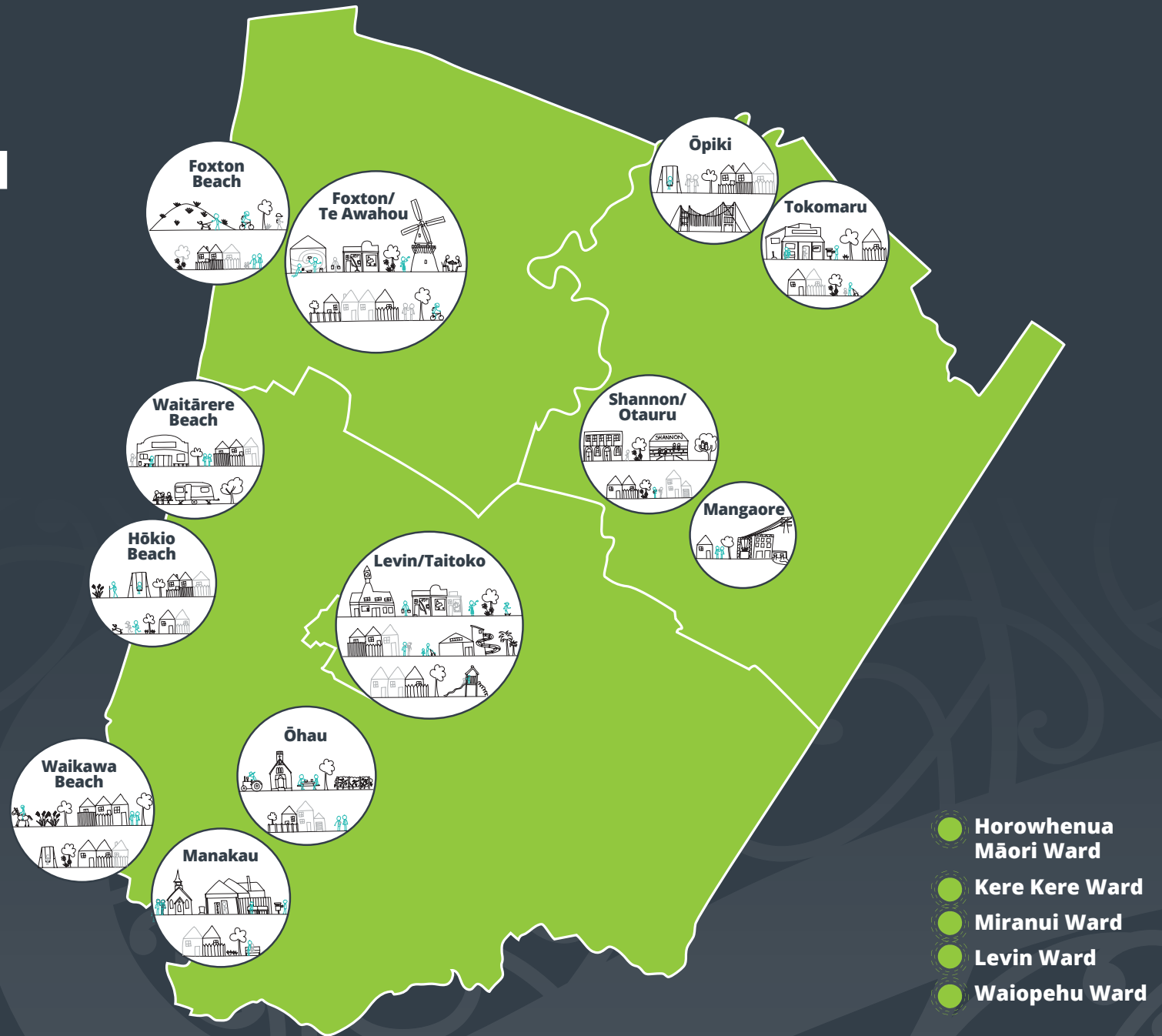




Long Term Plan 2021-2041 Amendment
Te Mahere Roa 2021-2041 Ngā Whakatikatanga

Welcome to our Long Term Plan 2021–2041 Amendment.



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Welcome to the Long Term Plan 2021-2041 Amendment

Council is pleased to present the Long Term Plan 2021-2041 Amendment which addresses critical issues facing our community.

We needed to decide the future of the Levin Landfill, and with community feedback and support, we have decided to close it and consider other uses for the site.

Our district needed more drinking water, as our supply was critically low at less than one day's supply. We needed to bring forward works on the Levin Wastewater Treatment Plan. We needed to make changes to reduce the impact of stormwater on the district's land and people's livelihoods. Council proposed to increase the budget to include these critical projects. We received community support for this proposal and Council has agreed to do this. This means the water supply will increase to 30 days, making a difference during the hot dry summer months as well as giving us more back-up if there's a natural disaster. There'll be more work across the district on reducing stormwater impacts. Our pipes will cope with our growing population.

Council also considered, and asked the community, whether how rates are shared could be fairer. As you'd expect, this was a big issue, and we received a lot of feedback during the consultation period and

in submissions. Council decided not to change, as while it brought benefits to many, there were significant impacts on others. Instead, Council will review the Rates Remission and Rates Review policies to see what changes can be made to assist those significantly impacted.

Throughout this process we held 22 consultation events, had 302 people come along in person and over 300 interactions on our Facebook Live sessions and other social media.

Thank you to everyone who got involved, we wanted to hear from you, and it has directly impacted the decisions made. It does make a difference!

We look forward to delivering on these decisions and continuing to provide you with the critical services for our community.



Introducing the Long Term Plan 2021-2041 Amendment

At the time of adopting the LTP 2021-2041 (LTP) Council was confident that the plan reflected the desires of the community and that it would set Horowhenua up for the best possible future. The LTP focused on delivering robust infrastructure, high-quality drinking water supply and funding infrastructure growth differently, so that the costs of growth were fairly distributed.

However, during 2022 it had become clear that Council needed to address several big issues to ensure water services our community expects, and relies on, could continue to be provided. Council had received new information and circumstances had changed which resulted in Council making the decision to amend the current LTP.

As an amendment, only specific parts have been amended. The scope of this amendment has been limited to the following key areas: The future of the Levin Landfill, key water projects, a rates review and Revenue and Financing Policy review.

Why an LTP Amendment was needed

With a combination of more frequent and more intense weather events big issues needed to be addressed as water assets reaching the end of their life and water infrastructure reaching and being pushed past capacity, while population growth continues as forecast.

During the development of past Long Terms Plans investment into our infrastructure has been pushed out to further years to keep rates lower and to manage debt. These decisions were also made because affordability for our community has been an issue Council has long been aware of. But all decisions are trade-offs, and in 2022 it had become clear Council needed to bring forward some of these planned works so Council can continue to provide the services our community expects.

The future of the Levin Landfill was decided through this LTP Amendment. Council made the decision to include this during the 23 November 2022 Council Meeting.

While Council is making these significant changes to the planned projects, affordability for the community remained front of mind. Many in our district are on low incomes and therefore struggle to pay rates. The cost of living has increased measurably, with further increases continuing.

There are many factors that Council is not able to control that set Council's required revenue such as insurance, interest rates, and inflation. Council does, however, have control over how the rates are distributed and so when adopting the LTP Council committed to a rating review. This was to look at how total rates are shared across the district's ratepayers and consider if these are distributed fairly and appropriately.

As rating models are agreed through LTP processes, this review has formed part of LTP Amendment. Throughout this process it has been acknowledged that whichever way the rates are shared, for example under the current method or a changed one, some will be impacted more than others.

With a Rates Review, deciding the future of the Levin Landfill and approach to key water infrastructure Council had big issues to address and that, given the impact of the issues, there would need to be some hard decisions made. These decisions could no longer be pushed out because Council needs to ensure the Horowhenua community receives the fundamental services they rely on daily.

Council considered different options for responding to and addressing these issues. Both what we heard from our community and what Council decided are set out on the following pages.

What you said and how Council responded

The draft Long Term Plan 2021-2041 Amendment and Annual Plan 2023/24 were out for consultation from 27 March 2023 to 1 May 2023.

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

New ways of engaging

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

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

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

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

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

Reach

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

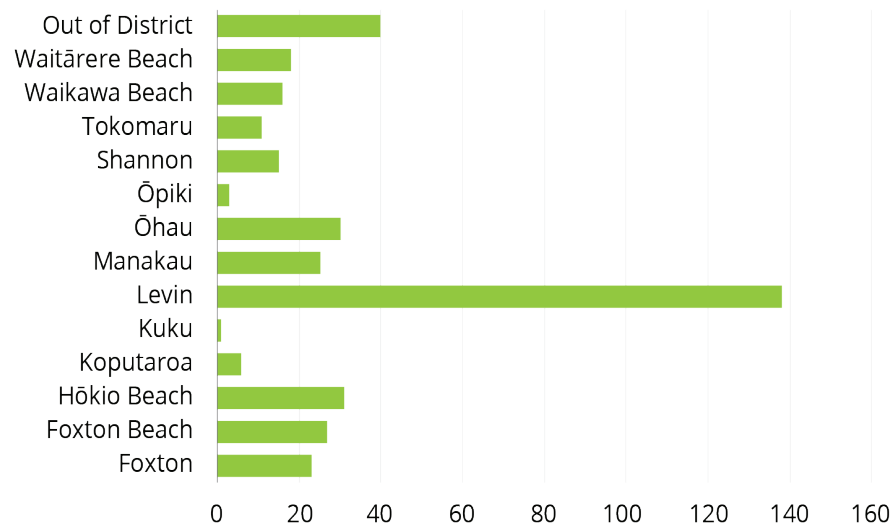
Throughout the consultation period, over 500 hardcopy submission forms were distributed and over 350 hardcopy consultation documents.

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

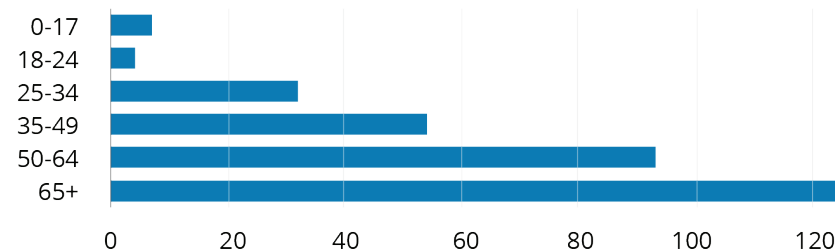
Submissions received

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

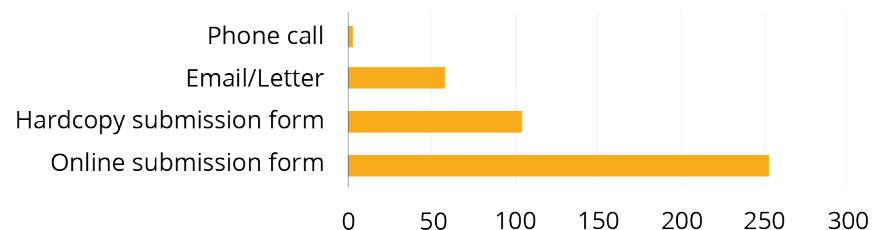
Submissions by Locations



Submissions by Age



Submissions by Source



Summary of Consultation Issues

Rates Review: A fairer distribution of rates

We asked the community

Which of these three options they prefer

- **Option 1** - Leave the rating system as it currently is.
- **Option 2** - Calculate general rate based on capital value.
- **Option 3** - Calculate general rate based on capital value, but include a rural differential.

Council identified Option 2 as the preferred option for consultation material.

What we heard

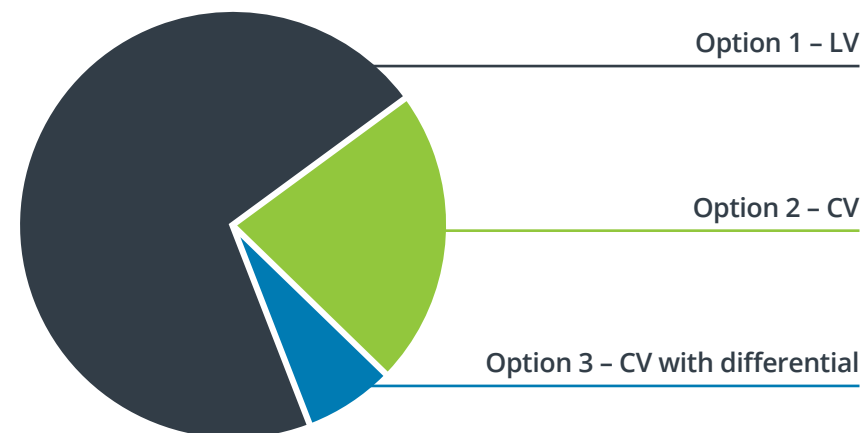
All ratepayers received a letter outlining the proposed change in rates and the drivers of the proposed rate increase. The proposed rates review did, as expected, create a significant amount of conversation in the community.

In total 332 submissions were received on the rates review topic.

- **Option 1** - Leave the rating system as it currently is supporters (235) cited affordability issues, many were rural ratepayers who said they receive few Council services and objected to paying more. Some said renters don't pay rates, so this measure isn't going to help low-income households. Others suggested support for financial hardship is needed if this option is chosen.
- **Option 2** - Calculate general rate based on capital value (74): Most supporting this option in formal submissions did not provide reasons. On social media there had been several comments unhappy that some would see lower rates with this proposal. That

may have influenced willingness to comment in support of this issue. A theme amongst those who did comment was the capital value was 'not perfect but fairer' than using land value.

- **Option 3** - Calculate general rate based on capital value, but include a rural differential (23). Those supporting this issue cited the same reasons as those for Option 1.



	Option 1 - LV	Option 2- CV	Option 3 - CV with differential
Rural Farming & Rural Lifestyle	138	48	12
Urban	67	19	8
Both	2	0	1
Not specified	23	7	2
Total	235	74	23

Future of the Levin Landfill

We asked the community which of these three options they prefer:

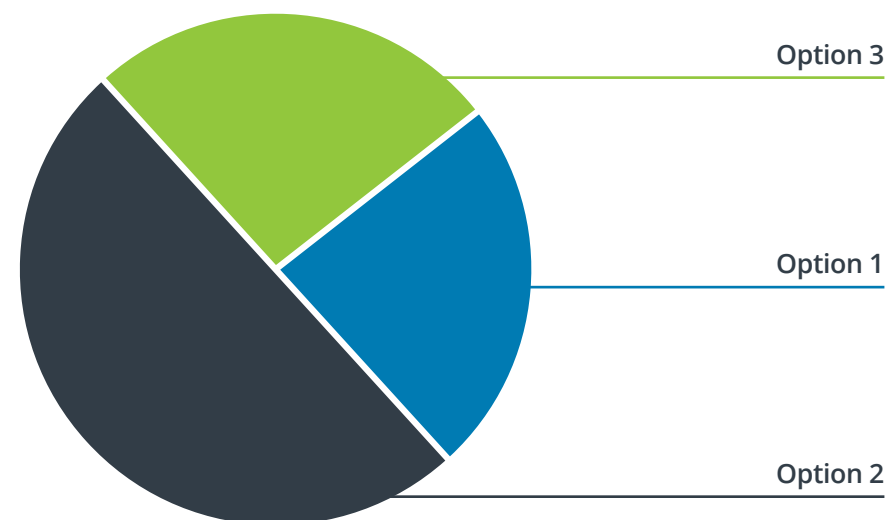
- Option 1 - Keep Levin Landfill closed with no alternative site use.
- Option 2 - Keep Levin Landfill closed with revenue generated from alternative site use determined through the Waste Management and Minimisation Plan (WMMP) development
- Option 3 - Reopen Levin Landfill until its consent expires in 2037

Council identified Option 2 as the preferred option for consultation material

What we heard

294 submissions were received on the Future of the Levin Landfill topic.

- Option 1 supporters (70) were concerned about the environmental impacts of the Landfill in particular as well as the social and cultural impacts. Submitters wanted the history of the site recognised, the land to be remediated and restored.
- Option 2 supporters (147) were also concerned about the environmental impacts. They were asked to rank five alternative uses in order of preference, with the option of including ideas not included. All ideas listed received support, with strongest support for the Native Plant Nursery – Hokio stream restoration, cleanfill and greenwaste composting, followed by local resource recovery and a recreational reserve.
- Option 3 supporters (77) were concerned that sending waste elsewhere was also bad for the environment, and a focus on waste minimisation is needed.



What Council decided and why

Council unanimously decided on Option 2: Keep Levin Landfill closed with revenue generated from alternative site use determined through the WMMP development. This will enable the land to be remediated and restored before any further use is made of the site. Council will engage with the community about potential uses of the site and over the next year will update the Waste Minimisation and Management Plan.

Key water infrastructure

We asked the community which of these four options they prefer

- Option 1 - Increase budget to deliver the projects we need
- Option 2 - Reduce programme of work to meet current budget
- Option 3 - Increase budget to deliver the projects we need excluding universal water metering for leak detection
- Option 4 - Reduce programme of work to meet current budget excluding universal water metering for leak detection.

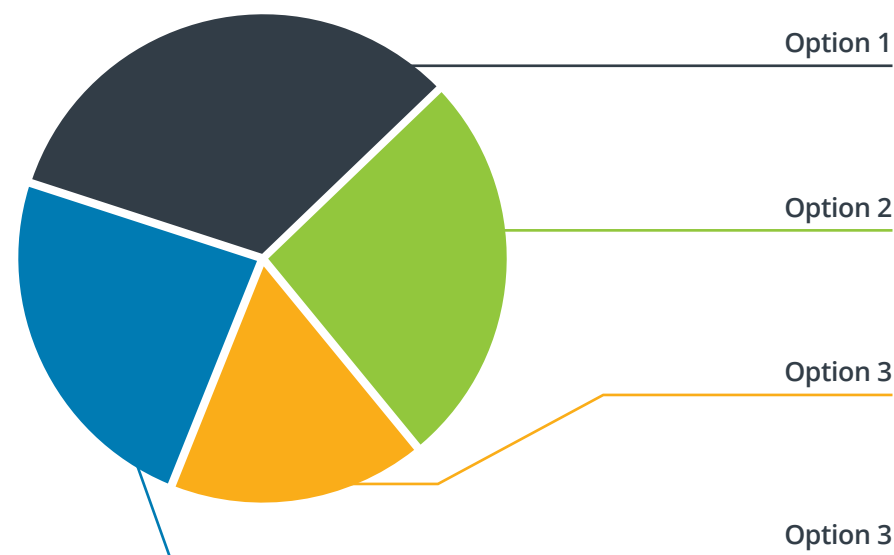
Council identified Option 1 as the preferred option for consultation material.

What we heard

A total of 259 submissions were received on the Key Water Infrastructure topic.

Option 1 supporters (85) agreed with the proposal to improve level of service and meet future demand, citing current storage and retention concerns. Support for the installation of universal water metering as a water demand management intervention was supported as necessary for leak detection and reduction to improve water conservation.

- Option 2 (68) supporters favoured reducing the programme of work to meet the current budget due to concerns about costs and said those not receiving water services should not pay for upgrades.
- Option 3 (44) supporters were concerned about those who may receive large water bills due to rates, others said it was council's fault and responsibility to fix.
- Option 4 (62) supporters commented on the Government's Three Waters Reform and fluoridation rather than Council's proposal.



What Council decided and why

Council agreed unanimously on Option 1, to bring forward the commencement of some key projects and increase the investment required. This will see an additional \$75m be spent over the next 10 years on three waters infrastructure to meet the demand needed, provide needed upgrades and improve resilience by increasing Levin's water storage capacity from less than one day to 30 days.

