

# 2020/2021 Annual Plan



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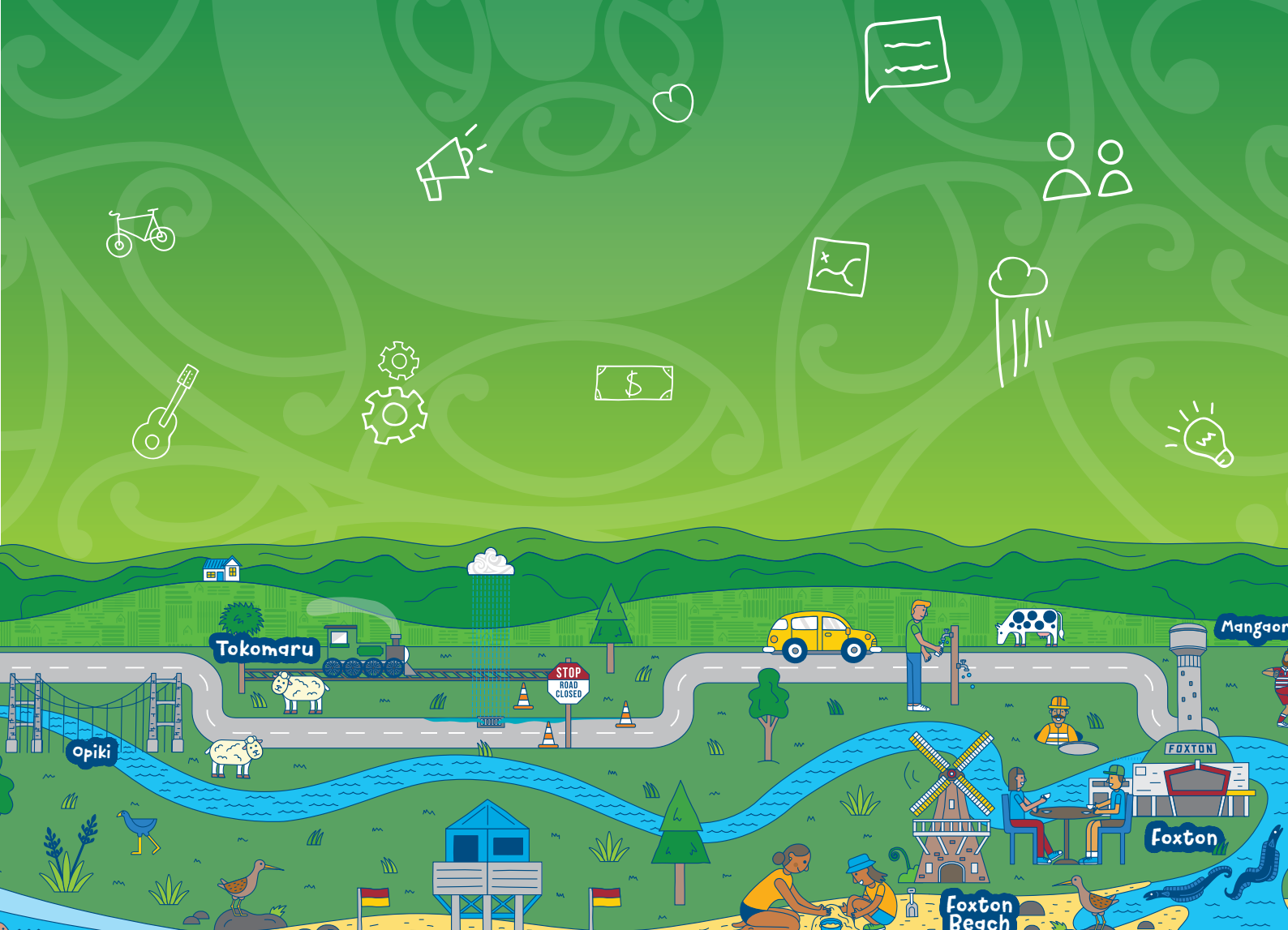
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# Introduction



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# Welcome to the Annual Plan 2020/2021

Welcome to the Annual Plan for 2020/2021 (Year 3 of the Long Term Plan 2018-2038). This plan sets out the services and projects that are planned to be delivered for the 2020/2021 financial year and how Council will fund them.

The development of the Annual Plan 2020/2021 began in late 2019, prior to the Covid-19 pandemic impacting on communities across New Zealand and around the world. In late 2019 / early 2020, Council developed its plan based on taking a proactive approach and responding to a district that was growing rapidly, much faster than anticipated in the Long Term Plan 2018-2038. The Consultation Document and supporting information were prepared on that basis, and adopted by Council for consultation on 20 March 2020.

New Zealand went into Level Four (4) Lockdown for the Covid-19 pandemic from midnight on 25 March 2020, lasting until midnight on 27 April 2020. Since then, the country has been through a number of different Covid-19 related restrictions, the most recent at the time of adoption of this plan, being Level One (1) restrictions.

In response to the Covid-19 pandemic, Council has worked to understand the likely impact on our communities and developed a number of responses to help support the community during this unprecedented time. These responses include:

- **Financial Resilience Working Party:** Establishment of the Financial Resilience Working Party to provide advice and strategic direction to Council for the recovery of the community from the financial impacts of Covid-19. The Working Party are actively identifying opportunities and barriers for the social and economic recovery of the Horowhenua.
- **Fees and charges:** Decision not to increase fees and charges from the 2019/2020 financial year.
- **Rates Postponement Policy:** Council is developing a Rates Postponement Policy to provide targeted relief to ratepayers and small businesses affected by the Alert Levels 3 and 4 associated with the Covid-19 pandemic.
- **Rates Payment Plans:** Promotion of the ability for ratepayers to sign up to a rates payments plan, which is available under Council's existing Rates Remissions Policy to provide relief and remit payment penalties for ratepayers experiencing hardship.
- **Rates Income:** Reducing Council's 2019/2020 income from rates by -1.83%.

Supporting community well-being in response to the Covid-19 pandemic will be a key focus of Council for the 2020/2021 year. While we have made significant savings, Council continues to support the community by providing the levels of service the community has come to know and expect.

This introduction to the Annual Plan 2020/2021 provides an overview of the changes that were made as a result of consultation on the Annual Plan 2020/2021 and an outline of Council's financial approach for the 2020/2021 year. The remainder of the document provides Council's Activity Statements (including key projects for each activity), costs and funding arrangements, and Council's Financial Statements for the whole of Council's activities (including the indicative rates).

# Overview of consultation and changes to the Annual Plan 2020/2021

## Consultation Approach

The Consultation Document for the Annual Plan 2020/2021 was drafted prior to the Covid-19 pandemic having a significant impact on our community. It included a question for the community about whether Council should construct a Splash Pad at Jubilee Park in Levin; an overview of how our district was growing; presented key financial updates and key project updates for 2020/2021; and asked the community to start putting forward ideas for the upcoming Long Term Plan 2021-2041.

Council launched consultation on this document just as the Level 4 Lockdown associated with the Covid-19 pandemic started on 25 March 2020. While it was recognised that the pandemic and the Lockdown made consultation with the community more difficult, Council proceeded with consultation as planned due to the legal requirement to adopt an Annual Plan by 30 June 2020. Due to the Level 4 Lockdown restrictions in place, Council adapted the way it engaged with the community, using our website, radio advertising, social media and by delivering a flyer to all households in the district to encourage the community to provide their feedback on the Annual Plan 2020/2021. Submissions were able to be provided online, via post or telephone.

## Submissions

Consultation with the community closed on 24 April 2020 and resulted in Council receiving 142 submissions, a great effort from the community during a challenging time. The Hearing of Submissions was carried out remotely with Elected Members and submitters attending the Hearing either by video or telephone using 'Zoom' instead of being held in person.

Submitters raised a wide variety of matters in their submissions, and many submitters requested that Council revise its Annual Plan 2020/2021, review the planned programme of works, and either reduce the amount of rates income and/or achieve a 0% rates income increase. A large number of comments were also provided on the Long Term Plan 2021-2041 which will be used to inform planning for this Long Term Plan later in 2020.

In response to the submissions, Council reviewed its operational and capital expenditure planned for the 2020/2021 financial year, with a focus of decreasing costs, while retaining current levels of service. Further details on the cost reductions is provided in the section below that gives an overview of Council's financial approach for this Annual Plan.

## Splash Pad, Jubilee Park Levin

Council is aware of support from the community for a splash pad to be established locally. Jubilee Park in Levin (also known as the Donald Duck Park) has a small paddling pool which provides free water play for toddlers and small children. The pool was built in 1988 and has become an iconic feature of Jubilee Park over the last 32 years.

However, the paddling pool is nearing the end of its life. It also poses a safety issue, because Jubilee Park is away from Levin's main aquatics centre and the pool has no lifeguards. Therefore,



Council decided to consult with the community through the Annual Plan 2020/2021 process on whether a splash pad should be constructed at Jubilee Park to replace the paddling pool.

Council posed three options in the Annual Plan Consultation Document and asked the community to specify which option they preferred:

- Option 1: Remove the paddling pool, but have no splash pad.
- Option 2: Remove the paddling pool and build a splash pad (full Council funding).
- Option 3: Remove the paddling pool and build a splash pad, but only if Council subsidises its construction with grants.

Of the 142 submissions received on the draft Annual Plan 2020/2021, 109 submitters provided a response about the splash pad. The results showed mixed views from the submitters: 30% chose option 1, 22% option 2 and 16% option 3, and a further 9% did not select an option but provide some comment on the splash pad. A poll was also undertaken on facebook which received 504 responses and over 100 comments. These responses included 9 people who chose option 1, 375 people who chose Option 2, 113 people who chose option 3 and 7 people who provided other comments.

During deliberations Council acknowledged that while savings needed to be made for the community in response to the Covid-19 pandemic, the benefits of a splash pad for the community, meant that this was a project worth further investigation, and decided to budget \$50,000 in the 2020/2021 financial year for site planning, analysis, feasibility, and stakeholder engagement. Council also agreed to further consider whether to allocate \$400,000 to the project (and the most effective funding arrangements) during the development of Long Term Plan 2021-2041.

### Other key decisions and actions from deliberations

#### **Foxton Beach CCTV Cameras**

The Foxton Beach Progressive Association has been investigating the establishment of CCTV cameras at Foxton Beach, and requested that Council agree to fund the project from the Foxton Beach Freeholding Account. CCTV cameras have, in the past, proven a successful way supporting community safety. Council agreed to provide up to \$110,000 to fund the project from the Foxton Beach Freeholding Account.

#### **Sports Coordinator Role**

Sport Manawatū requested Council provide part funding to implement a Sport Coordinator position to work as a support officer/coordinator in consultation with the Manawatū Whanganui councils and local sports groups and providers. Sport Manawatū have been working on a regional basis for the provision of sports facilities and given the opportunities for Horowhenua, particularly for the development of Donnelly Park for first class cricket and the development of a white water park in Mangahao as a national/international kayak slalom course, Council decided to allocate the requested \$7,297 towards the establishment of this role.

#### **Shannon Pool**

Shannon Pool is a seasonal pool that is open to the public during the summer season. It is owned by Shannon School, but Council has been working with the school for a number of years to provide

a safe place for tamariki to swim during Summer. The Shannon Pool is in need of maintenance to enable it to operate for the 2020/2021 season. Based on the benefits the pool provides for the Shannon community, particularly for some members of the Shannon community who are unable to easily access the other Horowhenua Aquatic Facilities, Council decided to include \$30,000 in the budgets for the required repairs.

### **District Plan Changes in response to Covid-19**

The Financial Resilience Working Party identified changes to the District Plan that could assist with the community's recovery from the Covid-19 pandemic. The proposed changes could support growth by creating more opportunities for small scale Rural Residential subdivision, Infill Residential subdivision and higher density housing development. Council allocated an additional capital budget of \$110,000 for 2020/2021 for District Plan work.

### **Actions from submissions**

In addition to formal decisions made by Council, Officers committed to a range of actions in response to items raised by submitters. These actions included items such as (note this is not an exhaustive list): further investigation of speed humps at Waikawa Beach; exploring opportunities for improving the delivery of regulatory services; continuing to work with the New Zealand Transport Agency (NZTA) to advocate for community interests in the development of the Otaki to North of Levin (O2NL) expressway; considering relevant comments made when creating the Destination Management Strategy; investigate the concept of edible reserves; considering future opportunities for horse riding throughout the district; and reviewing the Sun Smart and Smokefree Environment Policies.

## **Council's Financial Approach for 2020/2021**

The Covid-19 pandemic has created hardship for many people in the Horowhenua community. As a result, Council decided the most effective approach to provide for the well-being of the community was to revise the Annual Plan 2020/2021 and reduce Council's rates requirements to 1.83% less than in 2019/2020. The key changes Council made to achieve this are as follows:

- Reduction of the **capital expenditure** programme from \$39 million to \$25 million. This was achieved by re-analysing the capital program, deferring part of spending on projects to the 2021/2022 financial year when these costs are most likely to be required.
- Reduction of the **operational expenditure** budget by approximately \$436,000, achieved through savings across the organisation.
- Reduction in the **interest rate assumption** from 3.5% to 3.0%, reducing interest costs by \$795,000.
- Reduction in **employee costs** by \$1.285 million, achieved through limited salary increases, limited new recruitment, wage freezes, efficiencies and voluntary salary reductions.
- Funding of \$1 million of renewals for water and wastewater from debt (rather than rates).

### **Debt**

Much of the reason Council has debt is to fund capital projects. This is to ensure future generations pay their fair portion of new assets that they will use. Over the years key Wastewater, Water Supply and Stormwater projects have been funded with debt and in more recent years major community

facilities projects such as the development of Te Awahou Nieuwe Stroom and Te Takeretanga o kura hau pō have also been partially funded with debt.

By 30 June 2021 Council expects to have '**net debt**' of **\$103 million**, compared to the Long Term Plan 2018-2038 prediction on \$105m. This level of debt is within Council's debt affordability benchmark.

## **Rates**

Rates are Council's primary income source and are predominately used to fund expenditure needed for operations and the servicing of debt. In response to the Covid-19 pandemic, and to support community well-being, Council decided to **decrease** the amount of income collected from rates by - **1.83%** from the 2019/2020 financial year. This means \$710,000 less will be collected from ratepayers across the district. It does not mean every ratepayer will have a decrease in their rates, as property specific rates vary based on factors such as connection to services, differentials and capital/land value. Additionally, the revaluations that occurred during 2019 will come into effect on 1 July 2020, and will have the biggest impact on the level of rates increase/decrease for individual properties.

### *Effect of property revaluations on rates*

Each year, the Council's budget in the Annual Plan sets out the amount of rates needed to keep the Horowhenua District Council delivering services and providing infrastructure. This total is then split across ratepayers using a combination of factors. Rating valuations are one of the factors used to calculate the amount of rates each property owner pays.

During 2019, properties across the Horowhenua were independently revalued, with the new values taking effect from 1 July 2020. This will have an impact on the distribution of what individual property rates increases are.

A change in capital value or land value does not automatically mean rates will increase or decrease. It depends on whether your property value has increased by more than average in comparison to other properties across the District. Properties that had an above average rating value increase will likely receive an increase in rates, while properties that had a lower than average rating value increase will likely receive a decrease in rates.

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# Council Activity Statements



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# Water Supply

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*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 storage facilities, pump stations, underground pipe networks and associated infrastructure.
- Implementing water demand management using tools such as the SCADA system and PRVs (pressure reducing valves).
- Investigating improvements and extensions to Council's water supply network.
- 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 takes and assets
  - Meeting the Drinking Water Standards for New Zealand 2005
- Respond to and resolve (if possible) complaints relating to the Water Supply Activity.

## Key Projects for 2020/2021

### *Replacement of existing assets*

- District-wide improvements – renewals (to replace existing assets) – continuous condition surveys via CCTV and pressure testing analysis, programming replacement in line with road and footpath upgrades, assets that have become impaired and replacement of aged assets in the water network and at the water treatment plants.
- Water demand management - reducing leaks in the water supply network, including - education, working with the community to identify and reduce leaks, and technical solutions.

### *Projects resulting from growth*

- Levin – growth area (to meet additional demand). Upgrade of existing network in the North East, East and South East of Levin to ensure network has sufficient capacity for anticipated growth in Levin.
- Water Working Party – consideration of requirements to ensure the District has a viable and sustainable water supply system to meet current and future needs. This includes consideration of the feasibility studies for a Council provided reticulated water supply for Ōhau and Waitārere Beach (currently neither Ōhau nor Waitārere Beach have a reticulated water supply).

## How we will measure our performance

Service	How we will measure our performance	Target 2020/21	What does this tell me?
<b>Safe water supply*</b>	<p>Council's drinking water supply complies with:</p> <p>(a) part 4 of the Drinking Water Standards (bacteria compliance criteria) in</p> <p>Levin</p> <p>Shannon</p> <p>Foxton</p> <p>Beach</p> <p>Tokomaru</p> <p>(b) part 5 of the Drinking Water Standards (protozoa compliance criteria) in:</p> <p>Levin**</p> <p>Shannon</p> <p>Foxton</p> <p>Foxton Beach</p> <p>Tokomaru</p> <p><i>** This measure previously has not been met but after extensive upgrades to the Levin treatment plant this target is expected to be met.</i></p>	<p>Achieve</p> <p>Achieve</p> <p>Achieve</p> <p>Achieve</p> <p>Achieve</p> <p>Achieve</p> <p>Achieve</p> <p>Achieve</p> <p>Achieve</p> <p>Achieve</p> <p>Achieve</p>	<p>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.</p>
<b>Drinking water that tastes and looks satisfactory*</b>	<p>The total number of complaints received about any of the following (expressed per 1000 connections):</p> <p>Drinking water clarity;</p> <p>Drinking water taste;</p> <p>Drinking water odour;</p> <p>Drinking water pressure or flow;</p> <p>Continuity of supply; and</p> <p>Council's response to any of these issues.</p> <p>Total: *</p>	<p>1</p> <p>1</p> <p>1</p> <p>1</p> <p>1</p> <p>1</p> <p>1</p> <p>≤ 6</p>	<p>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.</p>
<b>Response to faults*</b>	<p>The median time from the time that Council received notification, to the time that service personnel:</p> <p>Reach the site for urgent call-outs;^</p>	<p>&lt; 1 hour</p>	<p><b>What does this tell me?</b></p> <p>Households and businesses rely heavily on water, so it's important that we provide a timely response when something goes wrong. An <b>urgent</b> call-out is one when no water is being</p>



Service	How we will measure our performance	Target 2020/21	What does this tell me?
	<p>Confirm resolution of the fault or interruption of urgent call-outs;^</p> <p>Reach the site for non-urgent call-outs; and*^</p> <p>Confirm resolution of the fault or interruption of no-urgent call-outs.*^</p>	<p>&lt; 8 hours</p> <p>&lt; 3 days</p> <p>&lt; 3 days</p>	<p>delivered. A <b>non-urgent</b> call-out is where there is still a supply of water.</p>
<b>Firefighting needs are met</b>	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%	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.
<b>Water supply has adequate flow and pressure</b>	Network supply pressure at the property boundary is not less than 250kPa for on demand connections and 150kPa for restricted flow connections.	Achieve	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.
<b>Water supply is sustainable*</b>	Average consumption of drinking water per person per day (lpcd) within the water supply areas (target based on Horizons One Plan - Section 5.4.3.1). <i>lpcd – litres per capita per day.</i>	< 350 lpcd	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.
<b>Minimal water losses*</b>	Percentage of real water loss from the network as measured by the standard World Bank Institute Band for Leakage.*	Band "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

Service	How we will measure our performance	Target 2020/21	What does this tell me?
			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.
<b>Sustainable water supply management</b>	The number of: Abatement Notices; Infringement Notices; Enforcement Orders; and Convictions received by Council in relation to Horizons Regional Council resource consents.*	0 0 0 0	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.
<b>Customer Satisfaction</b>	Percentage of customers not dissatisfied with the service, based on the Annual Customer Satisfaction Survey.	> 84%	The percentage of satisfied customers gives us an indication of the quality of service we are providing.

