405
Waitārere Beach wastewater treatment plant - Strategic upgrade	90	45	-
POT Mitigation	-	-	-
Flaxhaven Development	-	-	-
Levin NE Growth Wastewater reticulation	166	1,553	1,600
Levin reticulation upgrade - growth	2,004		2,269
Ōhau Wastewater Reticulation - Future supply of wastewater services	-	-	-
Levin - Network upgrades - Pump stations	-	-	-
Levin Tara-Ika growth area - wastewater	3,900	500	-
Tara-Ika - Wastewater - New 225dia Tararua Road Main (East Roe St)	-	1,237	800
Tara-Ika - Wastewater - Upgrade Tararua Road to 225dia Main (West Roe St)		454	
<b>Total growth</b>	<b>6,160</b>	<b>6,516</b>	<b>5,074</b>
<b>Total Wastewater Projects by Type</b>			
Growth	7,306	7,691	5,919
Level of Service	2,456	1,693	1,227
Renewals	5,419	4,242	8,885
<b>Total Wastewater Projects</b>	<b>15,262</b>	<b>13,525</b>	<b>16,032</b>

## Funding Impact Statement for Wastewater

	LTP 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charges, rates penalties	-	-	-
Targeted rates	6,854	7,737	7,578
Subsidies and grants for operating purposes	-	-	-
Fees and charges	1,191	1,233	1,309
Local authorities fuel tax, fines, infringement fees, and other receipts	112	134	120
Internal charges and overheads recovered	-	-	-
<b>Total Operating Funding (A)</b>	<b>8,157</b>	<b>9,104</b>	<b>9,007</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	3,903	3,988	5,647
Finance costs	921	1,260	1,691
Internal charges and overheads applied	869	875	-
Other operating funding applications	-	-	-
<b>Total applications of operating funding (B)</b>	<b>5,693</b>	<b>6,123</b>	<b>7,338</b>
Surplus (deficit) of operating funding (A-B)	2,464	2,981	1,669
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	2,693	7,814	-
Development and financial contributions	1,523	712	712
Increase (decrease) in debt	8,682	8,090	6,881
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding (C)</b>	<b>12,898</b>	<b>16,616</b>	<b>7,593</b>
<b>Applications of capital funding</b>			
Capital expenditure			
- to meet additional demand	7,306	7,691	5,726
- to improve the level of service	2,465	1,592	1,007
- to replace existing assets	5,491	4,242	2,530
Increase (decrease) in reserves	100	6,072	(1)
Increase (decrease) of investments	-	-	-
<b>Total applications of capital funding (D)</b>	<b>15,362</b>	<b>19,597</b>	<b>9,262</b>
Surplus (deficit) of capital funding (C-D)	(2,464)	(2,981)	(1,669)
Funding Balance ((A-B) +(C-D))	-	-	-
Depreciation	3,797	4,811	5,292

## Activity Expenditure for Wastewater

	<b>LTP 21/22 \$000</b>	<b>Yr 2 22/23 \$000</b>	<b>Yr 3 23/24 \$000</b>
Levin Wastewater	5,412	6,220	7,226
Shannon Wastewater	1,183	1,310	1,585
Foxton Wastewater	1,139	1,371	1,585
Foxton Beach Wastewater	819	951	985
Tokomaru Wastewater	336	354	485
Waitārere Beach Wastewater	565	693	749
Ōhau Wastewater	37	36	15
<b>Total Expenditure</b>	<b>9,491</b>	<b>10,935</b>	<b>12,630</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 cases residential and commercial properties, to reduce the occurrence of flooding during rainfall events.

### What Stormwater involves:

- Providing and maintaining drainage systems (including pipes, open culverts, pump stations, soak pits, discharge outlets and detention areas) in settlements<sup>3</sup> across the District to remove stormwater from the road corridor and some residential and commercial properties.
- Investigation and implementation of improvements and extensions to the stormwater network.
- Meeting resource consent requirements for stormwater drainage systems.
- Responding to and resolving (if possible) customer complaints relating to the Stormwater Activity.

### Key Projects for 2023/2024

#### Replacement of existing assets

- Districtwide stormwater improvement programme. Some of the projects would entail replacement of existing assets to increase the capacity in the network and/or extend the existing network(s). The replacement of assets takes into account of changing weather patterns from climate change.

#### Additions to Levels of Service

- Districtwide stormwater improvement programme. Some of the projects would entail replacement of existing assets to increase the capacity in the network and/or extend the existing network(s).
- Stormwater discharge resource consent applications for Foxton Beach and Levin.
- Subsequent phases of Coley attenuation ponds.
- Foxton East Drainage Scheme project

### Rationale for this Activity (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.	<b>Vibrant economy</b> Providing stormwater services to protect our community and supporting existing businesses and enabling new businesses to establish	Funder/ Provider

<sup>3</sup> Levin, Foxton, Foxton Beach, Hōkio Beach, Shannon, Mangaore, Tokomaru, Manakau, Ōhau, Waikawa Beach and Waitārere Beach.

	<b>'Fit for purpose' infrastructure</b> Our infrastructure is resilient, helping us to respond to climate change and natural hazards.	
Provide a means of ensuring minimal contamination of receiving water course.	<b>Outstanding environment</b> Stormwater discharge points are monitored and work is ongoing to reduce contaminants entering the stormwater system and reducing any impacts on receiving environment.	Funder/ Provider

## How we will measure our performance

Service	Community Outcomes	How we will measure our performance	Target 2022/23	Target 2023/24
An adequate stormwater system*	Outstanding environment	Number of flooding events each year that occur in the District.*	< 5 per year	< 5 per year
	Fit for purpose infrastructure Strong communities	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
<p><b>What does this tell me?</b> 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</p>				
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
<p><b>What does this tell me?</b> 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</p>				
Customer satisfaction*	Strong communities	The number of complaints received by Council about the performance of its stormwater system expressed per 1000	<10 per year	<10 per year

		properties connected to the system. *		
		Percentage of customers satisfied with the stormwater service. As per the Annual Customer Satisfaction Survey.	≥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:		
		<ul style="list-style-type: none"> <li>• Abatement Notices;</li> <li>• Infringement Notices;</li> <li>• Enforcement Orders; and</li> <li>• Convictions</li> </ul>	0	0
		Received	0	0
		by Council in relation to Horizons Regional Council resource consents* for discharge from its stormwater system.	0	0

**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.

### Challenges Council faces for Stormwater Activities

- Climate change is a challenge facing Council for its Stormwater Activities as it is affected by the weather patterns, including more frequent and intense 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 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 from roads) 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.

## How much it will cost

### Capital Expenditure for Stormwater

	LTP 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000
<b>Primary Type - to replace existing assets</b>			
Districtwide Stormwater reticulation - renewals	150	275	100
Districtwide pump stations - Planned renewals	49	81	-
Levin Stormwater – Tara-Ika growth area	-	-	-
Foxton Stormwater Reticulation - Foxton East Drainage Scheme new 1050 main	-	-	-
Foxton Stormwater - Foxton Loop water quality improvement plan	-	-	100
Foxton Beach Stormwater resource consent expiry 2028 - Disc. Manawatū River Estuary	-	-	-
Condition assessment for renewals	-	-	-
Districtwide reticulation - Unplanned renewals	-	-	-
<b>Total renewal</b>	<b>199</b>	<b>356</b>	<b>200</b>
<b>Primary Type - to improve the level of service</b>			
Districtwide improvement works	360	553	-
Queen St discharge & resource consent	348	218	350
Levin Northeast Stormwater drainage	-	-	-
Actions from Catchment Management Plans	132	137	232
Levin Stormwater - Lake Horowhenua Stormwater	500	-	-
Foxton East Drainage Scheme	-	-	-
Hōkio Cut Remediation	-	50	-
Hydraulic modelling - stormwater	-	-	-
Improvements NE Levin	-	-	-
Foxton East Drainage Scheme	504	-	-
Lake Horowhenua water quality improvement project - wetland/riparian planting (Levin & Foxton)	300	155	-
<b>Total level of service</b>	<b>2,144</b>	<b>947</b>	<b>582</b>
<b>Primary Type - to meet additional demand</b>			
Districtwide improvement works	-	-	1,000
Levin Northeast Stormwater drainage	2,804	1,797	1,400
Tara-Ika - Liverpool St Stage 2 Stormwater (Pre-O2NL) - Regional Attenuation and Treatment	-	-	-
Levin Stormwater – Tara-Ika growth area	-	-	-
Levin Stormwater - Lake Horowhenua Stormwater	-	-	1,000
Improvements NE Levin	-	-	-
Development Planning and resource consenting Foxton Beach	130	100	-
Tara-Ika - Queen St Stage 1 Stormwater (Pre-O2NL) - Regional Attenuation and Treatment	-	1,507	1,338
<b>Total growth</b>	<b>2,934</b>	<b>3,404</b>	<b>4,738</b>

	<b>LTP 21/22 \$000</b>	<b>Yr 2 22/23 \$000</b>	<b>Yr 3 23/24 \$000</b>
<b>Total Stormwater Projects by Type</b>			
Growth	2,007	3,024	3,768
Level of Service	3,115	1,426	1,546
Renewals	155	257	206
<b>Total Stormwater Projects</b>	<b>5,277</b>	<b>4,707</b>	<b>5,520</b>

## Forecast Funding Impact Statement for Stormwater

	LTP 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charges, rates penalties	-	-	-
Targeted rates	1,656	2,092	1,816
Subsidies and grants for operating purposes	-	-	-
Fees and charges	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	93	117	-
Internal charges and overheads recovered	-	-	-
<b>Total Operating Funding (A)</b>	<b>1,749</b>	<b>2,209</b>	<b>1,816</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	565	653	836
Finance costs	254	324	520
Internal charges and overheads applied	376	359	432
Other operating funding applications	-	-	-
<b>Total applications of operating funding (B)</b>	<b>1,195</b>	<b>1,336</b>	<b>1,788</b>
Surplus (deficit) of operating funding (A-B)	554	873	28
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	1,300	960	-
Development and financial contributions	94	105	105
Increase (decrease) in debt	3,389	3,502	2,751
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding (C)</b>	<b>4,783</b>	<b>4,567</b>	<b>2,856</b>
<b>Applications of capital funding</b>			
Capital expenditure			
- to meet additional demand	2,006	3,024	3,768
- to improve the level of service	3,115	1,426	1,546
- to replace existing assets	156	257	206
Increase (decrease) in reserves	60	733	(2,636)
Increase (decrease) of investments	-	-	-
<b>Total applications of capital funding (D)</b>	<b>5,337</b>	<b>5,440</b>	<b>2,884</b>
Surplus (deficit) of capital funding (C-D)	(554)	(873)	(28)
Funding Balance ((A-B) +(C-D))	-	-	-
Depreciation	716	856	818

### Activity Expenditure for Stormwater

	LTP 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000
Stormwater	1,911	2,192	2,606
<b>Total Expenditure</b>	<b>1,911</b>	<b>2,192</b>	<b>2,606</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 Land Transport involves:

- Provides 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 partnership with Waka Kotahi New Zealand Transport Agency (WKNZTA), which is Council's co-investment partner for roading and 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.

### Key Projects for 2023/2024

#### Replacement of existing assets

- We're aiming to resurface at least 5% of our sealed road network, in order to keep in good condition and reduce long term maintenance costs.
- We're replacing footpaths which have been broken up and cracked over time, to make them safe for all users.

#### Additions to levels of service

- We're creating a safer, more attractive and efficient cycling network, prioritising getting people out of their car's and onto bikes.  
Building new footpaths, and making existing footpaths safer and easier to use, especially for people with mobility issues.
- We're making our land transport network safer by focusing on areas we know have high risks of death and serious injury crashes, and building improvements.

## 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>Vibrant economy</p> <p>Enabling easy and safe transport provides significant economic benefits.</p> <p>Strong communities</p> <p>Safe and accessible transport infrastructure enables a greater level of community participation.</p> <p>'Fit for purpose' infrastructure</p> <p>Land transport infrastructure is delivered efficiently, providing sufficient capacity for growth while retaining value for money for the current community.</p>	Funder/ Provider

## How we will measure our performance

Service	Community Outcomes	How we will measure our performance	Target 2022/23	Target 2023/24
A safe road network*	<p>Strong communities</p> <p>Fit for purpose infrastructure</p>	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.
<p><b>What does this tell me?</b> 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.</p>				
Roads in good condition*	<p>Strong Communities</p> <p>Fit for purpose infrastructure</p>	The average quality of a ride on a sealed local road network measured by Smooth Travel Exposure.	Minimum 85%	Minimum 85%
<p><b>What does this tell me?</b> 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.</p>				
Roads that are maintained well*	<p>Fit for purpose infrastructure</p> <p>Strong communities</p>	The percentage of the sealed local road network that is resurfaced annually.*	Minimum of 5% of total area	Minimum of 5% of total area

**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
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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%
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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

### Challenges Council faces for Land Transport

- Changes in demand to the transport network, caused by growth and Ō2NL, 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 Waka Kotahi-NZTA will be 62% in 2021-2022, 61% in 2022- 2023, and 60% in 2023-2024 as indicated to Council by Waka Kotahi NZTA. Another assumption is that the development of the Ōtaki to North of Levin Expressway will continue.