Development Contributions

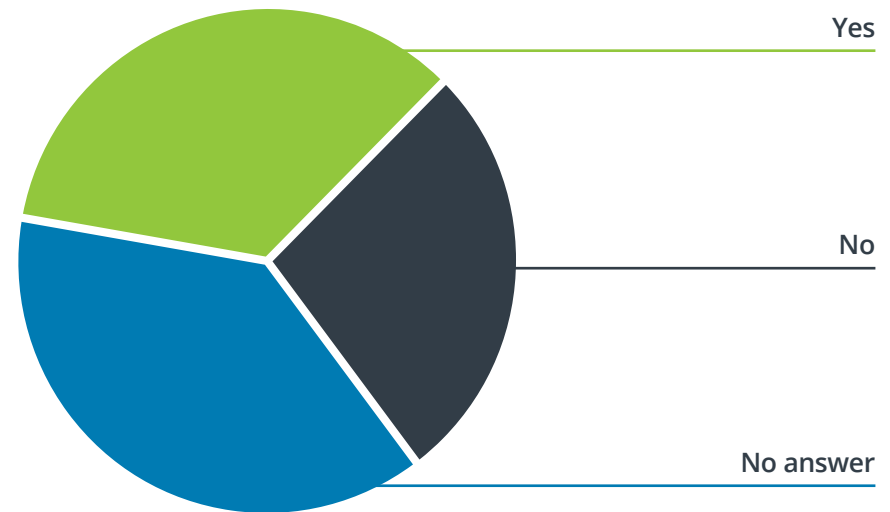
We asked the community whether they supported increased development contribution payments to help meet the increased costs of water infrastructure programme upgrade?

What we heard

A total of 259 submissions were received on the Development Contributions topic. Of those 145 were in favour of the proposal, with 114 submissions against the increase.

What Council decided and why

Council approve the increased Development Contributions and endorse the proposed changes to the Development Contributions Policy. This reflects the increased cost of servicing the district, and having those increasing the demand on the water infrastructure paying rather than the costs falling on ratepayers as a whole. This is in line with Council's approach in 2021, when the current policy was brought in.



Community Outcomes

Ngā Putanga Hapori



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



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



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



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



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

Activity Statements

Ngā Tauākī Mahi

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



Water Supply

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

What Water Supply involves:

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

Rationale for this Activity (why we do it):

Activity	Community Outcome	Council Role
Maintain a safe and reliable water supply for domestic and business activity use.	<p>Vibrant economy Providing a safe and reliable water supply is essential for supporting existing businesses and enabling new businesses to establish.</p> <p>‘Fit for purpose’ infrastructure Our water assets are maintained and developed to meet the current and future needs of the community. They support the ongoing growth of our community and are planned to reduce the risk from climate change and other natural hazards.</p>	Funder/Provider
Resource consents restricting water usage are monitored and adhered to through Water Demand Management.	<p>Outstanding environment We are continuously improving water leakage in our water networks and consumption through public education and Water Demand Management so that less water is required to be taken from bores and rivers.</p>	Funder/Provider
Deliver education to the Community to encourage sustainable use of the natural water resource.	<p>Outstanding environment We are encouraging the public to report leakages and advocate for sustainable use of water to reduce the volume of water required to be taken from bores and rivers.</p>	Provider/Advocate
The water supply is safe to drink.	<p>Strong Communities Providing safe drinking water supply for our community and meeting with NZ Drinking Water Standards. Safe water is essential for protecting the health and wellbeing of our community.</p>	Funder/Provider
There is adequate supply of water for firefighting.	<p>Strong Communities</p>	Funder/Provider

Providing sufficient water for firefighting for residential or up to FW3 level to protect our community. This provides a reliable supply of water in case of a fire emergency.

'Fit for purpose' infrastructure

There is sufficient capacity in our networks to provide up to FW3 level firefighting flow.

The water supply can be quickly restored following a natural disaster event.	<p>Strong communities Providing safe drinking water supply for our community is an essential part of ensuring community health and wellbeing.</p> <p>'Fit for purpose' infrastructure We are improving the resilience of our infrastructure so that it can be restored quickly in a natural disaster event.</p>	Funder/Provider
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How we measure our performance

Service	Community Outcomes	How will we measure our performance	Target 2022/23	Target 2023/24	Target 2024/41
Safe water supply*	Strong communities	Council's drinking water supply complies with: (a) MAV Table 1 ¹ of the Drinking Water Standards (bacteria compliance criteria) in Levin Shannon Foxton	1 1 1	1 1 1	1 1 1

		Foxton Beach	1	1	1
		Tokomaru	1	1	1
		(b) MAV Table 1 ¹ of the Drinking Water Standards (protozoa compliance criteria) in:			
		Levin	1	1	1
		Shannon	1	1	1
		Foxton	1	1	1
		Foxton Beach	1	1	1
		Tokomaru	1	1	1
		¹ Table 1: Maximum Allowable Value for Microbiological Determinands. New Drinking Water Standards under new water regulator, Taumata Arowai			
What does this tell me? This measure informs ratepayers and consumers on whether the water supplied is safe to drink. The New Zealand Drinking Water Standards, monitored by the Ministry of Health, provide a recognised standard for public safety.					
Drinking water that tastes and looks satisfactory*	Strong communities	The total number of complaints received about any of the following (expressed per 1000 connections):			
		Drinking water clarity;	1	1	1
		Drinking water taste;	1	1	1
		Drinking water odour;	1	1	1
		Drinking water pressure or flow;	1	1	1
			1	1	1

		Continuity of supply; and Council's response to any of these issues	1 ≤ 6	1 ≤ 6	1 ≤ 6
		Total:*			
What does this tell me? The number of complaints provides an indication of the quality of the service provided. This measure also provides information on problems requiring attention, such as the need for maintenance, repair, upgrading or new infrastructure.					
Response to faults*	Strong communities	The median time from the time that Council received notification, to the time that service personnel:			
	Fit for purpose Infrastructure	Reach the site for urgent call-outs;^	< 1 hour	< 1 hour	< 1 hour
		Confirm resolution of the fault or interruption of urgent call-outs;^	< 8 hours	< 8 hours	< 8 hours
		Reach the site for non-urgent callouts; and*^	< 3 days	< 3 days	< 3 days
		Confirm resolution of the fault or interruption of no-urgent call-outs.*^	< 3 days	< 3 days	< 3 days
What does this tell me? Households and businesses rely heavily on water, so it's important that we provide a timely response when something goes wrong. An urgent call-out is one when no water is being delivered. A non-urgent call-out is where there is still a supply of water.					
Firefighting needs are met	Strong communities	Percentage of sampled network where firefighting flows in urban residential areas meet the NZ Fire Service firefighting water supplies Code of Practice SZ 4509:2008.	≥ 80%	≥ 80%	≥ 80%
	Fit for purpose Infrastructure				

What does this tell me? The fire service requires a minimum pressure from a water network to effectively control fires. This measure indicates the adequacy of our water network for firefighting.					
Water supply has adequate flow and pressure	Strong communities Fit for purpose Infrastructure	Network supply pressure at the property boundary is not less than 250kPa for on demand connections and 150kPa for restricted flow connections.	Achieve	Achieve	Achieve
What does this tell me? The water in the supply network is maintained at positive pressure to ensure that water reaches all parts of the network, that a sufficient flow is available at every take-off point and to ensure that untreated water in the ground cannot enter the network. This measure is used to ensure that these objectives are met.					
Water supply is sustainable*	Strong communities Outstanding environment	Average consumption of drinking water per person per day (lpcd) within the water supply areas (target based on Horizons One Plan - Section 5.4.3.1). lpcd – litres per capita per day.	≤ 300 lpcd	≤ 300 lpcd	≤ 300 lpcd
What does this tell me? Careful water management ensures demand does not exceed capacity, that water is allocated efficiently, and that productivity is maximised. A system that treats and transfers less water maximises the value of existing infrastructure. It costs less to construct and maintain, uses fewer chemicals, and less energy. Where there is increasing demand for water, managing demand provides a means for a Community to defer investment in new water infrastructure through more efficient use of existing resources.					
Minimal water losses*	Outstanding environment	Percentage of real water loss from the network as measured by the standard World Bank Institute Band for Leakage.*	Band “B”	Band “B”	Band “B”
What does this tell me? Water lost from leaking pipes is a key indicator of the performance of our water network. High levels of water loss can show that the network is in poor condition or that it is being operated inefficiently. To reduce the amount of water lost from the network, we will continue with our programme to find and fix leaks. We use the World Bank Institute Band for leakage to calculate how much water is lost from the network. This uses a grading system ranked from Band “A to D”. Specifically Council’s target is Band “B” and represents potential for marked improvements; consider pressure					

management, better active leakage control practices, and better network maintenance. The Infrastructure Leakage Index (ILI) is used to categorise operational performance in real loss management into one of 4 Bands, which (for Developed Countries) are as shown in below:

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

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

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

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

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

Customer Satisfaction	Strong communities	Percentage of customers not dissatisfied with the service, based on the Annual Customer Satisfaction Survey.	≥ 84%	≥ 84%	≥ 84%
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What does this tell me? The percentage of satisfied customers gives us an indication of the quality of service we are providing.

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

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

Challenges Council face for Water Supply Activities

- A major challenge facing Council for its Water Supply Group of Activities is source of Water Supply for growth specifically in Levin.
- Aging infrastructure of water supply assets. Asset ageing affects reliability, maintenance costs, and overall performance. Council's response to ageing infrastructure is to increase renewal through investigations, collecting data and develop and implement targeted renewal programmes for the water supply networks and treatment plants.
- Achieving compliance with New Zealand Drinking Water Standards (Taumata Arowai) and the Horizons Regional Council's One Plan is also a challenge and is a major driver in capital expenditure as Council is required to increase some Levels of Service and to obtain and be compliant with 20 resource consents.
- An additional challenge for the District is water sustainability. Making sure the District's Communities have sufficient and safe drinking water is critical. There are quantity issues that need addressing to ensure Council can secure water supply to existing and future Communities.

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

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

Key Risks and Assumptions associated with this Activity

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

Capital Expenditure for Water Supply

Water Supply Project Primary Type- to replace existing assets	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Levin reticulation - Renewals	1,506	1,272	1,139	1,800	1,556	1,604	1,649	1,691	1,730	1,766	1,800
Foxton Water Reticulation - Renewals	97	450	424	810	425	438	451	462	473	483	492
Shannon Water Reticulation - Shannon - Mangaore Renewals	341	1,302	1,202	1,500	1,556	1,604	-	-	-	-	-
Foxton Beach treatment plant - Renewals	28	69	259	240	41	43	44	45	46	47	48
Levin Treatment Plant - Renewals	53	-	-	100	100	100	100	100	100	100	100
Shannon Water Treatment Plant - Renewals	133	360	293	300	52	53	55	56	58	59	60
Districtwide Water Reticulation - Reactive renewals	129	120	114	105	104	102	99	96	92	88	84
Tokomaru Water Treatment Plant - Renewals	101	100	100	500	31	32	33	34	35	35	36
Foxton Beach Water Reticulation - Renewals	165	252	450	550	207	214	220	225	231	235	240
Foxton Water Treatment Plant - Renewals	30	199	155	155	73	75	77	79	81	82	84
Levin Water Reticulation - Property renewals	-	14	15	38	39	41	42	43	44	45	46
Shannon Water Treatment Plant - Resource consent renewal	-	199	-	-	-	-	-	-	-	-	-
Levin Water Treatment Plant - Master plan & Strategic Upgrade	-	-	-	1,000	1,037	4,811	1,649	1,691	3,459	3,531	3,600
Districtwide Water Demand Management - Renewals	-	-	-	30	31	32	33	34	35	35	36

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Water Supply Project Primary Type- to replace existing assets
1,833	1,865	1,944	2,024	2,103	2,183	2,262	2,342	2,421	2,501	Levin reticulation - Renewals
501	510	531	553	575	597	618	640	662	683	Foxton Water Reticulation - Renewals
-	-	-	-	-	-	-	-	-	-	Shannon Water Reticulation - Shannon - Mangaore Renewals
49	50	52	54	56	58	60	62	65	67	Foxton Beach treatment plant - Renewals
100	100	100	100	100	100	100	100	100	100	Levin Treatment Plant - Renewals
61	62	65	67	70	73	75	78	81	83	Shannon Water Treatment Plant - Renewals
79	75	-	-	-	-	-	-	-	-	Districtwide Water Reticulation - Reactive renewals
37	37	39	40	42	44	45	47	48	50	Tokomaru Water Treatment Plant - Renewals
244	249	259	270	280	291	302	312	323	333	Foxton Beach Water Reticulation - Renewals
86	87	91	94	98	102	106	109	113	117	Foxton Water Treatment Plant - Renewals
46	47	49	51	53	55	57	59	61	63	Levin Water Reticulation - Property renewals
-	-	-	270	-	-	-	-	-	-	Shannon Water Treatment Plant - Resource consent renewal
3,666	-	-	-	-	-	-	-	-	-	Levin Water Treatment Plant - Master plan & Strategic Upgrade
37	37	39	40	42	44	45	47	48	50	Districtwide Water Demand Management - Renewals

Water Supply Project Primary Type- to replace existing assets	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Districtwide Water Demand Management - Universal water metering	-	-	-	50	2,074	2,138	2,198	-	-	-	-
Shannon Water Treatment Plant - Strategic upgrade	-	-	-	-	-	-	-	225	2,306	-	-
Shannon Water Treatment Plant - Intake resilience	-	-	-	-	259	-	-	-	-	-	-
Foxtan Water Treatment Plant - Strategic upgrade	-	-	-	-	-	-	-	-	577	589	-
Foxtan Beach Water Treatment Plant - Strategic Upgrade	-	-	-	-	-	-	-	-	1,153	-	-
Mangaore Reservoir - Planned renewal	-	-	-	-	-	-	-	-	-	-	60
Tokomaru Water Treatment Plant - Strategic upgrade	-	-	-	50	156	-	-	-	-	-	480
Tokomaru Water Treatment Plant Reservoir - Planned renewal	-	-	-	-	-	-	-	-	-	-	300
Foxtan Water Treatment Plant - Resource consents expiring 2038	-	-	-	-	-	-	-	-	-	-	-
Condition assessment for renewals - Water Supply	33	-	-	-	-	-	-	-	-	-	-
Firefighting reservoir capacity increase - tanks (Waitārere Beach/Waikawa/Hōkio Beach)	-	125	-	-	-	-	-	-	-	-	-
Levin Water Treatment Plant - Fluoridation upgrade	-	-	-	980	-	-	-	-	-	-	-
Total renewals	2,616	4,462	4,152	8,208	7,741	11,287	6,650	4,781	10,420	7,095	7,466

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Water Supply Project Primary Type- to replace existing assets
-	-	-	-	-	-	-	-	-	-	Districtwide Water Demand Management - Universal water metering
-	-	-	-	-	-	-	-	-	-	Shannon Water Treatment Plant - Strategic upgrade
-	-	-	-	-	-	-	-	-	-	Shannon Water Treatment Plant - Intake resilience
-	-	-	-	-	-	-	-	-	-	Foxton Water Treatment Plant - Strategic upgrade
-	-	-	-	-	-	-	-	-	-	Foxton Beach Water Treatment Plant - Strategic Upgrade
-	-	-	-	-	-	-	-	-	-	Mangaore Reservoir - Planned renewal
-	-	-	-	-	-	-	-	-	-	Tokomaru Water Treatment Plant - Strategic upgrade
-	-	-	-	-	-	-	-	-	-	Tokomaru Water Treatment Plant Reservoir - Planned renewal
153	124	65	67	140	146	-	-	-	-	Foxton Water Treatment Plant - Resource consents expiring 2038
-	-	-	-	-	-	-	-	-	-	Condition assessment for renewals - Water Supply
-	-	-	-	-	-	-	-	-	-	Firefighting reservoir capacity increase - tanks (Waitārere Beach/Waikawa/Hōkio Beach)
-	-	-	-	-	-	-	-	-	-	Levin Water Treatment Plant - Fluoridation upgrade
6,892	3,243	3,234	3,630	3,559	3,693	3,670	3,796	3,922	4,047	Total renewals

Water Supply Project Primary Type- to improve the level of Service	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Hydraulic Modelling - Water Supply	25	-	-	-	-	-	-	-	-	-	-
New Water Connections Foxton	5	-	-	-	-	-	-	-	-	-	-
New Water Connections Foxton Beach	5	-	-	-	-	-	-	-	-	-	-
New Water Connections Levin	20	-	-	-	-	-	-	-	-	-	-
New Water Connections Shannon	1	-	-	-	-	-	-	-	-	-	-
Districtwide - Marae water treatment assessment & upgrade	-	259	-	-	-	-	-	-	-	-	-
Total level of service	56	259	-	-	-	-	-	-	-	-	-

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Water Supply Project Primary Type- to improve the level of Service
-	-	-	-	-	-	-	-	-	-	Hydraulic Modelling - Water Supply
-	-	-	-	-	-	-	-	-	-	New Water Connections Foxton
-	-	-	-	-	-	-	-	-	-	New Water Connections Foxton Beach
-	-	-	-	-	-	-	-	-	-	New Water Connections Levin
-	-	-	-	-	-	-	-	-	-	New Water Connections Shannon
-	-	-	-	-	-	-	-	-	-	Districtwide - Marae water treatment assessing & upgrade
-	-	-	-	-	-	-	-	-	-	Total level of service

Water Supply Projects Primary Type- to meet additional demand	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Levin Water Reticulation - Growth area	874	530	-	-	-	-	132	1,691	1,165	1,589	1,260
Ōhau future water supply services option	-	-	-	-	-	-	-	-	-	29	240
Waitārere Beach Water Reticulation - Future water supply services option	-	-	-	-	-	-	-	-	-	-	-
Tara-Ika - WS 300dia Central Trunk Main	-	-	-	1,067	-	-	-	-	-	-	-
Levin Water Treatment Plant - Poads Rd Source Water Reservoir	-	200	-	1,000	3,111	16,035	16,485	-	-	-	-
Levin Water Treatment Plant - resilience (secondary pipeline from River to WTP)	-	386	379	-	789	-	-	-	-	-	-
Tara-Ika - Water Reticulation	-	-	2,381	-	-	-	-	-	-	-	-
Total growth	874	1,116	2,757	2,067	3,900	16,035	16,617	1,691	1,165	1,618	1,500

Total Water Supply Projects by Type	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Growth	874	1,420	3,077	2,799	4,381	16,530	17,125	2,210	1,695	2,150	1,978
Level of Service	56	517	188	-	-	-	-	-	-	9	72
Renewals	2,616	3,899	3,644	7,476	7,259	10,790	6,140	4,261	9,887	6,555	6,916
Total Water Supply Projects	3,546	5,836	6,909	10,275	11,641	27,320	23,265	6,471	11,582	8,713	8,966

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Water Supply Projects Primary Type- to meet additional demand
1,283	1,896	1,976	-	-	-	-	-	-	-	Levin Water Reticulation - Growth area
3,055	3,729	3,888	4,047	-	-	-	-	-	-	Ōhau future water supply services option
-	-	32	270	4,206	4,365	4,524	4,683	4,842	-	Waitārere Beach Water Reticulation - Future water supply services option
-	-	-	-	-	-	-	-	-	-	Tara-Ika - WS 300dia Central Trunk Main
-	-	-	-	-	-	-	-	-	-	Levin Water Treatment Plant - Poads Rd Source Water Reservoir
-	-	-	-	-	-	-	-	-	-	Levin Water Treatment Plant - resilience (secondary pipeline from River to WTP)
-	-	-	-	-	-	-	-	-	-	Tara-Ika - Water Reticulation
4,338	5,625	5,896	4,317	4,206	4,365	4,524	4,683	4,842	-	Total growth

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Total Water Supply Projects by Type
4,011	5,098	5,309	3,634	3,595	3,731	3,836	3,971	4,106	740	Growth
947	1,144	1,189	1,362	1,290	1,339	1,357	1,405	1,453	-	Level of Service
6,272	2,626	2,632	2,952	2,882	2,987	3,001	3,103	3,205	3,307	Renewals
11,230	8,867	9,131	7,948	7,766	8,056	8,195	8,479	8,764	4,047	Total Water Supply Projects