## How much it will cost

### Capital Expenditure Programme for Water Supply

Annual Report 2018/19		LTP Forecast 2019/20	LTP Forecast 2020/21	Annual Plan Forecast 2020/21	Variance 2020/21
\$000		\$000	\$000	\$000	\$000
	<b>Renewals portion of project</b>				
2	Foxton reticulation - Renewals	85	97	97	-
222	Foxton water treatment plant - Renewals	42	30	30	-
7	Foxton Beach reticulation - Renewals	160	165	165	-
31	Foxton Beach consents - Renewal	-	-	-	-
-	Foxton Beach Flagstaff bore - Renewals	105	-	-	-
70	Foxton Beach treatment plant - Renewals	52	28	28	-
5	Foxton Beach Edinburgh Terrace Bore-RENEWAL	-	-	-	-
3,741	Levin reticulation - Renewals	1,424	1,506	1,506	-
228	Reactive renewals - District wide	140	129	129	-
199	Levin treatment plant - Renewals	198	53	53	-
61	Condition assessment for renewals	52	53	33	(20)
101	Shannon Treatment Plant - Renewals	37	133	133	-
1	Shannon - Mangaore reticulation - Renewals	45	341	341	-
24	Shannon water supply consent - Renewal	-	-	-	-
28	Tokomaru treatment plant - Renewals	10	101	101	-
109	Tokomaru water supply consent - Renewal	-	-	-	-
<b>4,829</b>	<b>Total renewals</b>	<b>2,350</b>	<b>2,636</b>	<b>2,616</b>	<b>(20)</b>
	<b>Level of service portion of project</b>				
248	Foxton concrete reservoir and raw water tanks	-	-	-	-
26	Foxton Beach new water connections	-	-	5	5
35	Foxton Beach green sand filters	-	-	-	-
5	Foxton new water connections	-	-	5	5
7	Shannon new water connections	-	-	1	1
19	dNet loggers and oNet PRV control systems	-	-	-	-
55	Hydraulic Modelling	24	25	25	-
1	Levin clarifier installation	-	-	-	-
448	Levin reticulation - Demand management	-	-	-	-
121	Levin new water connections	-	-	20	20
37	Tokomaru treatment plant - LOS	-	-	-	-
4	Tokomaru new water connections	-	-	-	-
<b>1,006</b>	<b>Total level of service</b>	<b>24</b>	<b>25</b>	<b>56</b>	<b>31</b>
	<b>Growth portion of project</b>				
-	Foxton Beach development plan	111	-	-	-
84	Levin growth area	975	509	874	365
-	Ōhau future supply of water services	26	26	-	(26)
-	Waitāreere Beach future supply of water services	26	26	-	(26)

Annual Report 2018/19		LTP Forecast 2019/20	LTP Forecast 2020/21	Annual Plan Forecast 2020/21	Variance 2020/21
\$000		\$000	\$000	\$000	\$000
<b>84</b>	<b>Total growth</b>	<b>1,138</b>	<b>561</b>	<b>874</b>	<b>313</b>
	<b>Make up of above projects by type</b>				
84	Growth	1,138	561	874	313
1,006	Level of service	24	25	56	31
4,829	Renewals	2,350	2,636	2,616	(20)
<b>5,919</b>	<b>Total</b>	<b>3,512</b>	<b>3,222</b>	<b>3,546</b>	<b>324</b>

## Funding Impact Statement for Water Supply

Annual Report 2018/19		Annual Plan Forecast 2019/20	LTP Forecast 2020/21	Annual Plan Forecast 2020/21	Variance 2020/21
\$000		\$000	\$000	\$000	\$000
	<b>Sources of Operating Funding</b>				
-	General rates, uniform annual general charges, rates penalties	-	-	-	-
6,696	Targeted rates	6,784	6,925	6,600	(325)
-	Subsidies and grants for operating purposes	-	-	-	-
176	Fees and charges	126	129	128	(1)
42	Local authorities fuel tax, fines, infringement fees, and other receipts	61	117	-	(117)
-	Internal charges and overheads recovered	-	-	-	-
<b>6,914</b>	<b>Total Operating Funding (A)</b>	<b>6,971</b>	<b>7,171</b>	<b>6,728</b>	<b>(443)</b>
	<b>Applications of Operating Funding</b>				
3,322	Payments to staff and suppliers	3,008	3,143	3,114	(29)
502	Finance costs	696	706	523	(183)
757	Internal charges and overheads applied	493	519	747	228
-	Other operating funding applications	-	-	-	-
<b>4,581</b>	<b>Total applications of operating funding (B)</b>	<b>4,197</b>	<b>4,368</b>	<b>4,384</b>	<b>16</b>
<b>2,333</b>	<b>Surplus (deficit) of operating funding (A-B)</b>	<b>2,774</b>	<b>2,803</b>	<b>2,344</b>	<b>(459)</b>
	<b>Sources of capital funding</b>				
-	Subsidies and grants for capital expenditure	-	-	-	-
-	Development and financial contributions	-	-	-	-
1,628	Increase (decrease) in debt	75	656	1,388	732
-	Gross proceeds from sale of assets	-	-	-	-
-	Lump sum contributions	-	-	-	-
-	Other dedicated capital funding	-	-	-	-
<b>1,628</b>	<b>Total sources of capital funding (C)</b>	<b>75</b>	<b>656</b>	<b>1,388</b>	<b>732</b>
	<b>Applications of capital funding</b>				
	Capital expenditure				
84	- to meet additional demand	333	561	874	313
1,006	- to improve the level of service	341	25	56	31
4,829	- to replace existing assets	2,045	2,636	2,616	(20)
(1,958)	Increase (decrease) in reserves	130	237	186	(51)
-	Increase (decrease) of investments	-	-	-	-
<b>3,961</b>	<b>Total applications of capital funding (D)</b>	<b>2,849</b>	<b>3,459</b>	<b>3,732</b>	<b>273</b>
<b>(2,333)</b>	<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(2,774)</b>	<b>(2,803)</b>	<b>(2,344)</b>	<b>459</b>
<b>-</b>	<b>Funding Balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
2,668	Depreciation	2,712	2,654	2,742	88

## Activity Expenditure for Water Supply

Annual Report 2018/19		Annual Plan Forecast 2019/20	LTP Forecast 2020/21	Annual Plan Forecast 2020/21	Variance 2020/21
\$000		\$000	\$000	\$000	\$000
4,201	Levin Water Supply	3,843	3,832	3,873	41
829	Foxton Beach Water Supply	821	862	862	-
962	Foxton Water Supply	1,063	1,099	1,076	(23)
408	Tokomaru Water Supply	454	454	497	43
848	Shannon Water Supply	729	768	793	25
-	Ōhau Water Supply	-	3	12	9
-	Waitārere Beach Water Supply	-	3	12	9
<b>7,248</b>	<b>Total Expenditure</b>	<b>6,910</b>	<b>7,021</b>	<b>7,125</b>	<b>104</b>

# Wastewater

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*The Wastewater Disposal Activity aims to protect human health by removing human effluent and trade waste from urban properties and treating it before discharging it back into the environment.*

## What Wastewater Disposal 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 Waitāreere Beach<sup>1</sup>.
- Maintenance and extension to Council's wastewater systems including; pipes, pumping stations, wastewater treatment plants and discharge facilities. Monitoring and control of Council's wastewater system using the SCADA system.
- Seeking new and renewing resource consents when required.
- Meeting resource consent conditions for the discharge of treated wastewater or for the construction or upgrade of assets.
- Responding to and resolving (if possible) customer complaints relating to the Wastewater Disposal Activity.

## Key Projects for 2020/2021

### Replacement of existing assets

- District-wide improvements – renewals (to replace existing assets) – continuous condition surveys and replacement of aged assets in the wastewater network and at the wastewater treatment plants.
- Inflow and Infiltration (I&I) – reducing the amount of inflow (stormwater entering the wastewater network) and infiltration (ground water entering the wastewater network, usually through cracked and broken pipes) into the wastewater network. This work will include analysis of flows in the network, smoke testing, and education. A reduction in inflow and infiltration in to the wastewater network enables increased volumes of wastewater to be put into the network before upgrades to pipes, pump stations and treatment plants are required.

### Additions to Levels of Service

- Foxton – wastewater treatment plant strategic upgrade – upgrading the ponds to allow for more storage, constructing an irrigation to land system, new storage pond for final effluent (holding tank).
- Levin – continue with the wastewater treatment plant and POT strategic upgrades.
- Tokomaru – work will continue on gaining the required resource consents, and undertaking works associated with the wastewater treatment plant upgrades and wastewater to land project.

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

### Projects resulting from growth

- **Waitārere Beach** – upgrades to the wastewater network due to growth occurring in Waitārere Beach have been identified and improvements will be designed and constructed to improve the existing network capacity.
- **Ōhau** – Currently Ōhau does not have a reticulated wastewater system. This limits the size of new residential sections as residents are required to provide their own wastewater system on-site (or a developer provide a reticulated wastewater system just for that development). A feasibility study was completed during 2019/2020 and recommendations on the next steps will be considered during 2020/2021.

*Note: Council does not provide a wastewater disposal service for Waikawa Beach, Hokio Beach, Manakau and Ōhau (although it accepts septic waste from these areas at the Levin treatment plant).*

### How we will measure our performance

Service	How we will measure our performance	Target 2020/21	What does this tell me?
<b>Reliable wastewater collection and disposal*</b>	The number of dry weather wastewater overflows from the wastewater system per 1000 connections.*	< 2	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.
<b>Council provides a good response to wastewater system faults reported*</b>	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	This measure shows how quickly we respond when there is a problem with the sewerage system, and how quickly the problem is resolved.
	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	
<b>The service is satisfactory*</b>	The total number of complaints received (expressed per 1000		The number of complaints provides an indication of the quality of the service provided. This measure



Service	How we will measure our performance	Target 2020/21	What does this tell me?
	connections to the wastewater system) regarding:	<3	also provides information on problems requiring attention, such as the need for maintenance, renewals, upgrades, or new infrastructure.
	Wastewater odour;	<6	
	Wastewater systems faults;	<8	
	Wastewater system blockages; and	<3	
	Council's response to issues with its wastewater system.	<20	
	Total number of complaints received about any of the above.*	>84%	
	Percentage of customers not dissatisfied with the service, based on the Annual Customer Satisfaction Survey.		
<b>Safe disposal of wastewater*</b>	The number of		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.
	Abatement Notices;	0	
	Infringement Notices;	0	
	Enforcement Orders; and	0	
	Convictions	0	
	received by Council in relation to Horizons Regional Council resource consents for discharge from its wastewater system.*		

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

## How much it will cost

### Capital Expenditure Programme for Wastewater Disposal

Annual Report 2018/19		LTP Forecast 2019/20	LTP Forecast 2020/21	Annual Plan Forecast 2020/21	Variance 2020/21
\$000		\$000	\$000	\$000	\$000
	<b>Renewals portion of project</b>				
-	Foxton wastewater treatment plant - Planned renewals	18	18	18	-
373	Foxton wastewater treatment plant - Pond desludge	-	-	374	374
76	Foxton wastewater treatment plant - Unplanned renewals	18	19	19	-
142	Foxton - Reticulation renewals	158	421	-	(421)
-	Foxton Beach - Reticulation renewals	-	-	100	100
22	Foxton Beach wastewater treatment plant - Strategic upgrade	-	-	77	77
-	Foxton Beach wastewater treatment plant - Planned renewals	46	47	47	-
-	Foxton Beach wastewater treatment plant - Unplanned renewals	17	18	18	-
37	District-wide - Reticulation unplanned renewals	171	165	165	-
42	Condition assessment for renewals	63	64	64	-
1,571	Levin - Reticulation renewals	715	1,436	737	(699)
335	Levin wastewater treatment plant - Planned renewals	121	123	1,423	1,300
87	Levin wastewater treatment plant - POT	524	-	-	-
1	Levin wastewater treatment plant - Unplanned renewals	93	95	95	-
87	Shannon wastewater treatment plant - Planned renewals	171	174	174	-
12	Shannon wastewater treatment plant - Unplanned renewals	25	25	25	-
1	Tokomaru wastewater treatment plant - Planned renewals	22	23	23	-
4	Tokomaru wastewater treatment plant - Unplanned renewals	6	6	6	-
141	Tokomaru wastewater treatment plant - Consent renewal	-	-	-	-
12	Waitārere Beach wastewater treatment plant - Strategic upgrade	-	-	18	18
10	Waitārere Beach wastewater treatment plant - Planned renewals	92	94	94	-
1	Waitārere Beach wastewater treatment plant - Unplanned renewals	9	9	9	-
<b>2,954</b>	<b>Total renewals</b>	<b>2,269</b>	<b>2,737</b>	<b>3,486</b>	<b>749</b>

Annual Report 2018/19		LTP Forecast 2019/20	LTP Forecast 2020/21	Annual Plan Forecast 2020/21	Variance 2020/21
\$000		\$000	\$000	\$000	\$000
	<b>Level of service portion of project</b>				
41	Foxton wastewater treatment plant - Pond desludge	-	-	41	41
1,246	Foxton wastewater treatment plant - Strategic upgrade	2,045	2,139	1,539	(600)
27	Foxton Beach wastewater treatment plant - Strategic upgrade	-	-	93	93
183	Forestry at the POT - MfE trail of native ecosystem planting	-	-	24	24
226	Forestry at the POT	-	-	-	-
2	District reticulation - Planned pump renewals	30	33	33	-
122	Levin wastewater treatment plant - Strategic upgrade	167	-	-	-
9	Hydraulic Modelling	32	32	32	-
516	Levin wastewater treatment plant - Strategic upgrade POT	521	533	333	(200)
3	Levin pump stations - Strategic upgrade	-	-	-	-
130	Levin New Sewer Connections	-	-	10	10
5	Foxton New Sewer Connections	-	-	5	5
31	Foxton Beach New Sewer Connections	-	-	5	5
11	Shannon new sewer connections	-	-	1	1
5	Shannon WW disposal system	-	-	-	-
5	Tokomaru new sewer connections	-	-	-	-
13	Waitārere new sewer connections	-	-	1	1
-	Tokomaru waste treatment plant upgrade	521	533	283	(250)
578	Tokomaru wastewater to land project	47	152	152	-
107	Waitārere Beach wastewater treatment plant - Strategic upgrade	-	-	165	165
<b>3,260</b>	<b>Total level of service</b>	<b>3,363</b>	<b>3,422</b>	<b>2,717</b>	<b>(705)</b>
	<b>Growth portion of project</b>				
1	Levin - Network upgrades - Pump stations	-	-	657	657
-	Levin - Network upgrades	1,397	1,431	-	(1,431)
89	Levin growth area - wastewater	725	742	-	(742)
5	Development Planning Foxton Beach	-	-	-	-
6	Development Work - North East Levin	-	-	-	-
10	Development Planning Waitārere Beach	-	-	-	-
3	Ōhau future supply of wastewater services	27	26	-	(26)
<b>114</b>	<b>Total growth</b>	<b>2,149</b>	<b>2,199</b>	<b>657</b>	<b>(1,542)</b>
	<b>Make up of above projects by type</b>				
114	Growth	2,149	2,199	657	(1,542)
3,260	Level of service	3,363	3,422	2,717	(705)
2,954	Renewals	2,269	2,737	3,486	749
<b>6,328</b>	<b>Total</b>	<b>7,781</b>	<b>8,358</b>	<b>6,860</b>	<b>(1,498)</b>

## Funding Impact Statement for Wastewater Disposal

Annual Report 2018/19		Annual Plan Forecast 2019/20	LTP Forecast 2020/21	Annual Plan Forecast 2020/21	Variance 2020/21
\$000		\$000	\$000	\$000	\$000
	<b>Sources of Operating Funding</b>				
-	General rates, uniform annual general charges, rates penalties	-	-	-	-
6,900	Targeted rates	7,271	8,364	6,323	(2,041)
-	Subsidies and grants for operating purposes	-	-	-	-
1,432	Fees and charges	1,085	1,110	1,053	(57)
108	Local authorities fuel tax, fines, infringement fees, and other receipts	162	196	-	(196)
-	Internal charges and overheads recovered	-	-	-	-
<b>8,440</b>	<b>Total Operating Funding (A)</b>	<b>8,518</b>	<b>9,670</b>	<b>7,376</b>	<b>(2,294)</b>
	<b>Applications of Operating Funding</b>				
2,721	Payments to staff and suppliers	2,588	2,599	2,896	297
844	Finance costs	1,007	1,662	853	(809)
785	Internal charges and overheads applied	486	467	755	288
-	Other operating funding applications	-	-	-	-
<b>4,350</b>	<b>Total applications of operating funding (B)</b>	<b>4,081</b>	<b>4,728</b>	<b>4,504</b>	<b>(224)</b>
<b>4,090</b>	<b>Surplus (deficit) of operating funding (A-B)</b>	<b>4,437</b>	<b>4,942</b>	<b>2,872</b>	<b>(2,070)</b>
	<b>Sources of capital funding</b>				
674	Subsidies and grants for capital expenditure	22	-	-	-
-	Development and financial contributions	-	-	-	-
1,840	Increase (decrease) in debt	7,465	3,978	4,071	93
548	Gross proceeds from sale of assets	-	-	-	-
-	Lump sum contributions	-	-	-	-
-	Other dedicated capital funding	-	-	-	-
<b>3,062</b>	<b>Total sources of capital funding (C)</b>	<b>7,487</b>	<b>3,978</b>	<b>4,071</b>	<b>93</b>
	<b>Applications of capital funding</b>				
	Capital expenditure				
114	- to meet additional demand	1,140	2,199	657	(1,542)
3,260	- to improve the level of service	6,368	3,422	2,717	(705)
2,954	- to replace existing assets	4,279	2,738	3,486	748
824	Increase (decrease) in reserves	137	561	83	(478)
-	Increase (decrease) of investments	-	-	-	-
<b>7,152</b>	<b>Total applications of capital funding (D)</b>	<b>11,924</b>	<b>8,920</b>	<b>6,943</b>	<b>(1,977)</b>
<b>(4,090)</b>	<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(4,437)</b>	<b>(4,942)</b>	<b>(2,872)</b>	<b>2,070</b>
<b>-</b>	<b>Funding Balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
3,218	Depreciation	3,341	3,518	3,331	(187)

## Activity Expenditure for Wastewater Disposal

Annual Report 2018/19		Annual Plan Forecast 2019/20	LTP Forecast 2020/21	Annual Plan Forecast 2020/21	Variance 2020/21
\$000		\$000	\$000	\$000	\$000
674	Foxton Wastewater	477	1,071	824	(247)
678	Foxton Beach Wastewater	4,127	688	697	9
4,455	Levin Wastewater	660	4,460	4,375	(85)
1,174	Shannon Wastewater	737	1,193	1,106	(87)
177	Tokomaru Wastewater	270	298	296	(2)
409	Waitārere Beach Wastewater	1,151	534	524	(10)
-	Ōhau Wastewater	-	3	13	10
<b>7,567</b>	<b>Total Expenditure</b>	<b>7,422</b>	<b>8,247</b>	<b>7,835</b>	<b>(412)</b>

# Stormwater

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

## What Stormwater involves:

- Providing and maintaining drainage systems (including pipes, open culverts, pump stations, soak pits, discharge outlets and detention areas) in settlements<sup>2</sup> across the District to remove stormwater from the road corridor and some residential and commercial properties.
- Investigating 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 2020/2021

### *Replacement of existing assets*

- District-wide improvements – renewals (to replace existing assets). Continuous condition surveys and replacement of aged assets.

### *Additions to Levels of Service*

- District-wide improvements - to improve current levels of service and to meet additional demand. Key projects are the construction of the Foxton East Drainage Scheme and stormwater improvements at North East Levin, which is being completed in collaboration with Horizons Regional Council.

### *Projects resulting from growth*

- North-East Levin – completion of resource consent process and implementation of consent requirements.
- Levin (Lake Horowhenua catchment) - completion of the resource consent process and begin implementation of improvements or requirements associated with the resource consent. Ongoing monitoring will continue.

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

## How we will measure our performance

Service	How we will measure our performance	Target 2020/21	What does this tell me?
<b>An adequate stormwater system*</b>	<p>Number of flooding events each year that occur in the District.*</p> <p>For each flooding event, the number of habitable floors affected. (Expressed per 1000 connections to Council's stormwater networks).*</p>	<p>&lt; 5 per year</p> <p>2 or less</p>	<p>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.</p> <p>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>
<b>Response to faults*</b>	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	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.
<b>Customer satisfaction*</b>	<p>The number of complaints received by Council about the performance of its stormwater system expressed per 1000 properties connected to the system.*</p> <p>Percentage of customers satisfied with the stormwater service. As per the Annual Customer Satisfaction Survey.</p>	<p>&lt;10 per year</p> <p>&gt;80%</p>	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.
<b>A sustainable stormwater service</b>	The number of:		
	Abatement Notices;	0	This measure indicates how well Council is managing the environmental impacts of the stormwater system. Not complying with consent conditions may indicate
	Infringement Notices;	0	
	Enforcement Orders; and	0	

Service	How we will measure our performance	Target 2020/21	What does this tell me?
	Convictions received by Council in relation to Horizons Regional Council resource consents* for discharge from its stormwater system.**	0	that Council is not managing its processes adequately or that the infrastructure is no longer adequate.

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

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



## How much it will cost

### Capital Expenditure Programme for Stormwater

Annual Report 2018/19		LTP Forecast 2019/20	LTP Forecast 2020/21	Annual Plan Forecast 2020/21	Variance 2020/21
\$000		\$000	\$000	\$000	\$000
	<b>Renewals portion of project</b>				
-	Districtwide reticulation - Unplanned renewals	53	32	32	-
14	Districtwide pump stations - Planned renewals	7	8	8	-
-	Districtwide reticulation renewals	-	42	42	-
8	Condition assessment for renewals	15	16	16	-
<b>22</b>	<b>Total renewals</b>	<b>75</b>	<b>98</b>	<b>98</b>	<b>-</b>
	<b>Level of service portion of project</b>				
254	District-wide improvement works	544	509	806	297
88	Levin Queen Street	-	-	-	-
-	Foxton East drainage scheme	-	-	8	8
105	New Stormwater Connections	-	-	-	-
-	North East stormwater pipeline	-	-	8	8
9	Stormwater Telemetry	-	-	-	-
4	Stansells Drain land purchase	-	-	-	-
5	Development planning Foxton Beach	-	-	-	-
23	Improvements NE Levin	-	-	23	23
1	Waitārere Beach - Development planning	8	-	-	-
-	Lake Horowhenua water quality improvement project	341	236	236	-
-	Queen St discharge & resource consent	105	107	107	-
57	Hydraulic modelling	52	53	53	-
<b>546</b>	<b>Total level of service</b>	<b>1,050</b>	<b>905</b>	<b>1,241</b>	<b>336</b>
	<b>Growth portion of project</b>				
10	District-wide improvement works	29	27	30	3
89	Development planning Foxton Beach	-	-	-	-
436	Improvements NE Levin	-	-	439	439
10	Waitārere Beach - Development planning	150	218	-	(218)
-	Ōhau - Development planning	106	-	-	-
<b>545</b>	<b>Total growth</b>	<b>285</b>	<b>245</b>	<b>469</b>	<b>224</b>
	<b>Make up of above projects by type</b>				
545	Growth	285	245	469	224
546	Level of service	1,050	905	1,241	336
22	Renewals	75	98	98	-
<b>1,113</b>	<b>Total</b>	<b>1,410</b>	<b>1,248</b>	<b>1,808</b>	<b>560</b>

## Funding Impact Statement for Stormwater

Annual Report 2018/19		Annual Plan Forecast 2019/20	LTP Forecast 2020/21	Annual Plan Forecast 2020/21	Variance 2020/21
\$000		\$000	\$000	\$000	\$000
	<b>Sources of Operating Funding</b>				
-	General rates, uniform annual general charges, rates penalties	-	-	-	-
1,058	Targeted rates	1,254	1,417	1,386	(31)
-	Subsidies and grants for operating purposes	-	-	-	-
-	Fees and charges	-	-	-	-
56	Local authorities fuel tax, fines, infringement fees, and other receipts	70	95	-	(95)
-	Internal charges and overheads recovered	-	-	-	-
<b>1,114</b>	<b>Total Operating Funding (A)</b>	<b>1,324</b>	<b>1,512</b>	<b>1,386</b>	<b>(126)</b>
	<b>Applications of Operating Funding</b>				
218	Payments to staff and suppliers	423	432	421	(11)
259	Finance costs	321	462	257	(205)
133	Internal charges and overheads applied	97	102	305	203
-	Other operating funding applications	-	-	-	-
<b>610</b>	<b>Total applications of operating funding (B)</b>	<b>841</b>	<b>996</b>	<b>983</b>	<b>(13)</b>
<b>504</b>	<b>Surplus (deficit) of operating funding (A-B)</b>	<b>483</b>	<b>516</b>	<b>403</b>	<b>(113)</b>
	<b>Sources of capital funding</b>				
-	Subsidies and grants for capital expenditure	-	-	-	-
-	Development and financial contributions	-	-	-	-
822	Increase (decrease) in debt	2,114	780	1,352	572
-	Gross proceeds from sale of assets	-	-	-	-
-	Lump sum contributions	-	-	-	-
-	Other dedicated capital funding	-	-	-	-
<b>822</b>	<b>Total sources of capital funding (C)</b>	<b>2,114</b>	<b>780</b>	<b>1,352</b>	<b>572</b>
	<b>Applications of capital funding</b>				
	Capital expenditure				
545	- to meet additional demand	345	245	469	224
546	- to improve the level of service	2,070	905	1,241	336
22	- to replace existing assets	86	98	98	-
213	Increase (decrease) in reserves	96	48	(53)	(101)
-	Increase (decrease) of investments	-	-	-	-
<b>1,326</b>	<b>Total applications of capital funding (D)</b>	<b>2,597</b>	<b>1,296</b>	<b>1,755</b>	<b>459</b>
<b>(504)</b>	<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(483)</b>	<b>(516)</b>	<b>(403)</b>	<b>113</b>
-	<b>Funding Balance ((A-B)+(C-D))</b>	-	-	-	-
638	Depreciation	679	690	661	(29)

## Activity Expenditure for Stormwater

Annual Report 2018/19		Annual Plan Forecast 2019/20	LTP Forecast 2020/21	Annual Plan Forecast 2020/21	Variance 2020/21
\$000		\$000	\$000	\$000	\$000
1,249	Stormwater	1,519	1,686	1,644	(42)
<b>1,249</b>	<b>Total Expenditure</b>	<b>1,519</b>	<b>1,686</b>	<b>1,644</b>	<b>(42)</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:

- To provide 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 New Zealand Transport Agency (NZTA), 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 2020/2021

- Transport Planning – work alongside the New Zealand Transport Agency and Horizons Regional Council to develop and implement the Horowhenua Integrated Transport Strategy (HITS) and Transport Action Plans. The HITS sets the vision and principles, and during 2020/2021 Action Plans will be developed for specific priorities for the Horowhenua transport network.
- Ōtaki to North of Levin (O2NL) – work collaboratively with the New Zealand Transport Agency and other partners and stakeholders on the O2NL highway project to ensure the present and future needs of the Horowhenua communities are understood and planned for.
- Area Wide Pavement Treatment – to repair the surface and structure of the road. Safety improvements will be completed alongside these projects where required. Indicative locations include Waikawa Beach Road near West Emma Drive, Himatangi Block Road near North Palmer Road, Wylie Road near South Himatangi Road.