## How much it will cost

### Capital expenditure for Land Transport

	LTP 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000
<b>Primary Type - to replace existing assets</b>			
Subsidised Roding - Road Improvements due to O2NL	-	-	-
Subsidised Roding - Road improvements	-	-	1,075
Subsidised Roding - Minor improvements	-	-	550
Footpath renewal	400	400	450
Bridge and structures renewals	-	30	78
Subsidised Roding - Sealed Road Pavement Rehabilitation	1,200	1,200	1,301
Drainage Renewals	275	275	210
Structures Component Replacements	50	50	105
Traffic Services	350	350	390
Sealed Roads Resurfacing	1,300	1,500	1,500
Unsealed Roads Metalling	45	45	45
Local Road Improvements	-	-	200
Transport Choices Project (100% sub)	-	-	2,437
Tara-Ika - EWA	-	-	-
<b>Total renewals</b>	<b>3,620</b>	<b>3,850</b>	<b>8,341</b>
<b>Primary Type - to improve the level of service</b>			
Subsidised Roding - Road Improvements due to O2NL	-	-	-
Subsidised Roding - Road improvements	1,000	900	-
Subsidised Roding - Minor improvements	500	525	-
Footpath Improvements	350	250	250
Shared pathways - Cycle facilities	850	250	550
New footpaths	-	-	-
Queen St West Improvements (Oxford St to Salisbury St)	-	-	-
Queen St/Tiro Tiro Roundabout	-	-	-
Subsidised - Road improvements due to O2NL	-	-	-
Subsidised Roding - Gladstone Road Realignment	5,000	2,000	-
<b>Total level of service</b>	<b>7,700</b>	<b>3,925</b>	<b>800</b>
<b>Primary Type - to meet additional demand</b>			
Tara-Ika - Tararua Road Intersection Upgrade	-	1,800	-
Tara-Ika - Tararua Road Intersection Upgrade	4,000	-	-
<b>Total growth</b>	<b>4,000</b>	<b>1,800</b>	<b>2,067</b>
<b>Total Land Transport Projects by Type</b>			
Growth	4,960	2,603	2,222
Level of Service	6,820	3,203	735
Renewals	3,540	3,770	8,251
<b>Total Land Transport Projects</b>	<b>15,320</b>	<b>9,576</b>	<b>11,207</b>

## Forecast Funding Impact Statement for Land Transport

	LTP 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charges, rates penalties	-	-	-
Targeted rates	3,011	4,049	4,553
Subsidies and grants for operating purposes	1,752	1,883	1,932
Fees and charges	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	376	398	(1,647)
Internal charges and overheads recovered	-	-	-
<b>Total Operating Funding (A)</b>	<b>5,139</b>	<b>6,330</b>	<b>4,838</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	2,945	3,209	3,282
Finance costs	153	245	290
Internal charges and overheads applied	1,020	1,051	1,392
Other operating funding applications	-	-	-
<b>Total applications of operating funding (B)</b>	<b>4,118</b>	<b>4,505</b>	<b>4,964</b>
Surplus (deficit) of operating funding (A-B)	1,021	1,825	(126)
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	9,685	6,041	6,320
Development and financial contributions	276	139	139
Increase (decrease) in debt	4,490	5,980	2,942
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding (C)</b>	<b>14,451</b>	<b>12,160</b>	<b>9,401</b>
<b>Applications of capital funding</b>			
Capital expenditure			
- to meet additional demand	4,960	2,603	2,222
- to improve the level of service	6,820	3,203	735
- to replace existing assets	3,540	3,770	8,251
Increase (decrease) in reserves	152	4,409	(1,933)
Increase (decrease) of investments	-	-	-
<b>Total applications of capital funding (D)</b>	<b>15,472</b>	<b>13,985</b>	<b>9,275</b>
Surplus (deficit) of capital funding (C-D)	(1,021)	(1,825)	126
Funding Balance ((A-B)+(C-D))	-	-	-
Depreciation	3,932	4,389	4,752

## Activity Expenditure for Land Transport

	<b>LTP 21/22 \$000</b>	<b>Yr 2 22/23 \$000</b>	<b>Yr 3 23/24 \$000</b>
Subsidised Roding	7,278	7,990	8,110
Unsubsidised Roding	236	254	319
Footpaths	376	459	993
Shared Pathways	161	191	294
<b>Total Expenditure</b>	<b>8,051</b>	<b>8,894</b>	<b>9,716</b>

## Solid Waste

The Solid Waste Activity aims to collect and safely dispose of residential and commercial rubbish, which assists with waste minimisation. It 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, provision of a waste disposal service, 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, Health & Safety at Work Act 2015, and the Waste Minimisation Act 2008).

### Key Projects for 2024/2024

#### Replacement of existing assets

- Review of existing Waste Minimisation Management Plan
- Review of existing Solid Waste Bylaw

#### Additions to levels of service

- Completion of kerbside organic waste collection Business Case
- Completion of Resource Recovery centre/sorting facility Business Case
- Review of Waste Minimisation Management Plan
- Review Solid Waste Bylaw

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

Activity	Community Outcome	Council Role
Provision of waste disposal service and static recycling stations. These help reduce waste and minimise its negative environmental effects.	<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>	Provider

Provision of waste transfer stations, recycling, and refuse collection. These help reduce waste and minimise its negative environmental effects.	<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>	Provider
Provision of waste minimisation education to the Community.	<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 community</b> Waste minimisation education helps to reduce waste to landfill and promote more sustainable ways of living.</p>	Provider/ Advocate

## How we will measure our performance

Service	Community Outcomes	How we will measure our performance	Target 2022/23	Target 2023/24
Provision of a waste disposal service but minimising the amount that is sent to a landfill.	Fit for purpose infrastructure	Quantity of waste going to the landfill per person per year.	≤ 400 kg per person	≤ 400 kg per person
Recycling is encouraged.	Outstanding environment	Level of recycling.	≥ 40% of total waste	≥ 40% of total waste
<p><b>What does this tell me?</b> The provision of a waste disposal service and encouraging recycling helps reduce waste and minimise its negative environmental effects.</p>				
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
	Fit for purpose infrastructure	Waste transfer stations; and recycling stations per month.	<4	<4

<b>What does this tell me?</b> 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
<b>What does this tell me?</b> This measure shows how quickly we respond when there is a problem regarding solid waste.				
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
	Strong communities	Kerbside refuse	<6	<6
<b>What does this tell me?</b> 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	All recycling stations are available at the agreed locations on the agreed days and times outlined on Council's website.	Achieve	Achieve
<b>What does this tell me?</b> 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%
		Kerbside refuse	≥ 80%	≥ 80%
<b>What does this tell me?</b> The percentage of satisfied customers gives us an indication of the quality of service we are providing.				
Customers are educated on waste	Strong communities	Number of school aged students waste education is provided to each year.	≥ 300 students	≥ 300 students

minimisation practices.	Outstanding environment	Number of events Council attends to promote ways to minimise waste.	≥ 5	≥ 5
<b>What does this tell me?</b> 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  Fit for purpose infrastructure	The number of: <ul style="list-style-type: none"> <li>Abatement Notices;</li> <li>Infringement Notices;</li> <li>Enforcement Orders; and</li> <li>Convictions</li> </ul> Received by Council in relation to Horizons Regional Council resource consents.	0 0 0 0	0 0 0 0
<b>What does this tell me?</b> 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.				

## Challenges Council faces for Solid Waste

- A key challenge for Council is to educate customers and put in place practicable waste minimisation strategies. To support this, we will be developing an updated waste minimisation management plan next year and ensuring its implementation.

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

- There is a negative perception regarding landfill use and closed landfills.
- 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 assumption associated with Solid Waste

- A key risk associated with the solid waste activities is the potential environmental and social impacts associated with the historical disposal of waste to landfill. This risk is mitigated through legislative controls and constant monitoring of leachates and groundwater conditions.
- A key assumption is that Council will continue to provide a solid waste service, but will no longer operate a landfill in district. 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.

## How much it will cost

### Capital expenditure for Solid Waste

	LTP 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000
<b>Primary Type - to replace existing assets</b>			
Cap Shape Correction	150	51	50
Solid Waste property renewals	2	-	3
Renewal works at Foxton Transfer Station	42	10	30
Landfill stage development	-	-	-
Landfill Gas Flare renewals	10	-	-
Unplanned small landfill maintenance	25	-	-
Levin Landfill Capping Project	-	-	600
<b>Total renewal</b>	<b>229</b>	<b>60</b>	<b>683</b>
<b>Primary Type - to improve the level of service</b>			
Wheelie Bins & glass crates	-	-	-
Landfill Development (gas collection & ongoing capping)	-	-	110
Leachate remedial option / work	12	350	300
Landfill Development	320	-	-
Weighbridge at Foxton Transfer Station or Levin Landfill (if stays open)	5	41	-
<b>Total level of service</b>	<b>337</b>	<b>391</b>	<b>410</b>
<b>Primary Type - to meet additional demand</b>			
Wheelie Bins & glass crates	38	39	39
<b>Total growth</b>	<b>38</b>	<b>39</b>	<b>39</b>
<b>Total Solid Waste Projects by Type</b>			
Growth	42	40	42
Level of Service	337	375	410
Renewals	227	75	680
<b>Total Solid Waste Projects</b>	<b>604</b>	<b>490</b>	<b>1,131</b>

## Forecast Funding Impact Statement for Solid Waste

	LTP 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charges, rates penalties	-	-	-
Targeted rates	2,214	2,866	2,735
Subsidies and grants for operating purposes	-	-	-
Fees and charges	1,767	450	442
Local authorities fuel tax, fines, infringement fees, and other receipts	21	21	-
Internal charges and overheads recovered	-	-	-
<b>Total Operating Funding (A)</b>	<b>4,002</b>	<b>3,337</b>	<b>3,177</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	3,159	4,049	3,707
Finance costs	223	202	305
Internal charges and overheads applied	567	566	626
Other operating funding applications	-	-	-
<b>Total applications of operating funding (B)</b>	<b>3,949</b>	<b>4,817</b>	<b>4,638</b>
Surplus (deficit) of operating funding (A-B)	53	(1,480)	(1,461)
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	3	21	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	183	1,822	2,592
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding (C)</b>	<b>186</b>	<b>1,843</b>	<b>2,592</b>
<b>Applications of capital funding</b>			
Capital expenditure			
- to meet additional demand	42	40	42
- to improve the level of service	335	375	410
- to replace existing assets	227	75	680
Increase (decrease) in reserves	(365)	(127)	(1)
Increase (decrease) of investments	-	-	-
<b>Total applications of capital funding (D)</b>	<b>239</b>	<b>363</b>	<b>1,131</b>
Surplus (deficit) of capital funding (C-D)	(53)	1,480	1,461
Funding Balance ((A-B) +(C-D))	-	-	-
Depreciation	388	392	388

### Activity Expenditure for Solid Waste

	<b>LTP 21/22 \$000</b>	<b>Yr 2 22/23 \$000</b>	<b>Yr 3 23/24 \$000</b>
Roadside Collection	478	490	813
Landfill	1,537	2,257	1,566
Waste Transfer Stations	438	466	521
Recycling	1,884	1,996	2,126
<b>Total Expenditure</b>	<b>4,337</b>	<b>5,209</b>	<b>5,026</b>

## Community Facilities and Services

The Community Facilities and Services Group of Activities is made up of a number of sub-activities which aim to provide passive and active amenities for the Community to utilise.

The Community Facilities and Services Group of Activities includes the following activities:

- 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:

- Providing swimming pools for general use including assisting clubs and organisations to host and run events on and off-site.
- Providing safe venues for fun activities and social interaction
- Providing a certified Swim School Programme in Levin and Foxton.
- 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.

#### Key Projects for 2023/2024

##### To replace existing assets

- Foxton Aquatic Centre Plan Redevelopment – Completion of the Foxton Pool Redevelopment is due in February 2024. This will see the delivery of a fit for purpose Aquatic Facility that will operate year-round for the Foxton Community

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

Activity	Community Outcome	Council Role
Safe aquatic centres are available for Community use.	<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> </ul>	Provider

	<ul style="list-style-type: none"> <li>• Aquatic Centres provide opportunities for all cultures in the district and can be a place where cultural diversity is celebrated.</li> </ul> <p>'Fit for purpose' Infrastructure</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>	
Recreation opportunities are provided for the Community.	<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>	Provider/ Advocate

## How we will measure our performance

Service	Community Outcomes	How we will measure our performance	Target 2022/23	Target 2023/24
Safe aquatic facilities are operating in the District.	Strong communities  Fit for purpose infrastructure	Compliance with relevant standards including PoolSafe Accreditation.	Achieve	Achieve
<b>What does this tell me?</b> This measure is to ensure the safety and enjoyment of aquatic centres for all customers.				
Aquatic centres meet customer needs.	Strong communities	Percent of customers satisfied, based on the Annual Customer Satisfaction Survey.	≥ 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

**What does this tell me?** 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
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**What does this tell me?** 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:  Children; General public; and Retirees.	≥ 3 ≥ 3 ≥ 3	≥ 3 ≥ 3 ≥ 3
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**What does this tell me?** Council supports local sports/recreation clubs and organisations to host and run events on and off site.

### Challenges Council faces for Aquatic Centres and Recreation

- 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.
- Significant negative effects on the social, cultural, economic and environmental wellbeing of the local community associated with Aquatic Centres and Recreation
- 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 Aquatic Centres and Recreation

- 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

## 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

### Key Projects for 2023/2024

#### To meet additional demand

- Mobile Library – A vehicle will be purchased and outfitted to provide mobile library services that will ensure we deliver an equal level of library services to all Horowhenua residents. A mobile library will address levels of growth in our community and provide an outreach service.

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

Activity	Community Outcome	Council Role
<p>Community centres and libraries operate within the District.</p>	<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. 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>	<p>Funder/ Provider</p>



## How we will measure our performance

Service	Community Outcomes	How we will measure our performance	Target 2022/23	Target 2023/24
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
	Strong communities	Number of visitors to our Community Hubs and Libraries	≥575,000	≥590,000
	Fit for purpose infrastructure		≥385,000	≥390,000
	Partnership with Tangata Whenua	Te Takeretanga o Kura-hau-pō	≥165,000	≥170,000
		Te Awahou Nieuwe Stroom	≥25,000	≥30,000
		Shannon Library		
<p><b>What does this tell me?</b> 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.</p>				
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%
<p><b>What does this tell me?</b> The percentage of satisfied customers gives us an indication of the quality of service we are providing.</p>				
Community facilities are available for public use.	Fit for purpose infrastructure Vibrant economy	Number of booking counts for community facilities.	≥ 1,500	≥ 1,600

	Strong communities	Te Takeretanga o Kura-hau-pō	65% of total booking across all facilities	60% of total booking across all facilities
	Partnership with Tangata Whenua	Te Awahou Nieuwe Stroom	35% of total booking across all facilities	40% of total booking across all facilities

**What does this tell me?** This measure is used to ensure the community facilities are being utilised

Customers have access to a range of current information in both print and digital format.	Fit for purpose infrastructure  Strong communities	Number of items loaned from the libraries across the District, including books, magazines etc.  Collections are refreshed and meet the literacy and information needs of the community in accordance with the NZ Public Library Standards  Percent of increase in use of websites and online engagement	≥ 270,000  \$7 per capita spent on library resources  ≥1%	≥ 300,000  \$7 per capita spent on library resources  ≥1%
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**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  Strong communities  Vibrant economy  Partnership with Tangata Whenua	Number of programmes delivered:  Levin Foxton Shannon	500  ≥ 50% ≥ 30% ≥ 20%	500  ≥ 50% ≥ 30% ≥ 20%
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**What does this tell me?** Council sets out to provide a relevant library service that people can enjoy throughout the District.