Funding impact statement for Water Supply

Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Water Supply Group of Activities	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Sources of Operating Funding											
General rates, uniform annual general charges, rates penalties	-	-	-	-	-	-	-	-	-	-	-
Targeted rates	6,600	7,165	7,457	6,833	8,105	9,829	12,658	15,415	17,731	19,025	19,803
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	128	62	64	94	68	71	73	74	76	78	79
Local authorities fuel tax, fines, infringement fees, and other receipts	-	128	147	-	-	-	-	-	-	-	-
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Total Operating Funding (A)	6,728	7,355	7,668	6,927	8,173	9,900	12,731	15,489	17,807	19,103	19,882
Applications of Operating Funding											
Payments to staff and suppliers	3,114	3,805	3,856	3,798	4,317	3,948	4,057	4,165	4,264	4,361	4,442
Finance costs	523	471	423	555	342	359	715	966	1,135	1,283	1,335
Internal charges and overheads applied	747	852	870	1,054	1,084	1,109	1,138	1,160	1,181	1,194	1,211
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	4,384	5,128	5,149	5,407	5,743	5,416	5,910	6,291	6,580	6,838	6,988
Surplus (deficit) of operating funding (A-B)	2,344	2,227	2,519	1,520	2,430	4,484	6,821	9,198	11,227	12,265	12,894
Sources of capital funding											
Subsidies and grants for capital expenditure	-	1,254	1,769	980	-	-	-	-	-	-	-
Development and financial contributions	-	220	296	296	905	933	959	983	1,006	1,027	1,047

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Water Supply Group of Activities
										Sources of Operating Funding
-	-	-	-	-	-	-	-	-	-	General rates, uniform annual general charges, rates penalties
21,089	21,775	21,140	22,016	21,672	20,796	23,458	21,036	20,612	23,795	Targeted rates
-	-	-	-	-	-	-	-	-	-	Subsidies and grants for operating purposes
81	82	86	89	93	96	100	103	107	110	Fees and charges
-	-	-	-	-	-	-	-	-	-	Local authorities fuel tax, fines, infringement fees, and other receipts
-	-	-	-	-	-	-	-	-	-	Internal charges and overheads recovered
21,170	21,857	21,226	22,105	21,765	20,892	23,558	21,139	20,719	23,905	Total Operating Funding (A)
										Applications of Operating Funding
4,521	4,596	4,793	4,987	5,184	5,381	5,578	5,775	5,973	6,169	Payments to staff and suppliers
1,389	1,388	1,343	1,277	1,066	760	402	39	(253)	(717)	Finance costs
1,231	1,256	1,280	1,307	1,333	1,359	1,385	1,410	1,436	1,464	Internal charges and overheads applied
-	-	-	-	-	-	-	-	-	-	Other operating funding applications
7,141	7,240	7,416	7,571	7,583	7,500	7,365	7,224	7,156	6,916	Total applications of operating funding (B)
14,029	14,617	13,810	14,534	14,182	13,392	16,193	13,915	13,563	16,989	Surplus (deficit) of operating funding (A-B)
										Sources of capital funding
-	-	-	-	-	-	-	-	-	-	Subsidies and grants for capital expenditure
1,066	1,085	1,131	1,177	1,223	1,270	1,316	1,362	1,408	1,455	Development and financial contributions

Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Water Supply Group of Activities	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Increase (decrease) in debt	1,388	1,912	2,014	(8,335)	(6,074)	6,836	8,974	2,210	5,267	1,341	944
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	1,388	3,386	4,079	(7,059)	(5,169)	7,769	9,933	3,193	6,273	2,368	1,991
Applications of capital funding											
Capital expenditure											
- to meet additional demand	874	1,420	3,077	2,799	4,381	16,530	17,125	2,210	1,695	2,150	1,978
- to improve the level of service	56	517	188	-	-	-	-	-	-	9	72
- to replace existing assets	2,616	3,899	3,644	7,476	7,259	10,790	6,140	4,261	9,887	6,555	6,916
Increase (decrease) in reserves	186	(223)	(311)	(15,814)	(14,379)	(15,067)	(6,511)	5,920	5,918	5,919	5,919
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	3,732	5,613	6,598	(5,539)	(2,739)	12,253	16,754	12,391	17,500	14,633	14,885
Surplus (deficit) of capital funding (C-D)	(2,344)	(2,227)	(2,519)	(1,520)	(2,430)	(4,484)	(6,821)	(9,198)	(11,227)	(12,265)	(12,894)
Funding Balance ((A-B) +(C-D))	-	-	-	-	-	-	-	-	-	-	-
Depreciation	2,742	3,338	4,035	4,078	4,205	4,701	4,616	4,855	5,374	5,066	5,164

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Water Supply Group of Activities
1,462	(1,509)	(483)	(2,435)	(6,975)	(6,604)	(9,313)	(6,795)	(6,206)	(14,397)	Increase (decrease) in debt
-	-	-	-	-	-	-	-	-	-	Gross proceeds from sale of assets
-	-	-	-	-	-	-	-	-	-	Lump sum contributions
-	-	-	-	-	-	-	-	-	-	Other dedicated capital funding
2,528	(424)	648	(1,258)	(5,752)	(5,334)	(7,997)	(5,433)	(4,798)	(12,942)	Total sources of capital funding (C)
										Applications of capital funding
										Capital expenditure
4,011	5,309	3,634	3,595	3,731	3,836	3,971	4,106	740	-	- to meet additional demand
947	1,189	1,362	1,290	1,339	1,357	1,405	1,453	-	-	- to improve the level of service
6,272	2,632	2,952	2,882	2,987	3,001	3,103	3,205	3,307	-	- to replace existing assets
5,327	5,063	6,510	5,509	373	(136)	(283)	(282)	4,718	4,047	Increase (decrease) in reserves
-	-	-	-	-	-	-	-	-	-	Increase (decrease) of investments
16,557	14,193	14,458	13,276	8,430	8,058	8,196	8,482	8,765	4,047	Total applications of capital funding (D)
(14,029)	(14,617)	(13,810)	(14,534)	(14,182)	(13,392)	(16,193)	(13,915)	(13,563)	(16,989)	Surplus (deficit) of capital funding (C-D)
-	-	-	-	-	-	-	-	-	-	Funding Balance ((A-B) +(C-D))
5,648	5,398	5,512	6,167	5,726	5,826	6,872	6,030	6,135	7,236	Depreciation

Activity Expenditure for Water Supply

Activity Operating Expenditure Including depreciation	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Levin Water Supply	3,873	4,693	5,082	5,294	5,347	5,214	5,663	6,265	6,835	6,806	7,045
Shannon Water Supply	793	975	1,065	1,199	1,330	1,475	1,485	1,478	1,565	1,568	1,542
Ōhau Water Supply	12	67	68	66	65	67	61	58	59	52	54
Foxton Water Supply	1,076	1,222	1,327	1,269	1,428	1,503	1,493	1,516	1,588	1,587	1,615
Foxton Beach Water Supply	862	959	1,064	1,024	1,096	1,147	1,117	1,118	1,178	1,177	1,164
Tokomaru Water Supply	497	529	560	617	664	693	688	693	709	696	714
Waitārere Beach Water Supply	12	20	18	16	17	18	18	18	19	19	19
Total Expenditure	7,125	8,465	9,184	9,485	9,947	10,117	10,525	11,146	11,953	11,905	12,153

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Activity Operating Expenditure Including depreciation
7,491	7,318	7,370	7,750	7,255	7,017	7,341	6,460	6,220	6,550	Levin Water Supply
1,554	1,481	1,466	1,507	1,444	1,428	1,498	1,391	1,379	1,454	Shannon Water Supply
131	312	520	751	855	835	850	791	773	790	Ōhau Water Supply
1,662	1,640	1,675	1,758	1,736	1,774	1,901	1,832	1,864	1,992	Foxton Water Supply
1,183	1,131	1,130	1,173	1,122	1,121	1,196	1,113	1,116	1,198	Foxton Beach Water Supply
749	735	745	770	764	775	810	794	806	842	Tokomaru Water Supply
20	20	21	29	133	376	641	875	1,132	1,325	Waitārere Beach Water Supply
12,790	12,637	12,927	13,738	13,309	13,326	14,237	13,256	13,290	14,151	Total Expenditure

Wastewater Treatment

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

What Wastewater Treatment involves:

- The collection, transportation, treatment and discharge of treated effluent and trade waste from residential, commercial and industrial properties in Levin, Foxton, Foxton Beach, Shannon, Mangaore, Tokomaru and Waitārere Beach¹.
- Maintenance and extension to Council's wastewater systems including; pipes, pumping stations, wastewater treatment plants and discharge facilities.
- Meeting resource consent requirements for the discharge of treated wastewater.
- Responding to and resolving (if possible) customer complaints relating to the Wastewater Activity.
- Incorporate new environmental requirements (national regulatory driver) in our new infrastructure plans.

Rationale for this Activity (why we do it)

Activity	Community Outcome	Council Role
Maintain the safe collection, treatment, and disposal of wastewater produced by residential and business activities.	Vibrant economy Providing a safe collection and treatment of wastewater is essential for supporting existing businesses and enabling new businesses to establish. 'Fit for purpose' infrastructure Our wastewater assets are maintained and developed to meet the current and future needs of our community. They support the ongoing growth of our community and are planned to reduce the risk from climate change and other natural hazards.	Funder/Provider

¹ Council does not provide a wastewater disposal service for Waikawa Beach, Hōkio Beach, Manakau and Ōhau.

Resource consent conditions on the quality of discharges are met.	Outstanding environment Making sure that wastewater treatment plants are designed to incorporate resource consent requirements, operated and monitored to meet resource consent conditions to ensure the quality of discharges are met.	Funder/Provider
The collection network is reliable and has minimal blockages or overflows.	'Fit for purpose' infrastructure We are improving the resilience of our infrastructure so that it can be restored quickly in a natural disaster event. Outstanding environment Our infrastructure is resilient during wet-weather events and has minimal impact on environment by ensuring overflows or blockages are reduced.	Funder/Provider

How we will measure our performance

Service	Community Outcomes	How we will measure our performance	Target 2022/23	Target 2023/24	Target 2024/41
Reliable wastewater collection and disposal*	Outstanding environment and Fit for purpose infrastructure	The number of dry weather wastewater overflows from the wastewater system per 1000 connections.*	≤ 2	≤ 2	≤ 2
What does this tell me? This measure provides information on whether the wastewater system is designed to an adequate standard and is being maintained in a way that minimises harm to the Community. Overflows are when wastewater escapes the wastewater system and enters the environment.					
Council provides a good response to wastewater system faults reported*		The median time (hrs) from the time that Council receives a notification, to the	< 1 hour	< 1 hour	< 1 hour

		<p>time that services personnel reach the site in responding to an overflow resulting from a wastewater blockage or other fault. *</p> <p>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. *</p>	< 12 hours	< 12 hours	< 12 hours
What does this tell me? This measure shows how quickly we respond when there is a problem with the sewerage system, and how quickly the problem is resolved.					
The service is satisfactory*	Fit for purpose infrastructure	<p>The total number of complaints received (expressed per 1000 connections to the wastewater system) regarding: Wastewater odour; Wastewater systems faults; Wastewater system blockages; and Council's response to issues with its wastewater system.</p>	<p><4</p> <p><6</p> <p><8</p> <p><4</p>	<p><3</p> <p><6</p> <p><8</p> <p><3</p>	<p><3</p> <p><6</p> <p><8</p> <p><3</p>

		Total number of complaints received about any of the above. *	<22	<20	<20
		Percentage of customers not dissatisfied with the service, based on the Annual Customer Satisfaction Survey	≥84%	≥84%	≥84%
What does this tell me? The number of complaints provides an indication of the quality of the service provided. This measure also provides information on problems requiring attention, such as the need for maintenance, renewals, upgrades, or new infrastructure.					
Safe disposal of wastewater*	Outstanding environment	The number of Abatement Notices; Infringement Notices; Enforcement Orders; and Convictions received by Council in relation to Horizons Regional Council resource consents for discharge from its wastewater system. *	0	0	0
			0	0	0
			0	0	0
			0	0	0
What does this tell me? This measure indicates how well we are managing the environmental impacts of the District's wastewater system. It only includes formal actions taken, as they represent incidents that may have the greatest adverse impact on the environment.					

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

Challenges Council faces for Wastewater Activities

- A major challenge facing Council regarding its Wastewater Activities is the increasing age of Council's wastewater assets especially within Levin reticulation and treatment plant. Asset ageing affects reliability of asset, increased maintenance costs, and overall performance of assets would be lower. Poor pipe condition is a major cause of groundwater infiltration which adds unnecessary volume to the amount of wastewater collected during wet weather events. The response to asset ageing is to increase carefully targeted renewal programmes for the wastewater collection networks and treatment plants.
- Meeting with growth demand. Anticipated growth is leading to increased residential, commercial and industrial demand. We plan to start undertaking a strategic upgrade six year staged programme (taking a long-term view) on wastewater treatment activity focusing in Levin area. This takes into account legislative framework (Freshwater National Policy Statement, Plan Change), projected growth and climate change.
- Resource consent process and complying with consent conditions, is another challenge faced by Council for this Group of Activities. It can be expensive, particularly with increased expectations from the public, stakeholder groups and tighten regularity framework.

Significant negative effects on the social, cultural, economic and environmental wellbeing of the local community associated with Wastewater Activities

- A significant negative effect associated with this Group of Activities is the long-term effect of discharge of treated wastewater to the receiving environments which includes land and watercourses throughout the District. This effect is mitigated by meeting the standards of treatment required by Horizons Regional Council. As these standards increase in the future, Council will need to obtain further significant capital expenditure.
- Another significant negative effect of Council's Wastewater Activities is unintentional overflows of untreated wastewater from the collection system to private property, public land, or watercourses during heavy rain events. This is mitigated by a regime of pipe and pump inspections and maintenance. We also plan to increase resilience programme and data monitoring for pump stations especially for critical pump stations.

Key Risks and Assumptions associated with Wastewater Activities

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

Capital Expenditure for Wastewater

Wastewater Project Primary Type- to replace existing assets	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Foxton wastewater treatment plant - Planned renewals	18	46	52	52	56	60	64	68	71	75	79
Shannon wastewater treatment plant - Planned renewals	174	205	175	195	47	48	709	51	52	53	54
Tokomaru wastewater treatment plant - Planned renewals	23	36	36	36	38	41	43	45	47	49	52
Waitarere Beach wastewater treatment plant - Planned renewals	94	90	104	100	104	107	659	113	115	118	120
Levin - Reticulation renewals	737	1,956	1,553	2,601	1,037	1,069	1,099	1,127	1,153	1,177	1,200
Districtwide - Reticulation unplanned renewals	165	160	164	154	160	165	169	174	178	181	185
Levin wastewater treatment plant - Renewals	1,423	1,750	1,449	1,100	259	267	275	282	288	294	300
Waitarere Beach wastewater treatment plant - Strategic upgrade	18	-	-	-	-	-	-	-	-	-	-
Foxton Wastewater Treatment Plant - Pond Desludge	374	-	-	-	-	-	934	-	-	-	-
Foxton Beach wastewater treatment plant - Planned renewals	47	66	60	76	71	73	75	651	78	80	82
Tokomaru wastewater - treated effluent disposal options & consents	-	120	697	-	-	-	-	-	-	-	-
Foxton Beach - Reticulation renewals	100	330	450	455	57	59	60	62	63	65	66
Foxton Reticulation Renewals	-	330	311	300	311	321	330	338	346	353	360
Wastewater property renewals	-	4	5	4	21	21	22	23	23	24	24
Districtwide Wastewater - De-watered Sludge strategy	-	-	-	40	-	-	-	-	-	-	-

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Wastewater Project Primary Type- to replace existing assets
83	87	91	97	104	108	112	116	119	123	Foxton wastewater treatment plant - Planned renewals
55	56	58	61	63	1,084	68	70	73	75	Shannon wastewater treatment plant - Planned renewals
54	56	60	63	67	71	75	80	86	92	Tokomaru wastewater treatment plant - Planned renewals
122	124	130	944	140	146	151	156	161	167	Waitārere Beach wastewater treatment plant - Planned renewals
1,222	1,243	1,296	1,349	1,402	1,455	1,508	1,561	1,614	1,667	Levin - Reticulation renewals
188	191	200	208	216	224	232	240	249	257	Districtwide - Reticulation unplanned renewals
306	311	324	337	351	364	377	390	404	417	Levin wastewater treatment plant - Renewals
-	-	-	-	-	-	-	-	-	-	Waitārere Beach wastewater treatment plant - Strategic upgrade
-	-	1,231	-	-	-	-	-	-	-	Foxton Wastewater Treatment Plant - Pond Desludge
83	85	88	934	95	99	103	106	110	113	Foxton Beach wastewater treatment plant - Planned renewals
-	-	-	-	-	-	-	-	-	-	Tokomaru wastewater - treated effluent disposal options & consents
67	68	71	74	77	80	83	86	89	92	Foxton Beach - Reticulation renewals
367	373	389	405	421	437	452	468	484	500	Foxton Reticulation Renewals
24	25	26	27	28	29	30	31	32	33	Wastewater property renewals
-	-	-	-	-	-	-	-	-	-	Districtwide Wastewater - De-watered Sludge strategy

Wastewater Project Primary Type- to replace existing assets	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Districtwide Wastewater - Stakeholder engagement	-	-	-	-	16	16	16	17	17	18	18
Foxton Wastewater Treatment Plant - Discharge expansion (existing property)	-	-	-	-	-	428	659	564	-	-	-
Foxton Wastewater Treatment Plant - Discharge expansion (additional property)	-	-	-	-	-	-	-	564	807	353	-
Foxton Wastewater Treatment Plant - Treatment upgrade	-	-	-	-	104	-	220	1,127	577	235	-
Foxton Wastewater Treatment Plant - Compliance management	-	-	-	-	156	160	-	-	-	-	-
Foxton Beach Wastewater Treatment Plant - Treatment upgrade	-	-	-	-	-	160	330	902	2,248	1,295	240
Foxton Beach Wastewater Treatment Plant - Treatment upgrade	-	-	-	-	-	-	-	-	-	-	-
Foxton Beach Wastewater Treatment Plant - Additional discharge/new	-	-	-	-	-	-	-	-	346	942	1,200
Shannon Wastewater Treatment Plant - Treatment upgrade	-	-	-	-	-	-	-	225	231	-	-
Levin Wastewater Treatment Plant - Irrigation expansion on Tucker (1,500k)	-	-	-	-	311	535	769	-	-	-	-
Levin Wastewater Treatment Plant - Irrigation expansion (30,000k)	-	-	-	-	-	-	-	-	2,883	2,943	2,400
Condition assessment for renewals - Wastewater	64	-	45	-	-	-	-	-	-	-	-

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Wastewater Project Primary Type- to replace existing assets
18	19	19	20	21	22	23	23	24	25	Districtwide Wastewater - Stakeholder engagement
-	-	-	-	-	-	-	-	-	-	Foxton Wastewater Treatment Plant - Discharge expansion (existing property)
-	-	-	-	-	-	-	-	-	-	Foxton Wastewater Treatment Plant - Discharge expansion (additional property)
-	-	-	-	-	-	-	-	-	-	Foxton Wastewater Treatment Plant - Treatment upgrade
-	-	-	-	-	-	-	-	-	-	Foxton Wastewater Treatment Plant - Compliance management
-	-	-	-	-	-	-	-	-	-	Foxton Beach Wastewater Treatment Plant - Treatment upgrade
-	-	-	-	-	-	-	-	-	-	Foxton Beach Wastewater Treatment Plant - Treatment upgrade
611	497	-	-	-	-	-	-	-	-	Foxton Beach Wastewater Treatment Plant - Additional discharge/new
-	-	-	-	-	-	-	-	-	-	Shannon Wastewater Treatment Plant - Treatment upgrade
-	-	-	-	-	-	-	-	-	-	Levin Wastewater Treatment Plant - Irrigation expansion on Tucker (1,500k)
-	622	3,240	3,373	981	-	-	-	-	-	Levin Wastewater Treatment Plant - Irrigation expansion (30,000k)
-	-	-	-	-	-	-	-	-	-	Condition assessment for renewals - Wastewater