## How we will measure our performance

Service	How we will measure our performance	Target 2020/21	What does this tell me?
<b>A safe road network*.</b>	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.	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

Service	How we will measure our performance	Target 2020/21	What does this tell me?
			footpaths, the location of pedestrian crossings, and traffic signals.
<b>Roads in good condition*.</b>	The average quality of a ride on a sealed local road network measured by Smooth Travel Exposure.	Minimum 85%	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.
<b>Roads that are maintained well*.</b>	The percentage of the sealed local road network that is resurfaced annually.*	Minimum of 5% of total area	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.
<b>Footpaths are in an acceptable condition*.</b>	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	Footpaths are an important part of the District's infrastructure. Well maintained footpaths are important for pedestrian convenience and safety.
<b>Good response to service requests*.</b>	The percentage of customer service requests relating to roads and footpaths to which Council responds within 15 working days.	>95%	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.

## What it will cost

### Capital Expenditure Programme for Land Transport

Annual Report 2018/19		LTP Forecast 2019/20	LTP Forecast 2020/21	Annual Plan Forecast 2020/21	Variance 2020/21
\$000		\$000	\$000	\$000	\$000
	<b>Renewals portion of project</b>				
526	Footpath renewal	415	424	480	56
-	Subsidised Roading - Drainage renewals	-	-	264	264
-	Subsidised Roading - Sealed road rehabilitation	-	-	1,250	1,250
-	Subsidised Roading - Sealed road resurfacing	-	-	1,150	1,150
-	Subsidised Roading - Structures component replacements	-	-	70	70
-	Subsidised Roading - Traffic services	-	-	360	360
-	Subsidised Roading - Unsealed roads metalling	-	-	50	50
2,818	Subsidised Roading - Renewals	3,043	3,111	-	(3,111)
<b>3,344</b>	<b>Total renewals</b>	<b>3,458</b>	<b>3,535</b>	<b>3,624</b>	<b>89</b>
	<b>Level of service portion of project</b>				
158	New footpaths	310	317	330	13
-	Subsidised Roading - Minor improvements	-	-	803	803
636	Subsidised Roading - Road improvements	788	857	1,355	498
401	Shared Pathways - Cycle facilities	415	424	730	306
-	Subsidised Roading - Road improvements due to O2NL	778	1,059	1,686	627
-	Queen St - PGF Projects	-	-	1,550	1,550
706	Subsidised Roading - Seal extensions & minor improvements	1,036	1,059	-	(1,059)
187	Foxton Townscape Main Street Upgrade	-	-	-	-
225	Unsubsidised shared pathways	-	-	-	-
83	Shared pathways	260	264	-	(264)
-	Subsidised Roading - Road improvements for rail crossings	622	713	500	(213)
<b>2,396</b>	<b>Total level of service</b>	<b>4,209</b>	<b>4,693</b>	<b>6,954</b>	<b>2,261</b>
	<b>Growth portion of project</b>				
-	<b>Total growth</b>	-	-	-	-
	<b>Make up of above projects by type</b>				
-	Growth	-	-	-	-
2,396	Level of service	4,209	4,693	6,954	2,261
3,344	Renewals	3,458	3,535	3,624	89
<b>5,740</b>	<b>Total</b>	<b>7,667</b>	<b>8,228</b>	<b>10,578</b>	<b>2,350</b>

## Funding Impact Statement for Land Transport

Annual Report 2018/19		Annual Plan Forecast 2019/20	LTP Forecast 2020/21	Annual Plan Forecast 2020/21	Variance 2020/21
\$000		\$000	\$000	\$000	\$000
	<b>Sources of Operating Funding</b>				
-	General rates, uniform annual general charges, rates penalties	-	-	-	-
4,137	Targeted rates	3,882	3,681	3,627	(54)
1,832	Subsidies and grants for operating purposes	1,731	1,468	1,968	500
-	Fees and charges	-	-	-	-
307	Local authorities fuel tax, fines, infringement fees, and other receipts	358	365	285	(80)
-	Internal charges and overheads recovered	-	-	-	-
<b>6,276</b>	<b>Total Operating Funding (A)</b>	<b>5,971</b>	<b>5,514</b>	<b>5,880</b>	<b>366</b>
	<b>Applications of Operating Funding</b>				
3,061	Payments to staff and suppliers	3,095	2,653	3,463	810
46	Finance costs	106	277	113	(164)
995	Internal charges and overheads applied	1,431	988	967	(21)
-	Other operating funding applications	-	-	-	-
<b>4,102</b>	<b>Total applications of operating funding (B)</b>	<b>4,632</b>	<b>3,918</b>	<b>4,543</b>	<b>625</b>
<b>2,174</b>	<b>Surplus (deficit) of operating funding (A-B)</b>	<b>1,339</b>	<b>1,596</b>	<b>1,337</b>	<b>(259)</b>
	<b>Sources of capital funding</b>				
2,828	Subsidies and grants for capital expenditure	4,666	4,634	6,876	2,242
-	Development and financial contributions	-	-	-	-
1,211	Increase (decrease) in debt	2,314	1,970	2,284	314
-	Gross proceeds from sale of assets	-	-	-	-
-	Lump sum contributions	-	-	-	-
-	Other dedicated capital funding	-	-	-	-
<b>4,039</b>	<b>Total sources of capital funding (C)</b>	<b>6,980</b>	<b>6,604</b>	<b>9,160</b>	<b>2,556</b>
	<b>Applications of capital funding</b>				
	Capital expenditure				
-	- to meet additional demand	-	-	-	-
2,396	- to improve the level of service	4,599	4,693	6,954	2,261
3,344	- to replace existing assets	3,886	3,535	3,624	89
473	Increase (decrease) in reserves	(166)	(28)	(81)	(53)
-	Increase (decrease) of investments	-	-	-	-
<b>6,213</b>	<b>Total applications of capital funding (D)</b>	<b>8,319</b>	<b>8,200</b>	<b>10,497</b>	<b>2,297</b>
<b>(2,174)</b>	<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(1,339)</b>	<b>(1,596)</b>	<b>(1,337)</b>	<b>259</b>
<b>-</b>	<b>Funding Balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
5,037	Depreciation	5,140	5,305	5,188	(117)

## Activity Expenditure for Land Transport

Annual Report 2018/19		Annual Plan Forecast 2019/20	LTP Forecast 2020/21	Annual Plan Forecast 2020/21	Variance 2020/21
\$000		\$000	\$000	\$000	\$000
7,618	Subsidised Roothing	8,448	7,756	8,390	634
1,036	Footpaths	1,037	1,102	984	(118)
479	Unsubsidised Roothing	247	294	218	(76)
5	Shared Pathways	41	71	139	68
<b>9,138</b>	<b>Total Expenditure</b>	<b>9,773</b>	<b>9,223</b>	<b>9,731</b>	<b>508</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, Levin landfill, and monitoring closed landfills.
- Ensuring that the necessary resource consents for the Activity are obtained and that any conditions are complied with.
- Operating within other legislative requirements (e.g. the Health Act 1956 and the Waste Minimisation Act 2008).

## Key Projects for 2020/2021

- Stage capping – as the land is gradually filled in, stages/areas at the correct level get capped with materials such as clay.
- Levin Landfill – continue implementation of the Levin Landfill Agreement Project to investigate options for the early closure of the Levin Landfill. Council will undertake consultation with the residents and ratepayers of Horowhenua before a decision is made, with community consultation likely to occur during 2020/2021.

## How we will measure our performance

Service	How we will measure our performance	Target 2020/21	What does this tell me?
<b>Provision of landfill but minimising the amount that is sent there.</b>	Quantity of waste going to the landfill per person per year.	< 400 kg per person	The provision of a landfill and encouraging recycling helps reduce waste and minimise its negative environmental effects.
<b>Recycling is encouraged</b>	Level of recycling at: Kerbside Transfer stations	> 40% of total waste  > 50% of total waste	
<b>Waste transfer and recycling stations have a minimal impact on the</b>	Number of odour complaints and minimal reports of solid waste in or around:	<4	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

Service	How we will measure our performance	Target 2020/21	What does this tell me?
<b>immediate and surrounding environment.</b>	Waste transfer stations; and recycling stations per month.	<4	the need for maintenance, repair, upgrading, or new infrastructure.
<b>Response to service requests regarding Council's Solid Waste Activities is timely.</b>	Time all requests are responded to.	Within 3 working days	This measure shows how quickly we respond when there is a problem regarding solid waste.
<b>Recycling and refuse is collected on time and in a sanitary manner.</b>	Number of complaints per-month about non collection of:  Kerbside recycling  Kerbside refuse	<6  <6	The number of complaints provides an indication of the quality of the service provided. This measure also provides information on problems requiring attention.
<b>Recycling stations are available and accessible in urban centres in summer.</b>	Recycling stations are available at the agreed locations on the agreed days and times outlined on Council's website.	Achieve	Available collection points stop rubbish and recycling becoming a health risk.
<b>Customers are content with Council's transfer stations, recycling collection, and refuse collection services offered.</b>	Percentage of customers satisfied with their solid waste services:  Kerbside recycling  Kerbside refuse	> 80%  > 80%	The percentage of satisfied customers gives us an indication of the quality of service we are providing.

Service	How we will measure our performance	Target 2020/21	What does this tell me?
<b>Customers are educated on waste minimisation practices.</b>	Number of school aged students waste education is provided to each year	> 300 students	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.
	Number of events Council attends to promote ways to minimise waste	> 5	
<b>Sustainable solid waste management.</b>	The number of: Abatement Notices; Infringement Notices; Enforcement Orders; and Convictions received by Council in relation to Horizons Regional Council resource consents.	0 0 0 0	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.

## What it will cost

### Capital Expenditure Programme for Solid Waste

Annual Report 2018/19		LTP Forecast 2019/20	LTP Forecast 2020/21	Annual Plan Forecast 2020/21	Variance 2020/21
\$000		\$000	\$000	\$000	\$000
	<b>Renewals portion of project</b>				
31	Opiki recycling renewal	-	-	-	-
40	Cap shape correction	-	-	153	153
-	Shannon recycling renewal	5	-	-	-
<b>71</b>	<b>Total renewals</b>	<b>5</b>	<b>-</b>	<b>153</b>	<b>153</b>
	<b>Level of service portion of project</b>				
32	Landfill stage development	19	23	-	(23)
-	Landfill development	-	-	566	566
-	Stage capping	394	-	-	-
3	Wheelie bins	-	-	11	11
<b>35</b>	<b>Total level of service</b>	<b>413</b>	<b>23</b>	<b>577</b>	<b>554</b>
	<b>Growth portion of project</b>				
-	<b>Total growth</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Make up of above projects by type</b>				
-	Growth	-	-	-	-
35	Level of service	413	23	577	554
71	Renewals	5	-	153	153
<b>106</b>	<b>Total</b>	<b>418</b>	<b>23</b>	<b>730</b>	<b>707</b>

## Funding Impact Statement for Solid Waste

Annual Report 2018/19		Annual Plan Forecast 2019/20	LTP Forecast 2020/21	Annual Plan Forecast 2020/21	Variance 2020/21
\$000		\$000	\$000	\$000	\$000
	<b>Sources of Operating Funding</b>				
-	General rates, uniform annual general charges, rates penalties	-	-	-	-
316	Targeted rates	445	350	1,232	882
-	Subsidies and grants for operating purposes	-	-	-	-
1,811	Fees and charges	1,859	2,233	1,730	(503)
26	Local authorities fuel tax, fines, infringement fees, and other receipts	17	34	-	(34)
-	Internal charges and overheads recovered	-	-	-	-
<b>2,153</b>	<b>Total Operating Funding (A)</b>	<b>2,321</b>	<b>2,617</b>	<b>2,962</b>	<b>345</b>
	<b>Applications of Operating Funding</b>				
2,702	Payments to staff and suppliers	3,085	1,581	2,720	1,139
186	Finance costs	197	295	248	(47)
255	Internal charges and overheads applied	340	89	331	242
-	Other operating funding applications	-	-	-	-
<b>3,143</b>	<b>Total applications of operating funding (B)</b>	<b>3,622</b>	<b>1,965</b>	<b>3,299</b>	<b>1,334</b>
<b>(990)</b>	<b>Surplus (deficit) of operating funding (A-B)</b>	<b>(1,301)</b>	<b>652</b>	<b>(337)</b>	<b>(989)</b>
	<b>Sources of capital funding</b>				
-	Subsidies and grants for capital expenditure	-	-	-	-
-	Development and financial contributions	-	-	-	-
609	Increase (decrease) in debt	2,252	(218)	1,248	1,466
-	Gross proceeds from sale of assets	-	-	-	-
-	Lump sum contributions	-	-	-	-
-	Other dedicated capital funding	-	-	-	-
<b>609</b>	<b>Total sources of capital funding (C)</b>	<b>2,252</b>	<b>(218)</b>	<b>1,248</b>	<b>1,466</b>
	<b>Applications of capital funding</b>				
	Capital expenditure				
-	- to meet additional demand	-	-	-	-
35	- to improve the level of service	1,083	23	577	554
71	- to replace existing assets	391	-	153	153
(487)	Increase (decrease) in reserves	(523)	411	181	(230)
-	Increase (decrease) of investments	-	-	-	-
<b>(381)</b>	<b>Total applications of capital funding (D)</b>	<b>951</b>	<b>434</b>	<b>911</b>	<b>477</b>
<b>990</b>	<b>Surplus (deficit) of capital funding (C-D)</b>	<b>1,301</b>	<b>(652)</b>	<b>337</b>	<b>989</b>
-	<b>Funding Balance ((A-B)+(C-D))</b>	-	-	-	-
310	Depreciation	314	340	370	30

## Activity Expenditure for Solid Waste

Annual Report 2018/19		Annual Plan Forecast 2019/20	LTP Forecast 2020/21	Annual Plan Forecast 2020/21	Variance 2020/21
\$000		\$000	\$000	\$000	\$000
1,325	Landfill	1,552	1,109	1,097	(12)
352	Waste Transfer Stations	323	326	367	41
1,519	Recycling	1,805	670	1,877	1,207
258	Roadside Collection	259	200	328	128
<b>3,454</b>	<b>Total Expenditure</b>	<b>3,939</b>	<b>2,305</b>	<b>3,669</b>	<b>1,364</b>

# Community Facilities and Services

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**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:

- Reserves and Beautification, Public Halls, Sports Grounds and Cemeteries
- Aquatic Centres and Recreation
- Community Centres and Libraries

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

*This Activity aims to provide management of reserves, sports grounds public halls and cemeteries as well as the provision of street beautification within the District.*

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

- Maintenance of neighbourhood reserves, riverside and lakeside picnic areas, public gardens, and sports grounds.
- Providing Reserve Management Plans for Council reserves.
- Maintaining public halls in Levin, Foxton and Shannon.
- Establishment and maintenance of public toilets for the purpose of tourism and public health.
- Establishment and maintenance of cemeteries under the Burial and Cremation Act 1964.

### Key Projects for 2020/2021

- Waitārere Beach - Domain Improvement Plan – this project represents an ongoing investment to the Domain to improve its performance as an area for recreational and leisure pursuits for both local residents and visitors.
- Strategic plan and design Donnelly Park – this project considers the long term need for the sporting codes on site and seeks to connect Kowhai Park with Donnelly Park and develop additional recreation areas.
- Development of wetland at Holben Parade – this sees a development at Holben parade to increase its recreational use and improve water quality.

## How we will measure our performance

Service	How we will measure our performance	Target 2020/21	What does this tell me?
<b>Reserves are available for Community use.</b>	Residential dwellings in urban areas are within 400 metres to local reserves, either Council or privately provided.	> 80%	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.
	Residential dwellings in urban areas are within 800 metres of playgrounds or destination reserves.	> 80%	
<b>Reserves meet local needs.</b>	Percentage of customers satisfied with the service, based on the Annual Customer Satisfaction Survey.	> 80%	The percentage of satisfied customers gives us an indication of the quality of service we are providing.
<b>Sports grounds are available for Community use.</b>	Percent of time that sport grounds are available for use during their opening hours.	95%	Sports grounds cater for both organised and casual sports. This measure shows Council have grounds available all year round.
<b>Sports grounds meet local needs.</b>	Number of Customer Request Management complaints reporting of ground conditions per annum	<5	The number of complaints gives us an indication of the quality of service we are providing.
<b>Playgrounds are safe for users.</b>	Playground facilities comply with relevant National Playground standards.	Achieve	It is extremely important to Council our playgrounds are safe for everyone to use.
<b>Community Halls are available for public use.</b>	Number of uses per fortnight for Community Halls.	10	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.



## 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 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.

### Key Projects for 2020/2021

- Shannon Pool - undertake maintenance to ensure that the pool remains operational to for the 2020/2021 Summer season.
- Levin Splash Pad - undertake site planning, analysis, feasibility and stakeholder engagement for the development of a Splash Pad at Jubilee Park, Levin.

### How we will measure our performance

Service	How we will measure our performance	Target 2020/21	What does this tell me?
<b>Safe aquatic facilities are operating in the District.</b>	Compliance with relevant standards including Pool Safe Accreditation.	Achieve	This measure is to ensure the safety and enjoyment of aquatic centres for all customers.
<b>Aquatics centres meet customer needs.</b>	Percent of customers satisfied, based on the Annual Customer Satisfaction Survey.	> 90%	The percentage of satisfied customers gives us an indication of the quality of service we are providing.
<b>A high quality Swim School operates at the Levin and Foxton Aquatic Centres.</b>	Number of participants in Learn to Swim classes.	> 400 per term	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.
<b>Local clubs are supported to deliver their own events.</b>	Number of events per year held by clubs- clubs growing and taking ownership of their own events and future	> 5 per year	Council makes available its facilities for local aquatic clubs and organisations to deliver their own events.
<b>Growing existing events and developing new ones</b>	Number of events per year for:		Council supports local sports/recreation clubs and

Service	How we will measure our performance	Target 2020/21	What does this tell me?
<b>for the following areas; children, general public, and retirees.</b>	Children; General public; and Retirees.	> 3 > 3 > 3	organisations to host and run events on and off site.

## Community Centres and Libraries

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

### What Community Centres and Libraries involves:

- Delivery of the library services including online services.
- Delivering programmes that foster and enhance literacy and the love of reading for all ages
- Providing events, exhibitions, and performances for all ages.
- Arranging room hire for meetings, functions and conventions.
- Providing social and community spaces including a café.
- Delivering IT resources including internet on demand and free wifi
- Providing visitor information through two sites
- Providing a space for youth in Te Takeretanga o Kura-hau-pō and holding events and activities for this age group
- Delivery of certain Council services (e.g. payment of rates) in Foxton and Shannon.
- Providing AA services
- Providing a space for Horowhenua Heritage resources and collections both online and in-house.

### Key Projects for 2020/2021

There are no key projects planned for the Community Centres and Libraries Activity for 2020/2021.

### How we will measure our performance

Service	How we will measure our performance	Target 2020/21	What does this tell me?
<b>Council provides community facilities for residents, ratepayers, and visitors to access Community services including library services.</b>	Communities with library and community facilities providing an integrated and District wide service.	Levin, Foxton, and Shannon	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.
<b>Libraries and community facilities</b>	Percent of residents and non-residents satisfied with library and	>90%	The percentage of satisfied customers gives us an indication of

Service	How we will measure our performance	Target 2020/21	What does this tell me?
<b>meet the public's needs.</b>	Community services based on the Annual Customer Satisfaction Survey.		the quality of service we are providing.
<b>Community facilities are available for public use.</b>	Number of booking counts for community facilities.	≥ 1,200	This measure is used to ensure the community facilities are being utilised.
<b>Customers have access to a range of current information in both print and digital format.</b>	Number of items loaned from the libraries across the District, including books, magazines etc.  Percent of increase in use of website.	≥ 320,000  +>1%	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.
<b>Customers have access to programmes and initiatives that enhance the wellbeing of the District.</b>	Number of programmes delivered in:  Levin Foxton Shannon	≥ 60 ≥ 30 ≥ 10	Council sets out to provide a relevant library service that people can enjoy throughout the District.