### **Challenges Council faces for this activity**

- Challenges facing council for this activity include increased operational and maintenance costs while maintaining affordability for the community.
- The Impact of Covid 19 has significantly reduced visitation across all Community Centres and Libraries. With restrictions easing Council will focus on recovery and the reintroduction of core programs, services and events within our facilities.

### **Significant negative effects on the social, cultural, economic and environmental wellbeing of the local community associated with Community Centres and Libraries**

- 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 Community Centres and Libraries**

- There are no key risks or assumptions associated with Community Centres and Libraries.

## How much it will cost

### Capital expenditure for Community Facilities

	LTP 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000
<b>Primary Type - to replace existing assets</b>			
Levin Aquatic Centre Plan Renewals	298	28	44
Foxton Aquatic Centre Plan Renewals	58	72	239
Levin - Disabled change facilities	5	-	-
Youth Space Renovation	-	169	10
Activity Renewal - Libraries	40	25	69
Activity Renewals - Community Centres	89	27	20
Building Renewal - Shannon Library	1	10	-
Building Renewals - Te Awahou Nieuwe Stroom	32	38	32
Building Renewals- Te Takeretanga o Kura-hau-po	20	-	27
TANS Marketing billboards	20	-	20
Purchase of Library Books	-	450	445
Foxton Building Renewals	-	-	2,000
Levin Building Renewals	-	-	-
Community hubs - Digital equipment replacement	-	-	-
Levin Aquatic - Replace hydroslide	-	-	-
Levin Aquatic Centre - Planned renewals	-	-	-
Purchase of audio books	-	-	-
Purchase of DVD`s	-	-	-
Te Takeretanga o Kura-hau-po - Redevelopment	-	-	-
Library books	434	450	-
<b>Total renewal</b>	<b>997</b>	<b>819</b>	<b>2,906</b>
<b>Primary Type - To improve the level of service</b>			
Mobile outdoor screen & accompanying audio & visual equipment	-	68	-
Mobile partitions	25	-	-
Mobile stage trailer	-	-	-
Makerspace for Children Youth and Adults	-	-	-
Equipment - General	-	-	-
Foxton Aquatic Centre plantroom miscellaneous	-	-	-
Levin - Air and heat	-	-	-
Levin - Supply and extract fans	-	-	-
Levin Aquatic Centre plantroom miscellaneous	-	-	-
Levin Aquatic Centre pumps	-	-	-
Stream management plan	-	-	-
Foxton Pool Redevelopment	1,500	2,585	500
Levin - Splash Pad	181	249	-
Total Level of Service	1,1,709	2,891	500
<b>Primary Type - to meet additional demand</b>			
Innovative technology projects	-	-	6

	LTP 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000
Strategic and growth-related aquatics projects	-	-	-
Mobile Library	-	-	165
<b>Total growth</b>	<b>-</b>	<b>-</b>	<b>171</b>
<b>Total Community Facilities &amp; Services Projects by Type</b>			
Growth	-	-	171
Level of Service	1,706	2,891	500
Renewals	937	819	2,905
<b>Total Community Facilities &amp; Services Projects</b>	<b>2,703</b>	<b>3,710</b>	<b>3,575</b>

## Forecast Funding Impact Statement for Community Facilities

	LTP 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charges, rates penalties	-	-	-
Targeted rates	6,840	6,976	8,247
Subsidies and grants for operating purposes	316	-	-
Fees and charges	1,041	1,076	1,002
Local authorities fuel tax, fines, infringement fees, and other receipts	-	5	5
Internal charges and overheads recovered	-	-	214
<b>Total Operating Funding (A)</b>	<b>8,197</b>	<b>8,057</b>	<b>9,468</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	5,464	5,519	6,028
Finance costs	455	155	644
Internal charges and overheads applied	1,316	1,401	1,778
Other operating funding applications	-	-	-
<b>Total applications of operating funding (B)</b>	<b>7,235</b>	<b>7,075</b>	<b>8,450</b>
Surplus (deficit) of operating funding (A-B)	962	982	1,018
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	-	-	500
Development and financial contributions	-	-	-
Increase (decrease) in debt	1,741	2,584	2,269
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding (C)</b>	<b>1,741</b>	<b>2,584</b>	<b>2,769</b>
<b>Applications of capital funding</b>			
Capital expenditure			
- to meet additional demand	-	-	171
- to improve the level of service	1,706	2,891	500
- to replace existing assets	997	819	2,905
Increase (decrease) in reserves	-	(144)	211
Increase (decrease) of investments	-	-	-
<b>Total applications of capital funding (D)</b>	<b>2,703</b>	<b>3,566</b>	<b>3,787</b>
Surplus (deficit) of capital funding (C-D)	(962)	(982)	(1,018)
Funding Balance ((A-B) +(C-D))	-	-	-
Depreciation	962	982	962

### Activity Expenditure for Community Facilities

	LTP 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000
Aquatic Centres	2,814	2,995	3,471
Libraries and Community Centres	5,384	5,062	5,939
<b>Total Expenditure</b>	<b>8,198</b>	<b>8,057</b>	<b>9,410</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 and in a state 'fit for purpose'.

### What Property involves:

- Management and maintenance of Council owned property.
- Strategic land purchases and disposal of Council owned property where deemed appropriate.
- 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.
- Commercial properties which are leased to tenants.
- 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.
- General Properties and land including - motor camps, historic and cultural buildings, depots, carparks, and residential and commercial land.

### Key Projects for 2023/2024

#### To replace existing assets

- Property renewals program – This project sees the replacement of property assets to ensure they are retained in a 'fit for purpose' state.

#### Additions to Levels of Service

- Strategic land purchases – Continue purchasing land where strategically or operationally necessary.



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

Activity	Community Outcome	Council Role
Management and maintenance of Council owned properties.	<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 Whenua 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>	Funder/ Provider

## How we will measure our performance

Service	Community Outcomes	How we will measure our performance	Target 2022/23	Target 2023/24
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

**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
<b>What does this tell me?</b> It is extremely important to Council that our buildings are safe for everyone to use.				

## Challenges Council faces for Property

- 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 social, cultural, economic and environmental wellbeing of the local community associated with Property

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

## Key Risks and assumptions associated with Property

- 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.
- A key assumption for this activity is that the program of property will be completed.

## How much it will cost

### Capital expenditure for Property

Property Project Primary Type- to replace existing assets	LTP 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000
<b>Primary Type - to replace existing assets</b>			
Community buildings programmed renewals	58	67	60
Property renewals program	337	132	351
Waitārere Beach Surf life club saving design and build	1,504	2,824	1,718
General Property renewals	-	-	-
Dog pound office building renewal	21	-	-
Levin Depot buildings renewals & repaint	33	-	-
Levin Depot yard reseal	29	-	-
Pottery shed replace roof	17	17	-
3W Better Off Funding Waitārere Beach Carpark	-	-	500
Levin Town Centre Development - property purchase - Better Off Funded	-	-	2,000
Foxton Courthouse Redevelopment Initiative - Better Off Funding	-	-	80
<b>Total renewals</b>	<b>1,999</b>	<b>3,040</b>	<b>4,709</b>
<b>Primary Type - to improve the Level of Service</b>			
Strategic land purchases	1,500	-	1,500
Endowment Subdivision Forbes Rd extension	-	-	-
Total level of service	1,500	-	1,500
Primary Type - to meet additional demand			
260 Gladstone Road subdivision	400	-	-
Endowment Subdivision Forbes Rd extension	800	-	-
Poads Road quarry	500	-	-
<b>Total Growth</b>	<b>1,700</b>	<b>-</b>	<b>--</b>
<b>Total Property Projects by Type</b>			
Growth	1,700	-	-
Level of Service	1,500	-	1,500
Renewals	1,999	3,040	4,709
<b>Total Property Projects</b>	<b>5,199</b>	<b>3,040</b>	<b>6,209</b>

## Forecast Funding Impact Statement for Property

	LTP 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charges, rates penalties	852	1,176	981
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	171	298	267
Local authorities fuel tax, fines, infringement fees, and other receipts	194	190	27
Internal charges and overheads recovered	405	411	452
<b>Total Operating Funding (A)</b>	<b>1,622</b>	<b>2,075</b>	<b>1,727</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	1,088	1,381	625
Finance costs	195	375	424
Internal charges and overheads applied	377	370	357
Other operating funding applications	-	-	-
<b>Total applications of operating funding (B)</b>	<b>1,660</b>	<b>2,126</b>	<b>1,406</b>
Surplus (deficit) of operating funding (A-B)	(38)	(51)	321
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	200	-	1,233
Development and financial contributions	-	-	-
Increase (decrease) in debt	4,511	436	(3,288)
Gross proceeds from sale of assets	650	4,180	6,316
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding (C)</b>	<b>5,361</b>	<b>4,616</b>	<b>4,261</b>
<b>Applications of capital funding</b>			
Capital expenditure			
- to meet additional demand	1,700	-	-
- to improve the level of service	1,500	-	1,500
- to replace existing assets	1,999	3,040	4,709
Increase (decrease) in reserves	124	1,525	(1,627)
Increase (decrease) of investments	-	-	-
<b>Total applications of capital funding (D)</b>	<b>5,323</b>	<b>4,565</b>	<b>4,582</b>
Surplus (deficit) of capital funding (C-D)	38	51	(321)
Funding Balance ((A-B) +(C-D))	-	-	-
Depreciation	266	275	266

## Activity Expenditure for Property

	LTP 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000
Endowment	363	408	222
General Property	872	1,264	1,087
Campgrounds	20	21	22
Commercial Property	-	33	46
Council Building	266	270	296
<b>Total Expenditure</b>	<b>1,521</b>	<b>1,996</b>	<b>1,673</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:

- Beautification
- Cemetery administration, maintenance and management
- Maintenance and administration of Public Halls for hire
- Maintenance and management of Public Toilets
- Maintenance and management of Parks and Reserves
- Maintenance, management and administration of Sports Grounds
- Urban cleansing being the maintenance and management of the roading network in the urban residential zone.

### **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, maintenance of berms on the roading network (urban cleansing), public halls and public toilets.

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

- Line clearance and other tree works on the roading network, maintenance of all street gardens;
- Establishment and maintenance of cemeteries under the Burial and Cremation Act 1964;
- Maintaining public halls in Levin, Foxton and Shannon.
- Establishment and maintenance of public toilets for the purpose of tourism and public health.
- Maintenance of neighbourhood reserves, riverside and lakeside picnic areas, beaches, and public gardens, and sports grounds.
- Mowing of berms, rubbish bin emptying, and the urban road weed spraying programme.

### **Key Projects for 2023/2024**

#### **To replace existing assets**

- Reserve renewals - this project ensures that Council's parks and Reserves are maintained in a state which is 'fit for purpose'

- Waikawa beach Pedestrian Bridge – the Pedestrian bridge at Waikawa is in need of renewal/replacement this project will consider what bridge structure may replace the existing

### To improve the levels of service

- Ōhau River Tracks Improvement – this project looks to connect a series of HDC Reserves along the Ōhau river to establish a riverside walk and considers improvements to Parakawau Reserve.
- Playford Park Improvements – this project sees the ongoing improvements at Levin’s most well-used sporting facility.

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

Activity	Community Outcome	Council Role
Maintain public reserves	<p><b>Outstanding Environment</b> High quality parks, gardens and streetscapes provide for physical and physiological wellbeing of communities This activity provides for the environmental restoration of streams, lakes, and sea-scapes This activity is responsible for maintaining a range of natural features</p> <p><b>Partnership with Tangata Whenua</b> This activity through consultation with Mana whenua recognises their role as Kaitiaki of their respective rohe.</p> <p><b>Strong communities</b> This activity recognises the diversity of the community and provides high-quality spaces and places for the purpose of recreation and leisure. 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. This activity through its SSP's, RMP's and other strategic documents ensures the provision of community infrastructure in a high growth environment. 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> A well-maintained and high-quality streetscape encourages business and residents to relocate to the district</p>	Funder/Provider

	<p><b>Outstanding Environment</b>  This activity preserves its environmental assets assigning an amenity value to its street tree asset.  This activity preserves a balance between economic growth and the natural environment by preserving key features of its green portfolio (eg Prouse Bush).  A well-maintained streetscape improves the psychological well-being of the community.</p> <p><b>'Fit for purpose' Infrastructure</b>  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.  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>  The Horowhenua has a well-established urban treescape that contributes to its heritage and identity which is maintained under this activity  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>  High quality sportsgrounds provide for physical and physiological wellbeing of communities.</p> <p><b>'Fit for purpose' Infrastructure</b>  Public sportsgrounds provide for community infrastructure.  Development plans of significant sportsground facilitate growth.</p> <p><b>Partnership with Tangata Whenua</b>  This activity through consultation with Mana whenua recognises their role as Kaitiaki of their respective rohe.</p> <p><b>Strong communities</b>  This activity recognises the diversity of the community and provides high-quality spaces and places for the purpose of recreation and leisure  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>Funder/Provider</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>	
Operate cemeteries	<p><b>Outstanding Environment</b> 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> This activity provides for the needs of existing and future generations This activity provides for affordable places of rest for the community</p> <p><b>Strong communities</b> Existing and proposed improvements allow for an increasingly diverse population. This activity maintains a range of cemeteries with significant heritage value that contribute to the community's sense of identity.</p>	Funder/Provider
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></p>	Funder/Provider

	<p>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>	
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## How we will measure our performance

Service	Community Outcomes	How we will measure our performance	Target 2022/23	Target 2023/24
Reserves are available for Community use.	Vibrant economy			
	Outstanding environment	Residential dwellings in urban areas are within 400 metres to local reserves, either Council or privately provided.	≥ 80%	≥ 80%
	Fit for purpose infrastructure			
	Partnership with Tangata Whenua	Residential dwellings in urban areas are within 800 metres of playgrounds or destination reserves.	≥ 80%	≥ 80%
	Strong communities			
<p><b>What does this tell me?</b> 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.</p>				
Reserves meet local needs.	Outstanding environment			
	Fit for purpose Infrastructure	Percentage of customers satisfied with the service, based on the Annual Customer Satisfaction Survey.	≥ 80%	≥ 80%
	Strong communities			
<p><b>What does this tell me?</b> The percentage of satisfied customers gives us an indication of the quality of service we are providing.</p>				
Sports grounds are available for	Vibrant economy	Percent of time that sport grounds are available for use during their opening hours.	≥ 95%	≥ 95%

Community use.	Outstanding environment  Fit for purpose infrastructure  Partnership with Tangata Whenua  Strong communities			
<b>What does this tell me?</b> 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
<b>What does this tell me?</b> 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
<b>What does this tell me?</b> It is extremely important to Council our playgrounds are safe for everyone to use.				
Community Halls are available for public us.	Strong communities	Number of uses per fortnight for Community Halls.	10	10
<b>What does this tell me?</b> 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.				