Wastewater Project Primary Type- to replace existing assets	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Foxton Beach Wastewater Treatment Plant - Strategic	77	-	-	-	-	-	-	-	-	-	-
Foxton Wastewater Treatment Plant - Unplanned renewals	19	-	-	-	-	-	-	-	-	-	-
Levin Wastewater Treatment Plant - Unplanned renewals	95	-	-	-	-	-	-	-	-	-	-
Shannon Wastewater Treatment Plant - Unplanned renewals	25	-	-	-	-	-	-	-	-	-	-
Tokomaru Wastewater Treatment Plant - Unplanned renewals	6	-	-	-	-	-	-	-	-	-	-
Waitārere wastewater treatment plant - Unplanned renewals	9	-	-	-	-	-	-	-	-	-	-
Shannon reticulation - Infiltration&Inflow	-	150	-	-	-	-	-	-	-	-	-
Tokomaru reticulation - Infiltration&Inflow	-	150	-	-	-	-	-	-	-	-	-
Tara-Ika - Wastewater - Queen - North South to School Site	-	-	-	1,166	-	-	-	-	-	-	-
Tara-Ika - Wastewater Network Growth Upgrade	-	-	-	2,683	-	-	-	-	-	-	-
Total renewal	3,468	5,393	5,099	8,962	2,748	3,530	6,433	6,333	9,523	8,255	6,380

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Wastewater Project Primary Type- to replace existing assets
-	-	-	-	-	-	-	-	-	-	Foxton Beach Wastewater Treatment Plant - Strategic
-	-	-	-	-	-	-	-	-	-	Foxton Wastewater Treatment Plant - Unplanned renewals
-	-	-	-	-	-	-	-	-	-	Levin Wastewater Treatment Plant - Unplanned renewals
-	-	-	-	-	-	-	-	-	-	Shannon Wastewater Treatment Plant - Unplanned renewals
-	-	-	-	-	-	-	-	-	-	Tokomaru Wastewater Treatment Plant - Unplanned renewals
-	-	-	-	-	-	-	-	-	-	Waitārere wastewater treatment plant - Unplanned renewals
-	-	-	-	-	-	-	-	-	-	Shannon reticulation – Infiltration & Inflow
-	-	-	-	-	-	-	-	-	-	Tokomaru reticulation – Infiltration & Inflow
-	-	-	-	-	-	-	-	-	-	Tara-Ika - Wastewater - Queen - North South to School Site
-	-	-	-	-	-	-	-	-	-	Tara-Ika - Wastewater Network Growth Upgrade
3,200	3,757	7,223	7,892	3,966	4,119	3,214	3,327	3,445	3,561	Total Renewal

Wastewater Project Primary Type- to improve the level of service	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Districtwide pump stations - improvement & resilience	33	100	160	160	114	118	121	124	127	129	132
Waitārere Beach wastewater treatment plant - Strategic	165	-	-	-	-	-	-	-	-	-	-
Foxton Wastewater Treatment Plant - Pond Desludge	41	-	-	-	-	-	-	-	-	-	-
Tokomaru wastewater - treated effluent disposal options & consents	152	-	-	700	519	3,207	4,396	-	-	-	-
Levin Treated Eff. Discharge - Strategic upgrade POT	-	1,750	1,500	1,036	-	-	-	-	-	-	-
Forestry at The Pot - MfE trial of native ecosystem planting	24	-	-	-	-	-	-	-	-	-	-
Foxton Beach wastewater treatment plant - Strategic	93	-	-	-	-	-	-	-	-	-	-
Foxton wastewater treatment plant - Strategic upgrade	1,539	-	-	-	-	-	-	-	-	-	-
Hydraulic modelling - Wastewater	32	-	-	-	-	-	-	-	-	-	-
Levin wastewater treatment plant - Strategic upgrade POT	333	-	-	-	-	-	-	-	-	-	-
New WW connections Foxton	5	-	-	-	-	-	-	-	-	-	-
New WW connections Foxton Beach	5	-	-	-	-	-	-	-	-	-	-
New WW connections Levin	10	-	-	-	-	-	-	-	-	-	-
New WW connections Shannon	1	-	-	-	-	-	-	-	-	-	-
New WW connections Waitārere	1	-	-	-	-	-	-	-	-	-	-
Tokomaru wastewater treatment plant - Upgrade	283	-	-	-	-	-	-	-	-	-	-

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Wastewater Project Primary Type- to improve the level of service
134	137	143	148	154	160	166	172	178	183	Districtwide pump stations - improvement & resilience
-	-	-	-	-	-	-	-	-	-	Waitārere Beach wastewater treatment plant - Strategic upgrade
-	-	-	-	-	-	-	-	-	-	Foxton Wastewater Treatment Plant - Pond Desludge
-	-	-	-	-	-	-	-	-	-	Tokomaru wastewater - treated effluent disposal options & consents
-	-	-	-	-	-	-	-	-	-	Levin Treated Eff. Discharge - Strategic upgrade POT
-	-	-	-	-	-	-	-	-	-	Forestry at The Pot - MfE trial of native ecosystem planting
-	-	-	-	-	-	-	-	-	-	Foxton Beach wastewater treatment plant - Strategic upgrade
-	-	-	-	-	-	-	-	-	-	Foxton wastewater treatment plant - Strategic upgrade
-	-	-	-	-	-	-	-	-	-	Hydraulic modelling - Wastewater
-	-	-	-	-	-	-	-	-	-	Levin wastewater treatment plant - Strategic upgrade POT
-	-	-	-	-	-	-	-	-	-	New WW connections Foxton
-	-	-	-	-	-	-	-	-	-	New WW connections Foxton Beach
-	-	-	-	-	-	-	-	-	-	New WW connections Levin
-	-	-	-	-	-	-	-	-	-	New WW connections Shannon
-	-	-	-	-	-	-	-	-	-	New WW connections Waitārere
-	-	-	-	-	-	-	-	-	-	Tokomaru wastewater treatment plant - Upgrade

Wastewater Project Primary Type- to improve the level of service	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Districtwide - Marae wastewater assessment & upgrade	-	259	-	-	-	-	-	-	-	-	-
Districtwide - WTP & WWTP structural improvements	-	300	250	100	-	-	-	-	-	-	-
Foxton wastewater treatment plant - Strategic upgrade	-	1,300	-	-	-	-	-	-	-	-	-
Total level of service	2,717	3,709	1,910	1,996	633	3,325	4,517	124	127	129	132

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Wastewater Project Primary Type- to improve the level of service
-	-	-	-	-	-	-	-	-	-	Districtwide - Marae wastewater assessment & upgrade
-	-	-	-	-	-	-	-	-	-	Districtwide - WTP & WWTP structural improvements
-	-	-	-	-	-	-	-	-	-	Foxton wastewater treatment plant - Strategic upgrade
134	137	143	148	154	160	166	172	178	183	Total level of service

Wastewater Projects Primary Type- to meet additional demand	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Levin wastewater treatment plant - Strategic Upgrade	-	-	-	405	10,394	16,546	-	2,254	325	-	-
Waitārere Beach wastewater treatment plant - Strategic	-	90	45	-	519	1,604	1,099	-	-	-	-
POT Mitigation	-	-	-	-	519	1,069	824	845	1,153	589	600
Flaxhaven Development	-	-	-	-	311	535	1,099	225	-	-	-
Levin NE Growth Wastewater reticulation	-	166	1,553	1,600	1,037	-	-	-	-	-	-
Levin reticulation upgrade - growth	-	2,004	1,327	2,269	830	855	879	902	922	942	960
Ōhau Wastewater Reticulation -	-	-	-	-	-	-	-	-	-	29	300
Levin - Network upgrades - Pump stations	657	-	-	-	-	-	-	-	-	-	-
Levin Tara-Ika growth area - wastewater	-	3,900	500	-	-	-	-	-	-	-	-
Tara-Ika - Wastewater - New 225dia Tararua Road Main (East Roe St)	-	-	1,237	800	-	-	-	-	-	-	-
Taraika - Wastewater - Upgrade Tararua Road to 225dia Main (West Roe St)			454								
Total growth	657	6,160	6,516	5,074	13,610	20,609	3,901	4,226	2,400	1,560	1,860

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Wastewater Projects Primary Type- to meet additional demand
-	6,114	-	-	-	-	-	-	-	-	Levin wastewater treatment plant - Strategic Upgrade
-	-	-	-	-	-	-	-	-	-	Waitārere Beach wastewater treatment plant - Strategic upgrade
-	-	-	-	-	-	-	-	-	-	POT Mitigation
-	-	-	-	-	-	-	-	-	-	Flaxhaven Development
-	-	-	-	-	-	-	-	-	-	Levin NE Growth Wastewater reticulation
978	994	1,037	1,079	1,122	1,164	1,206	1,249	1,291	1,334	Levin reticulation upgrade - growth
3,666	3,729	3,888	3,642	-	-	-	-	-	-	Ōhau Wastewater Reticulation - Future supply of wastewater services
-	-	-	-	-	-	-	-	-	-	Levin - Network upgrades - Pump stations
-	-	-	-	-	-	-	-	-	-	Levin Tara-Ika growth area - wastewater
-	-	-	-	-	-	-	-	-	-	Tara-Ika - Wastewater - New 225dia Tararua Road Main (East Roe St)
4,644	10,837	4,925	4,721	1,122	1,164	1,206	1,249	1,291	1,334	Total growth

Total Wastewater Projects by Type	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Growth	657	7,306	7,691	5,919	11,609	16,953	3,930	4,202	2,655	1,877	2,103
Level of Service	2,717	2,456	1,592	1,227	2,606	5,616	2,756	516	132	77	160
Renewals	3,468	5,419	4,242	8,885	2,773	4,893	8,165	5,962	9,265	7,989	6,109
Total Wastewater Projects	6,842	15,262	13,525	16,032	16,987	27,462	14,852	10,681	12,051	9,943	8,371

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Total Wastewater Projects by Type
3,883	8,841	4,118	4,415	1,511	1,568	1,626	1,683	1,740	1,797	Growth
1,171	2,414	1,242	1,252	81	84	87	91	94	97	Level of Service
2,925	3,476	6,930	7,095	3,649	3,789	2,873	2,975	3,080	3,184	Renewals
7,978	14,731	12,290	12,762	5,242	5,442	4,586	4,749	4,913	5,078	Total Wastewater Projects

Forecast Funding Impact Statement for Wastewater

Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Wastewater Group of Activities	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Sources of Operating Funding											
General rates, uniform annual general charges, rates penalties	-	-	-	-	-	-	-	-	-	-	-
Targeted rates	6,323	6,854	7,737	7,494	8,813	11,469	13,856	16,758	18,494	18,846	19,457
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	1,053	1,191	1,233	1,309	1,311	1,352	1,390	1,425	1,458	1,488	1,518
Local authorities fuel tax, fines, infringement fees, and other receipts	-	112	134	120	-	-	-	-	-	-	-
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Total Operating Funding (A)	7,376	8,157	9,104	8,923	10,124	12,821	15,246	18,183	19,952	20,334	20,975
Applications of Operating Funding											
Payments to staff and suppliers	2,896	3,903	3,988	4,572	3,997	4,127	4,192	4,305	4,406	4,507	4,592
Finance costs	853	921	1,260	1,663	2,219	2,601	2,928	3,012	3,081	3,090	2,993
Internal charges and overheads applied	755	869	875	1,012	1,041	1,065	1,093	1,114	1,135	1,147	1,163
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	4,504	5,693	6,123	7,247	7,257	7,793	8,213	8,431	8,622	8,744	8,748
Surplus (deficit) of operating funding (A-B)	2,872	2,464	2,981	1,676	2,867	5,028	7,033	9,752	11,330	11,590	12,227
Sources of capital funding											
Subsidies and grants for capital expenditure	-	2,693	7,814	-	-	-	-	-	-	-	-
Development and financial contributions	-	1,523	712	712	2,174	2,241	2,304	2,363	2,417	2,468	2,516

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Wastewater Group of Activities
										Sources of Operating Funding
-	-	-	-	-	-	-	-	-	-	General rates, uniform annual general charges, rates penalties
20,845	20,602	21,090	23,007	21,938	21,541	23,660	19,621	19,443	21,700	Targeted rates
-	-	-	-	-	-	-	-	-	-	Subsidies and grants for operating purposes
1,545	1,572	1,639	1,706	1,773	1,840	1,907	1,974	2,041	2,108	Fees and charges
-	-	-	-	-	-	-	-	-	-	Local authorities fuel tax, fines, infringement fees, and other receipts
-	-	-	-	-	-	-	-	-	-	Internal charges and overheads recovered
22,90	22,174	22,729	24,713	23,711	23,381	25,567	21,595	21,484	23,808	Total Operating Funding (A)
										Applications of Operating Funding
4,674	4,749	4,953	5,153	5,359	5,561	5,765	5,970	6,173	6,374	Payments to staff and suppliers
2,795	2,702	2,699	2,599	2,258	1,705	1,066	428	(132)	(756)	Finance costs
1,183	1,207	1,231	1,257	1,282	1,307	1,332	1,357	1,382	1,409	Internal charges and overheads applied
-	-	-	-	-	-	-	-	-	-	Other operating funding applications
8,652	8,658	8,883	9,009	8,899	8,573	8,163	7,755	7,423	7,027	Total applications of operating funding (B)
13,738	13,516	13,846	15,704	14,812	14,808	17,404	13,840	4,061	16,781	Surplus (deficit) of operating funding (A-B)
										Sources of capital funding
-	-	-	-	-	-	-	-	-	-	Subsidies and grants for capital expenditure
2,562	2,606	2,717	2,828	2,939	3,051	3,162	3,273	3,384	3,495	Development and financial contributions

Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Wastewater Group of Activities	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Increase (decrease) in debt	4,071	8,682	8,090	5,372	4,583	12,390	2,110	1,662	1,399	(1,020)	(3,277)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	4,071	12,898	16,616	6,084	6,757	14,631	4,414	4,025	3,816	1,448	(761)
Applications of capital funding											
Capital expenditure											
- to meet additional demand	657	7,306	7,691	5,919	11,609	16,953	3,930	4,202	2,655	1,877	2,103
- to improve the level of service	2,717	2,465	1,592	1,227	2,606	5,616	2,756	516	132	77	160
- to replace existing assets	3,486	5,491	4,242	8,885	2,773	4,893	8,165	5,962	9,265	7,989	6,109
Increase (decrease) in reserves	83	100	6,072	(8,271)	(7,364)	(7,803)	(3,404)	3,097	3,094	3,095	3,094
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	6,943	15,362	19,597	7,760	9,624	19,659	11,447	13,777	15,146	13,038	11,466
Surplus (deficit) of capital funding (C-D)	(2,872)	(2,464)	(2,981)	(1,676)	(2,867)	(5,028)	(7,033)	(9,752)	(11,330)	(11,590)	(12,227)
Funding Balance ((A-B) +(C-D))	-	-	-	-	-	-	-	-	-	-	-
Depreciation	3,331	3,797	4,811	5,292	5,483	6,138	5,931	6,078	6,743	6,305	6,408

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Wastewater Group of Activities
(5,538)	1,394	(1,487)	(2,985)	(12,163)	(12,417)	(15,980)	(12,364)	(12,533)	(15,198)	Increase (decrease) in debt
-	-	-	-	-	-	-	-	-	-	Gross proceeds from sale of assets
-	-	-	-	-	-	-	-	-	-	Lump sum contributions
-	-	-	-	-	-	-	-	-	-	Other dedicated capital funding
(2,976)	4,000	1,230	(157)	(9,224)	(9,366)	(12,818)	(9,091)	(9,149)	(11,703)	Total sources of capital funding (C)
										Applications of capital funding
										Capital expenditure
3,883	8,841	4,118	4,415	1,511	1,568	1,626	1,683	1,740	1,797	- to meet additional demand
1,171	2,414	1,242	1,252	81	84	87	91	94	97	- to improve the level of service
2,925	3,476	6,930	7,095	3,649	3,789	2,873	2,975	3,080	3,184	- to replace existing assets
2,783	2,784	2,786	2,785	347	1	-	-	(2)	-	Increase (decrease) in reserves
-	-	-	-	-	-	-	-	-	-	Increase (decrease) of investments
10,762	17,516	15,076	15,547	5,588	5,442	4,586	4,749	4,912	5,078	Total applications of capital funding (D)
(13,738)	(13,516)	(13,846)	(15,704)	(4,812)	(14,808)	(17,404)	(13,840)	(14,061)	(16,781)	Surplus (deficit) of capital funding (C-D)
-	-	-	-	-	-	-	-	-	-	Funding Balance ((A-B) +(C-D))
6,977	6,626	6,818	7,658	7,159	7,220	8,441	7,337	7,394	8,638	Depreciation

Activity Expenditure for Wastewater

Activity Operating Expenditure Including depreciation	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Levin Wastewater	4,375	5,412	6,220	7,157	7,412	8,239	8,262	8,292	8,804	8,600	8,687
Shannon Wastewater	1,106	1,183	1,310	1,578	1,466	1,512	1,474	1,486	1,524	1,454	1,424
Foxton Wastewater	824	1,139	1,371	1,576	1,653	1,734	1,756	1,867	2,010	1,994	1,995
Foxton Beach Wastewater	697	819	951	985	1,016	1,063	1,030	1,063	1,196	1,260	1,337
Tokomaru Wastewater	296	336	354	484	531	639	820	955	967	925	908
Waitārere Beach Wastewater	524	565	693	744	647	728	786	830	847	798	779
Ōhau Wastewater	13	37	36	15	15	16	16	16	17	18	26
Total Expenditure	7,835	9,491	10,935	12,539	12,740	13,931	14,144	14,509	15,365	15,049	15,156

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Activity Operating Expenditure Including depreciation
8,951	8,647	8,861	9,353	8,910	8,733	9,192	8,247	8,057	8,557	Levin Wastewater
1,432	1,356	1,337	1,368	1,292	1,294	1,393	1,279	1,263	1,332	Shannon Wastewater
2,021	1,957	1,977	2,068	1,996	1,988	2,081	1,967	1,966	2,69	Foxton Wastewater
1,407	1,360	1,353	1,403	1,346	1,321	1,388	1,264	1,244	1,318	Foxton Beach Wastewater
911	870	857	870	826	812	844	782	771	806	Tokomaru Wastewater
785	737	723	760	735	719	761	685	672	718	Waitārere Beach Wastewater
122	357	593	845	953	926	945	868	844	865	Ōhau Wastewater
15,629	15,284	15,701	16,667	16,058	15,793	16,604	15,092	14,817	15,665	Total Expenditure

Stormwater

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

What Stormwater involves:

- Providing and maintaining drainage systems (including pipes, open culverts, pump stations, soak pits, discharge outlets and detention areas) in settlements² across the District to remove stormwater from the road corridor and some residential and commercial properties.
- Investigation and implementation of improvements and extensions to the stormwater network.
- Meeting resource consent requirements for stormwater drainage systems.
- Responding to and resolving (if possible) customer complaints relating to the Stormwater Activity.

Key Projects for 2023/2024

Replacement of existing assets

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

Additions to Levels of Service

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

² Levin, Foxton, Foxton Beach, Hokio Beach, Shannon, Mangaore, Tokomaru, Manakau, Ōhau, Waikawa Beach and Waitārere Beach.