## How much it will cost

### Capital Expenditure Programme for Community Facilities and Services

Annual Report 2018/19		LTP Forecast 2019/20	LTP Forecast 2020/21	Annual Plan Forecast 2020/21	Variance 2020/21
\$000		\$000	\$000	\$000	\$000
	<b>Renewals portion of project</b>				
156	2018-19 Aquatics projects	-	-	-	-
11	Audio books	8	8	6	(2)
-	Community hubs - Digital equipment replacement	5	5	5	-
-	Community hubs - Security surveillance replacement	-	10	-	(10)
-	Community hubs meeting rooms audio & visual equipment replacement	41	-	-	-
12	District halls & pavilions reactive renewals	26	27	27	-
57	District play equipment	78	80	80	-
15	District Play Equipment Bark mulch	-	-	14	14
12	DVD's	15	16	13	(3)
25	Foxton Aquatic Centre - Planned renewals	-	-	50	50
2	Foxton Beach Reserves (FHA)	95	97	204	107
-	Halls renewals	460	-	-	-
5	Holben Sound Shell & Repainting buildings	-	-	-	-
-	Levin - Chemical controller renewal	36	-	-	-
72	Levin Adventure Park playground renewals	103	107	-	(107)
17	Levin Aquatic Centre - Planned renewals	-	-	200	200
1	Levin Aquatic - Pool sound system	-	-	-	-
24	Levin Aquatic - Replace the Hydro slide	-	-	451	451
12	Levin Aquatic - Reseal rear car park	-	-	-	-
204	Library books	227	235	200	(35)
-	Music studio equipment replacement	8	-	-	-
11	Net Ball Courts - replace posts Shannon Domain	-	-	-	-
-	Park lighting upgrade	83	85	-	(85)
-	Public toilets - Major renewals	206	249	-	(249)
48	Public toilets - Minor renewals	47	51	19	(32)
136	Reserves renewals	898	-	259	259
8	RFID equipment replacement	154	-	-	-
3	Service trolleys	-	-	-	-
3	Shannon - Display units	-	-	-	-
-	Shannon - Library shelving units	26	-	-	-
-	Shannon Library refurbishment	26	-	-	-
1	Sports grounds renewals	702	267	-	(267)
15	Te Takeretanga o Kura-hau-po - Display cabinets replacement	-	-	-	-
4	Te Takeretanga o Kura-hau-pō - Display units	-	-	-	-

-	Te Takeretanga o Kura-hau-pō - Furniture replacement	20	-	-	-
29	Te Takeretanga o Kura-hau-pō - IT urgent IT capital replacement including frameless TV Shannon, HPElite One, public computers	-	-	-	-
2	Te Takeretanga o Kura-hau-pō - Medium Term. Restock Children's Team equipment with foam and leather cushions	-	-	-	-
-	Te Takeretanga o Kura-hau-pō - Redevelopment of Te Ao Maori space	-	22	12	(10)
22	Te Takeretanga o Kura-hau-pō audio & visual equipment replacement	-	-	-	-
28	Vehicles - Replacing GAL191	-	-	-	-
-	Vehicles - Replacing HQN114	29	-	-	-
11	Waikawa Beach Pedestrian Bridge	257	-	50	50
113	Waitāreere Dune management Dune management - flatten re-contour	-	-	-	-
<b>1,059</b>	<b>Total renewals</b>	<b>3,550</b>	<b>1,259</b>	<b>1,590</b>	<b>331</b>
	<b>Level of service portion of project</b>				
33	2018-19 Aquatics projects	-	-	-	-
177	2018-19 Reserves projects	-	-	-	-
10	Benches in high pedestrian use areas	10	10	10	-
-	Cemetery - Avenue - Extend burial and cremation sites	-	96	-	(96)
14	Cemetery - Avenue - Redevelop front entrance and update information signage	-	-	60	60
33	Cemetery - Avenue Rd - Upgrade	-	-	11	11
36	Cemetery - Foxton ashes area	-	-	-	-
8	Cemetery - Shannon Burial beams	-	-	-	-
30	District fencing contingency	41	44	44	-
24	Donnelly Park improve cricket facilities	68	70	-	(70)
-	Donnelly Park strategic plan and design	153	-	23	23
62	Driscoll Reserve improvement plan	51	52	52	-
-	Equipment - General	2	2	2	-
2	Foxton Aquatics - Plant room miscellaneous	5	2	2	-
-	Foxton Aquatics - Poolside furniture	10	-	-	-
-	Foxton Aquatics - Shower upgrade	-	26	-	(26)
6	Foxton Wharf project	-	-	10	10
144	Hyde Park and Te Maire Park improvements	-	-	-	-
1	Ihakara Gardens landscaping	-	-	-	-
1	Levin Aquatics - Plant room miscellaneous	1	1	1	-
-	Levin Aquatics - Air and heat	-	2	2	-
-	Levin Aquatics - Disabled change facilities	26	-	-	-
	Levin Aquatics - Splash pad	-	-	50	50
-	Levin Aquatics - Pumps	5	5	5	-
-	Levin Aquatics - Supply and extract fans	-	4	4	-
-	Library services - Innovative technology projects	-	-	10	10
-	PGF project	-	-	3,800	3,800
-	Playford Park improvements	342	-	-	-

90	Reduce sand dune high at Foxton Beach car-park	-	-	-	-
-	Shannon - 1 self issue machine	-	8	-	(8)
-	Shannon Memorial Hall - Accesbility upgrades	-	52	-	(52)
53	Solway Park Pump Track	-	-	-	-
1	Stream management plan	31	16	16	-
-	Te Awahou Nieuwe Stroom - 2 self-issue machines	10	-	-	-
-	Te Awahou Nieuwe Stroom - Kiosk machine	-	10	-	(10)
-	Te Takeretanga o Kura-hau-pō - 4 self-issue machines	20	-	-	-
-	Te Takeretanga o Kura-hau-pō - Kiosk machine	-	10	-	(10)
18	Waitārere Domain improvement plan	68	53	53	-
<b>743</b>	<b>Total level of service</b>	<b>843</b>	<b>463</b>	<b>4,155</b>	<b>3,692</b>
	<b>Growth portion of project</b>				
4	Cemetery - Foxton ashes area	-	-	-	-
1	Cemetery - Shannon Burial beams	-	-	-	-
-	Innovative technology projects	5	37	-	(37)
-	Library services vehicle	21	-	-	-
<b>5</b>	<b>Total growth</b>	<b>26</b>	<b>37</b>	<b>-</b>	<b>(37)</b>
	<b>Make up of above projects by type</b>				
5	Growth	26	37	-	(37)
743	Level of service	843	463	4,155	3,692
1,059	Renewals	3,550	1,259	1,590	331
<b>1,807</b>	<b>Total</b>	<b>4,419</b>	<b>1,759</b>	<b>5,745</b>	<b>3,986</b>

## Funding Impact Statement for Community Facilities and Services

Annual Report 2018/19		Annual Plan Forecast 2019/20	LTP Forecast 2020/21	Annual Plan Forecast 2020/21	Variance 2020/21
\$000		\$000	\$000	\$000	\$000
	<b>Sources of Operating Funding</b>				
4,907	General rates, uniform annual general charges, rates penalties	5,198	5,439	5,084	(355)
6,401	Targeted rates	6,451	7,306	6,573	(733)
4	Subsidies and grants for operating purposes	14	14	103	89
1,181	Fees and charges	1,673	1,734	1,464	(270)
181	Local authorities fuel tax, fines, infringement fees, and other receipts	215	211	20	(191)
-	Internal charges and overheads recovered	-	-	-	-
<b>12,674</b>	<b>Total Operating Funding (A)</b>	<b>13,551</b>	<b>14,704</b>	<b>13,244</b>	<b>(1,460)</b>
	<b>Applications of Operating Funding</b>				
7,897	Payments to staff and suppliers	8,867	9,615	8,651	(964)
756	Finance costs	859	1,192	672	(520)
2,752	Internal charges and overheads applied	2,443	2,422	2,439	17
-	Other operating funding applications	-	-	-	-
<b>11,405</b>	<b>Total applications of operating funding (B)</b>	<b>12,169</b>	<b>13,229</b>	<b>11,762</b>	<b>(1,467)</b>
<b>1,269</b>	<b>Surplus (deficit) of operating funding (A-B)</b>	<b>1,382</b>	<b>1,475</b>	<b>1,482</b>	<b>7</b>
	<b>Sources of capital funding</b>				
37	Subsidies and grants for capital expenditure	-	-	3,800	3,800
-	Development and financial contributions	-	-	-	-
343	Increase (decrease) in debt	1,914	345	578	233
-	Gross proceeds from sale of assets	-	-	-	-
-	Lump sum contributions	-	-	-	-
-	Other dedicated capital funding	-	-	-	-
<b>380</b>	<b>Total sources of capital funding (C)</b>	<b>1,914</b>	<b>345</b>	<b>4,378</b>	<b>4,033</b>
	<b>Applications of capital funding</b>				
	Capital expenditure				
5	- to meet additional demand	42	37	-	(37)
407	- to improve the level of service	852	463	4,155	3,692
1,059	- to replace existing assets	2,498	1,259	1,590	331
178	Increase (decrease) in reserves	(96)	61	115	54
-	Increase (decrease) of investments	-	-	-	-
<b>1,649</b>	<b>Total applications of capital funding (D)</b>	<b>3,296</b>	<b>1,820</b>	<b>5,860</b>	<b>4,040</b>
<b>(1,269)</b>	<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(1,382)</b>	<b>(1,475)</b>	<b>(1,482)</b>	<b>(7)</b>
<b>-</b>	<b>Funding Balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
1,573	Depreciation	1,304	1,249	1,592	343

## Activity Expenditure for Community Facilities and Services

Annual Report 2018/19		Annual Plan Forecast 2019/20	LTP Forecast 2020/21	Annual Plan Forecast 2020/21	Variance 2020/21
\$000		\$000	\$000	\$000	\$000
417	Cemeteries	437	451	591	140
315	Public Toilets	350	367	328	(39)
660	Beautification	727	722	630	(92)
1,958	Reserves	2,138	2,271	1,976	(295)
1,194	Sportsgrounds	1,187	1,252	1,191	(61)
227	Halls	249	273	281	8
2,962	Aquatic Centres	2,958	3,099	2,623	(476)
410	Urban Cleansing	394	401	477	76
3,300	Library Services	3,250	3,228	3,507	279
1,536	Community Centres	1,785	2,414	1,750	(664)
<b>12,979</b>	<b>Total Expenditure</b>	<b>13,475</b>	<b>14,478</b>	<b>13,354</b>	<b>(1,124)</b>



# Property

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

## What Property involves:

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

Council owns a range of properties including:

- The Council administration building in Levin.
- 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 2020/2021

- Property disposals - property evaluations and disposal will continue in accordance with Council’s Property Strategy with the purpose of Council only owning and maintaining core property by 2028. Core property includes those services and properties which are vitally important for the community such as – three waters and solid waste, cemeteries, swimming pools, public toilets and some library services.

## How we will measure our performance

Service	How we will measure our performance	Target 2020/21	What does this tell me?
<b>Council operated facilities are available for public hire</b>	Facilities availability (hrs) and hire charges by annual review.	8 hrs per day and review annually	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 cost.

Service	How we will measure our performance	Target 2020/21	What does this tell me?
<b>Council's properties will comply with relevant legislation</b>	All buildings with compliance schedules will have current building WOF.	Achieve	It is extremely important to Council that our buildings are safe for everyone to use.

## How much it will cost

### Capital Expenditure Programme for Property

Annual Report 2018/19		LTP Forecast 2019/20	LTP Forecast 2020/21	Annual Plan Forecast 2020/21	Variance 2020/21
\$000		\$000	\$000	\$000	\$000
	<b>Renewals portion of project</b>				
3	Commercial property renewals	-	-	-	-
-	WINZ building renewals	32	54	-	(54)
67	Focal Point Cinema - Exterior renewal & paint	-	-	-	-
1	Community buildings programmed renewals	51	54	99	45
95	General property renewals	82	189	379	190
-	Shannon railway station exterior renewals & paint	-	53	-	(53)
-	Dog pound office building renewal	-	21	-	(21)
-	Foxton Depot deferred renewal work to buildings and re-roof	52	-	-	-
-	Levin Depot pole shed re-roof	84	-	-	-
-	Property renewals program	86	219	110	(109)
45	Municipal buildings power and lighting upgrade	47	-	-	-
<b>211</b>	<b>Total renewals</b>	<b>434</b>	<b>590</b>	<b>588</b>	<b>(2)</b>
	<b>Level of service portion of project</b>				
-	Endowment Subdivision Forbes Rd extension	193	2,377	200	(2,177)
8	Foxton Main Street bus shelter	-	-	-	-
1,000	Gladstone Road Property Purchase	-	-	-	-
174	Purchase 104a Main St Foxton	-	-	-	-
-	Levin Depot new sewer connection	263	-	-	-
<b>1,182</b>	<b>Total level of service</b>	<b>456</b>	<b>2,377</b>	<b>200</b>	<b>(2,177)</b>
	<b>Growth portion of project</b>				
15	Tararua Industrial Development	-	-	-	-
<b>15</b>	<b>Total growth</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Make up of above projects by type</b>				
15	Growth	-	-	-	-
1,182	Level of service	456	2,377	200	(2,177)
211	Renewals	434	590	588	(2)
<b>1,408</b>	<b>Total</b>	<b>890</b>	<b>2,967</b>	<b>788</b>	<b>(2,179)</b>

## Funding Impact Statement for Property

Annual Report 2018/19		Annual Plan Forecast 2019/20	LTP Forecast 2020/21	Annual Plan Forecast 2020/21	Variance 2020/21
\$000		\$000	\$000	\$000	\$000
	<b>Sources of Operating Funding</b>				
703	General rates, uniform annual general charges, rates penalties	997	1,107	925	(182)
-	Targeted rates	-	-	-	-
-	Subsidies and grants for operating purposes	-	-	-	-
746	Fees and charges	258	170	166	(4)
242	Local authorities fuel tax, fines, infringement fees, and other receipts	123	129	1	(128)
300	Internal charges and overheads recovered	441	484	414	(70)
<b>1,991</b>	<b>Total Operating Funding (A)</b>	<b>1,819</b>	<b>1,890</b>	<b>1,506</b>	<b>(384)</b>
	<b>Applications of Operating Funding</b>				
1,149	Payments to staff and suppliers	1,171	1,173	842	(331)
330	Finance costs	378	327	301	(26)
240	Internal charges and overheads applied	205	312	311	(1)
-	Other operating funding applications	-	-	-	-
<b>1,719</b>	<b>Total applications of operating funding (B)</b>	<b>1,754</b>	<b>1,812</b>	<b>1,454</b>	<b>(358)</b>
<b>272</b>	<b>Surplus (deficit) of operating funding (A-B)</b>	<b>65</b>	<b>78</b>	<b>52</b>	<b>(26)</b>
	<b>Sources of capital funding</b>				
-	Subsidies and grants for capital expenditure	-	-	-	-
-	Development and financial contributions	-	-	-	-
1,070	Increase (decrease) in debt	(2,242)	587	(2,986)	(3,573)
244	Gross proceeds from sale of assets	7,000	-	5,000	5,000
-	Lump sum contributions	-	-	-	-
-	Other dedicated capital funding	-	-	-	-
<b>1,314</b>	<b>Total sources of capital funding (C)</b>	<b>4,758</b>	<b>587</b>	<b>2,014</b>	<b>1,427</b>
	<b>Applications of capital funding</b>				
	Capital expenditure				
15	- to meet additional demand	-	1	-	(1)
1,182	- to improve the level of service	211	2,377	200	(2,177)
211	- to replace existing assets	608	589	588	(1)
178	Increase (decrease) in reserves	4,004	(2,302)	1,278	3,580
-	Increase (decrease) of investments	-	-	-	-
<b>1,586</b>	<b>Total applications of capital funding (D)</b>	<b>4,823</b>	<b>665</b>	<b>2,066</b>	<b>1,401</b>
<b>(272)</b>	<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(65)</b>	<b>(78)</b>	<b>(52)</b>	<b>26</b>
<b>-</b>	<b>Funding Balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
255	Depreciation	217	251	259	8

## Activity Expenditure for Property

Annual Report 2018/19		Annual Plan Forecast 2019/20	LTP Forecast 2020/21	Annual Plan Forecast 2020/21	Variance 2020/21
\$000		\$000	\$000	\$000	\$000
377	Council Building	296	324	273	(51)
852	General Property	814	730	718	(12)
272	Endowment	370	397	287	(110)
171	Commercial Property	46	122	-	(122)
3	Camp Grounds	6	6	20	14
<b>1,675</b>	<b>Total Expenditure</b>	<b>1,532</b>	<b>1,579</b>	<b>1,298</b>	<b>(281)</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:

- Setting the strategic and policy direction of Council.
- Monitoring the performance of Council.
- Representing the interests of the District.
- Facilitation of solutions to local needs/issues.
- Employing the Chief Executive who is empowered to implement decisions of Council.
- Providing administration support to Council meetings.

## Key Projects for 2020/2021

- Strategic Planning and Implementation – continue planning and implementation of key strategic projects to proactively plan for current and future population growth. Projects will include – changes to the Horowhenua District Plan, continued development and implementation of community plans currently underway, advocacy with Central Government, spatial planning, and development of the Long Term Plan 2021-2041.
- Foxton Beach Freeholding Account Policy/Strategy – finalise the review of the Foxton Beach Freeholding Account Policy/Strategy.

*Note: Consideration of boundary change for Tokomaru / Opiki - The Local Government Commission has agreed to assess an application seeking a change to the boundary between Horowhenua District and Palmerston North City. The application seeks to have the southern boundary of the city extended to include the township of Tokomaru and the surrounding area, and neighbouring Ōpiki. These communities currently fall within Horowhenua.*

## How we will measure our performance

Service	How we will measure our performance	Target 2020/21	What does this tell me?
<b>Council provides open, accessible processes to local government.</b>	Number of successful challenges to Council’s decision making processes.  LGOIMA requests responded to within 20 working days.	0  Achieve	Council seeks to strengthen democracy through facilitating Community input to decision-making processes. Also all requests for information are considered official. By law, Council must reply to official information requests within 20 working days.

Service	How we will measure our performance	Target 2020/21	What does this tell me?
<p><b>Council supports residents and ratepayers to have their views heard and considered in Council decision making.</b></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>&gt;50%</p>	<p>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>
<p><b>Council supports residents and ratepayers to have their views heard and considered in Council decision making.</b></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>Achieve</p>	
<p><b>Council's planning documents meet statutory requirements and have unqualified audit opinions.</b></p>	<p>The LTP is completed within the statutory timeframe, including a Financial and Infrastructure Strategies which meets the requirements of the Local Government Act.</p>	<p>Adopted before 30 June (every 3 years)</p>	<p>Council will meet its statutory requirements regarding planning and reporting documents.</p>
	<p>The Annual Plan will be adopted before 30 June annually.*</p> <p><i>* Every third year a LTP is prepared in the place of the Annual Plan.</i></p>	<p>Achieve</p>	
	<p>The Annual Report will include an unqualified audit opinion.</p>	<p>Achieve</p>	

Service	How we will measure our performance	Target 2020/21	What does this tell me?
<p><b>The District Plan provides for a balanced regulatory framework that protects important community and environmental values.</b></p>	<p>Percent of non-complying resource consents approved as a proportion of all approved consents.</p>	<p>&lt;10%</p>	<p>Good planning supports sustainable growth and development. It protects natural and built environments and helps maintain quality of life for our residents. This measure shows whether the District Plan is performing effectively. Above 10% would suggest the District Plan needs to be updated to support substantial growth and development.</p>



## How much it will cost

### Capital Expenditure Programme for Representation and Community Leadership

Annual Report 2018/19		LTP Forecast 2019/20	LTP Forecast 2020/21	Annual Plan Forecast 2020/21	Variance 2020/21
\$000		\$000	\$000	\$000	\$000
	<b>Renewals portion of project</b>				
-	<b>Total renewals</b>	-	-	-	-
	<b>Level of service portion of project</b>				
1	Catering equipment	-	-	-	-
1	<b>Total level of service</b>	-	-	-	-
	<b>Growth portion of project</b>				
-	<b>Total growth</b>	-	-	-	-
	<b>Make up of above projects by type</b>				
-	Growth	-	-	-	-
1	Level of service	-	-	-	-
-	Renewals	-	-	-	-
1	<b>Total</b>	-	-	-	-

## Funding Impact Statement for Representation and Community Leadership

Annual Report 2018/19		Annual Plan Forecast 2019/20	LTP Forecast 2020/21	Annual Plan Forecast 2020/21	Variance 2020/21
\$000		\$000	\$000	\$000	\$000
	<b>Sources of Operating Funding</b>				
431	General rates, uniform annual general charges, rates penalties	163	575	40	(535)
3,507	Targeted rates	3,555	3,898	3,564	(334)
102	Subsidies and grants for operating purposes	-	-	-	-
-	Fees and charges	-	-	-	-
4	Local authorities fuel tax, fines, infringement fees, and other receipts	240	2	-	(2)
-	Internal charges and overheads recovered	-	-	-	-
<b>4,044</b>	<b>Total Operating Funding (A)</b>	<b>3,958</b>	<b>4,475</b>	<b>3,604</b>	<b>(871)</b>
	<b>Applications of Operating Funding</b>				
2,022	Payments to staff and suppliers	2,345	1,296	1,594	298
75	Finance costs	97	134	123	(11)
3,320	Internal charges and overheads applied	3,090	3,224	3,102	(122)
-	Other operating funding applications	-	-	-	-
<b>5,417</b>	<b>Total applications of operating funding (B)</b>	<b>5,532</b>	<b>4,654</b>	<b>4,819</b>	<b>165</b>
<b>(1,373)</b>	<b>Surplus (deficit) of operating funding (A-B)</b>	<b>(1,574)</b>	<b>(179)</b>	<b>(1,215)</b>	<b>(1,036)</b>
	<b>Sources of capital funding</b>				
-	Subsidies and grants for capital expenditure	-	-	-	-
-	Development and financial contributions	-	-	-	-
867	Increase (decrease) in debt	1,765	203	1,214	1,011
-	Gross proceeds from sale of assets	-	-	-	-
-	Lump sum contributions	-	-	-	-
-	Other dedicated capital funding	-	-	-	-
<b>867</b>	<b>Total sources of capital funding (C)</b>	<b>1,765</b>	<b>203</b>	<b>1,214</b>	<b>1,011</b>
	<b>Applications of capital funding</b>				
	Capital expenditure				
2	- to meet additional demand	251	-	-	-
1	- to improve the level of service	-	-	-	-
-	- to replace existing assets	-	-	-	-
(509)	Increase (decrease) in reserves	(60)	24	(1)	(25)
-	Increase (decrease) of investments	-	-	-	-
<b>(506)</b>	<b>Total applications of capital funding (D)</b>	<b>191</b>	<b>24</b>	<b>(1)</b>	<b>(25)</b>
<b>1,373</b>	<b>Surplus (deficit) of capital funding (C-D)</b>	<b>1,574</b>	<b>179</b>	<b>1,215</b>	<b>1,036</b>
-	<b>Funding Balance ((A-B)+(C-D))</b>	-	-	-	-
-	Depreciation	13	14	-	(14)

## Activity Expenditure for Representation and Community Leadership

Annual Report 2018/19		Annual Plan Forecast 2019/20	LTP Forecast 2020/21	Annual Plan Forecast 2020/21	Variance 2020/21
\$000		\$000	\$000	\$000	\$000
208	Community Board	217	224	165	(59)
34	Elections	169	3	10	7
2,004	Governance	1,920	2,032	1,930	(102)
1,458	LTP/Annual Plan/Annual Report	1,445	1,616	1,504	(112)
895	District Planning	994	792	642	(150)
460	Sustainable Growth Planning	800	-	527	527
359	Growth Response	-	-	40	40
<b>5,418</b>	<b>Total Expenditure</b>	<b>5,545</b>	<b>4,667</b>	<b>4,818</b>	<b>151</b>

# Community Support

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**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 2020/2021

- Recovery Planning - existing Community Response Plans will continue to be extended to include recovery planning. Recovery plans will provide for the recovery phase of individual Horowhenua communities that may be affected by an emergency.
- Response Planning – upgrading of equipment in the Emergency Operating Centre to ensure it is fit for purpose and able to effectively co-ordinate response activities during an emergency. Training of staff, particularly as a 'Controller', to maintain a high level of capability within the organisation for emergency response.