## **Challenges Council faces for Reserves, Sports Grounds, Cemeteries, Beautification, Urban Cleansing, Public Halls, and Public Toilets**

- 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.
- The growth currently being experienced by Council will lead to pressure on existing resources and result in the proliferation of new reserves and green-space as subdivisions continue apace. This together with increasing inflationary pressures will increase the cost of the service, or alternatively will lead to Level of Service reductions.
- 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. Horowhenua District Council 2021-2041 Long Term Plan 13782
- 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 Reserves, Sports Grounds, Cemeteries, Beautification, Urban Cleansing, Public Halls, and Public Toilets**

- There are no known significant negative effects associated with the social, cultural, economic and environmental wellbeing of the local community associated with Reserves, Sports Grounds, Cemeteries, Beautification, Urban Cleansing, Public Halls, and Public Toilets.

## **Key Risks and Assumptions associated with Reserves, Sports Grounds, Cemeteries, Beautification, Urban Cleansing, Public Halls, and Public Toilets.**

- 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 Council's Recreation and Leisure asset.
- An increased level of subdivision and inflationary pressure will increase the cost of this activity, or alternatively will lead to the need to make reductions in the Levels of Service currently enjoyed by the community.

## How much it will cost

### Capital expenditure for Community Infrastructure

	LTP 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000
<b>Primary Type - to replace existing assets</b>			
District halls & pavilions reactive renewals	27	29	31
Public toilets - Minor renewals	54	58	61
Reserves renewals (non-building)	961	989	613
Sportsgrounds renewals (buildings)	152	9	44
Waikawa Beach Pedestrian Bridge	50	10	281
Public toilets - Major renewals	451	389	-
Tara-Ika - Community Sporting Fields	-	-	-
Mangahao tracks renewals / improvements	-	-	26
Reserves renewals (buildings)	2	34	248
Forestry Target Reserve	-	-	-
Donnelly Park - Replace netball lights	180	-	-
Park lighting replacement	255	90	-
Levin Adventure Park Renewals	-	322	-
District Halls (& Pavilions) - Reactive renewals	-	-	-
District play equipment	-	-	-
District Play Equipment Bark mulch	-	-	-
Endowment - Foxton Beach Reserves projects	-	-	-
Public toilets - Minor renewals	-	-	-
Reserves renewals	-	-	-
Waikawa Beach pedestrian bridge	-	-	-
Levin Adventure Park Renewals	-	-	319
Manakau Domain initiative projects - Better Off Funding	-	-	400
Te Maire Park Development	-	-	500
<b>Total renewal</b>	<b>2,132</b>	<b>1,719</b>	<b>2,523</b>
<b>Primary Type - to improve the level of service</b>			
District fencing contingency	46	48	47
Coastal reserve resiliency program	50	51	53
District play equipment	82	87	-
Foxton Beach Reserves (FHA)	700	-	-
Cemetery - Avenue Rd - Development	-	-	-
Cemetery - Avenue Rd - Extend burial and cremation sites	-	-	-
Waitārere Domain improvements	85	56	112
Stream management plan	16	16	18
Foxton East Beautification	-	31	31
Mangahao tracks renewals / improvements	-	26	-
Stafford Street Reserves improvement	-	31	-
Playford Park - Improvements	450	184	158

	LTP 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000
Levin Domain Grandstand	160	-	-
Oxford Street Beautification (Transforming Taitoko)	-	-	-
Revoked SH1 Beautification	-	-	-
Cemetery - Foxton - Development Plan	-	-	60
Cemetery - Foxton - Development	-	-	-
Cemetery - Shannon - Extension	-	-	-
Cemetery - Manakau - Extension	-	-	-
Cemetery - Manakau - Logging	-	-	-
Ōhau river tracks improvements	-	-	250
Waikawa Beach walkway	-	-	250
Shannon Domain - Grandstand strengthening and fit out	-	-	-
Donnelly Park improve cricket facilities	71	-	-
Benches in high pedestrian use areas	-	-	-
Cemetery - Avenue - Redevelop front entrance	-	-	-
Cemetery - Avenue Road & Levin - Upgrade	-	-	-
District fencing contingency	-	-	-
Donnelly Park strategic plan and design	-	-	-
Driscoll Reserve improvement plan	-	-	-
Foxton Futures	-	-	-
Foxton Wharf Project	-	-	-
Innovative technology projects	-	-	-
Waitārere Domain improvement plan	-	-	-
RSA Memorial Footpath & Gates	-	35	-
Develop new vehicle access to Waikawa Beach	-	300	-
Control vehicle access to Foxton Beach	-	60	-
<b>Total level of services</b>	<b>1,660</b>	<b>925</b>	<b>1,422</b>
<b>Primary Type - to meet additional demand</b>			
District play equipment	-	-	92
Cemetery - Avenue Rd - Development	-	62	-
Tara-Ika Reserves	-	-	-
Strategic parks development - Reserve development for growth	-	-	-
Manakau Domain - Improvements	-	-	-
Cemetery - Manakau - Development Plan	-	31	-
Cemetery - Shannon - Development Plan	-	31	-
<b>Total growth</b>	<b>-</b>	<b>123</b>	<b>92</b>
<b>Total Community Infrastructure Projects by Type</b>			
Growth	607	410	261
Level of Service	1,303	919	1,031
Renewals	1,882	1,437	2,743
<b>Total Community Infrastructure Projects</b>	<b>3,792</b>	<b>2,766</b>	<b>4,034</b>

## Forecast Funding Impact Statement for Community Infrastructure

	LTP 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charges, rates penalties	5,325	5,655	5,805
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	203	365
Fees and charges	285	296	290
Local authorities fuel tax, fines, infringement fees, and other receipts	876	85	(365)
Internal charges and overheads recovered	-	-	-
<b>Total Operating Funding (A)</b>	<b>6,486</b>	<b>6,239</b>	<b>6,095</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	3,686	3,954	4,385
Finance costs	147	249	287
Internal charges and overheads applied	1,028	1,051	1,041
Other operating funding applications	-	-	-
<b>Total applications of operating funding (B)</b>	<b>4,861</b>	<b>5,254</b>	<b>5,713</b>
Surplus (deficit) of operating funding (A-B)	1,625	985	382
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	632	207	207
Increase (decrease) in debt	1,481	1,206	(3,355)
Gross proceeds from sale of assets	-	-	5,558
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding (C)</b>	<b>2,113</b>	<b>1,413</b>	<b>2,410</b>
<b>Applications of capital funding</b>			
Capital expenditure			
- to meet additional demand	607	410	261
- to improve the level of service	1,303	919	1,031
- to replace existing assets	1,882	1,437	2,743
Increase (decrease) in reserves	(54)	(368)	(1,243)
Increase (decrease) of investments	-	-	-
<b>Total applications of capital funding (D)</b>	<b>3,738</b>	<b>2,398</b>	<b>2,792</b>
Surplus (deficit) of capital funding (C-D)	(1,625)	(985)	(382)
Funding Balance ((A-B) +(C-D))	-	-	-
Depreciation	724	775	724



## Activity Expenditure for Community Infrastructure

	LTP 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000
Reserves	2,020	2,244	2,517
Cemeteries	604	615	623
Sportsgrounds	1,227	1,288	1,449
Beautification	642	687	663
Halls	284	259	292
Public Toilets	328	445	373
Urban Cleansing	480	491	518
<b>Total Expenditure</b>	<b>5,585</b>	<b>6,029</b>	<b>6,435</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.

### Key Projects for 2023/2024

#### To improve the level of service

- Levin Town Centre Strategy activation projects

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

Activity	Community Outcome	Council Role
Hosting local elections.	<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.	Provider/ Advocate
Engaging and informing residents of decisions of Council.		
Represent the views and interests of residents.	<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.	
Gain the trust and confidence of district residents, by being open, transparent and accountable.	<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>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>
<p>Preparing the key strategic policy and planning documents of Council.</p>	<p><b>Strong communities</b> 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.</p> <p><b>'Fit for purpose' infrastructure</b> 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.</p>	<p>Provider/ Enabler</p>

## How we will measure our performance

Service	Community Outcomes	How we will measure our performance	Target 2022/23	Target 2023/24
Council provides open, accessible information and processes to local government and the Community	Strong communities	<p>Number of successful challenges to Council's decision-making processes.</p> <p>LGOIMA requests responded to within 20 working days. Official Information requests are processed in accordance with the LGOIMA.</p>	<p>&lt;2</p> <p>&gt;100% compliance rate</p>	<p>&lt;2</p> <p>&gt;100% compliance rate</p>
<p><b>What does this tell me?</b> 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.</p>				
<p>Council supports residents and ratepayers to have their views heard and considered in Council decision making</p> <p>Council supports residents and ratepayers to have their views heard and considered in Council decision making</p>	<p>Strong communities</p> <p>Strong communities</p>	<p>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.</p> <p>Council will pre-engage on all significant decisions as outlined in the Significance of Engagement Strategy found on Council's website.</p>	<p>&gt;50%</p> <p>Achieve</p>	<p>&gt;50%</p> <p>Achieve</p>
<p><b>What does this tell me?</b> 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.</p>				
Council's planning documents meet statutory requirements and have unqualified audit opinions	<p>Vibrant economy</p> <p>Outstanding environment</p>	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)

	Strong communities	The Annual Plan will be adopted before 30 June annually. *	Achieve	Achieve
	Partnership with Tangata Whenua			
	Fit for purpose infrastructure	The Annual Report will include an unqualified audit opinion.	Achieve	Achieve

**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%
	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.

## Challenges Council faces for Representation and Community Leadership

- 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 Representation and Community Leadership**

- There are no known significant negative effects on the social, cultural, economic and environmental wellbeing of the local community associated with Representation and Community Leadership.

### **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.

## How much it will cost

### Capital expenditure for Representation and Community Leadership

	LTP 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000
<b>Primary Type - to improve the level of service</b>			
Levin Town Centre strategy activation projects	500	500	2,875
<b>Total level of services</b>	<b>500</b>	<b>500</b>	<b>2,875</b>
<b>Representation and Community Leadership Projects by Type</b>			
Growth	-	-	-
Level of Service	500	500	2,875
Renewals	-	-	-
<b>Total Representation and Community Leadership Projects</b>	<b>500</b>	<b>500</b>	<b>2,875</b>

## Forecast Funding Impact Statement for Community Leadership

	LTP 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charges, rates penalties	267	427	146
Targeted rates	4,051	4,564	5,791
Subsidies and grants for operating purposes	-	-	-
Fees and charges	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	1	1	-
Internal charges and overheads recovered	-	-	-
<b>Total Operating Funding (A)</b>	<b>4,319</b>	<b>4,992</b>	<b>5,937</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	2,057	2,213	3,383
Finance costs	107	212	259
Internal charges and overheads applied	3,709	4,064	5,090
Other operating funding applications	-	-	-
<b>Total applications of operating funding (B)</b>	<b>5,873</b>	<b>6,489</b>	<b>8,732</b>
Surplus (deficit) of operating funding (A-B)	(1,554)	(1,497)	(2,795)
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	2,055	1,998	5,596
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding (C)</b>	<b>2,055</b>	<b>1,998</b>	<b>5,596</b>
<b>Applications of capital funding</b>			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	500	500	-
- to replace existing assets	-	-	2,875
Increase (decrease) in reserves	1	1	(74)
Increase (decrease) of investments	-	-	-
<b>Total applications of capital funding (D)</b>	<b>501</b>	<b>501</b>	<b>2,801</b>
Surplus (deficit) of capital funding (C-D)	1,554	1,497	2,795
Funding Balance ((A-B) +(C-D))	-	-	-
Depreciation	-	-	-



## Activity Expenditure for Community Leadership

	LTP 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000
LTP/Annual Plan/Annual Report	1,649	1,664	2,004
Sustainable Growth Planning	721	727	796
Governance	2,174	2,481	3,560
District Planning	1,137	1,288	2,133
Community Board	182	183	201
Elections	11	146	40
<b>Total Expenditure</b>	<b>5,874</b>	<b>6,489</b>	<b>8,734</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.

#### Key Projects for 2023/2024

- There are no key projects for the Emergency Management Activity for the 2023/24 financial year. Council will focus on continuing to deliver the level of service set in the Long-Term Plan 2021-2041.