Foxton East Drainage Scheme project that is Rationale for this Activity (why we do it):

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

How we will measure our performance

Service	Community Outcomes	How we will measure our performance	Target 2022/23	Target 2023/24	Target 2024/41
An adequate stormwater system*	Outstanding environment Fit for purpose infrastructure Strong communities	Number of flooding events each year that occur in the District.* For each flooding event, the number of habitable floors affected. (Expressed per 1000 connections to Council's stormwater networks).*	< 5 per year 2 or less	< 5 per year 2 or less	< 5 per year 2 or less
What does this tell me? It is important that our stormwater system is reliable and that the scale of any flooding event is minimised. This performance measure provides information on how effective our stormwater system is in providing an appropriate level of protection and how well it is being managed. In other words, whether it has been designed to an adequate standard and is being operated in a way that minimises harm to the					

Community. A flooding event means an overflow of stormwater from Council's stormwater system that enters a habitable floor. A habitable floor refers to a floor of a building (including a basement) but does not include ancillary structures such as standalone garden sheds or garages					
Response to faults*	Outstanding environment Strong communities	The median response time to attend a flooding event, measured from the time that Council receives notification to the time that service personnel reach the site. *	< 1 hour	< 1 hour	< 1 hour
What does this tell me? This measure shows how quickly we respond when there is a problem with the stormwater system. It measures situations where water from the stormwater system enters a habitable floor of a building. It is important that we are able to respond quickly to flooding events to reduce the impact they have on buildings and the welfare of the inhabitants of those buildings					
Customer satisfaction*	Strong communities	The number of complaints received by Council about the performance of its stormwater system expressed per 1000 properties connected to the system. * Percentage of customers satisfied with the stormwater service. As per the Annual Customer Satisfaction Survey.	<10 per year ≥80%	<10 per year ≥80%	<10 per year ≥80%
What does this tell me? The number of complaints received gives us an indication of the quality of service we are providing. It also gives us information about issues with the stormwater system and tells us how satisfied customers are with the stormwater network.					
A sustainable stormwater service.	Outstanding environment Strong communities Fit for purpose infrastructure	The number of: Abatement Notices; Infringement Notices; Enforcement Orders; and Convictions received by Council in relation to Horizons Regional Council resource consents* for discharge from its stormwater system.	0 0 0 0	0 0 0 0	0 0 0 0

Response to faults*	Outstanding environment Strong communities	The median response time to attend a flooding event, measured from the time that Council receives notification to the time that service personnel reach the site. *	< 1 hour	< 1 hour	< 1 hour
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What does this tell me? This measure shows how quickly we respond when there is a problem with the stormwater system. It measures situations where water from the stormwater system enters a habitable floor of a building. It is important that we are able to respond quickly to flooding events to reduce the impact they have on buildings and the welfare of the inhabitants of those buildings

Customer satisfaction*	Strong communities	<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><10 per year</p> <p>≥80%</p>	<p><10 per year</p> <p>≥80%</p>	<p><10 per year</p> <p>≥80%</p>
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What does this tell me? The number of complaints received gives us an indication of the quality of service we are providing. It also gives us information about issues with the stormwater system and tells us how satisfied customers are with the stormwater network.

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

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

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

Challenges Council faces for Stormwater Activities

- Climate change is a challenge facing Council for its Stormwater Activities as it is affected by the weather patterns, including more frequent and intense heavy rainfall events. Stormwater catchment management plans incorporate climate change effects into stormwater models as well as including historical flooding information so that asset renewals are done appropriately and fit-for-purpose.
- Customer expectations are continually increasing and this presents a challenge for the future provision of Stormwater Activities as peoples' expectations are higher but Council can only do so much.
- Another challenge faced by Council is that the quality of freshwater in streams, river systems, and water catchments in general is affected by water runoff, erosion, and contaminants (whether chemical or solid waste) which can be present in stormwater. These contaminants largely originate from sources outside of Council's control and yet they are still ultimately transported to natural systems by Council's stormwater drainage system. The National Policy Statement (NPS) for Freshwater Management 2020 is the key instrument for controlling this contamination and will impact on Council's stormwater services in the future.

Significant negative effects on the social, cultural, economic and environmental wellbeing of the local community associated with Stormwater Activities

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

Key Risks and assumptions associated with Stormwater Activities

- The significant risk associated with Stormwater Activities is lack of knowledge around both the built system and the complexities of the total catchments covering each urban area. This risk has been identified through stormwater catchment management plans. We plan to implement actions from stormwater catchment management plans as part of continuous improvement.
- Assumptions which may have a significant effect on this Group of Activities are the quality of asset data and information, the rate and nature of population and business growth, and the rate and nature of changes of weather patterns from climate change.
- Council has applied for resource consents for Levin and Foxton Beach. The investigation phase has been undertaken and communicated with relative stakeholders. It is expected that the investigations will continue to improve monitoring data which are

required by Horizons One Plan. It is expected that the discharge consent will be granted for these two communities during this LTP period.

Capital Expenditure for Stormwater

Stormwater Project Primary Type- to replace existing assets	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Districtwide Stormwater reticulation - renewals	42	150	275	100	104	107	110	113	115	118	120
Districtwide pump stations - Planned renewals	8	49	81	-	47	-	49	-	52	-	54
Levin Stormwater – Tara-Ika growth area	-	-	-	-	-	-	-	-	-	-	-
Foxton Stormwater Reticulation - Foxton East Drainage Scheme new 1050 main	-	-	-	-	363	-	-	-	-	-	-
Foxton Stormwater - Foxton Loop water quality improvement plan	-	-	-	100	-	-	-	-	-	-	-
Foxton Beach Stormwater resource consent expiry 2028 - Disc. Manawatu River Estuary	-	-	-	-	-	128	-	-	-	-	-
Condition assessment for renewals	16	-	-	-	-	-	-	-	-	-	-
Districtwide reticulation - Unplanned renewals	32	-	-	-	-	-	-	-	-	-	-
Total renewal	98	199	356	200	514	235	159	113	167	118	174

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Stormwater Project Primary Type- to replace existing assets
122	124	130	135	140	146	151	250	258	267	Districtwide Stormwater reticulation - renewals
-	56	-	61	-	65	-	70	-	75	Districtwide pump stations - Planned renewals
-	-	-	-	-	-	-	-	-	-	Levin Stormwater – Tara-Ika growth area
-	-	-	-	-	-	-	-	-	-	Foxton Stormwater Reticulation - Foxton East Drainage Scheme new 1050 main
-	-	-	-	-	-	-	-	-	-	Foxton Stormwater - Foxton Loop water quality improvement plan
-	-	-	-	-	-	-	-	-	-	Foxton Beach Stormwater resource consent expiry 2028 - Disc. Manawatu River Estuary
-	-	-	-	-	-	-	-	-	-	Condition assessment for renewals
-	-	-	-	-	-	-	-	-	-	Districtwide reticulation - Unplanned renewals
122	180	130	196	140	211	151	320	258	342	Total renewal

Stormwater Project Primary Type- to improve the level of service	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Districtwide improvement works	806	360	553	-	-	-	-	-	-	-	-
Queen St discharge & resource consent	107	348	218	350	259	-	-	-	-	-	-
Levin Northeast Stormwater drainage	8	-	-	-	-	-	-	-	-	-	-
Actions from Catchment Management Plans	-	132	137	232	137	141	145	149	152	155	158
Levin Stormwater - Lake Horowhenua Stormwater	-	500	-	-	-	-	-	-	-	-	-
Foxton East Drainage Scheme	8	-	-	-	-	-	-	-	-	-	-
Hökio Cut Remediation	236	-	50	-	-	-	-	-	-	-	-
Hydraulic modelling - stormwater	53	-	-	-	-	-	-	-	-	-	-
Improvements NE Levin	23	-	-	-	-	-	-	-	-	-	-
Foxton East Drainage Scheme	-	504	-	-	-	-	-	-	-	-	-
Lake Horowhenua water quality improvement project - wetland/riparian planting (Levin &	-	300	-	-	-	-	-	-	-	-	-
Total level of service	1,241	2,144	947	582	396	141	145	149	152	155	158

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Stormwater Project Primary Type- to replace existing assets
-	-	-	-	-	-	-	-	-	-	Districtwide improvement works
-	-	-	-	-	-	-	-	-	-	Queen St discharge & resource consent
-	-	-	-	-	-	-	-	-	-	Levin Northeast Stormwater drainage
161	164	171	178	185	192	199	206	213	220	Actions from Catchment Management Plans
-	-	-	-	-	-	-	-	-	-	Levin Stormwater - Lake Horowhenua Stormwater
-	-	-	-	-	-	-	-	-	-	Foxton East Drainage Scheme
-	-	-	-	-	-	-	-	-	-	Hökio Cut Remediation
-	-	-	-	-	-	-	-	-	-	Hydraulic modelling - stormwater
-	-	-	-	-	-	-	-	-	-	Improvements NE Levin
-	-	-	-	-	-	-	-	-	-	Foxton East Drainage Scheme
-	-	-	-	-	-	-	-	-	-	Lake Horowhenua water quality improvement project - wetland/riparian planting (Levin & Foxton)
161	164	171	178	185	192	199	206	213	220	Total level of service

Stormwater Projects Primary Type- to meet additional demand	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Districtwide improvement works	30	-	-	1,000	1,037	1,069	1,099	1,127	1,153	1,177	1,200
Levin Northeast Stormwater drainage	-	2,804	1,797	1,400	1,452	-	-	-	-	-	-
Tara-Ika - Liverpool St Stage 2 Stormwater (Pre-O2NL) - Regional Attenuation and Treatment	-	-	-	-	4,200	-	-	-	-	-	-
Levin Stormwater – Tara-Ika growth area	-	-	-	-	-	-	-	-	-	-	-
Levin Stormwater - Lake Horowhenua Stormwater	-	-	-	1,000	1,556	1,604	1,874	-	-	-	-
Improvements NE Levin	439	-	-	-	-	-	-	-	-	-	-
Development Planning and resource consenting Foxton	-	130	100	-	-	-	-	-	-	-	-
Tara-Ika - Queen St Stage 1 Stormwater (Pre-O2NL) - Regional Attenuation and Treatment	-	-	1,507	1,338	-	-	-	-	-	-	-
Total growth	469	2,934	3,404	4,738	8,245	2,673	2,973	1,127	1,153	1,177	1,200

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Stormwater Projects Primary Type- to meet additional demand
1,222	1,243	1,296	1,349	1,402	1,455	1,508	2,029	2,098	2,167	Districtwide improvement works
-	-	-	-	-	-	-	-	-	-	Levin Northeast Stormwater drainage
-	-	-	-	-	-	-	-	-	-	Tara-Ika - Liverpool St Stage 2 Stormwater (Pre-O2NL) - Regional Attenuation and Treatment
-	-	-	-	-	-	-	-	-	-	Levin Stormwater – Tara-Ika growth area
-	-	-	-	-	-	-	-	-	-	Levin Stormwater - Lake Horowhenua Stormwater
-	-	-	-	-	-	-	-	-	-	Improvements NE Levin
-	-	-	-	-	-	-	-	-	-	Development Planning and resource consenting Foxton Beach
-	-	-	-	-	-	-	-	-	-	Tara-Ika - Queen St Stage 1 Stormwater (Pre-O2NL) - Regional Attenuation and Treatment
1,222	1,243	1,296	1,349	1,402	1,455	1,508	2,029	2,098	2,167	Total growth

Total Stormwater Projects by Type	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Growth	469	2,007	3,024	3,768	7,216	2,202	2,499	631	656	659	682
Level of Service	1,241	3,115	1,426	1,546	1,448	626	644	660	676	690	703
Renewals	98	155	257	206	490	221	135	97	141	102	147
Total Stormwater Projects	1,808	5,277	4,707	5,520	9,154	3,049	3,277	1,388	1,472	1,450	1,532

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Total Stormwater Projects by Type
684	707	725	767	785	827	844	1,140	1,165	1,218	Growth
716	728	759	791	822	853	884	1,168	1,207	1,247	Level of Service
106	152	112	165	121	178	130	247	198	264	Renewals
1,506	1,587	1,597	1,723	1,727	1,858	1,858	2,555	2,569	2,729	Total Stormwater Projects

Forecast Funding Impact Statement for Stormwater

Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Stormwater Group of Activities	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Sources of Operating Funding											
General rates, uniform annual general charges, rates penalties	-	-	-	-	-	-	-	-	-	-	-
Targeted rates	1,386	1,656	2,092	1,816	2,553	3,317	3,911	4,014	4,701	5,066	5,136
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	93	117	-	-	-	-	-	-	-	-
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Total Operating Funding (A)	1,386	1,749	2,209	1,816	2,553	3,317	3,911	4,014	4,701	5,066	5,136
Applications of Operating Funding											
Payments to staff and suppliers	421	565	653	836	654	678	696	716	735	752	765
Finance costs	257	254	324	520	817	925	902	905	896	865	825
Internal charges and overheads applied	305	376	359	432	444	454	465	474	482	487	494
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	983	1,195	1,336	1,788	1,915	2,057	2,063	2,095	2,113	2,104	2,084
Surplus (deficit) of operating funding (A-B)	403	554	873	28	638	1,260	1,848	1,919	2,588	2,962	3,052
Sources of capital funding											
Subsidies and grants for capital expenditure	-	1,300	960	-	-	-	-	-	-	-	-
Development and financial contributions	-	94	105	105	321	331	341	349	357	365	372

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Stormwater Group of Activities
										Sources of Operating Funding
-	-	-	-	-	-	-	-	-	-	General rates, uniform annual general charges, rates penalties
5,128	5,473	4,875	4,668	4,827	4,332	4,919	5,010	4,645	5,564	Targeted rates
-	-	-	-	-	-	-	-	-	-	Subsidies and grants for operating purposes
-	-	-	-	-	-	-	-	-	-	Fees and charges
-	-	-	-	-	-	-	-	-	-	Local authorities fuel tax, fines, infringement fees, and other receipts
-	-	-	-	-	-	-	-	-	-	Internal charges and overheads recovered
5,128	5,473	4,875	4,668	4,827	4,332	4,919	5,010	4,645	5,564	Total Operating Funding (A)
										Applications of Operating Funding
778	790	824	857	891	926	959	994	1,027	1,062	Payments to staff and suppliers
781	727	679	652	611	560	507	452	420	378	Finance costs
502	512	522	533	544	555	566	576	587	598	Internal charges and overheads applied
-	-	-	-	-	-	-	-	-	-	Other operating funding applications
2,061	2,029	2,025	2,042	2,046	2,041	2,032	2,022	2,034	2,038	Total applications of operating funding (B)
3,067	3,444	2,850	2,626	2,781	2,291	2,887	2,988	2,611	3,526	Surplus (deficit) of operating funding (A-B)
										Sources of capital funding
-	-	-	-	-	-	-	-	-	-	Subsidies and grants for capital expenditure
379	385	402	418	434	451	467	484	500	517	Development and financial contributions

Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Stormwater Group of Activities	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Increase (decrease) in debt	1,352	3,389	3,502	2,751	5,848	(1,028)	3	107	(487)	(890)	(905)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	1,352	4,783	4,567	2,856	6,169	(697)	344	456	(130)	(525)	(533)
Applications of capital funding											
Capital expenditure											
- to meet additional demand	469	2,006	3,024	3,768	7,216	2,202	2,499	631	656	659	682
- to improve the level of service	1,241	3,115	1,426	1,546	1,448	626	644	660	676	690	703
- to replace existing assets	98	156	257	206	490	221	135	97	141	102	147
Increase (decrease) in reserves	(53)	60	733	(2,636)	(2,347)	(2,486)	(1,086)	987	985	986	987
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	1,755	5,337	5,440	2,884	6,807	563	2,192	2,375	2,458	2,437	2,519
Surplus (deficit) of capital funding (C-D)	(403)	(554)	(873)	(28)	(638)	(1,260)	(1,848)	(1,919)	(2,588)	(2,962)	(3,052)
Funding Balance ((A-B) +(C-D))	-	-	-	-	-	-	-	-	-	-	-
Depreciation	661	716	856	818	881	1,062	1,012	1,045	1,154	1,074	1,088

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Stormwater Group of Activities
(1,053)	(1,355)	(767)	(433)	(1,377)	(884)	(1,496)	(916)	(541)	(1,315)	Increase (decrease) in debt
-	-	-	-	-	-	-	-	-	-	Gross proceeds from sale of assets
-	-	-	-	-	-	-	-	-	-	Lump sum contributions
-	-	-	-	-	-	-	-	-	-	Other dedicated capital funding
(674)	(970)	(365)	(15)	(943)	(433)	(1,029)	(432)	(41)	(798)	Total sources of capital funding (C)
										Applications of capital funding
										Capital expenditure
684	725	767	785	827	844	1,140	1,165	1,218	-	- to meet additional demand
716	759	791	822	853	884	1,168	1,207	1,247	-	- to improve the level of service
106	112	165	121	178	130	247	198	264	-	- to replace existing assets
887	878	762	883	(20)	-	(697)	(14)	(159)	2,728	Increase (decrease) in reserves
-	-	-	-	-	-	-	-	-	-	Increase (decrease) of investments
2,393	2,474	2,485	2,611	1,838	1,858	1,858	2,556	2,570	2,728	Total applications of capital funding (D)
(3,067)	(3,444)	(2,850)	(2,626)	(2,781)	(2,291)	(2,887)	(2,988)	(2,611)	(3,526)	Surplus (deficit) of capital funding (C-D)
-	-	-	-	-	-	-	-	-	-	Funding Balance ((A-B) +(C-D))
1,184	1,119	1,135	1,261	1,168	1,185	1,395	1,222	1,248	1,476	Depreciation

Activity Expenditure for Stormwater

Activity Operating Expenditure Including depreciation	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Stormwater	1,644	1,911	2,192	2,606	2,798	3,119	3,076	3,140	3,267	3,178	3,172
Total Expenditure	1,644	1,911	2,192	2,606	2,798	3,119	3,076	3,140	3,267	3,178	3,172

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Activity Operating Expenditure Including depreciation
3,245	3,147	3,160	3,303	3,215	3,226	3,427	3,245	3,282	3,514	Stormwater
3,245	3,147	3,160	3,303	3,215	3,226	3,427	3,245	3,282	3,514	Total Expenditure

Land Transport

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

What Land Transport involves:

- Provides safe, convenient and efficient transit of people and goods through, and within, the District in a way that meets national standards.
- Provides a network of roads, footpaths, bridges, car parks, signs and markers, street lights, and associated drainage systems in what is known as the 'Transport Corridor'.
- Maintains partnership with Waka Kotahi New Zealand Transport Agency (WKNZTA), which is Council's co-investment partner for roading and the 'Optimised Programme', which is approved on a three yearly cycle in the Regional Land Transport Plan.
- Operates, maintains and improves land transport assets.
- Meets requirements of relevant national legislation, strategies and plans.

Key Projects for 2023/2024

Replacement of existing assets

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

Additions to levels of service

- Cycling Facilities Improvements
- We're creating a safer, more attractive and efficient cycling network, prioritising getting people out of their car's and onto bikes.
- Walking Facilities Improvements
- Building new footpaths, and making existing footpaths safer and easier to use, especially for people with mobility issues.

- Minor Safety Improvements
- We're making our land transport network safer by focusing on areas we know have high risks of death and serious injury crashes, and building improvements.