## How we will measure our performance:

Service	How we will measure our performance	Target 2020/21	What does this tell me?
<b>Community awareness is promoted and encouraged</b>	12 media messages promoting preparedness for an emergency will be made to residents and ratepayers annually*.	Achieve	Council is working with the Community to build greater resilience to emergencies and disaster events, and to help our District recover faster.
<b>Council maintains a functional EOC and trained staff</b>	Civil defence and emergency management assessment of readiness and capability.	100% of Council staff with EOC roles	Council will take the lead in a civil defence or emergency event and will have the capacity and capability to do so

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

## Community Engagement

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

### What Community Engagement involves:

#### *Community Development*

- Support delivery on the Horowhenua Community Wellbeing Strategy.
- 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 publications – (e.g. press releases, Community Connection, public notices, and strategies).
- Monitor and update social media.
- Maintain and update Council's website presence - [www.horowhenua.govt.nz](http://www.horowhenua.govt.nz).
- Respond and provide information to media outlets.
- Undertake a yearly resident satisfaction survey.
- 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.

### Key Projects for 2020/2021

There are no key projects planned for the Community Engagement Activity for 2020/2021.

## How we will measure our performance:

Service	How we will measure our performance	Target 2020/21	What does this tell me?
<b>Council provides effective leadership in advocating, coordinating and facilitating on behalf of community needs</b>	Number of Community Wellbeing Committee meetings per year.	>5	The Community Wellbeing Committee is the platform for community engagement with Council facilitating and coordinating on behalf of the Community to assist Community groups or find solutions to respond to local needs.
<b>Young people in the Horowhenua live in a safe and supportive environment, which empowers them to make positive life choices</b>	Number of Youth Voice meetings per year.	>8	Council is engaging with youth and supporting programmes or projects with a youth focus.
	Number of programmes or projects implemented by Youth Voice.	>4	
	Number of Youth Network meetings per year.	>6	
<b>Horowhenua residents are empowered to make choices enabling them to live a satisfying and healthy lifestyle</b>	Number of Older Person Network meetings per year.	>10	Council is engaging with the older people and keeping them informed.
	Number of Elderberries magazine publications annually.	>4	
<b>Horowhenua is a vibrant, creative and friendly Community with an abundance of art, rich cultures and a strong sense of heritage</b>	Number of Creative Communities funding rounds per year.	>2	Council supports arts and culture in the District by providing administrative support to externally funded contestable grant schemes.
<b>Horowhenua is New Zealand's foremost region in taking joint responsibility for the success of our Community through education.</b>	Number of Education Horowhenua meetings per year.	>4	Council is leading the way in a collaborative approach to education in the District via the Education Horowhenua group.
<b>Horowhenua is fully accessible to all people</b>	Number of Access and Inclusion	>4	Council supports United Nations Convention of Rights of Persons with

Service	How we will measure our performance	Target 2020/21	What does this tell me?
	Leadership forums per year.		Disabilities. The Convention guides on how to remove of barriers and make sure disabled people have full and equal enjoyment of all human rights and fundamental freedoms.
<b>Council promotes community group empowerment and provides opportunities for Community driven initiatives and projects, and to grow and develop</b>	Percent of funds distributed through contestable Community Grants and Funding schemes that comply with grant criteria.	>100%	Council provides opportunities for Community driven initiatives and projects by distributing funds through a contestable grants and funding scheme.
	Number of Community Capacity and Capability Building Programme workshops or trainings offered.	>10	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.
	Percent of satisfaction with Capacity and Capability Building Programme workshops or training.	>85%	
	Number of individuals participating in Capacity and Capability Building Programme workshops or training over the year.	>150	
<b>Council supports beach safety initiatives within Communities by providing financial support</b>	Number of weeks Council funded surf lifesaving service is provided at Foxton and Waitārere Beaches.	>6	Public safety while enjoying the District's beaches is very important to Council. Council funds surf lifesaving services at two of the District's most popular beaches during peak season.



Service	How we will measure our performance	Target 2020/21	What does this tell me?
<b>Council effectively communicates with its ratepayers and residents</b>	Number of Council “Community Connections” newsletters published annually.  Number of media releases published annually.	>10  >100	Council used both traditional and social media such as Facebook and Twitter to communicate with the public.
<b>Council provides a 24/7 telephone contact centre operation</b>	Telephone contact is continually provided 24/7.	Achieve	Council can be contacted any time even out of normal business hours.

## Visitor Information

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

### What Visitor Information involves:

- Domestic travel 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 2020/2021

There are no key projects planned for the Visitor Information Activity for 2020/2021.

### How we will measure our performance

Service	How we will measure our performance	Target 2020/21	What does this tell me?
<b>Council supports the promotion of Horowhenua as a tourism destination</b>	i-Site accreditation is maintained at Te Awahou Nieuwe Stroom and Te Takeretanga o Kura-hau-pō facilities.	Achieve	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.
	Residents and visitors to the Horowhenua have access to current information and i-Site services through promotions and excursions offered.	12 annually	
	Annual number of visitor information enquiries conducted from Horowhenua i-Sites.	>10,000	

## 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 poised for significant change and has the opportunity to considerably advance its economic wellbeing and prosperity. This will require quality leadership and decision making, as well as, co-ordinated action with businesses and the wider community to take advantage of available opportunities.

During 2018, the Horowhenua New Zealand Trust was contracted to deliver economic development for the District. This arrangement will continue in 2020/2021.

### Key Projects for 2020/2021

There are no key projects planned for the Economic Development Activity for 2020/2021.

### How we will measure our performance:

Service	How will we measure our performance	Target 2020/21	What does this tell me?
<b>Council provides strategic leadership in coordinating Economic Development activities across the District.</b>	Number of Economic Development Board meetings organised per year.	>10	Council is committed to coordinating Economic Development meetings to keep encouraging initiatives and networking. Below 10 meetings would indicate that Council could do more with the Economic Development Board.
<b>Council provides opportunities for businesses to collaborate and network resulting in a stronger business sector.</b>	Number of business networking meetings organised per year.	>10	Council is committed to collaborate and network with the local business sector. Below 10 would indicate Council is not fulfilling this commitment.
<b>Council advocates for and facilitates business development and new business investment in the Horowhenua District.</b>	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%	The percentage of satisfied customers gives us an indication of the quality of service we are providing.

## How much it will cost

### Capital Expenditure Community Support

Annual Report 2018/19		LTP Forecast 2019/20	LTP Forecast 2020/21	Annual Plan Forecast 2020/21	Variance 2020/21
\$000		\$000	\$000	\$000	\$000
	<b>Renewals portion of project</b>				
20	Upgrade of Santa statue	-	-	-	-
<b>20</b>	<b>Total renewals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Level of service portion of project</b>				
4	Outdoor chairs for events	-	-	-	-
-	Website Development	-	-	6	6
<b>4</b>	<b>Total level of service</b>	<b>-</b>	<b>-</b>	<b>6</b>	<b>6</b>
	<b>Growth portion of project</b>				
<b>-</b>	<b>Total growth</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Make up of above projects by type</b>				
-	Growth	-	-	-	-
4	Level of service	-	-	6	6
20	Renewals	-	-	-	-
<b>24</b>	<b>Total</b>	<b>-</b>	<b>-</b>	<b>6</b>	<b>6</b>

## Funding Impact Statement for Community Support

Annual Report 2018/19		Annual Plan Forecast 2019/20	LTP Forecast 2020/21	Annual Plan Forecast 2020/21	Variance 2020/21
\$000		\$000	\$000	\$000	\$000
	<b>Sources of Operating Funding</b>				
2,397	General rates, uniform annual general charges, rates penalties	2,974	2,540	2,739	199
-	Targeted rates	-	-	-	-
38	Subsidies and grants for operating purposes	28	28	33	5
1	Fees and charges	-	-	-	-
40	Local authorities fuel tax, fines, infringement fees, and other receipts	105	137	7	(130)
-	Internal charges and overheads recovered	-	-	-	-
<b>2,476</b>	<b>Total Operating Funding (A)</b>	<b>3,107</b>	<b>2,705</b>	<b>2,779</b>	<b>74</b>
	<b>Applications of Operating Funding</b>				
1,634	Payments to staff and suppliers	1,680	1,276	1,615	339
-	Finance costs	-	1	16	15
880	Internal charges and overheads applied	1,414	1,414	1,135	(279)
-	Other operating funding applications	-	-	-	-
<b>2,514</b>	<b>Total applications of operating funding (B)</b>	<b>3,094</b>	<b>2,691</b>	<b>2,766</b>	<b>75</b>
<b>(38)</b>	<b>Surplus (deficit) of operating funding (A-B)</b>	<b>13</b>	<b>14</b>	<b>13</b>	<b>(1)</b>
	<b>Sources of capital funding</b>				
-	Subsidies and grants for capital expenditure	-	-	-	-
-	Development and financial contributions	-	-	-	-
-	Increase (decrease) in debt	(1)	(1)	6	7
-	Gross proceeds from sale of assets	-	-	-	-
-	Lump sum contributions	-	-	-	-
-	Other dedicated capital funding	-	-	-	-
-	<b>Total sources of capital funding (C)</b>	<b>(1)</b>	<b>(1)</b>	<b>6</b>	<b>7</b>
	<b>Applications of capital funding</b>				
	Capital expenditure				
-	- to meet additional demand	-	-	-	-
4	- to improve the level of service	-	-	6	6
20	- to replace existing assets	-	-	-	-
(62)	Increase (decrease) in reserves	12	13	13	-
-	Increase (decrease) of investments	-	-	-	-
<b>(38)</b>	<b>Total applications of capital funding (D)</b>	<b>12</b>	<b>13</b>	<b>19</b>	<b>6</b>
<b>38</b>	<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(13)</b>	<b>(14)</b>	<b>(13)</b>	<b>1</b>
-	<b>Funding Balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
6	Depreciation	13	12	12	-

## Activity Expenditure for Community Support

Annual Report 2018/19		Annual Plan Forecast 2019/20	LTP Forecast 2020/21	Annual Plan Forecast 2020/21	Variance 2020/21
\$000		\$000	\$000	\$000	\$000
456	Community Development	676	275	751	476
448	Emergency Management	432	505	284	(221)
398	District Communication & Marketing	512	339	391	52
458	Community Grants & Funding	516	414	511	97
641	Economic Development	717	1,006	699	(307)
123	Visitor Information	254	164	142	(22)
<b>2,524</b>	<b>Total Expenditure</b>	<b>3,107</b>	<b>2,703</b>	<b>2,778</b>	<b>75</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 2020/2021

There are no key projects for the Resource Consenting Activity for 2020/2021.

### How we will measure our performance:

Service	How we will measure our performance	Target 2020/21	What does this tell me?
<b>Processing of applications under the Resource Management Act (RMA) 1991</b>	Applications under the RMA will be processed within statutory timeframes.	Achieve	This measure indicates whether we are meeting our statutory timeframes for processing resource consent applications

## Building Consenting

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

### What Building Consenting involves:

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

### Key Projects for 2020/2021

There are no key projects for the Building Consent Activity for 2020/2021.

### How we will measure our performance:

Service	How we will measure our performance	Target 2020/21	What does this tell me?
<b>Carry out Building Consent Authority functions including enforcement of legislation relating to construction of buildings and structures</b>	Number of months in which all building consent applications are processed within 20 working days or less.	12	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 (that are not subject to a waiver or modification).
	Council will maintain its accredited status as a Building Consent Authority.	Achieve	



## 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 2020/2021

There are no key projects for the Environmental Health (Food Safety) Activity for 2020/2021.

### How we will measure our performance:

Service	How we will measure our performance	Target 2020/21	What does this tell me?
<b>Food safety – Food businesses are monitored to ensure compliance with legislation</b>	Food businesses operating under the Food Act 2014 are verified at the frequency determined by the Food Regulation 2015.  Food premises operating under the Food Hygiene Regulations 1974 are inspected.	Achieve  N/A	Local food businesses need to be routinely verified to check they are operating safely when providing food to the public.
<b>Food Safety – Existing food businesses are provided with assistance to transition onto the requirements of the Food Act 2014</b>	Food businesses are provided with written material about the Food Act 2014 and have opportunities to attend training sessions/seminars.	N/A	The Food Act 2014 came into force on 1 March 2016. This piece of legislation takes a new approach to managing food safety and to help businesses transition to the new requirements, Council is offering support.

## 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 2020/2021

There are no key projects for the Alcohol Licensing Activity for 2020/2021.

### How we will measure our performance:

Service	How we will measure our performance	Target 2020/21	What does this tell me?
<b>Monitoring of licensed premises to ensure compliance with relevant* legislation</b>	Premises are inspected annually to check for compliance with their licence conditions.	Achieve	The Sale and Supply of Alcohol Act sets out who can apply for a licence to sell alcohol, between what times and other requirements. This measure ensures premises, such as restaurants and bars, are providing alcohol to the public in a way that complies with legislation and their licence requirements.

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

## Parking Enforcement

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

### What Parking Enforcement involves:

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

### Key Projects for 2020/2021

There are no key projects for the Parking Enforcement Activity for 2020/2021

### How we will measure our performance:

Service	How we will measure our performance	Target 2020/21	What does this tell me?
<b>All parking restricted areas in Levin will be enforced under the provisions of Council's Bylaw and the Land Transport Regulations</b>	Enforcement conducted each working day.	Achieve	This measure indicates the frequency at which we are enforcing our Land Transport Bylaw and other relevant legislation e.g. how many working days a year our parking wardens are undertaking their enforcement duties.

## Building Compliance

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

### What Building Compliance involves:

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

### Key Projects for 2020/2021

There are no key projects for the Building Compliance Activity for 2020/2021.

### How we will measure our performance:

Service	How we will measure our performance	Target 2020/21	What does this tell me?
<b>Carry out territorial authority functions including enforcement of legislation</b>	Reported cases of illegal building work will be responded to within five working days.	Achieve	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.
	Percentage of private swimming pools on register inspected annually for compliance.	>33%	
<b>Carry out territorial authority functions including enforcement of legislation</b>	100% of BWOFs are renewed or Notices to Fix are issued	Achieve	Council must ensure all buildings are compliant and safe.

## Resource Management Compliance

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

### What Resource Management Compliance involves:

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

### Key Projects for 2020/2021

There are no key projects for the Resource Management Compliance Activity for 2020/2021.

### How we will measure our performance:

Service	How we will measure our performance	Target 2020/21	What does this tell me?
<b>Monitoring of District Plan requirements, resource consent compliance and complaints</b>	Known and reported instances of non-compliances with the District Plan and any resource consents will be responded to within five working days.	Achieve	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.
	All resource consents that are required to be monitored for the year are monitored for compliance with conditions.	Achieve	

## 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 2020/2021

There are no key projects for the Animal Control Activity for 2020/2021

### How we will measure our performance:

Service	How we will measure our performance	Target 2020/21	What does this tell me?
<b>Reported instances of non-compliances and dog nuisances will be responded to</b>	Percent of reported instances of non-compliances and dog nuisances will be responded to. An after-hours emergency response will be continuously provided.	100%  Achieve	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.
<b>Registration and classification of all known dogs within the District</b>	Percent of known dogs that will be registered or accounted for annually by 31 October.	100%	This measure indicates how much of the known dog population is accounted for on our register. For each dog, the register holds information on the dog itself, their owner and its microchip number (if it has one), so if it was ever lost or stolen there is the information to help the dog be reunited with its owner. The register also helps us keep track of dogs deemed to be menacing or dangerous.

## General Regulatory Services

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

### What General Regulatory Services involves:

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

### Key Projects for 2020/2021

There are no key projects for the General Regulatory Services Activity for 2020/2021.

### How we will measure our performance:

Service	How we will measure our performance	Target 2020/21	What does this tell me?
<b>Noise complaints response service will be provided</b>	Noise complaints services are provided all year round and 90% of complaints will be responded to within 60 minutes.	Achieve	Excessive noise can cause a nuisance, especially if occurring within a quiet part of a neighbourhood. This measure indicates whether we are responding to any noise complaints efficiently and ensuring that the noise, if deemed excessive, is addressed.
<b>Public safety bylaws and other legislation will be enforced</b>	Percent of reported non-compliances and complaints that are responded to within five working days.	100%	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.

## How much it will cost

### Capital Expenditure for Regulatory Services

Annual Report 2018/19		LTP Forecast 2019/20	LTP Forecast 2020/21	Annual Plan Forecast 2020/21	Variance 2020/21
\$000		\$000	\$000	\$000	\$000
	<b>Renewals portion of project</b>				
-	Body worn video equipment	6	-		-
-	Vehicles - Replacing JIL288	-	37	36	(1)
-	Vehicles - Replacing HPR874	36	-	-	-
-	Vehicles - Replacing HPK637	36	-	-	-
7	Mobile ticketing devices	-	-	-	-
-	Body worn video equipment	6	-		-
-	Parking mobile ticket device	22	-	-	-
-	Replacement or upgrade of parking meters	11	21	-	(21)
<b>7</b>	<b>Total renewals</b>	<b>117</b>	<b>58</b>	<b>36</b>	<b>(22)</b>
	<b>Level of service portion of project</b>				
26	Automatic gate at the pound	5	-	-	-
-	Concreting extensions dog pound pup kennels	5	-	-	-
<b>26</b>	<b>Total level of service</b>	<b>10</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Growth portion of project</b>				
-	<b>Total growth</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Make up of above projects by type</b>				
-	Growth	-	-	-	-
26	Level of service	10	-	-	-
7	Renewals	117	58	36	(22)
<b>33</b>	<b>Total</b>	<b>127</b>	<b>58</b>	<b>36</b>	<b>(22)</b>



## Funding Impact Statement for Regulatory Services

Annual Report 2018/19		Annual Plan Forecast 2019/20	LTP Forecast 2020/21	Annual Plan Forecast 2020/21	Variance 2020/21
\$000		\$000	\$000	\$000	\$000
	<b>Sources of Operating Funding</b>				
1,907	General rates, uniform annual general charges, rates penalties	1,659	2,213	2,337	124
-	Targeted rates	-	-	-	-
-	Subsidies and grants for operating purposes	-	-	-	-
9	Fees and charges	9	9	9	-
2,780	Local authorities fuel tax, fines, infringement fees, and other receipts	2,988	2,860	2,841	(19)
-	Internal charges and overheads recovered	-	-	-	-
<b>4,696</b>	<b>Total Operating Funding (A)</b>	<b>4,656</b>	<b>5,082</b>	<b>5,187</b>	<b>105</b>
	<b>Applications of Operating Funding</b>				
600	Payments to staff and suppliers	504	475	478	3
-	Finance costs	-	5	3	(2)
4,316	Internal charges and overheads applied	4,073	4,521	4,646	125
-	Other operating funding applications	-	-	-	-
<b>4,916</b>	<b>Total applications of operating funding (B)</b>	<b>4,577</b>	<b>5,001</b>	<b>5,127</b>	<b>126</b>
<b>(220)</b>	<b>Surplus (deficit) of operating funding (A-B)</b>	<b>79</b>	<b>81</b>	<b>60</b>	<b>(21)</b>
	<b>Sources of capital funding</b>				
-	Subsidies and grants for capital expenditure	-	-	-	-
-	Development and financial contributions	-	-	-	-
26	Increase (decrease) in debt	45	(23)	(22)	1
-	Gross proceeds from sale of assets	-	-	-	-
-	Lump sum contributions	-	-	-	-
-	Other dedicated capital funding	-	-	-	-
<b>26</b>	<b>Total sources of capital funding (C)</b>	<b>45</b>	<b>(23)</b>	<b>(22)</b>	<b>1</b>
	<b>Applications of capital funding</b>				
	Capital expenditure				
-	- to meet additional demand	-	-	-	-
26	- to improve the level of service	5	-	-	-
7	- to replace existing assets	119	58	36	(22)
(227)	Increase (decrease) in reserves	-	-	2	2
-	Increase (decrease) of investments	-	-	-	-
<b>(194)</b>	<b>Total applications of capital funding (D)</b>	<b>124</b>	<b>58</b>	<b>38</b>	<b>(20)</b>
<b>220</b>	<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(79)</b>	<b>(81)</b>	<b>(60)</b>	<b>21</b>
<b>-</b>	<b>Funding Balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
65	Depreciation	79	79	59	(20)

## Activity Expenditure for Regulatory Services

Annual Report 2018/19		Annual Plan Forecast 2019/20	LTP Forecast 2020/21	Annual Plan Forecast 2020/21	Variance 2020/21
\$000		\$000	\$000	\$000	\$000
251	Animal Control	262	274	217	(57)
562	Dog Control	618	651	514	(137)
291	Building Policy	263	306	426	120
349	Environmental Health	391	292	445	153
68	Liquor Policy	41	64	44	(20)
472	Parking	495	601	452	(149)
295	Planning Policy	276	345	375	30
1,271	Building Consents	1,116	1,190	1,252	62
280	Safety Licencing	290	276	156	(120)
812	Resource Planning	594	745	972	227
236	Liquor Licences	233	240	231	(9)
97	Environmental Health Policy	79	96	102	6
<b>4,984</b>	<b>Total Expenditure</b>	<b>4,658</b>	<b>5,080</b>	<b>5,186</b>	<b>106</b>



# Council Financial Statements



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# Funding Impact Statement

## 1. Revenue and Financing Sources Generally

The following revenue mechanisms will be used in 2020/2021:

- General rates;
- Targeted rates;
- Fees and charges;
- Interest and dividends; and
- Grants and subsidies.

## 2. Funding Mechanisms

The following funding mechanisms will be used in 2020/2021:

- Financial contributions;
- Borrowing;
- Proceeds from asset sales; and
- Reserves.

Refer to Council's Revenue and Financing Policy for further information on how these funding mechanisms will be used.

## 3. Definition of Separately Used or Inhabited Parts (SUIP)

Several of the rates listed in this Statement are assessed on the basis of the number of SUIPs there are in a rating unit.

SUIPs are listed in Schedule 3 of the Local Government (Rating) Act 2002 as one of the factors that may be used in calculating liability for Targeted rates. Section 15(1)(b) allows SUIPs to be used as the basis for Uniform Annual General Charges (UAGCs) as well.

Where rates are calculated on each SUIP of a rating unit, the following definitions will apply:

- A SUIP of a rating unit includes any portion inhabited or used by the owner/a person other than the owner, and who has the right to use or inhabit that portion by virtue of a tenancy, lease, licence, or other agreement.
- This definition includes separately used parts, whether or not actually occupied at any particular time, which are provided by the owner for rental (or other form of occupation) on an occasional or long-term basis by someone other than the owner.
- Any part/s of a rating unit that is used or occupied by the ratepayer for more than one single use.
- For the purpose of this definition, vacant land and vacant premises offered or intended for use or habitation by a person other than the owner and usually used as such are defined as 'used'.
- For the avoidance of doubt, a rating unit that has a single use or occupation is treated as having one separately used or inhabited part.

For clarity, Separately Used or Inhabited Parts include:

- a residential property, each separately habitable unit, flat, house or apartment.
- On a commercial property, each separate space intended to be used as a shop or other retail or wholesale outlet, other than that used by the owner.
- In an office block, each space intended to be used as offices that is or would be used by a different business from the owner.

A separately used habitable unit, flat, house, or apartment is defined as having a separate entrance, cooking facilities, living facilities, and toilet/bathroom facilities.