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

Activity	Community Outcome	Council Role
Emergency management and services are provided for the Community.	<p><b>Strong communities</b></p> <p>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. A key part of the Emergency Management function is working in collaboration with other agencies or service providers to support affected communities. Partnership with Tangata Whenua</p> <p>Partnerships with tangata whenua enable the community to access emergency services and support the recovery of the district.</p>	Provider

## How we will measure our performance

Service	Community Outcomes	How we will measure our performance	Target 2022/23	Target 2023/24
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
<b>What does this tell me?</b> 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

**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.

### Challenges Council faces for Emergency Management

- Council has faced a worldwide pandemic. 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 Emergency Management

- 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 Emergency Management

- 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.

## Community Engagement

The Community Engagement Activity aims to enhance community wellbeing within the Horowhenua District and ensure the Community is informed of Council's activities. This Activity is made up of two sub-activities being Community Development and Communications & Engagement.

### What Community Engagement involves:

#### **Community Development**

- Support delivery on the Horowhenua Community Wellbeing Framework.
- Implement the Action Plans for: Housing, Education, Youth, Access and Inclusion, Arts, Culture and Heritage, and Positive Ageing.
- Support community-led development within the Community to help the Community respond to local needs.
- Advocate on behalf of the Community for better health, transport and social 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 governance and operational capability.
- Provide funding support for local Surf Life Saving, Waitārere and Foxton Beach Wardens, and Neighbourhood Support.
- Provide the following contestable grant schemes:
  - Community Development Grant
  - Community Consultation Grant
  - International Representation Grant
  - Rural Halls 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's printed and digital publications (e.g. media releases, Community Connection, Puāwai, public notices, and strategies).
- Oversee, monitor, update and report on Council's social media channels.
- Oversee, maintain and update Council's web presence –
  - [www.horowhenua.govt.nz](http://www.horowhenua.govt.nz)
  - [www.horowhenuanz.co.nz](http://www.horowhenuanz.co.nz)
  - [www.teawahou.com](http://www.teawahou.com)
  - [www.tetakere.org.nz](http://www.tetakere.org.nz)
  - [www.aquatics.horowhenua.govt.nz](http://www.aquatics.horowhenua.govt.nz)
- Respond and provide information to media outlets.
- Undertake regular voice of the customer research

- Provide a 24 hour, 7 day a week service to the public including an after hours' emergency telephone response service, and an afterhours Animal Control response function.

### 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.

### Key Projects for 2023/2024

- There are no key projects for the Community Engagement Activity for the 2023/24 financial year. Council will focus on continuing to deliver the level of service set in the Long-Term Plan 2021-2041.
- 

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

Activity	Community Outcome	Council Role
Facilitate a Youth Council and Community networks and forums.	<b>Strong communities</b> 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.	Provider
Advocate for better health, safety, housing and social belonging outcomes	<b>Strong communities</b> 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.	Advocate
Contestable Grant Schemes are provided.	<b>Strong communities</b> The Grant Schemes provide an opportunity for groups and organisations to contribute positively to the community.	Funder
Administration of externally funded Grant Schemes.	<b>Strong communities</b> Administering the external grant schemes gives the community access to funding to support their initiatives and community-led activities.	Provider
Contracted services are managed.	<b>Strong communities</b> Council supports services which provide support for the community helping our people to be connected and safe.	Funder
Capabilities training for the non-profit sector is provided.	<b>Strong communities</b> 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.	Funder

<p>Perform Council's communication function.</p>	<p><b>Vibrant economy</b> 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> 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> 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.</p> <p><b>Partnership with Tangata Whenua</b> 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.</p>	<p>Provider</p>
<p>Opportunities are available for the community to celebrate our vibrant cultures</p>	<p><b>Strong Communities</b> 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.</p>	<p>Provider</p>
<p>Council upholds Te Tiriti o Waitangi and its principles</p>	<p><b>Partnerships with Tangata Whenua</b> 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.</p>	<p>Provider</p>

## How we will measure our performance

Service	Community Outcomes	How we will measure our performance	Target 2022/23	Target 2023/24
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
<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 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
		Number of programmes or projects implemented by Youth Empowerment Project.	≥4	≥4
		Number of Youth Services Network meetings per year.	≥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
		Number of Elderberries magazine publications annually.	≥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	Strong Communities	Number of Creative Communities funding rounds per year.	≥2	≥2



of art, rich cultures and a strong sense of heritage.				
<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.				
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
<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
<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
		Percent of satisfaction with Capacity and Capability Building Programme workshops or training.	≥85%	≥85%
		Number of individuals participating in Capacity and Capability Building Programme workshops or training over the year.	≥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
<b>What does this tell me?</b> 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.				
Council effectively communicates with its ratepayers and residents.	Strong Communities	Percent of media releases feature in media within 21 days of release.	≥60%	≥60%
	Vibrant Economies			
	Outstanding Environment	Percent of residents are well informed about what the Council is doing.	≥60%	≥60%
	Partnership with Tangata Whenua			
<b>What does this tell me?</b> 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
		Number of new digital services are delivered online annually.	≥2	≥2
<b>What does this tell me?</b> Council offers a variety of mediums to engage with the community.				
Council provides a 24/7 telephone contact centre operation.	Strong Communities	Telephone contact is continually provided 24/7.	Achieve	Achieve
<b>What does this tell me?</b> Council can be contacted any time even out of normal business hours				
Council staff are knowledgeable in tikanga māori and the	Partnership with Tangata Whenua	Percent of staff who have undertaken training.	80% of Council staff	80% of Council staff

principles of Te Tiriti o Waitangi.				
<b>What does this tell me?</b> Council upholds Te Tiriti o Waitangi and its principles.				

### Challenges Council faces for Community Engagement

- 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 Community Engagement

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

### Key Risks and Assumptions associated with Community Engagement

- 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.

## 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 to promote local experiences.

### Key Projects for 2023/2024

- There are no key projects for the Visitor Information Activity for the 2023/24 financial year. Council will focus on continuing to deliver the level of service set in the Long-Term Plan 2021-2041.

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

Activity	Community Outcome	Council Role
Visitor information services are offered throughout the District.	<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  <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.	Funder

## How we will measure our performance

Service	Community Outcomes	How we will measure our performance	Target 2022/23	Target 2023/24
Council supports the promotion of Horowhenua as a tourism destination.	Vibrant Economy	i-Site accreditation is maintained at Te Awahou Nieuwe Strom and Te Takeretanga o Kura-haupō facilities.	Achieve	Achieve
	Strong Communities	Annual number of visitor information enquiries conducted from Horowhenua i-Sites.	≥10,000	≥10,000
<p><b>What does this tell me?</b> 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.</p>				

## Challenges Council faces for Visitor Information

- 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 Visitor Information

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

## Key Risks and Assumptions associated with Visitor Information

- There are no known risks and assumptions associated with Visitor Information.

## 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.

### Key Projects for 2023/2024

- There are no key projects for the Economic Development Activity for the 2023/24 financial year. Council will focus on continuing to deliver the level of service set in the Long-Term Plan 2021-2041.

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

Activity	Community Outcome	Council Role
Business sector support and advocacy. Business development and support.	Vibrant Economy	Advocate/ Funder
Sustainable natural resource utilisation. Ensuring Horowhenua has appropriate rules and infrastructure for people, business, and the environment to flourish	Vibrant Economy Outstanding Environment Strong Communities 'Fit for purpose' infrastructure Vibrant Economy	Provider/ Advocate/ Funder
Infrastructure and policy development/implementation. Promoting Horowhenua as a great place to live, learn, create and play	Vibrant Economy Outstanding Environment Strong Communities 'Fit for purpose' infrastructure	Provider/ Advocate/ Funder
Workforce skill development, training and education.	Vibrant Economy Strong Communities	Advocate/ Funder
Horowhenua as a vibrant and sustainable place to live and visit. Partnering to build capacity and capability and promoting investment into Horowhenua	Vibrant Economy Strong Communities	Advocate

## How we will measure our performance

Service	Community Outcomes	How we will measure our performance	Target 2022/23	Target 2023/24
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
<b>What does this tell me?</b> 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%
<b>What does this tell me?</b> Council is committed to collaborate and network with the local business sector. Below 10 would indicate Council is not fulfilling its commitment.				

## Challenges Council faces for Economic Development

- 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 Economic Development

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

## Key Risks and Assumptions associated with Economic Development

- There are no known risks and assumptions associated with the Economic Development Activity.

## How much it will cost

### Capital expenditure for Community Support

	LTP 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000
<b>Primary Type - to replace existing assets</b>			
Christmas Lights	8	6	7
Boundary Sign	11	-	-
Flags	9	4	15
Active Campaign Software	-	-	5
<b>Total renewals</b>	<b>28</b>	<b>10</b>	<b>27</b>
<b>Primary Type - to improve the level of service</b>			
Website Development	-	-	-
Facility signage	12	-	-
New Portable Generator - Emergency Management	5	-	-
VHF Digital Radio Upgrade Project - Emergency Management	20	-	-
Economic Development assets	10	-	-
<b>Total level of service</b>	<b>47</b>	<b>-</b>	<b>-</b>
<b>Total Community Support Projects</b>			
Growth	-	-	-
Level of Service	47	-	-
Renewals	28	10	26
<b>Total Community Support Projects</b>	<b>75</b>	<b>-</b>	<b>-</b>



### Funding Impact Statement for Community Support

	LTP 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charges, rates penalties	2,759	2,962	2,891
Targeted rates	-	-	-
Subsidies and grants for operating purposes	33	34	35
Fees and charges	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	51	53	(35)
Internal charges and overheads recovered	-	-	-
<b>Total Operating Funding (A)</b>	<b>2,843</b>	<b>3,049</b>	<b>2,891</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	1,809	1,828	1,808
Finance costs	-	2	-
Internal charges and overheads applied	1,026	1,206	1,363
Other operating funding applications	-	-	-
<b>Total applications of operating funding (B)</b>	<b>2,835</b>	<b>3,036</b>	<b>3,171</b>
Surplus (deficit) of operating funding (A-B)	8	13	(280)
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	75	(2)	18
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding (C)</b>	<b>75</b>	<b>(2)</b>	<b>18</b>
<b>Applications of capital funding</b>			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	47	-	-
- to replace existing assets	28	10	26
Increase (decrease) in reserves	8	1	(288)
Increase (decrease) of investments	-	-	-
<b>Total applications of capital funding (D)</b>	<b>83</b>	<b>11</b>	<b>(262)</b>
Surplus (deficit) of capital funding (C-D)	(8)	(13)	280
Funding Balance ((A-B) +(C-D))	-	-	-
Depreciation	9	12	9

## Activity Expenditure for Community Support

	LTP 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000
Community Development	684	800	779
Community Grants and Funding	465	461	477
District Communication and Marketing	431	471	715
Emergency Management	262	278	249
Economic Development	914	939	893
Visitor Information	86	101	65
<b>Total Expenditure</b>	<b>2,842</b>	<b>3,050</b>	<b>3,178</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.

#### **Key Projects for 2023/2024**

There are no key projects for the Resource Consent Activity. Council will focus on continuing to provide the promised level of service for this activity.

## 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

## How we will measure our performance

Service	Community Outcomes	How we will measure our performance	Target 2022/23	Target 2023/24
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%
<p><b>What does this tell me?</b> This measure indicates whether we are meeting our statutory timeframes for processing resource consent applications. The Resource Management Act contemplates that there will be occasions where a consent application is not processed within the statutory timeframes and provides a discounting process to ensure that the applicant receives an offset for the delay. This target recognises that while Council strives to achieve the statutory timeframes there are occasions where getting the best outcome can result in a consent being processed beyond the statutory timeframe. Examples of where this can occur include where officers seek to ensure the decision and consent conditions are workable and understood by the applicant before issuing the decision. Where the applicant has not agreed to an extension of time, this process of providing draft conditions to the applicant and checking their understanding can impact on compliance with the statutory timeframe</p>				

## Challenges Council faces for the Resource Consents 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 the Resource Consents Activity**

- There are no known negative effects on the social, cultural, economic and environmental wellbeing of the local community associated with the Resource Consents Activity.

### **Key Risks and Assumptions associated with the Resource Consents 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.

## 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.

### Key Projects for 2023/2024

There are no key projects for the Building Consent Activity. Council will focus on continuing to provide the promised level of service for this activity.

### 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 buildings 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

## How we will measure our performance

Service	Community Outcomes	How we will measure our performance	Target 2022/23	Target 2023/2024
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%
	Outstanding Environment	Council will maintain its accredited status as a Building Consent Authority.	Achieve	Achieve
<b>What does this tell me?</b> 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.				

## Challenges Council faces for the Building Consenting 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 on the social, cultural, economic and environmental wellbeing of the local community associated with 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.

## 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.

### Key Projects for 2023/2024

There are no key projects for the Environmental Health (Food Safety) Activity. Council will focus on continuing to provide the promised level of service for this activity.

### 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

### How we will measure our performance

Service	Community Outcomes	How we will measure our performance	Target 2022/23	Target 2023/24
Food safety – Food businesses are monitored to ensure compliance with legislation.	Vibrant Economy Strong Communities	Food businesses operating under the Food Act 2014 are verified at the frequency determined by the Food Regulations 2015.	Achieve	Achieve
<b>What does this tell me?</b> Local food businesses need to be routinely verified to check they are operating safely when providing food to the public.				



### **Challenges Council faces for the Environmental Health (Food Safety) 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, including the possible introduction of government levies, 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 the Environmental Health (Food Safety) Activity**

- There are no known significant negative effects on the social, cultural, economic and environmental wellbeing of the local community associated with the Environmental Health (Food Safety) Activity.

### **Key Risks and Assumptions associated with the Environmental Health (Food Safety) Activity**

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

# 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.

## Key Projects for 2023/2024

There are no key projects for the Alcohol Licensing Activity. Council will focus on continuing to provide the promised level of service for this activity.