Rationale for this Activity (why we do it)

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

How we will measure our performance

Service	Community Outcomes	How we will measure our performance	Target 2022/23	Target 2023/24	Target 2024/41
A safe road network*	Strong communities Fit for purpose infrastructure	The change from the previous financial years in the number of fatalities and serious injury crashes on the local road network	0 change or less from previous year.	0 change or less from previous year.	0 change or less from previous year.
What does this tell me? It is extremely important that our road network is safe for everyone to use. Road crashes can involve factors that are outside of Council's control (such as speed or driver behaviour). It is important that other factors within our control are carefully managed to improve road safety across our region and reduce the number of deaths or serious injuries each year. These include the condition of the road and footpaths, the location of pedestrian crossings, and traffic signals.					
Roads in good condition*	Strong Communities Fit for purpose infrastructure	The average quality of a ride on a sealed local road network measured by Smooth Travel Exposure.	Minimum 85%	Minimum 85%	Minimum 85%
What does this tell me? The roughness of roads can impact on the safety and comfort of road users. As well as on vehicle operating and maintenance costs. Smooth Travel Exposure (STE) is a system of measurement used to assess the quality of the ride on our District's roads. The higher the STE percentage, the smoother the network.					
Roads that are maintained well*	Fit for purpose infrastructure Strong communities	The percentage of the sealed local road network that is resurfaced annually.*	Minimum of 5% of total area	Minimum of 5% of total area	Minimum of 5% of total area
What does this tell me? This measure provides information on how well we are maintaining our road network and meeting the targets for road resurfacing set in our Asset Management Plan.					
Footpaths are in an acceptable condition*	Fit for purpose infrastructure	Target footpath condition rating (% compliant with	Minimum 30% in excellent condition	Minimum 30% in excellent condition	Minimum 30% in excellent condition

	Strong communities	Council's standards found in the Land Transport Activity Plan).	Maximum 10% in poor condition	Maximum 10% in poor condition	Maximum 10% in poor condition
What does this tell me? Footpaths are an important part of the District's infrastructure. Well maintained footpaths are important for pedestrian convenience and safety.					
Good response to service requests*	Strong communities Fit for purpose infrastructure	The percentage of customer service requests relating to roads and footpaths to which Council responds within 15 working days.	>95%	>95%	>95%
What does this tell me? Interaction with the Community is a key aspect of our service and response time is a key method of measuring whether Council is listening to its customers.					

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

Challenges Council faces for Land Transport

- Changes in demand to the transport network, caused by growth and Ō2NL, is a significant challenge. Council is meeting the challenge with comprehensive planning processes to ensure targeted investment meets growth demands while still providing required levels of service for the current community.

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

- The Horowhenua District's roading network presents a high risk to its users, with a significantly higher rate of crashes per vehicle kilometres travelled compared with the rest of the country and within our region. Council is addressing this problem through a programme of safety improvements.
- Severe traffic congestion, while generally caused by state highway use, can cause disruption for local road users. This notably occurs during public holiday periods and also during severe rain events. As congestion like this is normally related to state highway use, Council has limited ability to resolve this issue.

Key Risks and Assumptions associated with this Activity

- A key risk to this activity are constraints involving contractor and supplier availability, which can severely impact Council's ability to deliver its Land Transport Programme.
- A key assumption is that the Funding Assistance Rate that Council receives from Waka Kotahi-NZTA will be 62% in 2021-2022, 61% in 2022- 2023, and 60% in 2023-2024 as indicated to Council by Waka Kotahi NZTA. Another assumption is that the development of the Ōtaki to North of Levin Expressway will continue.

Capital expenditure for Land Transport

The following tables have been updated to reflect the changes made to the budgets from the 2022/23 financial year and beyond

Land Transport Projects Primary Type- to replace existing assets	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Subsidised Roding - Road Improvements due to O2NL	-	-	-	-	4,156	5,355	2,198	1,122	1,141	5,785	5,850
Subsidised Roding - Road improvements	-	-	-	1,075	1,153	1,227	1,302	1,373	1,443	1,514	1,726
Subsidised Roding - Minor improvements	-	-	-	550	590	628	666	703	739	775	883
Footpath renewal	480	400	400	450	561	597	633	668	702	735	769
Bridge and structures renewals	-	-	30	78	164	90	182	99	199	108	215
Subsidised Roding - Sealed Road Pavement Rehabilitation	1,250	1,200	1,200	1,301	1,532	1,713	1,816	1,916	2,014	2,113	2,408
Drainage Renewals	264	275	275	210	236	251	266	281	295	310	353
Structures Component Replacements	70	50	50	105	86	91	97	102	107	113	128
Traffic Services	360	350	350	390	418	445	472	498	524	549	626
Sealed Roads Resurfacing	1,150	1,300	1,500	1,500	1,609	1,713	1,816	1,916	2,014	2,113	2,408
Unsealed Roads Metalling	50	45	45	45	48	51	54	57	60	63	72
Local Road Improvements	-	-	-	200	-	-	-	-	-	-	-
Transport Choices Project (100% sub)	-	-	-	2,437	-	-	-	-	-	-	-
Tara-Ika - EWA	-	-	-	-	9,351	-	-	-	-	-	-
Total renewals	3,624	3,620	3,850	8,341	19,904	12,161	9,502	8,735	9,238	14,178	15,438

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Land Transport Projects Primary Type- to replace existing assets
-	-	-	-	-	-	-	-	-	-	Subsidised Roding - Road Improvements due to O2NL
1,801	1,877	2,016	2,163	2,318	2,480	2,626	2,777	2,935	3,098	Subsidised Roding - Road improvements
922	960	1,032	1,107	1,186	1,269	1,343	1,421	1,501	1,585	Subsidised Roding - Minor improvements
874	911	979	1,050	1,125	1,204	1,287	1,361	1,438	1,518	Footpath renewal
116	229	127	259	143	292	161	327	180	364	Bridge and structures renewals
2,514	2,619	2,813	3,018	3,234	3,461	3,664	3,875	4,095	4,323	Subsidised Roding - Sealed Road Pavement Rehabilitation
369	384	413	443	474	508	537	568	601	634	Drainage Renewals
134	140	150	161	172	185	195	207	218	231	Structures Component Replacements
654	681	732	785	841	900	953	1,008	1,065	1,124	Traffic Services
2,514	2,619	2,813	3,018	3,234	3,461	3,664	3,875	4,095	4,323	Sealed Roads Resurfacing
75	79	84	91	97	104	110	116	123	130	Unsealed Roads Metalling
-	-	-	-	-	-	-	-	-	-	Local Road Improvements
-	-	-	-	-	-	-	-	-	-	Transport Choices Project (100% sub)
-	-	-	-	-	-	-	-	-	-	Tara-Ika - EWA
9,973	10,499	11,159	12,095	12,824	13,864	14,540	15,535	16,251	17,330	Total renewals

Land Transport Projects Primary Type- to improve the level of service	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Subsidised Roding - Road Improvements due to O2NL	1,686	-	-	-	-	-	-	-	-	-	-
Subsidised Roding - Road improvements	1,355	1,000	900	-	-	-	-	-	-	-	-
Subsidised Roding - Minor improvements	803	500	525	-	-	-	-	-	-	-	-
Footpath Improvements	-	350	250	250	375	400	424	447	470	493	562
Shared pathways - Cycle facilities	730	850	250	550	1,180	1,256	1,332	1,405	1,477	1,549	1,766
New footpaths	330	-	-	-	-	-	-	-	-	-	-
Queen St West Improvements (Oxford St to Salisbury St)	880	-	-	-	-	-	-	-	-	-	-
Queen St/Tiro Tiro Roundabout	670	-	-	-	-	-	-	-	-	-	-
Subsidised - Road improvements due to O2NL	500	-	-	-	-	-	-	-	-	-	-
Subsidised Roding - Gladstone Road Realignment	-	5,000	2,000	-	-	-	-	-	-	-	-
Total level of service	6,954	7,700	3,925	800	1,555	1,656	1,756	1,852	1,947	2,042	2,328

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Land Transport Projects Primary Type- to improve the level of service
-	-	-	-	-	-	-	-	-	-	Subsidised Roding - Road Improvements due to O2NL
-	-	-	-	-	-	-	-	-	-	Subsidised Roding - Road improvements
-	-	-	-	-	-	-	-	-	-	Subsidised Roding - Minor improvements
586	611	656	704	755	808	855	904	955	1,009	Footpath Improvements
1,843	1,921	2,063	2,213	2,371	2,538	2,687	2,842	3,003	3,170	Shared pathways - Cycle facilities
-	-	-	-	-	-	-	-	-	-	New footpaths
-	-	-	-	-	-	-	-	-	-	Queen St West Improvements (Oxford St to Salisbury St)
-	-	-	-	-	-	-	-	-	-	Queen St/Tiro Tiro Roundabout
-	-	-	-	-	-	-	-	-	-	Subsidised - Road improvements due to O2NL
-	-	-	-	-	-	-	-	-	-	Subsidised Roding - Gladstone Road Realignment
2,429	2,532	2,719	2,917	3,126	3,346	3,542	3,746	3,958	4,179	Total level of service

Land Transport Projects Primary Type- to meet additional demand	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Tara-Ika - Tararua Road Intersection Upgrade	-	-	1,800	2,067	-	-	-	-	-	-	-
Tara-Ika - Tararua Road Intersection Upgrade	-	4,000	-	-	-	-	-	-	-	-	-
Total growth	-	4,000	1,800	2,067	-	-	-	-	-	-	-

Total Land Transport Projects by Type	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Growth	-	4,960	2,603	2,222	292	311	330	348	366	383	430
Level of Service	6,954	6,820	3,203	735	1,376	1,464	1,553	1,638	1,722	1,806	2,051
Renewals	3,624	3,540	3,770	8,251	19,792	12,042	9,376	8,603	9,098	14,031	15,285
Total Land Transport Projects	10,578	15,320	9,576	11,207	21,460	13,817	11,258	10,589	11,186	16,220	17,766

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Land Transport Projects Primary Type- to meet additional demand
-	-	-	-	-	-	-	-	-	-	Tara-Ika - Tararua Road Intersection Upgrade
-	-	-	-	-	-	-	-	-	-	Tara-Ika - Tararua Road Intersection Upgrade
-	-	-	-	-	-	-	-	-	-	Total growth

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Total Land Transport Projects by Type
456	475	511	548	587	628	666	704	744	786	Growth
2,149	2,239	2,405	2,580	2,764	2,958	3,133	3,314	3,502	3,697	Level of Service
9,797	10,317	10,963	11,884	12,599	13,622	14,283	15,263	15,962	17,026	Renewals
12,401	13,031	13,879	15,012	15,950	17,208	18,083	19,281	20,208	21,508	Total Land Transport Projects

Forecast Funding Impact Statement for Land Transport

Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Land Transport Group of Activities	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Sources of Operating Funding											
General rates, uniform annual general charges, rates penalties	-	-	-	-	-	-	-	-	-	-	-
Targeted rates	3,627	3,011	4,049	4,553	5,237	5,600	5,799	6,170	6,116	6,317	6,687
Subsidies and grants for operating purposes	1,968	1,752	1,883	1,932	1,827	1,883	1,932	1,972	2,006	2,034	2,057
Fees and charges	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	285	376	398	(1,647)	296	305	313	320	325	330	333
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Total Operating Funding (A)	5,880	5,139	6,330	4,838	7,360	7,788	8,044	8,462	8,447	8,681	9,077
Applications of Operating Funding											
Payments to staff and suppliers	3,463	2,945	3,209	3,282	3,134	3,237	3,320	3,397	3,460	3,517	3,550
Finance costs	113	153	245	290	680	1,020	1,142	1,230	1,317	1,459	1,657
Internal charges and overheads applied	967	1,020	1,051	1,392	1,431	1,464	1,500	1,531	1,557	1,573	1,597
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	4,543	4,118	4,505	4,964	5,245	5,721	5,962	6,158	6,334	6,549	6,804
Surplus (deficit) of operating funding (A-B)	1,337	1,021	1,825	(126)	2,115	2,067	2,082	2,304	2,113	2,132	2,273
Sources of capital funding											
Subsidies and grants for capital expenditure	6,876	9,685	6,041	6,320	7,064	8,076	6,527	6,113	6,459	9,467	10,358
Development and financial contributions	-	276	139	139	426	439	451	460	468	475	480

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Land Transport Group of Activities
										Sources of Operating Funding
-	-	-	-	-	-	-	-	-	-	General rates, uniform annual general charges, rates penalties
6,781	6,961	7,265	7,449	7,726	8,326	8,327	8,663	9,336	9,384	Targeted rates
2,074	2,089	2,168	2,247	2,326	2,405	2,484	2,563	2,642	2,721	Subsidies and grants for operating purposes
-	-	-	-	-	-	-	-	-	-	Fees and charges
336	339	351	364	377	390	403	416	428	441	Local authorities fuel tax, fines, infringement fees, and other receipts
--	--	--	--	--	--	--	--	--	--	Internal charges and overheads recovered
9,191	9,389	9,784	10,060	10,429	11,121	11,214	11,642	12,406	12,546	Total Operating Funding (A)
										Applications of Operating Funding
3,578	3,595	3,732	3,868	4,007	4,144	4,281	4,419	4,557	4,692	Payments to staff and suppliers
1,820	1,944	2,078	2,230	2,400	2,583	2,784	3,010	3,246	3,502	Finance costs
1,623	1,656	1,688	1,722	1,755	1,789	1,822	1,855	1,889	1,924	Internal charges and overheads applied
--	--	--	--	--	--	--	--	--	--	Other operating funding applications
7,021	7,195	7,498	7,820	8,162	8,516	8,887	9,284	9,692	10,118	Total applications of operating funding (B)
2,170	2,194	2,286	2,240	2,267	2,605	2,327	2,358	2,714	2,428	Surplus (deficit) of operating funding (A-B)
										Sources of capital funding
7,126	7,490	7,975	8,629	9,165	9,891	10,390	11,083	11,612	12,363	Subsidies and grants for capital expenditure
484	487	506	524	543	561	580	598	617	635	Development and financial contributions

Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Land Transport Group of Activities	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Increase (decrease) in debt	2,284	4,490	5,980	2,942	11,856	3,236	2,199	1,711	2,145	4,146	4,654
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	9,160	14,451	12,160	9,401	19,346	11,751	9,177	8,284	9,072	14,088	15,492
Applications of capital funding											
Capital expenditure											
- to meet additional demand	-	4,960	2,603	2,222	292	311	330	348	366	383	430
- to improve the level of service	6,954	6,820	3,203	735	1,376	1,464	1,553	1,638	1,722	1,806	2,051
- to replace existing assets	3,624	3,540	3,770	8,251	19,792	12,042	9,376	8,603	9,098	14,031	15,285
Increase (decrease) in reserves	(81)	152	4,409	(1)	1	1	-	(1)	(1)	-	(1)
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	10,497	15,472	13,985	11,207	21,461	13,818	11,259	10,588	11,185	16,220	17,765
Surplus (deficit) of capital funding (C-D)	(1,337)	(1,021)	(1,825)	(1,806)	(2,115)	(2,067)	(2,082)	(2,304)	(2,113)	(2,132)	(2,273)
Funding Balance ((A-B)+(C-D))	-	-	-	-	-	-	-	-	-	-	-
Depreciation	5,188	3,932	4,389	4,752	5,374	4,951	4,988	5,526	5,070	5,114	5,460

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Land Transport Group of Activities
2,620	2,861	3,114	3,618	3,976	4,150	4,787	5,243	5,265	6,082	Increase (decrease) in debt
-	-	-	-	-	-	-	-	-	-	Gross proceeds from sale of assets
-	-	-	-	-	-	-	-	-	-	Lump sum contributions
-	-	-	-	-	-	-	-	-	-	Other dedicated capital funding
10,230	10,838	11,595	12,771	13,684	14,602	15,757	16,924	17,494	19,080	Total sources of capital funding (C)
										Applications of capital funding
										Capital expenditure
456	475	511	548	587	628	666	704	744	786	- to meet additional demand
2,149	2,239	2,405	2,580	2,764	2,958	3,133	3,314	3,502	3,697	- to improve the level of service
9,797	10,317	10,963	11,884	12,599	13,622	14,283	15,263	15,962	17,026	- to replace existing assets
(2)	1	2	(1)	1	(1)	2	1	-	(1)	Increase (decrease) in reserves
-	-	-	-	-	-	-	-	-	-	Increase (decrease) of investments
12,400	13,032	13,881	15,011	15,951	17,207	18,084	19,282	20,208	21,508	Total applications of capital funding (D)
(2,170)	(2,194)	(2,286)	(2,240)	(2,267)	(2,605)	(2,327)	(2,358)	(2,714)	(2,428)	Surplus (deficit) of capital funding (C-D)
-	-	-	-	-	-	-	-	-	-	Funding Balance ((A-B)+(C-D))
5,212	5,267	5,490	5,386	5,452	6,269	5,599	5,680	6,543	5,855	Depreciation

Activity Expenditure for Land Transport

Activity Operating Expenditure Including depreciation	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Subsidised Roothing	8,390	7,278	7,990	8,110	8,514	8,297	8,520	9,076	8,851	9,047	9,502
Unsubsidised Roothing	218	236	254	319	625	932	910	901	863	839	821
Footpaths	984	376	459	993	1,134	1,051	1,081	1,208	1,146	1,183	1,281
Shared Pathways	139	161	191	294	347	393	441	498	543	595	658
											-
Total Expenditure	9,731	8,051	8,894	9,716	10,620	10,673	10,952	11,683	11,403	11,664	12,262

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Activity Operating Expenditure Including depreciation
9,469	9,612	9,996	10,154	10,447	11,269	11,068	11,402	12,266	12,107	Subsidised Roothing
787	761	744	716	692	687	642	615	607	560	Unsubsidised Roothing
1,266	1,315	1,401	1,423	1,485	1,711	1,623	1,700	1,956	1,868	Footpaths
711	774	849	913	990	1,117	1,156	1,246	1,405	1,438	Shared Pathways
-	-	-	-	-	-	-	-	-	-	
12,233	12,462	12,990	13,206	13,614	14,784	14,489	14,963	16,234	15,973	Total Expenditure

Solid Waste

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

What Solid Waste involves:

- Educating the Community on waste minimisation.
- Providing kerbside recycling, recycling stations, refuse bag collection, operation of waste transfer stations, provision of a waste disposal service, and monitoring closed landfills.
- Ensuring that the necessary resource consents for the Activity are obtained and that any conditions are complied with.
- Operating within other legislative requirements (e.g. the Health Act 1956, Health & Safety at Work Act 2015, and the Waste Minimisation Act 2008).

Key Projects for 2023/2024

Replacement of existing assets

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

Additions to levels of service

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

Projects resulting from growth

- Review of Waste Minimisation and Management Plan

Rationale for this Activity (why we do it)

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

Provision of waste minimisation education helps to promote more sustainable practices within the community and reduce the pressures and impact on the environment.

Strong communities

Waste minimisation education helps to reduce waste to landfill and promote more sustainable ways of living.