Council has recognised that there are certain instances where the above situations will occur, but in circumstances that do not give rise to separate uses or inhabitations. For clarity, SUIP do not include:

- A hotel room with or without kitchen facilities. A hotel room is defined as one or multiple rooms/units offered on an occasional basis for rental;
- A motel room with or without kitchen facilities. A motel room is defined as one or multiple rooms/units offered for on an occasional basis for rental; and
- A single residential unit in a non-residential property that is an integral part of the commercial operation and is used for the commercial operation, i.e. not separately tenanted (such as a single house in conjunction with a farm, a motel, or a dairy).

#### 4. Rates for the Year Ending 30 June 2021

##### 4.1 General Information

**Rating period:** The rates described in this section are for the financial year 1 July 2020 to 30 June 2021.

**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 2020/2021 are available for inspection at Council's office at 126-148 Oxford Street, Levin during normal office hours. This information includes the rating valuations as at 1 August 2019 which form the basis of rating in 2020-2021 (and the subsequent first two years) and the categories and factors for the various relevant rates described below in respect of particular rating units.

##### 4.2 General Rates

The General rates are assessed to fund all activities not funded from Targeted rates or other revenue sources or funding mechanisms. The Activities funded from the General rates include:

- Regulatory Services (liquor, health and safety licensing, building consents, resource consents, animal control, parking enforcement, and general regulatory services);
- Community Facilities and Services, except Library and Community Centres and Aquatic Centres (passive reserves, street beautification, sports grounds, cemeteries, halls and community buildings, and public toilets);

- Community Support (emergency management, community engagement, visitor information, and economic development);
- Governance and Community Leadership for the activities of Strategic Planning and District Plan development only;
- Property (commercial property, general property, Council buildings); and
- Treasury activities (investment and borrowing activities).

General rates are to be set on a differential rate in the dollar on the Land Value (LV) of the land. LVs are assessed every three years, and were last assessed in 2019. These values will form the basis of rating from 1 July 2020.

The General rates levied on LV are set differentially, so as to maintain the incidence of the rates between the categories of property. Council decided (as part of the Revenue and Financing Policy review for the 2009-2019 LTP) to dispense with all but the Rural Differential. However, in order to lessen the impact of such a change, Council agreed to phase out all other differentials over 10 years (2009/10 – 2018/19 incl.) This financial year 1 July 2020 to 30 June 2021 is the second year after the phased period.

Therefore in the year (2020/21);

- The Rural category are those rating units that are located in areas outside the Urban and Township category boundaries but not those rating units classified as Rural Residential. i.e. those rating units classified as Lifestyle and Residential (other than those rating units identified as “vacant” or “bare”). These properties will be identified in the District valuation roll DVR using the “Property Category” codes from Appendix F of the Valuation Rules 2008, promulgated by the Valuer General. These rating units will contribute 25.00% (25.00% 2017/18) of General rates.
- A District wide differential Urban, Township and rural Residential, i.e. all rating units other than those in the Rural category, will contribute 75% (in comparison to 66.88% in 2017/18). Urban and Township categories are rating units in Levin, Shannon, Foxton, Waikawa Beach, Manakau, Ōhau, Hōkio Beach, Waitārere Beach, Foxton Beach, and Tokomaru urban areas, as shown on the maps available defining those areas for rating purposes held at Council’s office in Levin.

Council is not setting a Uniform Annual General Charge (under Section 15 of the Local Government (Rating) Act 2002 (LG(RA))), 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 to be set using Capital Value (CV) which is assessed every three years. These were last assessed in 2019, and it is those values that will form the basis of rating from 1 July 2020.

Therefore:

- The Business Differential will contribute 35% of the Roding rate and applies to those rating units identified as Arable, Commercial (including all rest homes/retirement villages other than those that have separate title for the individual units or houses), Dairy, Forestry (except protected forestry), Horticultural, Industrial, Mining, Pastoral, Specialist Livestock, and Utilities using the “Property Category” codes from Appendix F of the Rating Valuation Rules 2008, promulgated by the Valuer-General.
- A District wide Other Differential will contribute 65% of the Roding rate and applies to those rating units identified as Lifestyle, Residential (excluding all rest homes/retirement villages but including those that have separate title for the individual units or houses) and Other using the “Property Category” codes from Appendix F of the Rating Valuation Rules 2008, promulgated by the Valuer-General.

#### **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, refuse/ recycling collection 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 (Refer to page 366 of the Long Term Plan 2018-38 for water-by-meter rates per cubic 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 day on any rating unit connected to the Shannon untreated bore water supply, where a meter is used to measure consumption on the network during the period, will be half that charged for treated water.

Foxton Beach water supply will be charged by cubic metre (in addition to the fixed charge described above) using a three step system:

**Step 1** – A charge per m<sup>3</sup> for the first 50m<sup>3</sup> of water consumed per quarter on any rating unit or SUIP of a rating unit connected to the Foxton Beach water supply network during the period.

**Step 2** – A charge per m<sup>3</sup> for the second 50m<sup>3</sup> of water consumed per quarter in excess of 50 m<sup>3</sup> on any rating unit or SUIP of a rating unit connected to the Foxton Beach water supply network. This will be set at 200% of the rate set in step 1.

**Step 3** – A charge per m<sup>3</sup> for the balance of water consumed per quarter in excess of 100m<sup>3</sup> on any rating unit or SUIP of a rating unit connected to the Foxton Beach water supply network. This will be set at 300% of the rate set in step 1.

#### 4.10 Targeted Rates for Wastewater Disposal

The Wastewater rate will fund the cost of providing reticulated wastewater disposal for various Communities in the District, according to whether a property is connected or serviceable.

This rate is set differentially as a fixed charge of a uniform amount.

##### *Connected Differential*

Council sets a fixed charge rate on all rating units across the District for which connection to a reticulated wastewater disposal system is available. A reticulated wastewater disposal system is available to a rating unit if a lateral/s exists for the purposes of accepting wastewater from the rating unit to the wastewater trunk main, where there is a connection from the land within the rating unit to that lateral/s or trunk main.

Liability for the fixed-sum rate will be assessed on whichever is greater:

- (a) each rating unit, or
- (b) the number of SUIPs of each rating unit, or
- (c) the number of connections of each rating unit.

##### *Availability Differential*

A fixed charge rate on any rating unit that is not connected to a reticulated wastewater disposal system, but is within 30m of a trunk main that is available to take waste from the rating unit. A reticulated wastewater disposal system is available to a rating unit if a lateral/s exists for the purpose of accepting wastewater from the rating unit to the wastewater trunk main or, if no lateral exists, if Council will allow the rating unit to be connected. This rate is set at 50% of the fixed charge for a connected rating unit.

# Funding Impact Statement 2020/2021

## Rating Mechanism

Rating Mechanisms	Rating Basis	GST Inclusive	GST Exclusive		
		Rates in the \$ 2020/21 \$	AP Forecast 30-Jun-20 \$000	LTP Forecast 30-Jun-21 \$000	AP Forecast 30-Jun-21 \$000
<b>General Rate</b>					
Rural Differential	Land value	0.00153500	2,619	2,723	2,590
District Wide Differential	Land value	0.00305643	7,857	8,168	7,769
<b>Total General Rate</b>			<b>10,476</b>	<b>10,890</b>	<b>10,359</b>
<b>Roading Rate</b>					
Business Use Differential	Capital Value	0.00052380	1,359	1,288	1,269
District Wide Other Differential	Capital Value	0.00041971	2,524	2,392	2,358
<b>Total Rooding Rate</b>			<b>3,882</b>	<b>3,681</b>	<b>3,627</b>
Stormwater Rate	Capital Value	0.00032225	1,254	1,417	1,386
Library and Community Centre Rate	SUIP	282.40	4,064	4,788	4,517
Representation and Community Leadership Rate	SUIP	222.80	3,556	3,898	3,564
Aquatic Centre Rate District Wide	SUIP	128.60	2,388	2,519	2,056
<b>Solid Waste Rate</b>					
Rural Differential	SUIP	57.40	89	70	246
Urban Differential	SUIP	84.20	356	280	986
<b>Total Solid Waste Rate</b>			<b>445</b>	<b>350</b>	<b>1,232</b>
<b>Water Supply Rate</b>					
Water Supply District Wide Connected (excl Foxtton Beach)	Refer Note 1	437.40	4,901	4,953	4,523
Water Supply District Wide Availability	Rating Unit	218.70	68	68	65
Foxtton Beach Connected	Refer Note 1	336.20	506	566	449
<b>Total Water Supply Rate</b>			<b>5,476</b>	<b>5,587</b>	<b>5,037</b>
<b>Wastewater Rate</b>					
Wastewater District Wide Connected	Refer Note 1	560.60	7,158	8,233	6,226
Wastewater District Wide Availability	Rating Unit	280.30	113	131	97
<b>Total Wastewater Rate</b>			<b>7,271</b>	<b>8,364</b>	<b>6,323</b>
<b>Total Rates Required</b>			<b>38,811</b>	<b>41,493</b>	<b>38,101</b>
Penalties			388	396	390
Rates Remissions			(408)	(417)	(370)
Water - by - meter rates			1,308	1,338	1,563
<b>Total Rates income</b>			<b>40,099</b>	<b>42,811</b>	<b>39,684</b>

Rating Base	AP Forecast 30-Jun-20 \$	LTP Forecast 30-Jun-21 \$	AP Forecast 30-Jun-21 \$
Total Rates GST inclusive	44,632,824	47,718,100	43,815,998
Rateable Rating Units	17,669	18,451	18,007
Average rates	2,526	2,586	2,433
Total number of rating units LGA Schedule 10 Part 1 Clause 15A	18,054	18,565	18,197

Water by Meter rates			AP Forecast 30-Jun-20 \$000	LTP Forecast 30-Jun-21 \$000	AP Forecast 30-Jun-21 \$000
District wide except Foxton Beach	Cubic Meter	2.22	1,181	1,208	1,384
Foxton Beach	Cubic Meter	0.93	127	130	180
<b>Total Water by meter rates</b>			<b>1,308</b>	<b>1,338</b>	<b>1,564</b>

#### Note 1

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

# Funding Impact Statement 2020/2021

Annual Report 2018/19		Annual Plan Forecast 2019/20	LTP Forecast 2020/21	Annual Plan Forecast 2020/21	Variance 2020/21
\$000		\$000	\$000	\$000	\$000
	<b>Sources of Operating Funding</b>				
9,547	General rates, uniform annual general charges, rates penalties	10,456	10,869	10,379	(490)
29,015	Targeted rates	29,644	31,942	29,305	(2,637)
1,984	Subsidies and grants for operating purposes	1,773	1,511	2,104	593
5,355	Fees and charges	5,011	5,385	4,551	(834)
423	Interest and dividends from investments	209	214	206	(8)
3,522	Local authorities fuel tax, fines, infringement fees, and other receipts	4,026	3,706	3,191	(515)
	Internal charges and overheads recovered				
<b>49,846</b>	<b>Total Operating Funding (A)</b>	<b>51,119</b>	<b>53,627</b>	<b>49,736</b>	<b>(3,891)</b>
	<b>Applications of Operating Funding</b>				
39,118	Payments to staff and suppliers	40,102	37,225	39,663	2,438
3,607	Finance costs	3,870	4,988	3,202	(1,786)
-	Other operating funding applications	-	-	-	-
<b>42,725</b>	<b>Total applications of operating funding (B)</b>	<b>43,972</b>	<b>42,213</b>	<b>42,865</b>	<b>652</b>
<b>7,121</b>	<b>Surplus (deficit) of operating funding (A-B)</b>	<b>7,147</b>	<b>11,414</b>	<b>6,871</b>	<b>(4,543)</b>
	<b>Sources of capital funding</b>				
3,539	Subsidies and grants for capital expenditure	4,689	4,634	10,676	6,042
-	Development and financial contributions	-	-	-	-
16,000	Increase (decrease) in debt	13,813	10,775	9,325	(1,450)
791	Gross proceeds from sale of assets	7,000	-	5,000	5,000
-	Lump sum contributions	-	-	-	-
-	Other dedicated capital funding	-	-	-	-
<b>20,330</b>	<b>Total sources of capital funding (C)</b>	<b>25,502</b>	<b>15,409</b>	<b>25,001</b>	<b>9,592</b>
	<b>Applications of capital funding</b>				
	Capital expenditure				
765	- to meet additional demand	2,112	3,043	2,000	(1,043)
9,214	- to improve the level of service	15,987	12,257	16,182	3,925
12,667	- to replace existing assets	14,550	11,523	12,425	902
9,604	Increase (decrease) in reserves	-	-	1,265	1,265
(4,799)	Increase (decrease) of investments	-	-	-	-
<b>27,451</b>	<b>Total applications of capital funding (D)</b>	<b>32,649</b>	<b>26,823</b>	<b>31,872</b>	<b>5,049</b>
<b>(7,121)</b>	<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(7,147)</b>	<b>(11,414)</b>	<b>(6,871)</b>	<b>4,543</b>
<b>-</b>	<b>Funding Balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
14,383	Depreciation	14,448	14,867	14,848	(19)

# Financial Statements

The Financial Statements include:

- Forecast Statement of Comprehensive Revenue and Expense.
- Reconciliation between Forecast Cost of Service Statements and the Forecast Statement of Comprehensive Revenue and Expense.
- Forecast Statement of Financial Position as at 30 June 2020.
- Forecast Statement of Changes in Net Assets/Equity.
- Forecast Cash Flow.

## Forecast Statement of Comprehensive Revenue and Expense

Annual Report 2018/19		Annual Plan Forecast 2019/20	LTP Forecast 2020/21	Annual Plan Forecast 2020/21	Variance 2020/21
\$000		\$000	\$000	\$000	\$000
	<b>Revenue</b>				
38,562	Rates Revenue	40,099	42,811	39,684	(3,127)
5,524	Grants & Subsidies	6,462	6,144	12,780	6,636
423	Finance Income	209	214	200	(14)
5,355	Fees & Charges	5,011	5,385	4,551	(834)
3,521	Other Revenue	4,025	3,706	3,197	(509)
56	Investment (Gains)/Losses	122	150	-	(150)
-	Development Contributions	-	-	-	-
453	Vested Assets	-	-	-	-
<b>53,894</b>	<b>Total Revenue</b>	<b>55,928</b>	<b>58,410</b>	<b>60,412</b>	<b>2,002</b>
	<b>Expenditure</b>				-
14,661	Employee benefit Expenses	15,017	15,126	15,771	645
3,607	Finance Costs	3,870	4,988	3,202	(1,786)
14,383	Depreciation & Amortisation	14,448	14,867	14,848	(19)
26,957	Other Expenses	25,082	22,098	23,892	1,794
<b>59,608</b>	<b>Total Expenditure</b>	<b>58,417</b>	<b>57,079</b>	<b>57,713</b>	<b>634</b>
<b>(5,714)</b>	<b>Net Surplus/(Deficit)</b>	<b>(2,489)</b>	<b>1,331</b>	<b>2,699</b>	<b>1,368</b>
	<b>Other Comprehensive Income</b>				-
9,613	Revaluation of Assets	9,578	10,220	5,472	(4,748)
<b>9,613</b>	<b>Total Other Comprehensive Income</b>	<b>9,578</b>	<b>10,220</b>	<b>5,472</b>	<b>(4,748)</b>
<b>3,899</b>	<b>Total Comprehensive Income</b>	<b>7,089</b>	<b>11,551</b>	<b>8,171</b>	<b>(3,380)</b>

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

Annual Report 2018/19		Annual Plan Forecast 2019/20	LTP Forecast 2020/21	Annual Plan Forecast 2020/21	Variance 2020/21
\$000		\$000	\$000	\$000	\$000
	<b>Revenue</b>				
<b>53,894</b>	<b>Prospective Statement of Comprehensive Revenue and Expense</b>	<b>55,928</b>	<b>58,410</b>	<b>60,412</b>	<b>2,002</b>
	<b>Summary Funding Impact Statement</b>				
49,846	Total Operating Funding	51,119	53,627	49,736	(3,891)
	<b>Add Sources of Capital Funding</b>				-
3,539	Sources of Capital Funding	4,687	4,633	10,676	6,043
-	Development Contributions	-	-	-	-
56	Investment (Gains)/Losses	122	150	-	(150)
453	Vested Assets	-	-	-	-
<b>53,894</b>	<b>Total Revenue</b>	<b>55,928</b>	<b>58,410</b>	<b>60,412</b>	<b>2,002</b>
	<b>Expenditure</b>				
	<b>Prospective Statement of Comprehensive Revenue and Expense</b>				
<b>59,608</b>	<b>Operating Expenditure</b>	<b>58,417</b>	<b>57,079</b>	<b>57,713</b>	<b>634</b>
	<b>Summary Funding Impact Statement</b>				
42,725	Total Applications of Operating Funding	43,969	42,212	42,865	653
975	Loss on Derivative Financial Instruments	-	-	-	-
14,383	Depreciation and Amortisation Expense	14,448	14,867	14,848	(19)
227	Other Losses	-	-	-	-
1,298	Increase in Landfill Provision	-	-	-	-
<b>59,608</b>	<b>Total Expenditure</b>	<b>58,417</b>	<b>57,079</b>	<b>57,713</b>	<b>634</b>



## Forecast Statement of Financial Position

Annual Report 2018/19		Annual Plan Forecast 2019/20	LTP Forecast 2020/21	Annual Plan Forecast 2020/21	Variance 2020/21
\$000		\$000	\$000	\$000	\$000
	<b>Assets</b>				
	<b>Current Assets</b>				
8,481	Cash & Cash Equivalents	10,571	11,039	13,049	2,010
5,766	Debtors & Other Receivables	5,566	6,449	6,766	317
375	Other Financial Assets	-	-	5,360	5,360
5,937	Non-current Assets Held for Sale	542	-	-	-
<b>20,559</b>	<b>Total Current Assets</b>	<b>16,679</b>	<b>17,488</b>	<b>25,175</b>	<b>7,687</b>
	<b>Non-Current Assets</b>				
942	Biological Assets	1,131	1,648	942	(706)
1,529	Intangible Assets	1,818	1,738	811	(927)
-	Investment Property	5,979	-	-	-
1,790	Other Financial Assets	6,964	1,484	1,805	321
54,169	Operational Assets	49,081	57,900	49,908	(7,992)
459,020	Infrastructural Assets	471,158	499,885	481,592	(18,293)
46,001	Restricted Assets	49,055	56,602	51,466	(5,136)
<b>563,451</b>	<b>Total Non-Current Assets</b>	<b>585,186</b>	<b>619,257</b>	<b>586,524</b>	<b>(32,733)</b>
<b>584,010</b>	<b>Total Assets</b>	<b>601,865</b>	<b>636,745</b>	<b>611,699</b>	<b>(25,046)</b>
	<b>Liabilities</b>				
	<b>Current Liabilities</b>				
9,644	Creditors & Other Payables	10,718	10,252	9,643	(609)
899	Employee Benefit Liabilities	723	1,155	899	(256)
30	Provisions	110	1,129	30	(1,099)
20,000	Borrowings	9,000	8,000	24,000	16,000
378	Other Financial Liabilities	-	-	378	378
<b>30,951</b>	<b>Total Current Liabilities</b>	<b>20,551</b>	<b>20,536</b>	<b>34,950</b>	<b>14,414</b>
	<b>Non-Current Liabilities</b>				
167	Employee Benefit Liabilities	137	166	167	1
4,811	Provisions	3,433	2,367	4,811	2,444
76,000	Borrowings	101,565	107,779	92,062	(15,717)
1,996	Other Financial Liabilities	1,506	1,499	1,995	496
<b>82,974</b>	<b>Total Non-Current Liabilities</b>	<b>106,641</b>	<b>111,811</b>	<b>99,035</b>	<b>(12,776)</b>
<b>113,925</b>	<b>Total Liabilities</b>	<b>127,192</b>	<b>132,347</b>	<b>133,985</b>	<b>1,638</b>
<b>470,085</b>	<b>Net Assets</b>	<b>474,673</b>	<b>504,398</b>	<b>477,714</b>	<b>(26,684)</b>
	<b>Equity</b>				
250,815	Rate Payers Equity	254,697	264,347	257,132	(7,215)
210,857	Revaluation Reserves	210,890	233,941	210,531	(23,410)
9,413	Special Funds	9,086	6,110	10,051	3,941
<b>471,085</b>	<b>Total Equity</b>	<b>474,673</b>	<b>504,398</b>	<b>477,714</b>	<b>(26,684)</b>

## Forecast Statement of Changes in Net Assets/Equity

Annual Report 2018/19		Annual Plan Forecast 2019/20	LTP Forecast 2020/21	Annual Plan Forecast 2020/21	Variance 2020/21
\$000		\$000	\$000	\$000	\$000
467,186	Equity Balance at 1 July	467,584	492,847	469,543	(23,304)
3,899	Comprehensive Income for Year	7,089	11,551	8,171	(3,380)
<b>471,085</b>	<b>Equity Balance 30 June</b>	<b>474,673</b>	<b>504,398</b>	<b>477,714</b>	<b>(26,684)</b>
	<b>Components of Equity</b>				
256,775	Retained Earnings at 1 July	257,186	263,016	254,433	(8,583)
(5,960)	Net Surplus/(Deficit)	(2,489)	1,331	2,699	1,368
<b>250,815</b>	<b>Retained Earnings 30 June</b>	<b>254,697</b>	<b>264,347</b>	<b>257,132</b>	<b>(7,215)</b>
201,312	Revaluation Reserves at 1 July	201,312	223,721	205,059	(18,662)
9,545	Revaluation Gains	9,578	10,220	5,472	(4,748)
<b>210,857</b>	<b>Revaluation Reserves 30 June</b>	<b>210,890</b>	<b>233,941</b>	<b>210,531</b>	<b>(23,410)</b>
9,099	Council Created Reserves at 1 July	9,086	8,245	9,650	1,405
314	Transfers to / (from) Reserves	-	(2,135)	401	2,536
<b>9,413</b>	<b>Council created Reserves 30 June</b>	<b>9,086</b>	<b>6,110</b>	<b>10,051</b>	<b>3,941</b>
<b>471,085</b>	<b>Equity at 30 June</b>	<b>474,673</b>	<b>504,398</b>	<b>477,714</b>	<b>(26,684)</b>

## Forecast Cash Flow

Annual Report 2018/19		Annual Plan Forecast 2019/20	LTP Forecast 2020/21	Annual Plan Forecast 2020/21	Variance 2020/21
\$000		\$000	\$000	\$000	\$000
	<b>Cashflow from Operating Activities</b>				
	Cash was Provided From:				
37,787	Rates Revenue	40,099	42,668	39,684	(2,984)
424	Finance Income	209	214	200	(14)
14,063	Other Revenue	15,498	15,235	20,528	5,293
<b>52,274</b>	<b>Total Cash provided</b>	<b>55,806</b>	<b>58,117</b>	<b>60,412</b>	<b>2,295</b>
	Cash was disbursed to:				
39,097	Payments Staff & Suppliers	40,099	37,081	39,663	2,582
3,580	Finance Costs	3,870	4,988	3,202	(1,786)
196	Net GST movement	-	-	-	-
<b>42,873</b>	<b>Total Cash disbursed</b>	<b>43,969</b>	<b>42,069</b>	<b>42,865</b>	<b>796</b>
<b>9,401</b>	<b>Net Cashflow from Operating Activity</b>	<b>11,837</b>	<b>16,048</b>	<b>17,547</b>	<b>1,499</b>
	<b>Cashflow from Investing Activities</b>				
	Cash was provided from				
4,799	Proceeds from Investments	-	-	-	-
725	Proceeds Sale of Assets	7,000	-	5,000	5,000
<b>5,524</b>	<b>Total Cash provided</b>	<b>7,000</b>	<b>-</b>	<b>5,000</b>	<b>5,000</b>
	Cash was disbursed to:				
-	Purchase of Investments	-	-	-	-
23,397	Purchase of Assets	32,650	26,823	30,607	3,784
<b>23,397</b>	<b>Total Cash disbursed</b>	<b>32,650</b>	<b>26,823</b>	<b>30,607</b>	<b>3,784</b>
<b>(17,873)</b>	<b>Net Cashflow from Investing Activity</b>	<b>(25,650)</b>	<b>(26,823)</b>	<b>(25,607)</b>	<b>1,216</b>
	<b>Cashflow from Financing Activities</b>				
	Cash was provided from:				
78,000	Loans Raised	28,813	29,775	23,325	(6,450)
<b>78,000</b>	<b>Total Cash provided</b>	<b>28,813</b>	<b>29,775</b>	<b>23,325</b>	<b>(6,450)</b>
	Cash was disbursed to:				
62,000	Loan Repayments	15,000	19,000	14,000	(5,000)
<b>62,000</b>	<b>Total Cash disbursed</b>	<b>15,000</b>	<b>19,000</b>	<b>14,000</b>	<b>(5,000)</b>
<b>16,000</b>	<b>Net Cashflow from Financing Activity</b>	<b>13,813</b>	<b>10,775</b>	<b>9,325</b>	<b>(1,450)</b>
7,528	Net Increase (Decrease) in Cash Held	-	-	1,265	1,265
971	Add Opening Cash bought forward	10,571	11,039	11,770	731
<b>8,499</b>	<b>Closing Cash Balance</b>	<b>10,571</b>	<b>11,039</b>	<b>13,035</b>	<b>1,996</b>
8,499	Closing Balance made up of Cash and Cash Equivalents	10,571	11,039	13,049	2,010

## Reserve Funds

Reserves are held to ensure that funds received for a particular purpose are used for that purpose and any surplus created is managed in accordance with the reason for which the reserve was established. Surpluses held in reserves are credited with interest. Council holds 14 reserves, with four being restricted reserves. Restricted reserves are reserves that have rules set by legal obligation that restrict the use that Council may put the funds towards. The remaining Council created reserves are discretionary reserves which the Council has established for the fair and transparent use of monies. Reserve balances are not separately held in cash and the funds are managed as part of the Council's treasury management.