## 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> 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> 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

## How we will measure our performance

Service	Community Outcomes	How we will measure our performance	Target 2022/23	Target 2023/24
Monitoring of licensed premises to ensure compliance with relevant* legislation.	Strong Communities Vibrant Economy	Premises are inspected annually to check for compliance with their licence conditions.	Achieve	Achieve
<p><b>What does this tell me?</b> 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.</p>				

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

## Challenges Council faces for the Alcohol Licensing 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 without first adopting an alcohol fees bylaw. 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-19 pandemic, 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 the Alcohol Licensing Activity

- There are no known significant negative effects on the social, cultural, economic and environmental wellbeing of the local community associated with the Alcohol Licensing Activity

## Key Risks and Assumptions associated with the Alcohol Licensing 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.

## 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.

### Key Projects for 2023/2024

There are no key projects for the Parking Enforcement Activity. Council will focus on continuing to provide the promised level of service for this 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> 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> 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

### How we will measure our performance

Service	Community Outcomes	How we will measure our performance	Target 2022/23	Target 2023/24
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

**What does this tell me?** This measure indicates the frequency at which we are enforcing our Land Transport Bylaw (in regard 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

### **Challenges Council faces for the Parking Enforcement Activity**

- There are no known challenges that Council faces for the Parking Enforcement Activity.

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

- Significant negative effects on the social, cultural, economic and environmental wellbeing of the local community associated with the Parking Enforcement Activity

### **Key Risks and Assumptions associated with the Parking Enforcement Activity**

- No key risks or assumptions have been identified for the Parking Enforcement Activity

## 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 of swimming pool barriers (fencing) to protect children under five years old from drowning.
- 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.

### Key Projects for 2023/2024

There are no key projects for the Building Compliance Activity. Council will focus on continuing to provide the promised level of service 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> 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> Is supported by this activity through ensuring publicly assessable buildings are safe to use by the community, both for social and commercial purpose. 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

## How we will measure our performance

Service	Community Outcomes	How we will measure our performance	Target 2022/23	Target 2023/24
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
	Strong Communities	Percentage of private swimming pools on register inspected annually for compliance.	>33%	>33%
<b>What does this tell me?</b> 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
<b>What does this tell me?</b> Council must ensure all buildings are compliant and safe.				

## Challenges Council faces for the Building Compliance Activity

- There are no known challenges that Council faces for the building Compliance Activity.

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

- There are no known significant negative effects on the social, cultural, economic and environmental wellbeing of the local community associated with the Building Compliance Activity.

## Key Risks and Assumptions associated with the Building Compliance Activity

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

## 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.

### Key Projects for 2023/2024

There are no key projects for the Resource Management Compliance Activity. Council will focus on continuing to provide the promised level of service 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

### How we will measure our performance

Service	Community Outcomes	How we will measure our performance	Target 2022/23	Target 2023/24
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
		All resource consents that are required to be monitored for the year are monitored for compliance with conditions.	Achieve	Achieve
<b>What does this tell me?</b> 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.

### **Challenges Council faces for the Resource Management Compliance Activity**

- There are no known challenges that Council faces for the Resource Management Compliance Activity.

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

- There are no known Significant negative effects on the social, cultural, economic and environmental wellbeing of the local community associated with the Resource Management Compliance Activity

### **Key Risks and Assumptions associated with the Resource Management Compliance Activity**

- There are no known key risks or assumptions for the Resource Management Compliance Activity.

## 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.

### Key Projects for 2023/2024

There are no key projects for the Animal Control Activity. Council will focus on continuing to provide the promised level of service for this activity.

### 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

### How we will measure our performance

Service	Community Outcomes	How we will measure our performance	Target 2022/23	Target 2023/24
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.	100%	100%
		An after-hours emergency response will be continuously provided.	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%
<p><b>What does this tell me?</b> 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.</p>				

### Challenges Council faces for the Animal Control 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 the Animal Control Activity

- There are no known significant negative effects on the social, cultural, economic and environmental wellbeing of the local community associated with the Animal Control Activity.

### Key Risks and Assumptions associated with the Animal Control 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.

## 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.

### Key Projects for 2023/2024

There are no key projects for the General Regulatory Services Activity. Council will focus on continuing to provide the promised level of service for this activity.

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

Activity	Community Outcome	Council Role
Provide general regulatory services.	<b>Strong Communities</b> 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.	Regulator/ Provider

## How we will measure our performance

Service	Community Outcomes	How we will measure our performance	Target 2022/23	Target 2023/24
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
<p><b>What does this tell me?</b> 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.</p>				
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%
<p><b>What does this tell me?</b> 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.</p>				

## Challenges Council faces for the General Regulatory Services 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 the General Regulatory Services Activity

- There are no known significant negative effects on the social, cultural, economic and environmental wellbeing of the local community associated with the General Regulatory Services Activity

## Key Risks and Assumptions associated with the General Regulatory Services Activity

- There are no known key risks or assumptions associated with the General Regulatory Services Activity.

## How much it will cost

### Capital expenditure for Regulatory Services

	LTP 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000
<b>Primary Type - to replace existing assets</b>			
Animal Control - Body worn video equipment	4	26	-
Parking - Mobile ticket devices	-	15	-
Parking - Body worn video equipment	-	4	-
Animal Control - Stock pound fencing & stock loading ramp	-	-	-
Parking - Meter Replacements	-	-	-
Vehicles - Replacing JJL288	-	-	-
<b>Total renewals</b>	<b>4</b>	<b>45</b>	<b>-</b>
<b>Primary Type - to improve the level of service</b>			
Parking - Meter Upgrades	60	-	-
Animal Control - Dog Pound driveway concreting	-	-	-
Animal - Dog Pound shade and kennel repairs	20	8	-
Animal Control - Dog Pound facility refurb investigation costs	-	26	-
<b>Total level of service</b>	<b>80</b>	<b>34</b>	<b>-</b>
<b>Primary Type - to meet additional demand</b>			
Animal Control - Dog Pound facility refurb	-	-	-
<b>Total growth</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Regulatory Services by Type</b>			
Growth	-	-	-
Level of Service	80	34	-
Renewals	4	45	-
<b>Total Regulatory Services Projects</b>	<b>84</b>	<b>79</b>	<b>-</b>

## Forecast Funding Impact Statement for Regulatory Services

	LTP 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charges, rates penalties	2,453	1,984	3,390
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	204	275	225
Local authorities fuel tax, fines, infringement fees, and other receipts	3,490	4,329	3,691
Internal charges and overheads recovered	-	-	-
<b>Total Operating Funding (A)</b>	<b>6,147</b>	<b>6,588</b>	<b>7,306</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	615	924	860
Finance costs	1	1	1
Internal charges and overheads applied	5,461	6,037	6,375
Other operating funding applications	-	-	-
<b>Total applications of operating funding (B)</b>	<b>6,077</b>	<b>6,962</b>	<b>7,236</b>
Surplus (deficit) of operating funding (A-B)	70	(374)	70
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	14	419	(70)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding (C)</b>	<b>14</b>	<b>419</b>	<b>(70)</b>
<b>Applications of capital funding</b>			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	80	34	-
- to replace existing assets	4	45	-
Increase (decrease) in reserves	-	(34)	-
Increase (decrease) of investments	-	-	-
<b>Total applications of capital funding (D)</b>	<b>84</b>	<b>45</b>	<b>-</b>
Surplus (deficit) of capital funding (C-D)	(70)	374	(70)
Funding Balance ((A-B) +(C-D))	-	-	-
Depreciation	70	76	70

## Activity Expenditure for Regulatory Services

	LTP 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000
Liquor Policy	74	76	35
Parking	439	459	547
Animal Control	284	299	329
Dog Control	714	753	766
Environmental Health Policy	144	148	43
Safety Licencing	174	179	286
Resource Planning	1,123	1,527	1,712
Planning Policy	448	533	767
Building Consents	1,494	1,757	1,763
Building Policy	441	509	595
Liquor Licences	267	265	208
Environmental Health	545	532	254
<b>Total Expenditure</b>	<b>6,147</b>	<b>7,037</b>	<b>7,305</b>





# **Council Financial Statements**

# Funding Impact Statement

## 1. Revenue and Financing Sources Generally

The following revenue mechanisms will be used in 2023-2024:

- General rates
- Targeted rates
- Fees and charges
- Grants and subsidies

## 2. Funding Mechanisms

The following funding mechanisms will be used in 2023-2024

- Development contributions
- Borrowing
- Proceeds from asset sales
- Reserves

Please refer to Council's Revenue and Financing Policy for further information about 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 in 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, license, 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 recognises that there are certain instances where the above situations will occur, and there are some 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 Year Ending 30 June 2024

### 4.1 General Information

**Rating period:** the rates described in this section are for the financial year 1 July 2023 to 30 June 2024.

**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 2023/2024 are available for inspection at Council's office at 126-148 Oxford Street, Levin during normal office hours. This information includes the rating values which form the basis of rating in 2023/2024 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 different rate in the dollar on the Land Value (LV) of the land. LVs are assessed every three years, and were last assessed in 2022. These values have formed the basis of rating from 1 July 2023.

The general rates levied on LV are set differently 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, and 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 that are 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.

The District Wide category includes 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 2022, and it is those values that will form the basis of rating from 1 July 2023.

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 50m<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 when a 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, and 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***

This is 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.

# Funding Impact Statement 2023/2024

## Rating Mechanisms

		GST Incl	GST Excl	GST Excl	GST Excl
	Rating Basis	Rate in the \$	LTP 21/22 \$000	AP 22/23 \$000	AP 23/24 \$000
<b>General Rate</b>					
Rural Differential	Land Value				
Farming Differential	Land Value	0.00116300	2,748	2,712	2,482
District Wide Differential	Land Value	0.00232600	8,889	8,753	11,449
<b>Total General Rate</b>			<b>11,637</b>	<b>11,465</b>	<b>13,931</b>
<b>Roading Rate</b>					
Business Use Differential	Capital Value				
District Wide Other Differential	Capital Value				
District Wide	Capital Value	0.00036209	3,011	4,049	4,512
<b>Total Roothing Rate</b>			<b>3,011</b>	<b>4,049</b>	<b>4,512</b>
Stormwater Rate	Capital Value	0.00026194	1,656	2,092	1,816
Library and Community Centre Rate	SUIP	323.31	4,596	4,569	5,456
Representation and Community Leadership Rate	SUIP	343.10	4,051	4,566	5,791
Aquatic Centre Rate District Wide	SUIP	165.37	2,244	2,407	2,791
<b>Solid Waste Rate</b>					
Rural Differential	SUIP	119.14	443	573	547
Urban Differential	SUIP	178.11	1,771	2,293	2,188
Water Supply District Wide Connected (excl Foxtton Beach)	Refer Note 1	467.22	5,059	5,475	4,540
Water Supply District Wide Availability	Rating Unit	233.61	79	85	74
Foxtton Beach Connected	Refer Note 1	341.92	475	519	572
<b>Total Water Supply Rate</b>			<b>5,613</b>	<b>6,079</b>	<b>5,186</b>



## Additional Tables to Rating Mechanisms

	<b>GST Excl</b>	<b>GST Excl</b>	<b>GST Excl</b>
	<b>LTP 21/22 \$000</b>	<b>AP 22/23 \$000</b>	<b>AP 23/24 \$000</b>
<b>Rating Base</b>			
Total Rates GST inclusive	51,893	54,313	59,145
Rateable Rating Units	17,578	18,192	18,631
Average rates	2,614	2,986	3,170
<b>Total number of rating units LGA</b>	<b>18,615</b>	<b>18,204</b>	<b>18,744</b>
Schedule 10 Part 1 Clause 15A			

		<b>GST Incl</b>	<b>GST Excl</b>	<b>GST Excl</b>	<b>GST Excl</b>
	<b>Rating Basis</b>	<b>Rate in the \$</b>	<b>LTP 21/22 \$000</b>	<b>AP 22/23 \$000</b>	<b>AP 23/24 \$000</b>
<b>Water by Meter rates</b>					
District wide except Foxton Beach	Cubic Meter	2.50	1,372	1,118	1,456
Foxton Beach - Step 1 (First 50m <sup>3</sup> of water consumed per quarter)	Cubic Meter	1.07	180	170	171
Foxton Beach - Step 2 (Second 50m <sup>3</sup> of water consumed per quarter in excess of 50m <sup>3</sup> )	Cubic Meter	2.14	-	16	16
Foxton Beach - Step 3 (Balance of water consumed per quarter in excess of 100m <sup>3</sup> )	Cubic Meter	3.21	-	4	4
<b>Total Water by meter rates</b>			<b>1,648</b>	<b>1,378</b>	<b>1,647</b>

## Funding Impact Statement 2023/2024

	LTP 21/22 \$000	AP 22/23 \$000	AP 23/24 \$000
<b>Sources of Operating Funding</b>			
General rates, uniform annual general charges, rates penalties	11,657	11,486	14,001
Targeted rates	31,790	35,741	37,430
Subsidies and grants for operating purposes	2,101	2,120	2,682
Fees and charges	4,721	3,693	3,629
Interest and dividends from investments	200	211	5
Local authorities fuel tax, fines, infringement fees, and other receipts	4,749	4,662	4,423
<b>Total Operating Funding (A)</b>	<b>55,218</b>	<b>57,913</b>	<b>62,170</b>
<b>Applications of Operating Funding</b>			
Payments to staff and suppliers	45,003	48,240	54,078
Finance costs	2,964	3,467	5,082
Operating funding applications	-	-	-
<b>Total applications of operating funding (B)</b>	<b>47,967</b>	<b>51,707</b>	<b>59,160</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>7,251</b>	<b>6,206</b>	<b>3,010</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	15,135	16,605	9,033
Development and financial contributions	2,744	1,461	1,461
Increase (decrease) in debt	20,022	12,586	11,869
Gross proceeds from sale of assets	2,056	4,180	11,874
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding (C)</b>	<b>39,957</b>	<b>34,832</b>	<b>34,237</b>
<b>Applications of capital funding</b>			
Capital Expenditure			
- to meet additional demand	18,042	10,349	8,607
- to improve the level of service	18,659	7,005	4,264
- to replace existing assets	18,838	17,646	22,116
Increase (decrease) in reserves	(8,331)	6,038	(1,011)
Increase (decrease) of investments	-	-	3,271
<b>Total applications of capital funding (D)</b>	<b>47,208</b>	<b>41,038</b>	<b>37,247</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(7,251)</b>	<b>(6,206)</b>	<b>(3,010)</b>
<b>Funding Balance ((A-B) +(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>
Depreciation	14,722	17,196	17,879