How we will measure our performance

Service	Community Outcomes	How we will measure our performance	Target 2022/23	Target 2023/24	Target 2024/41
Provision of a waste disposal service but minimising the amount that is sent to a landfill.	Fit for purpose infrastructure	Quantity of waste going to the landfill per person per year.	≤ 400 kg per person	≤ 400 kg per person	≤ 400 kg per person
Recycling is encouraged.	Outstanding environment	Level of recycling.			
	Fit for purpose infrastructure		≥ 40% of total waste	≥ 40% of total waste	≥ 40% of total waste
What does this tell me?					
The provision of a waste disposal service and encouraging recycling helps reduce waste and minimise its negative environmental effects.					
Waste transfer and recycling stations have a minimal impact on the immediate and surrounding environment.	Outstanding environment	Number of odour complaints and minimal reports of solid waste in or around:	<4	<4	<4
	Fit for purpose infrastructure	Waste transfer stations; and recycling stations per month.	<4	<4	<4

What does this tell me?					
The number of complaints provides an indication of the quality of the service provided. This measure also provides data that highlights problems requiring attention, such as the need for maintenance, repair, upgrading, or new infrastructure.					
Response to service requests regarding Council's Solid Waste Activities is timely.	Strong communities	95% of all requests are responded to within the required timeframe.	Within 3 working days	Within 3 working days	Within 3 working days
What does this tell me?					
This measure shows how quickly we respond when there is a problem regarding solid waste.					
Recycling and refuse is collected on time and in a sanitary manner.	Fit for purpose infrastructure	Number of complaints per-month about non collection of:			
	Outstanding environment	Kerbside recycling	<6	<6	<6
	Strong communities	Kerbside refuse	<6	<6	<6
What does this tell me?					
The number of complaints provides an indication of the quality of the service provided. This measure also provides information on problems requiring attention.					
Recycling stations are available and accessible in urban centres in summer.	Outstanding environment Strong communities	All recycling stations are available at the agreed locations on the agreed days and times outlined on Council's website.	Achieve	Achieve	Achieve
What does this tell me?					
Available collection points stop rubbish and recycling becoming a health risk.					
Customers are content with Council's transfer stations, recycling collection, and refuse collection services offered.	Fit for purpose infrastructure	Percentage of customers satisfied with their solid waste services:			
		Kerbside recycling	≥ 80%	≥ 80%	≥ 80%
		Kerbside refuse			

			≥ 80%	≥ 80%	≥ 80%
What does this tell me? The percentage of satisfied customers gives us an indication of the quality of service we are providing.					
Customers are educated on waste minimisation practices.	Strong communities	Number of school aged students waste education is provided to each year.	≥ 300 students	≥ 300 students	≥ 300 students
	Outstanding environment	Number of events Council attends to promote ways to minimise waste.	≥ 5	≥ 5	≥ 5
What does this tell me? Waste minimisation is important because it helps protect the environment and it makes good business sense. Today's environmentally savvy children are tomorrow's environmentally responsible adults. This measures shows that Council is doing its part in protecting the environment.					
Sustainable solid waste management.	Outstanding environment	The number of:			
		Abatement Notices;	0	0	0
	Fit for purpose infrastructure	Infringement Notices;	0	0	0
		Enforcement Orders; and Convictions	0	0	0
		Received by Council in relation to Horizons Regional Council resource consents.	0	0	0
What does this tell me? This measure indicates how well Council is managing the environmental impacts of its Solid Waste Activities. Not complying with consent conditions may indicate that Council is not managing its processes adequately or that the infrastructure is no longer adequate.					

Challenges Council faces for Solid Waste

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

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

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

Key Risks and assumption associated with Solid Waste

- A key risk associated with the solid waste activities is the potential environmental and social impacts associated with the historical disposal of waste to landfill. This risk is mitigated through legislative controls and constant monitoring of leachates and groundwater conditions.
- A key assumption is that Council will continue to provide a solid waste service, but will no longer operate a landfill in district. Much of this Group of Activities is optional rather than mandatory. Future changes in the service provision model, especially the level of Council's participation in it, could change the overall funding requirements.

Capital Expenditure for Solid Waste

Solid Waste Project Primary Type- to replace existing assets	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Cap Shape Correction	-	150	50	50	51	53	54	55	56	57	58
Solid Waste property renewals	-	2	-	3	15	16	16	16	17	17	17
Renewal works at Foxton Transfer Station	-	42	10	30	21	21	5	6	6	6	6
Landfill stage development	153	-	-	-	-	-	-	-	-	-	-
Landfill Gas Flare renewals	-	10	-	-	-	-	-	-	-	-	-
Unplanned small landfill maintenance	-	25	-	-	-	-	-	-	-	-	-
Levin Landfill Capping Project	-	-	-	600	-	-	-	-	-	-	-
Total renewal	153	229	60	683	87	90	75	77	79	80	81

Solid Waste Project Primary Type- to improve the level of service	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Wheelie Bins & glass crates	11	-	-	-	-	-	-	-	-	-	-
Landfill Development (gas collection & ongoing capping)	-	-	-	110	113	116	119	121	124	126	128
Leachate remedial option / work	-	12	350	300	308	-	-	-	-	-	-
Landfill Development	566	320	-	-	-	-	-	-	-	-	-
Weighbridge at Foxton Transfer Station or Levin Landfill (if stays open)	-	5	41	-	-	-	-	-	-	-	-
Total level of service	577	337	391	410	421	116	119	121	124	126	128

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Solid Waste Project Primary Type- to replace existing assets
59	60	62	64	67	-	-	-	-	-	Cap Shape Correction
18	18	19	19	20	20	21	22	22	23	Solid Waste property renewals
6	6	6	6	7	7	7	7	7	8	Renewal works at Foxton Transfer Station
-	-	-	-	-	-	-	-	-	-	Landfill stage development
-	-	-	-	-	-	-	-	-	-	Landfill Gas Flare renewals
-	-	-	-	-	-	-	-	-	-	Unplanned small landfill maintenance
-	-	-	-	-	-	-	-	-	-	Levin Landfill Capping Project
83	84	87	89	94	27	28	29	29	31	Total renewal

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Solid Waste Project Primary Type- to improve the level of service
-	-	-	-	-	-	-	-	-	-	Wheelie Bins & glass crates
130	132	137	142	146	-	-	-	-	-	Landfill Development (gas collection & ongoing capping)
-	-	-	-	-	-	-	-	-	-	Leachate remedial option / work
-	-	-	-	-	-	-	-	-	-	Landfill Development
-	-	-	-	-	-	-	-	-	-	Weighbridge at Foxton Transfer Station or Levin Landfill (if stays open)
130	132	137	142	146	-	-	-	-	-	Total level of service

Solid Waste Project Primary Type- to meet additional demand	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Wheelie Bins & glass crates	-	38	39	39	40	41	43	44	46	47	48
Total growth	-	38	39	39	40	41	43	44	46	47	48

Total Solid Waste Projects by Type	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Growth	-	42	40	42	42	44	43	45	46	47	49
Level of Service	577	335	375	410	421	116	119	121	124	126	128
Renewals	153	227	75	680	85	87	75	77	78	80	81
Total Solid Waste Projects	730	604	490	1,131	549	247	237	243	248	253	258

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Solid Waste Project Primary Type- to meet additional demand
49	51	53	55	58	60	63	65	68	70	Wheelie Bins & glass crates
49	51	53	55	58	60	63	65	68	70	Total growth

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Total Solid Waste Projects by Type
50	51	54	56	58	61	63	66	68	71	Growth
130	132	137	142	146	-	-	-	-	-	Level of Service
82	84	86	89	92	27	27	28	29	30	Renewals
263	267	277	287	297	88	91	94	98	101	Total Solid Waste Projects

Forecast Funding Impact Statement for Solid Waste

Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Solid Waste Group of Activities	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Sources of Operating Funding											
General rates, uniform annual general charges, rates penalties	-	-	-	-	-	-	-	-	-	-	-
Targeted rates	1,232	2,214	2,866	2,735	3,297	3,767	4,214	4,638	5,061	5,158	5,246
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	1,730	1,767	450	442	455	466	478	488	497	507	516
Local authorities fuel tax, fines, infringement fees, and other receipts	-	21	21	-	-	-	-	-	-	-	-
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Total Operating Funding (A)	2,962	4,002	3,337	3,177	3,752	4,233	4,692	5,126	5,558	5,665	5,762
Applications of Operating Funding											
Payments to staff and suppliers	2,720	3,159	4,049	3,707	3,807	3,910	4,009	4,100	4,202	4,291	4,367
Finance costs	248	223	202	305	463	526	569	598	614	623	633
Internal charges and overheads applied	331	567	566	626	643	657	672	686	698	705	716
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	3,299	3,949	4,817	4,638	4,913	5,093	5,250	5,384	5,514	5,619	5,716
Surplus (deficit) of operating funding (A-B)	(337)	53	(1,480)	(1,461)	(1,161)	(860)	(558)	(258)	44	46	46
Sources of capital funding											
Subsidies and grants for capital expenditure	-	3	21	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Solid Waste Group of Activities
Sources of Operating Funding										
-	-	-	-	-	-	-	-	-	-	General rates, uniform annual general charges, rates penalties
5,316	5,405	3,823	3,933	4,044	4,151	4,254	4,358	4,461	4,566	Targeted rates
-	-	-	-	-	-	-	-	-	-	Subsidies and grants for operating purposes
524	532	2,313	2,391	2,469	2,546	2,624	2,702	2,780	2,858	Fees and charges
-	-	-	-	-	-	-	-	-	-	Local authorities fuel tax, fines, infringement fees, and other receipts
-	-	-	-	-	-	-	-	-	-	Internal charges and overheads recovered
5,840	5,937	6,136	6,324	6,513	6,697	6,878	7,060	7,241	7,424	Total Operating Funding (A)
Applications of Operating Funding										
4,421	4,495	4,669	4,831	4,991	5,154	5,318	5,482	5,645	5,811	Payments to staff and suppliers
642	652	662	673	683	690	691	693	695	697	Finance costs
728	742	756	771	786	801	816	830	845	860	Internal charges and overheads applied
-	-	-	-	-	-	-	-	-	-	Other operating funding applications
5,791	5,889	6,087	6,275	6,460	6,645	6,825	7,005	7,185	7,368	Total applications of operating funding (B)
49	48	49	49	53	52	53	55	56	56	Surplus (deficit) of operating funding (A-B)
Sources of capital funding										
-	-	-	-	-	-	-	-	-	-	Subsidies and grants for capital expenditure
-	-	-	-	-	-	-	-	-	-	Development and financial contributions

Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Solid Waste Group of Activities	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Increase (decrease) in debt	1,248	183	1,822	2,592	1,709	1,106	796	500	204	208	212
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	1,248	186	1,843	2,592	1,709	1,106	796	500	204	208	212
Applications of capital funding											
Capital expenditure											
- to meet additional demand	-	42	40	42	42	44	43	45	46	47	49
- to improve the level of service	577	335	375	410	421	116	119	121	124	126	128
- to replace existing assets	153	227	75	680	85	87	75	77	78	80	81
Increase (decrease) in reserves	181	(365)	(127)	(1)	-	(1)	1	(1)	-	1	-
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	911	239	363	1,131	548	246	238	242	248	254	258
Surplus (deficit) of capital funding (C-D)	337	(53)	1,480	1,461	1,161	860	558	258	(44)	(46)	(46)
Funding Balance ((A-B) +(C-D))	-	-	-	-	-	-	-	-	-	-	-
Depreciation	370	388	392	388	418	434	439	445	450	456	462

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Solid Waste Group of Activities
216	220	228	237	246	35	37	39	41	43	Increase (decrease) in debt
-	-	-	-	-	-	-	-	-	-	Gross proceeds from sale of assets
-	-	-	-	-	-	-	-	-	-	Lump sum contributions
-	-	-	-	-	-	-	-	-	-	Other dedicated capital funding
216	220	228	237	246	35	37	39	41	43	Total sources of capital funding (C)
										Applications of capital funding
										Capital expenditure
50	54	56	58	61	63	66	68	71	-	- to meet additional demand
130	137	142	146	-	-	-	-	-	-	- to improve the level of service
82	86	89	92	27	27	28	29	30	-	- to replace existing assets
3	(9)	(10)	(10)	211	(3)	(4)	(3)	(4)	99	Increase (decrease) in reserves
-	-	-	-	-	-	-	-	-	-	Increase (decrease) of investments
265	268	277	286	299	87	90	94	97	99	Total applications of capital funding (D)
(49)	(48)	(49)	(49)	(53)	(52)	(53)	(55)	(56)	(56)	Surplus (deficit) of capital funding (C-D)
-	-	-	-	-	-	-	-	-	-	Funding Balance ((A-B) +(C-D))
468	474	480	486	493	499	501	502	504	506	Depreciation

Activity Expenditure for Solid Waste

Activity Operating Expenditure Including depreciation	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Roadside Collection	328	478	490	813	829	850	870	889	923	941	956
Landfill	1,097	1,537	2,257	1,566	1,766	1,873	1,948	2,008	2,055	2,093	2,129
Waste Transfer Stations	367	438	466	521	533	545	557	568	577	586	594
Recycling	1,877	1,884	1,996	2,126	2,203	2,258	2,313	2,363	2,410	2,456	2,498
Total Expenditure	3,669	4,337	5,209	5,026	5,331	5,526	5,688	5,828	5,965	6,076	6,177

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Activity Operating Expenditure Including depreciation
971	987	631	650	670	689	708	727	747	766	Roadside Collection
2,148	2,185	2,723	2,797	2,871	2,942	3,003	3,065	3,126	3,189	Landfill
602	610	621	638	655	672	689	706	722	739	Waste Transfer Stations
2,539	2,581	2,590	2,674	2,758	2,842	2,926	3,010	3,094	3,178	Recycling
6,260	6,363	6,565	6,759	6,954	7,145	7,326	7,508	7,689	7,872	Total Expenditure

Community Facilities and Services

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

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

- Aquatic Centres and Recreation
- Community Centres and Libraries

Aquatic Centres and Recreation

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

What Aquatic Centres and Recreation involves:

- Providing swimming pools for general use including assisting clubs and organisations to host and run events on and off-site.
- Providing safe venues for fun activities and social interaction
- Providing a certified Swim School Programme in Levin and Foxton.
- Providing land and water-based fitness and rehabilitation classes both on and off-site.
- Managing Shannon School Swimming Pool during the summer school holidays.
- Facilitating a targeted swimming programme for the rural community within Horowhenua.

Key Projects for 2023/2024

To replace existing assets

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

Rationale for this Activity (why we do it)

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

How we will measure our performance

Service	Community Outcomes	How we will measure our performance	Target 2022/23	Target 2023/24	Target 2024/41
Safe aquatic facilities are operating in the District.	Strong communities Fit for purpose infrastructure	Compliance with relevant standards including PoolSafe Accreditation.	Achieve	Achieve	Achieve
What does this tell me? This measure is to ensure the safety and enjoyment of aquatic centres for all customers.					
Aquatic centres meet customer needs.	Strong communities	Percent of customers satisfied, based on the Annual Customer Satisfaction Survey.	≥ 90%	≥ 90%	≥ 90%
What does this tell me? The percentage of satisfied customers gives us an indication of the quality of service we are providing.					
A high quality Swim School operates at the Levin and Foxton Aquatic Centres.	Strong communities	Number of participants in Learn to Swim classes.	≥ 400 per term	≥ 400 per term	≥ 400 per term
What does this tell me? Our pools offer curriculum based water safety and aquatic education programmes to local schools that do not have their own pools. We also offer swimming lessons for people of all ages and abilities to improve their swimming technique and overall skill level.					
Local clubs are supported to deliver their own events.	Strong communities	Number of events per year held by clubs-clubs growing and taking ownership of their own events and future	≥ 5 per year	≥ 5 per year	≥ 5 per year
What does this tell me? Council makes available its facilities for local aquatic clubs and organisations to deliver their own events.					
Growing existing events and	Strong communities	Number of events per year for:			

developing new ones for the following areas; children, general public, and retirees.		Children; General public; and Retirees.	≥ 3 ≥ 3 ≥ 3	≥ 3 ≥ 3 ≥ 3	≥ 3 ≥ 3 ≥ 3
What does this tell me? Council supports local sports/recreation clubs and organisations to host and run events on and off site.					

Challenges Council faces for Aquatic Centres and Recreation

- A major challenge facing Council for this Activity is the change in demand and Community expectations as well as the ongoing increases in operational costs, coupled with the desire to make fees and charges affordable for our Community. Council is continuing to actively investigate areas for increasing revenue to subsidise other areas of public access.
- Significant negative effects on the social, cultural, economic and environmental wellbeing of the local community associated with Aquatic Centres and Recreation
- Injuries or drownings resulting from use of the facility. This is managed by ongoing training, qualification and provision of competent lifeguards and compliance with the Poolsafe accreditation.
- As costs increase to provide swimming pools it may become unaffordable for some. This is managed by ensuring costs are kept to a minimum through ongoing review and efficiencies. Programmes and events are actively monitored and reviewed to maximise revenue opportunities to offset operational costs.

Key Risks and Assumptions associated with Aquatic Centres and Recreation

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

Community Centres and Libraries

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

What Community Centres and Libraries involves:

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

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

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

- Provide equitable access to information for leisure, entertainment, research, education and career development across the district
- Foster and enhance literacy (including digital) and lifelong learning
- Deliver events and programmes for children, young people, adults and elders
- Recognise and support those with special needs and requirements
- Encourage the development of partnerships for the delivery of services and programmes
- Promote opportunities for people and communities to connect with each other
- Protects, conserves and maintains Horowhenua's heritage resources
- Provide opportunities for access to local history and heritage resources
- Operate a dedicated youth space that encourages and promotes inclusion, safety and interaction in both structured and unstructured settings.

Key Projects for 2023/2024

To meet additional demand

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

Rationale for this Activity (why we do it)

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

How we will measure our performance

Service	Community Outcomes	How we will measure our performance	Target 2022/23	Target 2023/24	Target 2024/41
Council provides community facilities for residents, ratepayers, and visitors to access Community services including library services.	Vibrant economy	Communities with library and community facilities providing an integrated and District wide service.	Levin, Foxton, and Shannon	Levin, Foxton, and Shannon	Levin, Foxton, and Shannon
	Strong communities	Number of visitors to our Community Hubs and Libraries	≥575,000	≥590,000	≥600,000
	Fit for purpose infrastructure	Te Takeretanga o Kura-hau-pō	≥385,000	≥390,000	≥390,000
	Partnership with Tangata Whenua	Te Awahou Nieuwe Stroom	≥165,000	≥170,000	≥180,000
		Shannon Library	≥25,000	≥30,000	≥30,000
What does this tell me? Council recognises the importance of libraries as social hubs for learning and literacy in the Community. Council sets out to provide a relevant library service and community facilities that people can enjoy throughout the District.					
Libraries and community facilities meet the public's needs.	Fit for purpose infrastructure	Percent of residents and non-residents satisfied with library and Community services based on the Annual Customer Satisfaction Survey.	>90%	>90%	>90%
	Strong communities				
	Partnership with Tangata Whenua				
What does this tell me? The percentage of satisfied customers gives us an indication of the quality of service we are providing.					

Community facilities are available for public use.	Fit for purpose infrastructure	Number of booking counts for community facilities.	≥ 1,500	≥ 1,600	≥ 1,700
	Vibrant economy				
	Strong communities	Te Takeretanga o Kura-hau-pō	65% of total booking across all facilities	60% of total booking across all facilities	60% of total booking across all facilities
	Partnership with Tangata Whenua	Te Awahou Nieuwe Stroom	35% of total booking across all facilities	40% of total booking across all facilities	40% of total booking across all facilities
What does this tell me? This measure is used to ensure the community facilities are being utilised					
Customers have access to a range of current information in both print and digital format.	Fit for purpose infrastructure	Number of items loaned from the libraries across the District, including books, magazines etc.	≥ 270,000	≥ 300,000	≥ 320,000
	Strong communities				
		Collections are refreshed and meet the literacy and information needs of the community in accordance with the NZ Public Library Standards	\$7 per capita spent on library resources	\$7 per capita spent on library resources	\$7 per capita spent on library resources
		Percent of increase in use of websites and online engagement	≥1%	≥1%	≥1%
What does this tell me? Council sets out to provide a modern and relevant library service. The number of loaned items would indicate the range of loanable items is current and relevant. The growing use of the library website indicates Council provides a modern library service that people use and enjoy.					

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

What does this tell me? Council sets out to provide a relevant library service that people can enjoy throughout the District.