Below is a list of current reserves outlining the purpose for holding each reserve and the Council activity to which each reserve relates, together with summary financial information across the Annual Plan:

	Activity	AP Forecast Opening Balance 1 July 2020	Deposits for the period of the AP	Withdrawals for the period of the AP	Forecast Closing Balance 30 June 2021
		\$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	5,696	222	-	5,918

	Activity	AP Forecast Opening Balance 1 July 2020	Deposits for the period of the AP	Withdrawals for the period of the AP	Forecast Closing Balance 30 June 2021
		\$000	\$000	\$000	\$000
<p><b>Reserve Land Reserve</b></p> <p>To hold funds derived from the sale of surplus reserve land to be spent on the future development of reserves under the Reserve Act.</p>	Community Facilities and Services Activity	184	9	-	193
<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>	Community Facilities and Services Activity	55	3	-	58
<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>	Land Transport/ Roads and Footpaths Activity	802	32	-	834

	Activity	AP Forecast Opening Balance 1 July 2020	Deposits for the period of the AP	Withdrawals for the period of the AP	Forecast Closing Balance 30 June 2021
		\$000	\$000	\$000	\$000
<b>Council created Reserves – Purpose of the Fund</b>					
<p><b>Financial and Capital contributions for Roading</b> To fund transport network improvements, from the accumulated funds from financial and capital contributions under the District Plan prior to Development Contributions regime.</p>	Land Transport/ Roads and Footpaths Activity	86	3	-	89
<p><b>Financial and Capital contributions for Water Supplies</b> 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	582	22	-	604

	Activity	AP Forecast Opening Balance 1 July 2020	Deposits for the period of the AP	Withdrawals for the period of the AP	Forecast Closing Balance 30 June 2021
		\$000	\$000	\$000	\$000
<p><b>Financial and Capital contributions for Wastewater Schemes</b> 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	144	6	-	150
<p><b>Financial and Capital contributions for Parks and Reserves</b> 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	676	32	-	708

	Activity	AP Forecast Opening Balance 1 July 2020	Deposits for the period of the AP	Withdrawals for the period of the AP	Forecast Closing Balance 30 June 2021
		\$000	\$000	\$000	\$000
<b>Election Fund</b> To smooth the rating impact of election costs and fund any by-election	Representation and Governance Activity	87	3	-	90
<b>Hockey Turf Replacement Fund</b> To fund the replacement of the water turf at Donnelly Park on behalf of the Turf Trust.	Community Facilities and Services Activity	284	25	-	309
<b>Shannon Rail Station.</b> Set aside from grants to preserve the historic Shannon Railway Station.	Properties Activity	26	1	-	27
<b>Esplanade Fund</b> To provide a fund to construct or provide for possible public access ways to esplanade reserves created under the Resource Management Act.	Community Facilities and Services Activity	156	7	-	163
<b>Capital Projects Fund</b> To provide funds for strategic capital projects with the last \$250,000 as a disaster relief working capital fund.	All Activities	868	36	-	904



	Activity	AP Forecast Opening Balance 1 July 2020	Deposits for the period of the AP	Withdrawals for the period of the AP	Forecast Closing Balance 30 June 2021
		\$000	\$000	\$000	\$000
<b>Foxton Citizens Fund</b> To provide a fund for awards in recognition of community service in Foxton.	Community Support Activity	4	0	-	4
<b>Total</b>		<b>9,650</b>	<b>401</b>	<b>0</b>	<b>10,051</b>

# Benchmarks Disclosure Statement

## Annual plan disclosure statement for the year ending 30 June 2021

### What is the purpose of this statement?

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

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

Benchmark	Limit	Planned	Met
<b>Rates affordability benchmark</b>			
-income	\$41,886m	\$38,101m	Yes
-increases	6.54%	-1.83%	No
<b>Debt affordability benchmark</b>			
-net debt to operating revenue	195%	171%	No
-net interest to operating revenue	20%	5%	Yes
-net interest to rates revenue	25%	8%	Yes
Balanced budget benchmark	100%	105%	Yes
Essential services benchmark	100%	191%	Yes
Debt servicing benchmark	10%	5%	Yes

### Notes

#### (1) Rates affordability benchmark

- (2) For this benchmark,—
- the Council's planned rates income for the year is compared with quantified limits on rates contained in the Financial Strategy included in the Council's Long Term Plan; and
  - the Council's planned rates increases for the year are compared with quantified limits on rates increases for the year contained in the Financial Strategy included in the Council's Long Term Plan.
- (3) The Council meets the rates affordability benchmark if—
- its planned rates income for the year equals or is less than each quantified limit on rates; and
  - its planned rates increases for the year equal or are less than each quantified limit on rates increases.

*(2) Debt affordability benchmark*

- (1) For this benchmark, the Council's planned borrowing is compared with quantified limits on borrowing contained in the Financial Strategy included in the Council's Long Term Plan.
- (2) The Council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing.

*(3) Balanced budget benchmark*

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

*(4) Essential services benchmark*

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

*(5) Debt servicing benchmark*

- (1) For this benchmark, the Council's planned borrowing costs are presented as a proportion of planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant or equipment).
- (2) Because Statistics New Zealand projects that the Council's population will grow slower than the national population growth rate, it meets the debt servicing benchmark if its planned borrowing costs equal or are less than 10% of its planned revenue.

# Accounting Policies

## 1. Reporting Entity

The prospective financial statements of the Horowhenua District Council are for the year ended 30 June 2021.

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

The Horowhenua District Council group (HDC) consists of Horowhenua District Council and Shannon Community Development Trust, both incorporated in New Zealand

The primary objective of HDC is to provide goods and services for the community for social benefit rather than making a financial return. Accordingly, Council have designated themselves as PBE for financial reporting purposes.

The prospective financial statements contained in the 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 and Services
- Property
- Community Support

HDC also advise caution that the information in these statement may not be appropriate for purposes other than those described.

The prospective financial statements were authorised by issue by Council on 24 June 2020. The Council authorises the issue of the prospective financial statements. HDC are responsible for the prospective financial statements presented, including the appropriateness of the assumptions underlying the prospective financial statements and all other required disclosures. The actual results achieved for the period covered by this plan are likely to vary from the information presented in this document, and these variances may be material.

### Measurement Base

The measurement base adopted is that of historical cost, modified by the revaluation of certain assets.

## Accounting Policies

The following accounting policies which materially affect the measurement of results and financial position have been applied consistently to all years presented from 1 July 2020 unless otherwise stated.

## 2. Basis of Preparation

The prospective financial statements have been prepared in accordance with the requirement of the Local Government Act 2002: Part 6, Sec 93 and Part 1 of Schedule 10, which includes the requirements to comply with New Zealand accepted accounting practice (NZ GAAP).

These financial statements have been prepared in accordance with NZ GAAP. They comply with NZ PBE IPSAS, and other applicable financial reporting standards, as appropriate for public benefit entities. HDC is a tier 1 reporting entity using the public sector Public Benefit Entity Accounting Standards, as it has expenses greater than \$30m, and is not publicly accountable.

### Basis of Consolidation

The consolidated financial statements are prepared by adding together the items as assets, liabilities, equity, revenue, and expenses of entities in the group on a line-by-line bases. All intragroup balances, transactions, revenues and expense are eliminated on consolidation.

The Financial Statements are presented in New Zealand Dollars. The functional currency of HDC is New Zealand dollars. All values are rounded to the nearest one thousand dollars.

### Comparative Information

The Annual Plan 2019-20 adopted by the council on 26 June 2019 has been provided as a comparator for these consolidated prospective financial statements. The closing balance in this comparative differs from the opening position used to prepare these consolidated prospective financial statements which is based on the most up-to-date forecast information.

### Budget Figures

The budget figures have been prepared in accordance with NZ GAAP and comply with NZ PBE IPSAS, and other applicable financial reporting standards, using accounting policies that are consistent with those adopted in preparing these financial statements. Then as a tier 1 reporting entity HDC uses the public sector Public Benefit Accounting Standards.

HDC has not presented group prospective financial statements because it believes that the parent financial statements are more relevant to users. The main purpose of prospective financial statements is to provide users with information about the core services that the HDC intends to provide ratepayers, the expected cost of those services and as a consequent how much HDC requires by way of rates to fund the intended levels of service. The level of rates funding required is not affected by subsidiaries except to the extent that HDC obtains distribution from, or further invests in, those subsidiaries. Such effects are included in the prospective financial statement of HDC.

### 3. Revenue

Revenue is measured at the fair value of consideration received or receivable.

#### Rates Revenue

The following policies for rates have been applied:

- General rates, targeted rates (excluding water-by-meter), and uniform annual general charges are recognised at the start of the financial year to which the rates resolution relates. They are recognised at the amounts due. The Council considers the effect of payment of rates by instalments is not sufficient to require discounting of rates receivables and subsequent recognition of interest revenue.
- Rates arising from late payment penalties are recognised as revenue when rates become overdue.
- Revenue from water-by-meter rates is recognised on an accrual basis based on usage. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis.
- Rate remissions are recognised as a reduction of rates revenue when the Council has received an application that satisfies its rates remission policy.

#### Infringement Fees Revenue

Revenue from infringement fees and fines mostly relate to traffic and parking infringements and are recognised when the infringement notice is issued. The Council recognises revenue at an amount based on the probability of collecting fines, which is estimated by considering the collection history of fines over the preceding 2 year period.

#### Subsidises Revenue

HDC receives revenue from New Zealand Transport Agency, which subsidises part of HDC's costs in maintaining the local roading infrastructure, is recognised as revenue upon entitlement as conditions pertaining to eligible expenditure have been fulfilled.

#### Grants Revenue

Revenue from other grants are recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

#### Rendering of Services Revenue

Revenue from the rendering of services is recognised by reference to the stage of completion of the transaction at balance date, based on the actual service provided, as a percentage of the total services to be provided.

### **Sale of Goods Revenue**

Revenue from the sale of goods is recognised when a product is sold to the customer. Sales are usually in cash or by credit card. The recorded revenue is the gross amount of the sale, including credit card fees payable for the transaction. Such fees are included in other expenses.

### **Vesting of Assets Revenue**

Revenue from vesting of physical assets is recognised for assets received for no or nominal consideration, the asset is recognised at its fair value when the Council obtains control of the asset. The fair value of the asset is recognised as revenue, unless there is a use or return condition attached to the asset. 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 Revenue**

Revenue from interest is recognised using the effective interest method. Revenue from dividends is recognised when the right to receive payment has been established.

### **Financial Contributions Revenue**

Revenue from financial contributions is recognised as revenue when the Council provides, or is able to provide, the service for which the contribution was charged. Otherwise, development and financial contributions are recognised as liabilities until such time as the Council provides, or is able to provide, the service.

## **4. Borrowing Costs**

All borrowing costs are recognised as an expense in the period in which they are incurred.

## **5. Income Tax**

Income tax expense includes components relating to both current tax and deferred tax. Current tax is the amount of income tax payable based on the taxable profit for the current year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted at balance date.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the statement of financial position and the corresponding tax bases used in the computation of taxable profit.

Deferred tax is measured at the tax rates that are expected to apply when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at balance date. The measurement of deferred tax reflects the tax consequences that

would follow from the manner in which the entity expects to recover or settle the carrying amount of its assets and liabilities.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset or liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting profit nor taxable profit.

Current and deferred tax is recognised against the surplus or deficit for the period, except to the extent that it relates to a business combination, or to transactions recognised in other comprehensive revenue and expense or directly in equity.

## 6. Grant Expenditure

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received.

Discretionary grants are those grants where HDC has no obligation to award on receipt of the grant application and are recognised as expenditure when a successful applicant has been notified of HDC's decision.

The Council's grants awarded have no substantive conditions attached.

## 7. Leases

### Finance Leases

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred.

At the commencement of the lease term, HDC recognises finance leases as assets and liabilities in the Statement of Financial Position at the lower of the fair value of the leased item or the present value of the minimum lease payments.

The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability.

The amount recognised as an asset is depreciated over its useful life. If there is no certainty as to whether HDC will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

### Operating Leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.



Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

## 8. Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities in the Statement of Financial Position.

## 9. Trade and Other Receivables

Trade and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, 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. Financial Assets

HDC classifies its financial assets into four categories: financial assets at fair value through surplus or deficit, held-to-maturity investments, loans and receivables and financial assets at fair value through other comprehensive revenue and expenses. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial acquisition and re-evaluates this designation at every reporting date.

Financial assets are initially measured at fair value plus transaction costs unless they are carried at fair value through surplus or deficit, in which case the transaction costs are recognised in the surplus or deficit in which case transaction costs are recognised in the surplus or deficit.

Purchases and sales of financial assets are recognised on trade-date, the date on which HDC commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and HDC has transferred substantially all the risks and rewards of ownership.

The categories of financial assets are:

### *Financial Assets at Fair Value through Surplus or Deficit*

Financial assets at fair value through surplus or deficit include financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term or it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of short-term profit-taking. Derivatives are also categorised as held for trading unless they are designated into a hedge accounting relationship for which hedge accounting is applied.

Financial assets acquired principally for the purpose of selling in the short-term or part of a portfolio classified as held for trading are classified as a current asset. The current/non-current classification of derivatives is explained in the derivatives accounting policy above.

After initial recognition, financial assets in this category are measured at their fair values with gains or losses on remeasurement recognised in the surplus or deficit.

#### *Held-to-maturity Investments*

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that HDC has the positive intention and ability to hold to maturity. They are included in current assets, except for maturities greater than 12 months after balance date, which are included in non-current assets.

After initial recognition they are measured at amortised cost using the effective interest method less impairment. Gains and losses when the asset is impaired or derecognised are recognised through surplus or deficit.

#### *Loans and Receivables*

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after balance date, which are included in non-current assets.

After initial recognition they are measured at amortised cost using the effective interest method less impairment. Gains and losses when the asset is impaired or derecognised are recognised through surplus or deficit. Loans and receivables are classified as "trade and other receivables" in the Statement of Financial Position.

Loans, including loans to community organisations made by HDC at nil, or below-market interest rates are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar asset or investment. They are subsequently measured at amortised cost using the effective interest method. The difference between the face value and the present value of expected future cash flows is recognised in the Statement of Comprehensive Income 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.

## Impairment of financial assets

At each balance sheet date HDC assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised in the surplus or deficit.

### *Loans and Other Receivables and Held-to-maturity Investments*

Impairment is established when there is objective evidence that the Council and Group will not be able to collect amounts due according to the original terms of the debt. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy and default in payments are considered indicators that the asset is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate. For debtors and other receivables, the carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the surplus or deficit. When the receivable is uncollectible it is written off against the allowance account. Overdue receivables that have been renegotiated are reclassified as current (that is, not past due). Impairment in term deposits, local authority stock, Government bonds and community loans are recognised directly against the instrument's carrying amount.

### *Financial Assets at Fair Value through Other comprehensive revenue and expenses*

For equity investments, a significant or prolonged decline in the fair value of the investment below its cost is considered objective evidence of impairment.

For debt investments, significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy and default in payments are considered objective indicators that the asset is impaired.

If impairment evidence exists for investments at fair value through other comprehensive revenue and expenses, the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the surplus or deficit) recognised in other comprehensive revenue and expenses is reclassified from equity to the surplus or deficit.

Equity instrument impairment losses recognised in the surplus or deficit are not reversed through the surplus or deficit.

If in a subsequent period the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised, the impairment loss is reversed through surplus or deficit.

## 11. 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.

## 12. Property, Plant and Equipment

Property, plant and equipment consist of:

**Operational Assets** - These include land, buildings, landfill post closure, library collections, plant and equipment and motor vehicles.

**Restricted Assets** - Restricted assets are parks and reserves owned by HDC which provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions.

**Infrastructure Assets** - Infrastructure assets are the fixed utility systems owned by HDC. Each asset class includes all items that are required for the network to function, for example, sewer reticulation includes reticulation piping and sewer pump stations. Property, plant and equipment are shown at cost or valuation, less accumulated depreciation and impairment losses.

### Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to HDC and the cost of the item can be measured reliably.

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

Work in progress is recognised at cost less impairment and is not depreciated.

### Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included through the surplus or deficit.

When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated funds.

### Subsequent Costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to HDC and the cost of the item can be measured reliably. The costs of day-to-day servicing of property, plant, and equipment are recognised in the surplus or deficit as they are incurred.

### Depreciation

HDC's depreciation is provided on a straight-line basis on all property, plant and equipment (other than land) at rates that will write off the cost (or valuation) of the assets to their estimated residual

values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

	Useful Life	Depreciation Rate
<b>Operational assets</b>		
<b>Land</b>	N/A	N/A
<b>Buildings:</b>		
Structure	20 to 100 years	1% to 5%
Roofing	40 years	2.5%
Electricals	40 years	2.5%
<b>Plant, equipment and vehicles</b>	4 to 25 years	4% to 25%
<b>Library assets</b>	10 years	10%
<b>Solid waste management:</b>		
Building structure	50 to 100 years	1% to 2%
Building roofing	40 years	2.5%
Roading	50 years	2%
Cell site works and earthworks	33 years	3%
Cell lining, drainage and irrigation	33 years	3%
Cell electricals	10 years	10%
<b>Restricted assets</b>		
<b>Land</b>	N/A	N/A
<b>Buildings:</b>		
Structure	20 to 100 years	1% to 5%
Roofing	40 years	2.5%
Electricals	40 years	2.5%
<b>Infrastructural assets</b>		
<b>Roading: (average lives and depreciation rates of major components)</b>		
Land	N/A	N/A
Formation	N/A	N/A
Berms	100 years	1%
Surface water channels	50 to 100 years	1% to 2%
Bridges and culverts	40 to 100 years	1% to 2.5%
Drainage	80 years	1.25%
Sealed pavement	78 years	1.29%
Basecourse	60 years	1.66%
Footpaths - concrete	60 years	1.66%
Footpaths - metal	100 years	1.0%
Footpaths – other	20 to 45 years	2.22% to 5%

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

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year-end.

## Revaluation

Those asset classes that are revalued are valued on a three yearly valuation cycle except infrastructure assets which are annually and are on the basis described below. 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.

## 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 Blackmore Associates and the valuation is effective as at 30 June 2017.

## 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 Blackmore Associates and the valuation is effective as at 30 June 2017.

## 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, wastewater assets, water supply assets and stormwater assets were valued as at 1 July 2018 using unit rates reviewed by Ross Nicholson (Masters of Engineering Science, BE (Hons) Civil Engineering, BA and chartered professional engineer). The valuation calculations were performed by Council. Land and buildings associated with the water supply and wastewater activities was valued by B D Lavender (ANZIV, SNZPI) of Blackmore Associates and the valuation is effective as at 30 June 2017.

Land under the roads is valued at deemed cost. The landfill infrastructure was valued in two parts, both as at 30 June 2017. The land and buildings were valued by B D Lavender (ANZIV, SNZPI) of Blackmore Associates. 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.

## Accounting for Revaluations

Land and buildings (operational and restricted) and library books are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value and at least every three years. Infrastructural assets (except land under roads) are revalued annually.

The carrying values of revalued assets are assessed annually to ensure that they do not differ materially from the assets' fair values. If there is a material difference, then the off-cycle asset classes are revalued.

Revaluations of property, plant, and equipment are accounted for on a class-of-asset basis.

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 would result 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 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.

## 13. Intangible Assets

### Software Acquisition and Development

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs associated with maintaining computer software are recognised as an expense when incurred. Costs that are directly associated with the development of software for internal use by HDC are recognised as an intangible asset. Direct costs include the software development, employee costs and an appropriate portion of relevant overheads.

### Easements

Easements are recognised at cost, being the costs directly attributable in bringing the asset to its intended use. Easements have an indefinite useful life and are not amortised, but are instead tested for impairment annually.

### 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.



## 14. 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.

Emission Trading Scheme New Zealand Units (NZU's)

Council has been allocated and holds NZU's in respect of its forestry stands in the district. NZU's are initially recorded at cost and are subsequently measured at fair value each balance date. Any movement in fair value is recognised in surplus or deficit. Costs associated with maintaining NZU's are recognised as an expense when incurred.

## 15. 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.

## 16. Impairment of Non-Financial Assets

Non-financial assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is the depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the asset's ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits or service potential.