## 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
- Capital Expenditure
- Reconciliation between Forecast Funding Impact Statement and the Forecast Statement of Comprehensive Income

### Forecast Statement of Comprehensive Revenue and Expense

	LTP 21/22 \$000	AP 22/23 \$000	AP 23/24 \$000
<b>Revenue</b>			
Rates Revenue	43,447	47,227	51,430
Grants & Subsidies	17,235	18,725	11,715
Finance Revenue	200	205	-
Fees and Charges	4,721	3,693	3,629
Other Revenue	4,749	4,718	4,428
Gain Disposal of Assets	17	33	28
Investment (Gains)/Losses	2,744	1,461	1,461
Development Contributions	-	-	-
Vested Assets	-	-	-
<b>Total Revenue</b>	<b>73,113</b>	<b>76,062</b>	<b>72,691</b>
<b>Expenditure</b>			
Employee Benefit Expenses	18,169	20,095	21,370
Finance Costs	2,964	3,467	5,082
Depreciation & Amortisation	14,722	17,196	17,879
Loss Disposal of Assets	-	-	-
Other Expenses	26,832	28,306	32,916
<b>Total Expenditure</b>	<b>62,687</b>	<b>69,064</b>	<b>77,247</b>
Surplus/(deficit)	10,426	6,998	(4,556)
<b>Other Comprehensive Revenue</b>			
Gain/(loss) on property revaluation	3,700	37,357	29,105
<b>Total Other Comprehensive Revenue</b>	<b>3,700</b>	<b>37,357</b>	<b>29,105</b>
<b>Total Comprehensive Revenue and Expenditure</b>	<b>14,126</b>	<b>44,355</b>	<b>24,548</b>

## Reconciliation between Forecast Cost of Service Statements and the Forecast Statement of Comprehensive Revenue and Expense

	LTP 21/22 \$000	AP 22/23 \$000	AP 23/24 \$000
<b>Revenue</b>			
<b>Prospective Statement of Comprehensive Revenue and Expense</b>	<b>73,113</b>	<b>76,062</b>	<b>72,691</b>
<b>Summary Funding Impact Statement</b>			
Total Operating Funding	55,218	57,963	62,170
Add Sources of Capital Funding			
Sources of capital funding	15,134	16,605	9,033
Development Contributions	2,744	1,461	1,461
Investment (Gains)/Losses	17	33	28
Vested Assets	-	-	-
Gain Disposal of Assets	-	-	-
<b>Total Revenue</b>	<b>73,113</b>	<b>76,062</b>	<b>72,692</b>
<b>Expenditure</b>			
Prospective Statement of Comprehensive Revenue and Expense			
<b>Operating Expenditure</b>	<b>62,687</b>	<b>69,064</b>	<b>77,247</b>
<b>Summary Funding Impact Statement</b>			
Total applications of operating funding	47,965	51,707	59,160
Add Provision Aftercare	-	161	152
Add Employee Benefit Movement			56
Add Depreciation and Amortisation Expense	-	-	17,879
<b>Total Expenditure</b>	<b>14,722</b>	<b>17,196</b>	<b>77,247</b>

## Forecast Statement of Financial Position

	LTP 21/22 \$000	AP 22/23 \$000	AP 23/24 \$000
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash & Cash Equivalents	11,519	4,380	6,621
Debtors & Other Receivables	6,340	7,587	4,958
Non-current assets held for sale	4,293	350	-
Other Financial Assets	5,360	1,091	3,749
<b>Total Current Assets</b>	<b>27,512</b>	<b>13,408</b>	<b>15,328</b>
<b>Non-Current Assets</b>			
Forestry Assets	1,107	1,301	1,110
Intangible Assets	970	1,211	2,258
Investment Property	-	-	1,078
Other Financial Assets	1,926	2,034	2,647
Operational Assets	44,414	60,992	77,824
Infrastructural Assets	601,858	660,129	726,889
Restricted Assets	71,132	75,022	64,491
<b>Total Non-Current Assets</b>	<b>721,407</b>	<b>800,689</b>	<b>876,297</b>
<b>Total Assets</b>	<b>748,919</b>	<b>814,097</b>	<b>891,625</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables and Deferred Revenue	13,721	15,948	15,469
Employee Benefit Liabilities	1,060	1,422	1,593
Provisions	30	30	1,614
Borrowings and Other Financial Liabilities	10,000	21,000	22,493
Other Financial Liabilities	3,615	702	175
<b>Total Current Liabilities</b>	<b>28,426</b>	<b>39,102</b>	<b>41,344</b>
<b>Non-Current Liabilities</b>			
Employee Benefit Liabilities	207	256	340
Provisions	6,425	5,542	6,379
Borrowings and Other Financial Liabilities	117,821	98,463	127,459
Other Financial Liabilities	-	1,279	-
<b>Total Non-Current Liabilities</b>	<b>124,453</b>	<b>105,540</b>	<b>134,178</b>
<b>TOTAL LIABILITIES</b>	<b>152,879</b>	<b>144,642</b>	<b>175,522</b>
<b>NET ASSETS</b>	<b>596,040</b>	<b>669,455</b>	<b>716,103</b>
<b>EQUITY</b>			
Retained Earnings	261,402	267,488	287,117
Revaluation Reserves	324,660	389,873	418,978
Other Reserves	9,978	12,094	10,009
<b>TOTAL EQUITY</b>	<b>596,040</b>	<b>669,455</b>	<b>716,103</b>

## Forecast Statement of Changes in Net Assets/Equity

	LTP 21/22 \$000	AP 22/23 \$000	AP 23/24 \$000
Equity balance at 1 July	581,914	625,100	676,126
Total comprehensive revenue and expenditure for the year	14,126	44,355	23,979
Statement of financial positions movements	-	-	-
<b>Equity Balance 30 June</b>	<b>596,040</b>	<b>669,455</b>	<b>700,105</b>
Components of Equity			
Retained Earnings at 1 July	250,903	262,934	313,597
Net Surplus/(Deficit)	10,426	5,004	(4,556)
Statement of financial positions movements	-	-	-
Transfers to / (from) reserves	73	-	-
Retained earnings 30 June	261,402	267,488	309,040
Revaluation Reserves at 1 July	320,960	352,516	352,516
Revaluation Gains	3,700	37,357	28,535
Revaluation Reserves 30 June	324,660	389,873	381,051
Council Created Reserves at 1 July	10,051	9,650	10,014
Transfers to / (from) reserves	(73)	2,444	-
Council created Reserves 30 June	9,978	12,094	10,014
<b>Equity balance at 30 June</b>	<b>596,040</b>	<b>669,455</b>	<b>700,105</b>

## Forecast Cash Flow

	LTP 21/22 \$000	AP 22/23 \$000	AP 23/24 \$000
<b>Cashflow from Operating Activities</b>			
Cash was provided from:			
Revenue from Rates	43,447	47,227	51,430
Interest Received	200	205	-
Other Revenue	29,450	29,047	21,233
	<b>73,097</b>	<b>76,479</b>	<b>72,663</b>
<b>Cash was disbursed to:</b>			
Payments Staff & Suppliers	45,003	48,240	53,964
Interest Paid	2,964	3,467	5,082
	<b>47,967</b>	<b>51,707</b>	<b>59,046</b>
<b>Net Cashflow from Operating Activity</b>	<b>25,130</b>	<b>24,772</b>	<b>13,617</b>
Cashflow from Investing Activities			
Cash was provided from:			
Proceeds from Sale of Assets	2,056	4,180	11,874
	<b>2,056</b>	<b>4,180</b>	<b>11,874</b>
<b>Cash was disbursed to:</b>			
Purchase of Assets	47,208	35,000	34,987
Purchase of Investments	-	-	3,271
	47,208	35,000	38,258
<b>Net Cashflow from Investing Activity</b>	<b>(45,152)</b>	<b>(30,820)</b>	<b>(26,384)</b>
<b>Cashflow from Financing Activities</b>			
<b>Cash was provided from:</b>			
Borrowings Raised	65,022	18,356	32,869
	65,022	18,356	32,869
<b>Cash was disbursed to:</b>			
Repayment of Borrowings	45,000	10,000	21,000
	45,000	10,000	21,000
<b>Net Cashflow from Financing Activity</b>	<b>20,022</b>	<b>8,356</b>	<b>11,869</b>
Net Increase (Decrease) in Cash Held	-	2,308	(898)
Add Opening Cash bought forward	11,519	2,072	7,519
<b>Closing Cash Balance</b>	<b>11,519</b>	<b>4,380</b>	<b>6,621</b>
<b>Closing Balance made up of Cash and Cash Equivalents</b>	<b>11,519</b>	<b>4,380</b>	<b>6,621</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.

	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	548	-	6,332
<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	11	-	203



<p><b>Wairarawa Stream Walkway</b></p> <p>To hold funding derived for the purpose of upgrading the walkway to be spent on the upgrade.</p>	<p>Community Facilities and Services Activity</p>	<p>56</p>	<p>4</p>	<p>-</p>	<p>60</p>
<p><b>Road Upgrade Reserve</b></p> <p>To fund transport network improvements as approved by the Council, from the accumulated funds of the former Horowhenua County Council subdivision contributions to roading.</p>	<p>Land Transport/ Roads and Footpaths Activity</p>	<p>812</p>	<p>49</p>	<p>-</p>	<p>861</p>
<p><b>Council created Reserves – Purpose of the Fund</b></p>					
<p><b>Financial and Capital contributions for Roading</b></p> <p>To fund transport network improvements, from the accumulated funds from financial and capital contributions under the District Plan prior to Development Contributions regime.</p>	<p>Land Transport/ Roads and Footpaths Activity</p>	<p>89</p>	<p>6</p>	<p>-</p>	<p>95</p>

<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	36	-	626
<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	-29	-	117
<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	42	-	722
<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	1	-	26

<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	112	278	485
<p><b>Shannon Rail Station</b></p> <p>Set aside from grants to preserve the historic Shannon Railway Station.</p>	Properties Activity	27	1	-	28
<p><b>Esplanade Fund</b></p> <p>To provide a fund to construct or provide for possible public access ways to esplanade reserves created under the Resource Management Act.</p>	Community Facilities and Services Activity	138	8	-	146
<p><b>Capital Projects Fund</b></p> <p>To provide funds for strategic capital projects with the last \$250,000 as a disaster relief working capital fund.</p>	All Activities	900	54	-	954
<p><b>Foxton Citizens Fund</b></p> <p>To provide a fund for awards in recognition of community service in Foxton.</p>	Community Support Activity	4	-	-	4
<b>Total</b>		<b>9,756</b>	<b>843</b>	<b>278</b>	<b>10,659</b>

# Benchmarks Disclosure Statement

## Annual plan disclosure statement for the year ending 30 June 2024

### What is the purpose of this statement?

The purpose of this statement is to disclose 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.

Council is required to include this statement in the Annual Plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Please refer to the regulations for more information, including definitions of some of the terms used in the statement.

Benchmark	Limit	Planned	Met
<b>Rates affordability benchmark</b>			
- income	\$48.104m	\$47,227m	Yes
- increases	10.76%	8.70%	Yes
<b>Debt affordability benchmark</b>			
- net debt to operating revenue	250%	154%	Yes
- net interest to operating revenue	20%	4%	Yes
- net interest to rates revenue	25%	7%	Yes
<b>Balanced budget benchmark</b>	100%	108%	Yes
<b>Essential services benchmark</b>	100%	246%	Yes
<b>Debt servicing benchmark</b>	15%	5%	Yes

### Rates affordability benchmark

Council meets the rates affordability benchmark if the planned rates increases is equal, or are less than, each quantified limit on rates increases contained in the financial strategy included in the council's Long Term Plan.

### Debt affordability benchmark

Council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing. 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.

## **Balanced budget benchmark**

This benchmark ensures Council's planned revenue (excluding development contributions, vested assets, financial contributions, gains on derivative financial instruments, and revaluations of property, plant, or equipment) is presented as a proportion of its planned operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment).

Council meets the balanced budget benchmark if its planned revenue equals, or is greater than, its planned operating expenses.

## **Essential services benchmark**

This benchmark is for Council's planned capital expenditure on network services as a proportion of expected depreciation on network services.

Council meets the essential services benchmark if its planned capital expenditure on network services equals, or is greater than, expected depreciation on network services.

## **Debt servicing benchmark**

The debt servicing benchmark uses 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.

# Accounting Policies

## 1. Reporting Entity

The prospective financial statements of Horowhenua District Council are for the year ended 30 June 2024.

Horowhenua District Council is a territorial Local Authority governed by the provisions of the Local Government Act 2002 and is domiciled in New Zealand.

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 this Annual 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 statements may not be appropriate for purposes other than those described. The prospective financial statements were authorised by issue by Council on 28 June 2023. 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 starting from 1 July 2023 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

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.

Financial Statements are presented in New Zealand Dollars. The functional currency of HDC is New Zealand dollars and 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, based on the most up-to-date forecast information.

## Budget Figures

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. 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 therefore 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. 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. 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 Waka Kotahi New Zealand Transport Agency which subsidises part of HDC's costs in maintaining the local roading infrastructure. It 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 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.

## **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 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 recognized 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 grants that are awarded if the grant application meets a 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.

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 Council's financing activities. In accordance with its treasury policy, 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 re-measured 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.

Purchases and sales of financial assets are recognised on trade-date - the date 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 re-measurement 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 are classified as "trade and other receivables" in the Prospective Statement of Financial Position. They 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.