The value in use for cash-generating assets is the present value of expected future cash flows.

If an asset's carrying amount exceeds its recoverable amount, the asset is impaired and the carrying amount is written down to the recoverable amount. For 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 through the surplus or deficit.

For assets not carried at a revalued amount, the total impairment loss is recognised through the surplus or deficit.

The reversal of an impairment loss on a revalued asset is credited to the revaluation reserve. However, to the extent that an impairment loss for that class of asset was previously recognised through the surplus or deficit a reversal of the impairment loss is also recognised through the surplus or deficit. For assets not carried at a revalued amount (other than goodwill) the reversal of an impairment loss is recognised through the surplus or deficit.

## 17. Employee Benefits

### Short-term Benefits

Employee benefits that HDC expects to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned 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.

### Superannuation Schemes

#### *Defined Contribution Schemes*

Obligations for contributions to defined contribution superannuation schemes are recognised as an expense through surplus or deficit when incurred.

## 19. Creditors and Other Payables

Short-term creditors and other payables are recorded at their face value.

## 20. 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.

## 21. 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.

## 22. Equity

Equity is the community's interest in HDC and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of reserves.

The components of equity are:

- Retained earnings
- Restricted reserves
- Asset revaluation reserves

### Restricted reserves

Restricted reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by HDC.

Restricted reserves are those subject to specific conditions accepted as binding by HDC and which may not be revised by HDC without reference to the Courts or a third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.

Also included in restricted reserves are reserves restricted by Council decision. The Council may alter them without references to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Council.

### Asset revaluation reserves

These reserves relates to the revaluation of property, plant and equipment to fair value.

## 23. 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.

## 24. 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.

## 25. Critical Accounting Estimates and Assumptions

In preparing these financial statements HDC has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

### Landfill Aftercare Provision

The Statement of Financial Position discloses the exposure of HDC in relation to the landfill aftercare provision.

### Infrastructural Assets

There are a number of assumptions and estimates used when performing depreciated replacement cost (DRC) valuations over infrastructural assets. These include:

- The physical deterioration and condition of an asset, for example the Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for assets that are not visible, for example stormwater, wastewater and water supply pipes that are underground. This risk is minimised by Council performing a combination of physical inspections and condition modelling assessments of underground assets.
- Estimating any obsolescence or surplus capacity of an asset.
- Estimates are made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be impacted by the local conditions, for example, weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then HDC could be over or under estimating the annual depreciation charge recognised as an expense through surplus or deficit. To minimise this risk HDC's infrastructural asset useful lives have been determined with reference to the NZ Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group and have been adjusted for local conditions based on past experience. Asset inspections, deterioration and condition modelling are also carried out regularly as part of the HDC's asset management planning activities, which gives HDC further assurance over its useful life estimates.
- Experienced independent valuers perform the Council's infrastructural asset revaluations.

## 26. Standards issued and not yet effective, and not early adopted

Standards and amendments, issued but not yet effective that have not been early adopted, and which may be relevant to the Council are:

- Cash Flow Statements (PBE IPSAS 2), which becomes effective for annual periods beginning on or after 1 January 2021.
- Service performance reporting (PBE FRS 48), which becomes effective for annual periods beginning on or after 1 January 2021.
- Financial Instruments (PBE IFRS 9), which becomes effective for annual periods beginning on or after 1 January 2022.

The Council has not yet assessed the effects of these new standards.

## Indicative Rates on Selected Properties (GST Inclusive)

Locality	New (2019)	New (2019)	Previous	Previous	Total 2019/20	Indicative Rates 2020/21 Increase			
	Land Value	Capital Value	Land Value	Capital Value		General	Roading	Library	Rep & Gov
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Hokio Bch	135,000	220,000	55,000	89,000	1,086	413	92	282	223
Waikawa Bch	235,000	425,000	155,000	275,000	1,882	718	178	282	223
Waikawa Bch	280,000	465,000	200,000	315,000	2,190	856	195	282	223
Ōhau	245,000	560,000	146,000	405,000	2,462	749	235	282	223
Manakau	300,000	600,000	220,000	450,000	2,463	917	252	282	223
Waitāreere Bch	160,000	325,000	82,000	195,000	2,020	489	136	282	223
Waitāreere Bch	195,000	365,000	113,000	230,000	2,241	596	153	282	223
Waitāreere Bch	375,000	550,000	295,000	400,000	4,811	1,146	231	564	446
Foxton Bch	155,000	305,000	70,000	155,000	2,288	474	128	282	223
Foxton Bch	230,000	330,000	99,000	180,000	2,485	703	139	282	223
Foxton Bch	555,000	710,000	310,000	555,000	4,144	1,696	298	282	223
Foxton Bch	155,000	365,000	75,000	215,000	2,387	474	153	282	223
Tokomaru	110,000	325,000	58,000	205,000	2,373	336	136	282	223
Tokomaru	140,000	365,000	70,000	245,000	2,490	428	153	282	223
Vacant lifestyle	215,000	220,000	102,000	107,000	910	330	92	282	223
Rural	760,000	1,300,000	760,000	1,300,000	2,829	1,167	681	282	223
Rural	8,530,000	9,740,000	6,650,000	7,660,000	19,286	13,094	5,102	1,128	892
Rural commercial	650,000	2,000,000	570,000	1,560,000	2,657	998	1,048	282	223
Rural	3,570,000	3,835,000	2,720,000	2,950,000	7,356	5,480	2,009	282	223
Rural	3,220,000	3,340,000	3,220,000	3,332,000	8,486	4,943	1,749	282	223
Rural	7,820,000	8,920,000	6,871,000	7,965,000	19,872	12,004	4,672	1,128	892
Lifestyle	250,000	450,000	147,000	285,000	1,706	764	189	282	223
Lifestyle	375,000	680,000	280,000	520,000	3,287	1,146	285	282	223
Lifestyle	255,000	960,000	155,000	750,000	2,559	779	403	282	223
Utility	-	20,550,000	-	19,950,000	13,324	-	10,764	282	223
Levin - business	70,000	140,000	32,000	92,000	2,084	214	73	282	223
Levin Vacant	180,000	530,000	97,000	380,000	1,908	550	222	282	223
Levin 2 Dwlg	155,000	335,000	63,000	215,000	4,212	474	141	564	446
Levin	180,000	360,000	87,000	220,000	2,559	550	151	282	223
Levin	185,000	360,000	103,000	220,000	2,569	565	151	282	223
Levin - business	400,000	930,000	230,000	800,000	4,008	1,223	487	282	223
Levin - business	295,000	1,200,000	240,000	620,000	3,868	902	629	282	223
Foxton	64,000	180,000	32,000	85,000	2,082	196	76	282	223
Foxton	88,000	375,000	44,000	220,000	2,310	269	157	282	223
Foxton	195,000	400,000	69,000	240,000	2,477	596	168	282	223
Shannon	76,000	245,000	38,000	123,000	2,162	232	103	282	223
Shannon	136,000	235,000	68,000	115,000	2,326	416	99	282	223
Shannon	120,000	350,000	55,000	160,000	2,303	367	147	282	223

Locality	Indicative Rates 2020/21 Increase						Reval Effect	Budget Effect	Total 2020/21	Total 2020/21
	Pools	Solid Waste	Storm water	Water	Sewer	Indicative Total 2021/21				
	\$	\$	\$	\$	\$	\$	\$	\$	\$	%
Hokio Bch	129	84	71	-	-	1,294	162	45	208	19.20%
Waikawa Bch	129	84	137	-	-	1,751	(169)	37	(131)	(7.00%)
Waikawa Bch	129	84	150	-	-	1,919	(306)	35	(271)	(12.40%)
Ōhau	129	84	180	437	-	2,319	(136)	(6)	(143)	(5.80%)
Manakau	129	84	193	-	-	2,080	(416)	34	(383)	(15.60%)
Waitāreere Bch	129	84	105	-	561	2,009	38	(50)	(11)	(0.50%)
Waitāreere Bch	129	84	118	-	561	2,146	(43)	(52)	(95)	(4.20%)
Waitāreere Bch	258	168	177	-	1,122	4,112	(597)	(102)	(699)	(14.50%)
Foxton Bch	129	84	98	336	561	2,315	125	(97)	27	1.20%
Foxton Bch	129	84	106	336	561	2,563	179	(102)	78	3.10%
Foxton Bch	129	84	229	336	561	3,838	(184)	(123)	(306)	(7.40%)
Foxton Bch	129	84	118	336	561	2,360	71	(98)	(27)	(1.10%)
Tokomaru	129	84	105	437	561	2,293	9	(90)	(80)	(3.40%)
Tokomaru	129	84	118	437	561	2,415	17	(92)	(75)	(3.00%)
Vacant lifestyle	129	57	-	-	-	1,113	178	25	203	22.30%
Rural	129	57	-	-	-	2,539	(269)	(21)	(290)	(10.30%)
Rural	516	228	-	-	-	20,960	2,004	(335)	1,674	8.70%
Rural commercial	129	57	-	-	-	2,737	123	(43)	80	3.00%
Rural	129	57	-	-	-	8,180	980	(156)	824	11.20%
Rural	129	57	-	-	-	7,383	(969)	(134)	(1,103)	(13.00%)
Rural	516	228	-	-	-	19,440	(2,143)	1,711	(432)	(2.20%)
Lifestyle	129	57	-	-	-	1,644	(70)	8	(62)	(3.60%)
Lifestyle	129	57	-	437	-	2,559	(511)	(51)	(728)	(22.10%)
Lifestyle	129	57	-	437	-	2,310	(196)	(53)	(249)	(9.70%)
Utility	129	57	-	-	-	11,455	(1,180)	(689)	(1,869)	(14.00%)
Levin - business	129	84	45	437	561	2,048	51	(87)	(36)	(1.70%)
Levin Vacant	129	84	171	437	561	2,659	(49)	(95)	751	39.40%
Levin 2 Dwgs	258	168	108	874	1,122	4,155	118	(174)	(57)	(1.40%)
Levin	129	84	116	437	561	2,533	68	(94)	(26)	(1.00%)
Levin	129	84	116	437	561	2,548	(8)	(95)	(21)	(0.80%)
Levin - business	129	84	300	437	561	3,726	(172)	(110)	(282)	(7.00%)
Levin - business	129	84	387	437	561	3,634	(858)	623	(234)	(6.00%)
Foxton	129	84	58	437	561	2,046	49	(86)	(36)	(1.70%)
Foxton	129	84	121	437	561	2,263	42	(89)	(47)	(2.00%)
Foxton	129	84	129	437	561	2,609	226	(95)	132	5.30%
Shannon	129	84	79	437	561	2,130	56	(88)	(32)	(1.50%)
Shannon	129	84	76	437	561	2,307	71	(90)	(19)	(0.80%)
Shannon	129	84	113	437	561	2,343	131	(91)	40	1.70%



## 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 2018-38 (LTP).

This Plan covers Year 3 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
<b>Population Growth</b>	Population growth is assumed at a rate of 1.2% for this financial year (2020/2021). It is estimated that the population of the Horowhenua District will reach 34,017.	Population growth across the Horowhenua District occurs at a rate significantly different than assumed.  Level of uncertainty: High
<b>Demographics</b>	It is assumed most of the growth in Horowhenua District's population will occur in the 40 to 64 years old range.  <u>Forecast age demographics for 2020/21:</u> 0-14 years – 5,817 15-39 years – 9,006 40-64 years – 10,755 65 years + - 8,488	Population growth for different age groups is substantially different from what is anticipated e.g. there is less of an increase in the age range of 40 to 64 years old and a greater increase occurs in other age ranges.  Level of uncertainty: Moderate.
<b>Household Growth</b>	The number of dwellings is assumed to reach 16,786 in 2020/2021. The majority of growth is anticipated to occur in residential areas, particularly Levin.	The future growth in the number of dwellings and the location of the new dwellings varies substantially (i.e. is much higher/lower than assumed).  Level of uncertainty: Low to Moderate.
<b>Household Occupancy</b>	The average number of occupants per dwelling will be 2.3.	That the future growth of the average number of occupants varies substantially (i.e. is much higher/lower) than the assumed rates.  Level of uncertainty: Low to Moderate.
<b>Legislative Changes</b>	Changes in legislation will not result in a significant effect on Council's finances or Levels of Service	There is some uncertainty about what amendments to legislation may be made by the Government over the coming financial year, although it is anticipated that Council would be given sufficient time to implement any changes.  Level of uncertainty: Low.
<b>Climate Change</b>	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	Climate change occurs at a different rate to what has been projected with greater or lesser implications for the Manawatu-Whanganui Region and the Horowhenua District.



	the Horowhenua District in a range of ways, including by an increase in temperature, change in annual precipitation patterns and rising sea level.	Level of uncertainty: Low to Moderate.
<b>Natural Hazards – Response and Recovery</b>	It is assumed that Council has the capacity to borrow any funds it may require to respond to, and recover from, natural hazard events should they occur during 2020/2021.	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.  There is a risk that a natural hazard event, or series of events, could occur and that the 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.  Level of uncertainty: Low to Moderate.
<b>Sources of Funds for Replacement of Significant Assets</b>	This Annual Plan assumes that funding for the replacement of significant assets will be in accordance with Council's Revenue and Financing Policy and Financial and Infrastructure Strategies.	There are insufficient funds available for the replacement of significant assets.  Level of uncertainty: Low.
<b>Interest Costs</b>	Interest costs will be: 2020/2021 – 3.0%	Interest rates can vary subject to market conditions and could fluctuate beyond what is anticipated.  However, 4.75% for as outlined in the LTP is considered to be a conservative projection. Council has lowered the interest rate assumption for Year 3 as the market has shown that lower interest rates are likely to prevail for most of this year.  Level of uncertainty: Moderate.
<b>Depreciation</b>	It is assumed that depreciation will be adequate to fund asset renewal expenditure in the long-run.	The actual cost of renewals may be higher or lower than depreciation.  Level of uncertainty: Moderate.
<b>Local Government Funding Agency</b>	The Local Government Funding Agency (LGFA) remains in existence and is Council's preferred source of debt funding. That the deed guarantee obligation on default of any Council under the deed will not occur.	The risk of defaulting is extremely low and highly unlikely given that all of the borrowings by a local authority from the LGFA are secured by rates.  Level of uncertainty: Low.
<b>Investment Revenue</b>	That dividends will be zero (or immaterial) and that the rate of interest earned on all future investments for the 2020/2021 year will be between 2.25% and 3.5%.	There is potential for interest earned to be higher or lower than assumed.  Level of uncertainty: Low to Moderate.
<b>Inflation</b>	Council assumes that annual increases in inflation will be in accordance with the inflation adjusters that have been provided by the Business and Economic Research Ltd (BERL) and endorsed for use by the Society of Local Government	Council uses standard BERL adjusters, however, these are predictions and future rates of inflation are subject to a large number of variables which are beyond Council's control and are difficult to forecast.

	<p>Managers.</p> <p>The increase in inflation for 2020/2021 is estimated to be:</p> <p>(% change on previous year)</p> <p>Planning and Regulation – 2.1%</p> <p>Roading -2.2%</p> <p>Transport – 2.0%</p> <p>Community Activities – 2.0%</p> <p>Water and Environmental – 2.5%</p>	<p>Level of uncertainty: Low to Moderate.</p>
<b>Property</b>	<p>Council assumes that \$5 million of non-core property will be disposed of during 2020/2021 in accordance with an evaluation of all Council property assets in line with Council's Property Strategy. This evaluation will consider all property assets including infrastructure, community facilities, land, buildings, and reserves.</p> <p><i>Non-core is identified as properties contributing to non-traditional Council services (e.g. commercial buildings and residential housing).</i></p>	<p>Council disposes of more or less property than forecast. If Council does not receive the expected income from sales, debt levels will be higher or lower than forecast.</p> <p>Level of uncertainty: Moderate.</p>
<b>NZTA Subsidy (Funding Assistance Rate)</b>	<p>It is assumed that the roading subsidies (Funding Assistance Rates) that Council receives from the New Zealand Transport Agency (NZTA) will be 59%.</p>	<p>The subsidy rate is set for 2020/2021 so there is low risk of it changing.</p> <p>Level of uncertainty: Low.</p>
<b>Asset Management Plans</b>	<p>Council assumes that the underlying data for Council's Water, Wastewater, Stormwater, Land Transport (Roads and Footpaths), Solid Waste, and Parks and Property Asset Management Plans are up to date and reliable.</p>	<p>Council's information on the condition of its assets (particularly underground assets) is continually improving along with Council's understanding of what assets need to be renewed or replaced and when.</p> <p>Level of uncertainty: Moderate.</p>
<b>Asset Revaluations</b>	<p>That periodic revaluation of assets will be consistent with the assumed rates of inflation relevant to local government goods and services, and cost fluctuations relevant to each infrastructure sector.</p>	<p>Asset valuations could be higher or lower than assumed.</p> <p>Level of uncertainty: Moderate.</p>
<b>Useful Lives of Assets</b>	<p>Assets will last as long as estimated in Council's Asset Management Plans and Infrastructure Strategy which is reflected in the Accounting Policies.</p>	<p>There is a risk that assets could deteriorate at a faster or slower rate than anticipated. This could mean they may need to be replaced earlier or later than currently forecast.</p> <p>Level of uncertainty: Moderate.</p>
<b>Resource Consent Requirements</b>	<p>That Council will obtain any resource consents that are required to ensure that its Water, Wastewater, Stormwater and Solid Waste Activities (and any other activity) can continue to operate. That these consents are granted within required timeframes and within anticipated expenditure.</p>	<p>It may cost more than anticipated to obtain the required resource consents, or the conditions that are imposed on the consents may be more stringent than expected. 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.</p> <p>Level of uncertainty: Moderate.</p>

<p><b>Earthquake-Prone Buildings</b></p>	<p>Council will meet its obligations as a property owner and Territorial Authority under the Building (Earthquake-prone Buildings) Amendment Act 2016.</p>	<p>Insufficient funding to meet obligations as a regulator (unknown costs of potential legal action).</p> <p>Level of uncertainty: Moderate.</p> <p>Shortage of professional expertise to carry out assessments.</p> <p>Level of uncertainty: Moderate.</p>
<p><b>Ōtaki to North of Levin Highway</b></p>	<p>The development of the Ōtaki to North of Levin Highway will occur.</p>	<p>The Ōtaki to North of Levin Highway may not occur within the timeframe of the LTP.</p> <p>It may cost more or less to maintain the existing state highway once it is revoked and vested in Council.</p> <p>Level of uncertainty: Low to Moderate.</p>

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# Definitions and Interpretations



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# Definitions and Interpretations

## **Asset**

An asset is an item of value owned by the Council on behalf of the people of Horowhenua. Examples include bank accounts, amounts owing by debtors, roads, land, buildings, vehicles, computers, and the water, wastewater and stormwater networks.

## **Asset Management Plan (AMP)**

A plan developed for the management of one or more infrastructure assets that combines technical, financial and other techniques over the life of the asset to provide an agreed Level of Service to the Community at optimum cost.

## **Capital Expenditure**

Money spent with effect on the long-term rather than the short-term. Examples include to buy or build a new asset or to improve the potential of an existing asset. Capital Expenditure is generally expected to lead to a higher level of service to the community.

## **Capital Value**

This is the value of a piece of land plus any improvements that have been made to it such as the construction of a dwelling. For rating purposes, Council contracts Quotable Value New Zealand to assess the capital value of all properties every three years.

## **Community Outcomes**

These are statements which set out the outcomes that Council is working to achieve in meeting the current and future needs of the community, for good quality local infrastructure, local public services and performance of regulatory functions.

## **Community Plan**

A Community Plan is a “living document” that reflects the values, vision and direction of the Community in order to guide development towards a positive future. It provides a mechanism for collaboration between communities, Council and other agencies to implement improvements.

## **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.

## **Feasibility Study**

A feasibility study is an evaluation and analysis of a potential project. It aims to help determine whether a project is technically and/or financially feasible.

## **Financial Year**

Council’s financial year starts on 1 July in each year and ends on 30 June of the following year.

## **Funding Impact Statement**

An explanation of how Council's funding requirements are planned to be met through various mechanisms such as rates.

## **Governance**

The way that Council engages with the community, how it makes decisions and the way in which ratepayers and residents can influence these processes.

## **Infrastructure**

Assets that form physical links between, or within, communities. Examples include the roading network, water supply systems, wastewater disposal systems and stormwater drainage systems.

## **Land Value**

The value of land excluding any improvements (e.g. a dwelling). For rating purposes, Council contracts Quotable Value New Zealand to assess the land value of all properties every three years.

## **Level of Service (LoS)**

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

## **Liability**

Financial debts to third parties. Current liabilities are those due for payment within one financial year, and non-current liabilities are those due in the longer-term.

## **Long Term Plan (LTP)**

Council's key strategic planning document outlining the Council's financial situation as well as the Level of Service Council is committed to for the activities it undertakes and capital work programme for at least ten years.

## **Master Plan**

A master plan is a dynamic long-term planning document that provides a conceptual layout to guide future growth and development. Master planning is about making the connection between buildings, social settings, and their surrounding environments. A master plan generally includes analysis, recommendations, and proposals for a site's population, economy, housing, transportation, community facilities, and land use.

## **Operating Costs**

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

## **Performance Target**

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

## **Projected Financial Statement**

The 10 year plan for Council's revenue and expenditure, cash flows and borrowing.



## **Rates**

Property taxes collected by Council which help fund the services that the Council provides to the community.

## **Renewal Expenditure**

The cost of replacing components of existing assets to restore them to their original condition. For example the replacement of old water mains and the resealing of roads.

## **Revenue**

Council's income e.g. rates, dog registration fees, building permit fees, subsidies, rental income and interest on investments.

## **Separately Used or Inhabited Part (SUIP)**

Some of Council's targeted rates are set using SUIP's. Generally where there is more than one SUIP, each SUIP will attract a separate targeted rate set using fixed charges. Council's definition of a SUIP can be found in the Funding Impact Statement.

## **Significance**

The degree of importance of an issue, proposal, decision, or matter under consideration, as assessed by Council in terms of its likely impact on and likely consequences for the current and future wellbeing of the community.

## **Stormwater**

Surface water that runs off properties and roads.

## **Targeted Rates**

Any rate (other than a general rate) targeted at users or beneficiaries of a particular service. Targeted rates are used for solid waste, water supply, swimming pools, library, and representation and community leadership.

## **Uniform Annual General Charge (UAGC)**

A fixed-sum rate payable by all properties as part of their contribution to general rates. Council has chosen not to set a rate using a UAGC, instead opting to rate some targeted rates using Fixed Charges. There are statutory rules whereby the UAGC and Fixed Charges are set on contiguous properties – where two or more properties are next to each other, owned by the same ratepayer, used for a common purpose and provided they are vacant (i.e. do not contain a house defined under Council's definition of Separately Used or Inhabited Part of rating units). There is also a statutory limit of 30% of all rates on the use of UAGC's and Fixed Charges where they are set at the same amount across the District.

## **Wastewater**

The liquid and solid waste (i.e. sewage, grey water and trade waste) carried away from a property by drains.