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, and the 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>		
Land	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%
Library assets	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>		
Land	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>Infrastructure Assets</b>		
<b>Roading: (average lives and depreciation rates of major components)</b>		
Land	N/A	N/A
Formation	100 years	1%
Berms	50 to 100 years	1% to 2%
Surface water channels	40 to 100 years	1% to 2.5%
Bridges and culverts	80 years	1.25%
Drainage	78 years	1.29%
Sealed pavement	60 years	1.66%
Basecourse	60 years	1.66%
Footpaths – concrete	60 years	1%
Footpaths – metal	60 years	2.22% to 5%

Footpaths – other Crossings Streetlights – poles Streetlights – lights Signage Surfacing	100 years 20 to 45 years 50 years 30 to 50 years 25 years 12 years 1 to 25 years	2% 2% to 3.33% 4% 8.33% 4% to 100%
<b>Stormwater:</b> Pump stations Manholes Sumps Pipes Pumps	100 years 80 years 60 years 20 to 100 years 15 years	1% 1.25% 1.67% 1% to 5% 6.67%
<b>Water:</b> Land <b>Buildings:</b> Structure Roofing Electricals Treatment facilities Pipes Laterals Tobies Valves Hydrants Meters	N/A  50 to 100 years 40 years 40 years 8 to 100 years 20 to 80 years 50 to 90 years 60 years 60 years 60 years 20 years	N/A  1% to 2% 2.5% 2.5% 1% to 12.5% 1.25% to 5% 1.11% to 2% 1.67% 1.67% 1.67% 5%
<b>Sewer:</b> Land <b>Buildings:</b> Structure Roofing Electricals Treatment and disposal facilities Pipes Laterals Pump stations Manholes Pumps	N/A  25 to 70 years 40 years 40 years 10 to 100 years 60 to 80 years 60 to 100 years	N/A  1.43% to 4% 2.5% 2.5% 1% to 10% 1.25% to 1.67% 1% to 1.67% 1.67% to 2% 1.25% 4% to 10%

	50 to 60 years 80 years 10 to 25 years	
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## 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.

Staff training costs are recognised in the surplus or deficit when included. Costs associated with development and maintenance of the Council's website are recognised as an expense when incurred.

### 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 Property, Plant and Equipment and Intangible 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 assets 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 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. 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 relate 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**

HDC has made estimates and assumptions concerning the future while preparing these financial statements. 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 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 issues 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 follows:

### **Financial Instruments**

For years 2023-2031 of the LTP, PBE IPSAS 41 Financial Instruments will be applicable as this new accounting standard will become effective for the period beginning 1 July 2022. This replaces PBE IPSAS 29 Financial Instruments. The prospective financial statements for the years 2 to 10 have not been prepared using this new standard as Council does not consider that the financial information will be materially different. The main differences between PBE IPSAS 29 and PBE IPSAS 41 relate to the classification of financial assets and liabilities, impairment and hedging. Under PBE IPSAS 41 the financial classification should not significantly change the value of the financial assets or liabilities. The required change in the impairment model should have no impact as impairments are not usually significant when considering prospective financial statements, and the hedging requirements under PBE IPSAS 41 can be continued as they were under PBE IPSAS 29. Council plans to apply current accounting policies under PBE IPSAS 29 when 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.

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.

## Indicative Rates on Selected Properties

Locality	Land Value \$	Capital Value \$	Total Rates 2022/23 \$	Indicative Total \$	Total \$ Change	Total % Change
Hökio Beach	190,000	290,000	1,544	1,633	89	5.7%
Waikawa Beach	390,000	670,000	2,073	2,335	262	12.7%
Waikawa Beach	500,000	740,000	2,261	2,635	374	16.5%
Ōhau	480,000	930,000	2,744	3,174	430	15.7%
Manakau	500,000	950,000	2,456	2,766	310	12.6%
Waitārere Beach	295,000	510,000	2,386	2,643	257	10.8%
Waitārere Beach	360,000	560,000	2,540	2,825	285	11.2%
Waitārere Beach	720,000	890,000	4,859	5,507	648	13.3%
Foxtan Beach	290,000	500,000	2,723	2,951	228	8.4%
Foxtan Beach	420,000	530,000	2,996	3,272	276	9.2%
Foxtan Beach	690,000	1,070,000	3,892	4,237	345	8.9%
Foxtan Beach	290,000	580,000	2,780	3,001	221	7.9%
Tokomaru	250,000	520,000	2,729	3,011	283	10.4%
Tokomaru	340,000	590,000	2,876	,264	388	13.5%
Vacant lifestyle	390,000	395,000	1,288	1,548	260	20.2%
Rural	980,000	1,950,000	2,778	2,797	19	0.7%
Rural	6,640,000	7,810,000	13,382	11,501	(1,881)	-14.1%
Rural Comm/Indust	1,000,000	2,510,000	4,315	5,281	967	22.4%
Rural	850,000	3,400,000	4,260	4,159	(101)	-2.4%
Rural	4,640,000	4,925,000	8,627	8,131	(496)	-5.7%
Rural	4,190,000	4,318,000	7,804	7,387	(416)	-5.3%

Locality	Land Value \$	Capital Value \$	Total Rates 2022/23 \$	Indicative rates	Total \$ Change	Total % Change
Lifestyle	450,000	740,000	1,874	2,266	392	20.9%
Lifestyle	660,000	1,095,000	2,911	3,350	439	15.1%
Lifestyle	540,000	1,675,000	2,672	3,281	609	22.8%
Utility	0	25,170,000	10,819	10,065	(755)	-7.0%
Levin - business	150,000	150,000	1,768	2,000	232	13.1%
Levin	460,000	750,000	3,158	3,643	486	15.4%
Levin 2 Dwlg	265,000	510,000	4,940	4,967	27	0.6%
Levin	330,000	540,000	2,995	3,210	215	7.2%
Levin	340,000	540,000	3,012	3,233	222	7.4%
Levin	250,000	450,000	2,622	2,968	346	13.2%
Levin - business	440,000	690,000	12,022	11,269	(754)	-6.3%
Levin - business	290,000	550,000	3,371	3,123	(248)	-7.4%
Foxton	150,000	305,000	2,437	2,645	208	8.5%
Foxton	235,000	570,000	2,703	3,008	304	11.3%
Foxton	525,000	625,000	3,083	3,717	633	20.5%
Shannon	225,000	380,000	2,539	2,866	327	12.9%
Shannon	340,000	485,000	2,729	3,199	470	17.2%
Shannon	250,000	520,000	2,786	3,011	225	8.1%

## Significant Forecasting Assumptions

The financial information in this Annual Plan is a forecast of Council's future expenditure and funding requirements. These forecasts are based on several assumptions about the future. Significant Forecasting Assumptions were identified as part of the development of the Long Term Plan 2021-2041 (LTP).

This plan covers year 2 of the LTP. This section provides the assumptions Council has made in developing this Annual Plan, and the risk and level of uncertainty associated with each assumption.

Issue	Assumption	Risk
Population Growth	Population growth is assumed at a rate of 2.6% for the 2023/2024 financial year.  It is estimated that the population of the Horowhenua District will reach 39,360 in the 2023/2024 financial year.	Population growth across the Horowhenua District occurs at a rate significantly different than assumed.  Level of uncertainty: Moderate/High
Demographics	It is assumed that the majority of growth in the Horowhenua District's population will occur in the 15 to 39 years old range.  Forecast population by age demographics for the 2022/2023 financial year:  0 – 14 years – 7,777 15 – 39 years – 10,874 40 – 64 years – 11,629 65+ years – 9,752	Population growth in different age groups is substantially different from what is assumed e.g. the 15 to 39 age group may increase at a rate that is less than the other age groups.  Level of uncertainty: Low/Moderate
Household Growth	It is assumed that the number of dwellings in the Horowhenua District will reach 17,668 in the 2022/2023 financial year.  The majority of this growth is expected to occur in Levin.	The future growth in the number of dwellings and the location of the new dwellings varies substantially i.e. much higher or lower than assumed.  Level of uncertainty: Moderate/High
Household Occupancy	The average number of occupants per dwelling will be 2.5	The future growth of the average number of occupants varies substantially i.e. is much higher or lower than the assumed rates.
Legislative Changes	Changes in legislation will not significantly affect Council's finances or Levels of Service.	There is some uncertainty  Level of uncertainty: Moderate

Issue	Assumption	Risk
Three Waters Review	Council will retain ownership and management of its three waters assets for the 2023/2024 financial year.	Large scale entities will be set up to take over the three waters assets for the Horowhenua District.  Level of Uncertainty: High
Pandemics (COVID-19)	There will be no pandemics (including the current COVID-19 pandemic) requiring the implementation of the Traffic Light system for the purpose of the forecast budgets.	Level of uncertainty: High
Climate Change	<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>	<p>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.</p> <p>Level of uncertainty: Moderate/High</p>
Property	<p>Council will continue the program of disposing of 'non-core' property, where possible.</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 on a fit for purpose condition.</p>	<p>Council disposes of more or less property than assumed, 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> <p>Level of uncertainty: Moderate</p>
Activity Management Plans	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.	<p>That assets need to be managed differently than outlined in the Activity Management Plans, particularly regarding renewals.</p> <p>Level of uncertainty: Moderate</p>

Issue	Assumption	Risk
Useful Lives of Assets	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.	That assets deteriorate at a faster or slower rate than anticipated.  Level of uncertainty: Low
Resource Consent Requirements	Council will obtain any resource consents that are required to ensure that Water, Wastewater and Solid Waste Activities (and any other activity) can continue to operate. The consents we apply for are granted within assumed projects timeframes and within anticipated expenditure.	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
Availability of Contractors	It is assumed there is sufficient capacity within the professional services and contractor market to undertake the capital program.	There is insufficient capacity within the professional services and contractor market to deliver the capital program, which may create project delays or increase costs.  Level of uncertainty: Moderate
Asset Revaluations	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.  Roading and Land & Buildings revaluations.	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



Issue	Assumption	Risk
<p>Ōtaki to North of Levin Expressway</p>	<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>	<p>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.</p> <p>That it may cost more or less than anticipated to maintain the existing state highways sections once it is revoked and vested in Council.</p> <p>Level of uncertainty: Low/Moderate</p>
<p>Natural Hazards – Response and Recovery</p>	<p>Council has the capacity to borrow any funds it may require to respond to, and recover from, natural hazard events should they occur during this financial year.</p>	<p>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.</p> <p>Level of uncertainty: Low/Moderate</p>
<p>Sources of Funds for Replacement of Significant Assets</p>	<p>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.</p> <p>Funding Sources:</p> <ul style="list-style-type: none"> <li>• Third party sources</li> <li>• Asset Sales</li> <li>• Rates</li> <li>• Reserves</li> <li>• Borrowing</li> </ul>	<p>That there are insufficient funds available for the replacement of significant assets.</p> <p>Level of uncertainty: Moderate</p>

Issue	Assumption	Risk
Interest costs	Interest rates will be 3.00% for the 2022/2023 financial year.	Interest rates can vary subject to market conditions and could fluctuate beyond what is anticipated.  Level of uncertainty: Moderate
Local Government Funding Agency	The Local Government Funding Agency (LGFA) remains in existence and is Council's preferred source of debt funding.  The LGFA Covenants will not be breached.	The risk of LGFA failing is low.  The risk of council breaching its LGFA Covenants is low.  Level of uncertainty: Low
Inflation	Inflation will be in accordance with the inflation adjusters 'mid-scenario' that was provided by Business and Economic Research Ltd. (RERL) and endorsed for use by the Society of Local Government Managers (SOLGM).  For the year ending June 2024: <ul style="list-style-type: none"> <li>• Planning and Regulation 2.3%</li> <li>• Roading 3.9%</li> <li>• Transport 2.4%</li> <li>• Community Activities 2.5%</li> <li>• Water and Environmental 2.6%</li> </ul>	Actual inflation will be significantly different to assumed as these are predictions. Future rates of inflation are subject to a large number of variables which are beyond Council's control and are difficult to forecast.  Level of uncertainty: Moderate
Delivery of the Capital Expenditure Program	It is assumed that 85% of the budgeted capital program will be completed for the financial year, with the remaining 15% completed in the following year.	That the capital program is completed above the 85% assumption, requiring extra borrowing.  That less than 85% of the capital program will be completed, meaning capital projects are delayed.  As we have assumed it will be 100% over two years it will be a matter of timing rather than total spend.  Level of uncertainty: High
Depreciation	That depreciation based on asset lives for each activity is identified in the Long Term Plan 2021-2041 Significant Forecasting assumptions	That the assets depreciate at a slower or faster rate than assumed.



# **Definitions and Interpretations**

## Definitions and Interpretations

### Advocate

Council acts as an advocate by representing 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. Assets Council currently hold include bank accounts, amounts owing by debtors, roads, land, buildings, vehicles, computers, and the water, wastewater and stormwater networks.

### Assets Management Plan (AMP)

An asset management plan is a plan developed for the management of one or more infrastructure assets. These plans span the life of an asset and combine technical, financial and other techniques to provide an agreed Level of Service to the Community at optimum cost.

### Capital Expenditure

Money spent which has effects on the long-term rather than just the short-term. Examples of capital expenditure include buying or building 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 improvement that have been made to it. Improvements commonly include but are not limited to the construction of a dwelling. For rating purposes, Council contracts Quotable Value New Zealand to assess the valuation 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's five community outcomes are vibrant economy, outstanding environment, fit for purpose infrastructure, partnership with Tangata Whenua, and strong communities.

### 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**

This Annual Plan spans the Council's financial year which starts on 1 July 2023 and ends on 30 June 2024.

## **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**

Liabilities are 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 world program. The Long Term Plan is legally required to span at least 10 years, however, Council decided to extend the 2021-2041 LTP to cover 20 years.

## **Operating Costs**

The costs of running Council in the short-term. Operating costs include the costs of maintaining assets, employing staff, and the interest costs of loans.

## **Performing Target**

A measure that shows how well Council is achieving the goals that it has set for itself.

## **Rates**

Property taxes collected by Council to 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. Council receives income from 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. Council assesses significance 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 Charge 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) carries away from a property by drains.



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