Challenges Council faces for this activity

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

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

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

Key Risks and Assumptions associated with Community Centres and Libraries

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

Capital Expenditure for Community Facilities and Services

The following tables have been updated to reflect the changes made to the budgets from the 2022/23 financial year and beyond

Community Facilities & Services Projects Primary Type- to replace existing assets	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Levin Aquatic Centre Plan Renewals	200	298	28	44	414	84	49	29	83	902	92
Foxton Aquatic Centre Plan Renewals	50	58	72	239	47	11	15	11	23	86	12
Levin - Disabled change facilities	-	5	-	-	-	-	5	-	34	-	-
Youth Space Renovation	-	-	169	10	-	-	-	-	-	-	6
Activity Renewal - Libraries	-	40	25	69	32	52	38	231	55	40	51
Activity Renewals - Community Centres	-	89	27	20	21	133	78	50	45	18	61
Building Renewal - Shannon Library	-	1	10	-	18	4	16	5	-	15	-
Building Renewals - Te Awahou Nieuwe Stroom	-	32	38	32	57	17	16	151	31	176	12
Building Renewals- Te Takeretanga o Kura-hau-po	-	20	-	27	49	25	162	96	61	11	393
TANS Marketing billboards	-	20	-	20	-	-	-	3	-	-	3
Purchase of Library Books	-	-	450	445	463	481	500	517	535	552	569
Foxton Building Renewals	-	-	-	2,000	-	-	-	-	-	161	-
Levin Building Renewals	-	-	-	-	383	-	-	-	-	326	-
Community hubs - Digital equipment replacement	5	-	-	-	-	-	-	-	-	-	-
Levin Aquatic - Replace hydroslide	451	-	-	-	-	-	-	-	-	-	-
Levin Aquatic Centre - Planned renewals	200	-	-	-	-	-	-	-	-	-	-
Purchase of audio books	6	-	-	-	-	-	-	-	-	-	-
Purchase of DVD`s	13	-	-	-	-	-	-	-	-	-	-
Te Takeretanga o Kura-hau-po - Redevelopment	12	-	-	-	-	-	-	-	-	-	-
Library books	-	434	-	-	-	-	-	-	-	-	-
Total renewal	937	997	819	2,906	1,484	807	879	1,093	867	2,287	1,199

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Community Facilities & Services Projects Primary Type- to replace existing assets
										Levin Aquatic Centre Plan Renewals
30	53	32	449	102	36	36	152	684	118	Foxton Aquatic Centre Plan Renewals
12	12	18	56	13	71	14	222	109	15	Levin - Disabled change facilities
6	-	-	-	-	7	-	42	-	-	Youth Space Renovation
-	-	-	-	-	-	-	-	-	8	Activity Renewal - Libraries
26	12	86	-	47	85	14	87	15	39	Activity Renewals - Community Centres
36	12	132	21	40	27	37	82	52	146	Building Renewal - Shannon Library
3	18	-	3	5	21	23	30	-	49	Building Renewals - Te Awahou Nieuwe Stroom
-	138	236	270	6	149	5	199	408	16	Building Renewals- Te Takeretanga o Kura-hau-po
41	19	23	28	177	272	80	392	116	1,165	TANS Marketing billboards
-	-	4	-	-	-	-	4	-	-	Purchase of Library Books
586	604	634	664	695	727	760	783	806	835	Foxton Building Renewals
-	-	-	87	-	-	-	-	-	-	Levin Building Renewals
-	-	-	-	-	-	-	-	600	-	Community hubs - Digital equipment replacement
-	-	-	-	-	-	-	-	-	-	Levin Aquatic - Replace hydroslide
-	-	-	-	-	-	-	-	-	-	Levin Aquatic Centre - Planned renewals
-	-	-	-	-	-	-	-	-	-	Purchase of audio books
-	-	-	-	-	-	-	-	-	-	Purchase of DVD`s
-	-	-	-	-	-	-	-	-	-	Te Takeretanga o Kura-hau-po - Redevelopment
-	-	-	-	-	-	-	-	-	-	Library books
740	868	1,165	1,578	1,085	1,395	969	1,993	2,790	2,391	Total renewal

Community Facilities & Services Projects Primary Type - to improve the level of service	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Mobile outdoor screen & accompanying audio & visual	-	-	68	-	2	-	-	-	2	-	-
Mobile partitions	-	25	-	-	-	-	13	-	-	-	-
Mobile stage trailer	-	-	-	-	85	-	-	-	-	-	-
Makerspace for Children Youth and	-	-	-	-	-	-	-	-	93	-	-
Equipment - General	2	-	-	-	-	-	-	-	-	-	-
Foxton Aquatic Centre plantroom	2	-	-	-	-	-	-	-	-	-	-
Levin - Air and heat	2	-	-	-	-	-	-	-	-	-	-
Levin - Supply and extract fans	4	-	-	-	-	-	-	-	-	-	-
Levin Aquatic Centre plantroom miscellaneous	1	-	-	-	-	-	-	-	-	-	-
Levin Aquatic Centre pumps	5	-	-	-	-	-	-	-	-	-	-
Stream management plan	16	-	-	-	-	-	-	-	-	-	-
Foxton Pool Redevelopment	-	1,500	2,575	500	-	-	-	-	-	-	-
Levin - Splash Pad	50	181	249	-	-	-	-	-	-	-	-
Total Level of Service	32	1,709	2,891	500	87	-	13	-	95	-	-

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Community Facilities & Services Projects Primary Type - to improve the level of service
36	-	-	-	3	-	-	-	3	-	Mobile outdoor screen & accompanying audio & visual
14	-	-	-	-	16	-	-	-	-	Mobile partitions
-	-	-	-	-	-	-	-	112	-	Mobile stage trailer
-	-	-	-	-	-	-	-	-	-	Makerspace for Children Youth and Adults
-	-	-	-	-	-	-	-	-	-	Equipment - General
-	-	-	-	-	-	-	-	-	-	Foxton Aquatic Centre plantroom miscellaneous
-	-	-	-	-	-	-	-	-	-	Levin - Air and heat
-	-	-	-	-	-	-	-	-	-	Levin - Supply and extract fans
-	-	-	-	-	-	-	-	-	-	Levin Aquatic Centre plantroom miscellaneous
-	-	-	-	-	-	-	-	-	-	Levin Aquatic Centre pumps
-	-	-	-	-	-	-	-	-	-	Stream management plan
-	-	-	-	-	-	-	-	-	-	Foxton Pool Redevelopment
-	-	-	-	-	-	-	-	-	-	Levin - Splash Pad
50	-	-	-	3	16	-	-	115	-	Total Level of Service

Community Facilities & Services Projects Primary - to meet additional demand	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Innovative technology projects	-	-	-	6	-41	-	-	7	49	-	-
Strategic and growth-related aquatics	-	-	-	-	-	-	1,360	1,386	1,409	1,428	1,444
Mobile Library	-	-	-	165	-	-	-	-	-	-	-
Total growth	-	-	-	171	41	-	1,360	1,393	1,458	1,428	1,444

Total Community Facilities & Services Projects by Type	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Growth	-	-	-	171	41	-	1,360	1,393	1,458	1,428	1,444
Level of Service	32	1,706	2,891	500	87	-	13	-	95	-	-
Renewals	937	997	819	2,905	1,484	806	878	1,094	866	2,287	1,199
Total Community Facilities & Services Projects	969	2,703	3,710	3,575	1,611	806	2,251	2,487	2,419	3,714	2,643

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Community Facilities & Services Projects Primary Type - to meet additional demand
8	58	-	-	-	10	76	-	-	-	Innovative technology projects
1,459	1,471	1,520	1,569	1,618	1,666	1,715	1,764	1,813	1,861	Strategic and growth-related aquatics projects
-	-	-	193	-	-	-	-	-	-	Mobile Library
1,467	1,529	1,520	1,762	1,618	1,676	1,791	1,764	1,813	1,861	Total growth

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Total Community Facilities & Services Projects by Type
1,467	1,529	1,520	1,762	1,618	1,677	1,791	1,764	1,813	1,861	Growth
50	-	-	-	3	16	-	-	115	-	Level of Service
739	868	1,165	1,578	1,085	1,395	969	1,993	2,790	2,390	Renewals
2,255	2,397	2,685	3,340	2,705	3,088	2,760	3,757	4,718	4,251	Total Community Facilities & Services Projects

Forecast Funding Impact Statement for Community Facilities and Services

Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Community Facilities and Services Group of Activities	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Sources of Operating Funding											
General rates, uniform annual general charges, rates penalties	-	-	-	-	-	-	-	-	-	-	-
Targeted rates	6,573	6,840	6,976	8,247	8,497	8,850	8,994	9,280	9,673	9,915	10,316
Subsidies and grants for operating purposes	-	316	-	-	-	-	-	-	-	-	-
Fees and charges	1,150	1,041	1,076	1,002	1,085	1,113	1,140	1,164	1,186	1,206	1,225
Local authorities fuel tax, fines, infringement fees, and other receipts	20	-	5	5	-	-	-	-	-	-	-
Internal charges and overheads recovered	-	-	-	214	218	222	227	232	236	243	245
Total Operating Funding (A)	7,743	8,197	8,057	9,468	9,800	10,185	10,361	10,676	11,095	11,364	11,786
Applications of Operating Funding											
Payments to staff and suppliers	5,010	5,464	5,519	6,028	5,811	5,951	6,078	6,213	6,332	6,504	6,643
Finance costs	488	455	155	644	835	835	845	892	935	1,001	1,069
Internal charges and overheads applied	1,485	1,316	1,401	1,778	1,828	1,871	1,920	1,958	1,999	2,021	2,050
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	6,983	7,235	7,075	8,450	8,474	8,657	8,843	9,063	9,266	9,526	9,762
Surplus (deficit) of operating funding (A-B)	760	962	982	1,018	1,326	1,528	1,518	1,613	1,829	1,838	2,024
Sources of capital funding											
Subsidies and grants for capital expenditure	-	-	-	500	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Community Facilities and Services Group of Activities
										Sources of Operating Funding
-	-	-	-	-	-	-	-	-	-	General rates, uniform annual general charges, rates penalties
10,624	10,752	11,383	11,719	11,845	12,118	12,677	12,677	13,040	13,689	Targeted rates
-	-	-	-	-	-	-	-	-	-	Subsidies and grants for operating purposes
1,242	1,259	1,453	1,503	1,552	1,601	1,651	1,700	1,749	1,798	Fees and charges
-	-	-	-	-	-	-	-	-	-	Local authorities fuel tax, fines, infringement fees, and other receipts
250	254	259	264	268	273	277	282	286	291	Internal charges and overheads recovered
12,116	12,265	13,095	13,486	13,665	13,992	14,605	14,659	15,075	15,778	Total Operating Funding (A)
										Applications of Operating Funding
6,686	6,791	7,443	7,623	7,811	7,994	8,177	8,362	8,546	8,728	Payments to staff and suppliers
1,094	1,109	1,131	1,170	1,209	1,242	1,268	1,306	1,390	1,474	Finance costs
2,084	2,127	2,169	2,216	2,260	2,304	2,350	2,395	2,439	2,486	Internal charges and overheads applied
-	-	-	-	-	-	-	-	-	-	Other operating funding applications
9,864	10,027	10,743	11,009	11,280	11,540	11,795	12,063	12,375	12,688	Total applications of operating funding (B)
2,252	2,238	2,352	2,477	2,385	2,452	2,810	2,596	2,700	3,090	Surplus (deficit) of operating funding (A-B)
										Sources of capital funding
-	-	-	-	-	-	-	-	-	-	Subsidies and grants for capital expenditure
-	-	-	-	-	-	-	-	-	-	Development and financial contributions

Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Community Facilities and Services Group of Activities	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Increase (decrease) in debt	254	1,741	2,584	2,269	503	(500)	960	1,107	828	2,121	864
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	254	1,741	2,584	2,769	503	(500)	960	1,107	828	2,121	864
Applications of capital funding											
Capital expenditure											
- to meet additional demand	-	-	-	171	41	-	1,360	1,393	1,458	1,428	1,444
- to improve the level of service	76	1,706	2,891	500	87	-	13	-	95	-	-
- to replace existing assets	938	997	819	2,905	1,484	806	878	1,094	866	2,287	1,199
Increase (decrease) in reserves	-	-	(144)	211	217	222	227	233	238	244	245
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	1,014	2,703	3,566	3,787	1,829	1,028	2,478	2,720	2,657	3,959	2,888
Surplus (deficit) of capital funding (C-D)	(760)	(962)	(982)	(1,018)	(1,326)	(1,528)	(1,518)	(1,613)	(1,829)	(1,838)	(2,024)
Funding Balance ((A-B) +(C-D))	-	-	-	-	-	-	-	-	-	-	-
Depreciation	898	962	982	962	1,108	1,306	1,290	1,380	1,591	1,593	1,778

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Community Facilities and Services Group of Activities
255	413	593	1,127	587	909	228	1,443	2,303	1,453	Increase (decrease) in debt
-	-	-	-	-	-	-	-	-	-	Gross proceeds from sale of assets
-	-	-	-	-	-	-	-	-	-	Lump sum contributions
-	-	-	-	-	-	-	-	-	-	Other dedicated capital funding
255	413	593	1,127	587	909	228	1,443	2,303	1,453	Total sources of capital funding (C)
										Applications of capital funding
										Capital expenditure
1,467	1,520	1,762	1,618	1,677	1,791	1,764	1,813	1,861	-	- to meet additional demand
50	-	-	3	16	-	-	115	-	-	- to improve the level of service
739	1,165	1,578	1,085	1,395	969	1,993	2,790	2,390	-	- to replace existing assets
251	(34)	(395)	898	(116)	601	(719)	(679)	752	4,543	Increase (decrease) in reserves
-	-	-	-	-	-	-	-	-	-	Increase (decrease) of investments
2,507	2,651	2,945	3,604	2,972	3,361	3,038	4,039	5,003	4,543	Total applications of capital funding (D)
(2,252)	(2,238)	(2,352)	(2,477)	(2,385)	(2,452)	(2,810)	(2,596)	(2,700)	(3,090)	Surplus (deficit) of capital funding (C-D)
-	-	-	-	-	-	-	-	-	-	Funding Balance ((A-B) +(C-D))
2,001	1,983	2,092	2,213	2,118	2,179	2,533	2,314	2,414	2,799	Depreciation

Activity Expenditure for Community Facilities and Services

Activity Operating Expenditure Including depreciation	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Aquatic Centres	2,623	2,814	2,995	3,471	3,692	3,845	3,910	4,053	4,227	4,384	4,694
Libraries and Community Centres	5,258	5,384	5,062	5,939	5,890	6,118	6,224	6,390	6,631	6,737	6,847
Total Expenditure	7,881	8,198	8,057	9,410	9,582	9,963	10,134	10,443	10,858	11,121	11,541

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Activity Operating Expenditure Including depreciation
4,805	4,884	5,030	5,176	5,289	5,449	5,716	5,775	6,001	6,305	Aquatic Centres
7,062	7,127	7,807	8,046	8,108	8,271	8,612	8,601	8,788	9,182	Libraries and Community Centres
11,867	12,011	12,837	13,222	13,397	13,720	14,328	14,376	14,789	15,487	Total Expenditure

Property

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

What Property involves:

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

Council owns a range of properties including:

- The Council administration building in Levin.
- Commercial properties which are leased to tenants.
- Endowment property - Council owns land in Foxton Beach that was formerly owned by the Foxton Harbour Board. Much of this land is subject to perpetual 21 year leases including a number of residential properties with rights of purchase.
- General Properties and land including - motor camps, historic and cultural buildings, depots, carparks, and residential and commercial land.

Key Projects for 2023/2024

To replace existing assets

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

Additions to Levels of Service

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

Rationale for this Activity (why we do it):

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

This activity provides land via various leasing arrangements to facilitate social and cultural connectedness

This activity provides facilities that allow people to live positive and healthy lifestyles

How we will measure our performance

Service	Community Outcomes	How we will measure our performance	Target 2022/23	Target 2023/24	Target 2024/41q
Council operated facilities are available for public hire.	Fit for purpose infrastructure Strong communities	Facilities availability (hrs) and hire charges by annual review.	8 hrs per day	8 hrs per day	8 hrs per day
What does this tell me? Halls provide public spaces for local Communities to come together and participate in sport, social or other Community events. This measure shows Council promotes the use of public space, the halls are available and hire charges are set to recover a proportion of cost.					
Council's properties will comply with relevant legislation.	Fit for purpose infrastructure Strong communities	All buildings with compliance schedules will have current building WOF.	Achieve	Achieve	Achieve
What does this tell me? It is extremely important to Council that our buildings are safe for everyone to use.					

Challenges Council faces for Property

- A key challenge facing Council for this Activity is changing demands and Community expectations with the use of some of Council's facilities.
- Declining use for some facilities alongside an increase in their operational costs.
- Demand for other Council owned facilities are increasing and therefore Council needs to decide where to focus its funds. This issue will be met by ensuring that as key property assets are developed they are designed to be multi-use and flexible enough to cope with the change in demands and expectations.
- Another challenge is that the District's demographic projections have changed with growth predicting that there will be an 8% increase in persons below 65 compared to 2% of those over 65. This will require the development of active recreational facilities for a range of ages between 2021 and 2041.
- A number of Council's buildings have been identified as earthquake prone. With new legislative requirements to upgrade earthquake prone buildings Council must decide the future of these buildings.

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

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

Key Risks and assumptions associated with Property

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

Capital Expenditure for Property

The following tables have been updated as part of this amendment

Property Project Primary Type- to replace existing assets	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Community buildings programmed renewals	99	58	67	60	63	-	-	-	-	-	-
Property renewals program	110	337	132	351	703	1,741	419	529	886	1,155	185
Waitārere Beach Surf life club saving design and build	-	1,504	2,824	1,718	-	-	-	-	-	-	-
General Property renewals	379	-	-	-	-	-	-	-	-	-	-
Dog pound office building renewal	-	21	-	-	-	-	-	-	-	-	-
Levin Depot buildings renewals & repaint	-	33	-	-	-	-	-	-	-	-	-
Levin Depot yard reseal	-	29	-	-	-	-	-	-	-	-	-
Pottery shed replace roof	-	17	17	-	-	-	-	-	-	-	-
3W Better Off Funding Waitārere Beach Carpark	-	-	-	500	-	-	-	-	-	-	-
Levin Town Centre Development - property purchase - Better Off Funded	-	-	-	2,000	-	-	-	-	-	-	-
Foxton Courthouse Redevelopment Initiative - Better Off Funding	-	-	-	80	-	-	-	-	-	-	-
Total renewals	588	1,999	3,040	4,709	766	1,741	419	529	886	1,155	185

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Property Project Primary Type- to replace existing assets
-	-	-	-	-	-	-	-	-	-	Community buildings programmed renewals
558	853	1,456	1,707	1,945	1,268	1,291	853	1,034	576	Property renewals program
-	-	-	-	-	-	-	-	-	-	Waitārere Beach Surf life club saving design and build
-	-	-	-	-	-	-	-	-	-	General Property renewals
-	-	-	-	-	-	-	-	-	-	Dog pound office building renewal
-	-	-	-	-	-	-	-	-	-	Levin Depot buildings renewals & repaint
-	-	-	-	-	-	-	-	-	-	Levin Depot yard reseal
-	-	-	-	-	-	-	-	-	-	Pottery shed replace roof
-	-	-	-	-	-	-	-	-	-	3W Better Off Funding Waitārere Beach Carpark
-	-	-	-	-	-	-	-	-	-	Levin Town Centre Development - property purchase - Better Off Funded
-	-	-	-	-	-	-	-	-	-	Foxton Courthouse Redevelopment Initiative - Better Off Funding
558	853	1,456	1,707	1,945	1,268	1,291	853	1,034	576	Total renewals

Property Project Primary Type- to improve the Level of Service	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Strategic land purchases	-	1,500	-	1,500	-	-	-	-	-	-	-
Endowment Subdivision Forbes Rd extension	200	-	-	-	-	-	-	-	-	-	-
Total level of service	200	1,500	-	1,500	-	-	-	-	-	-	-

Property Project Primary Type- to meet additional demand	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
260 Gladstone Road subdivision	-	400	-	-	-	-	-	-	-	-	-
Endowment Subdivision Forbes Rd extension	-	800	-	-	-	-	-	-	-	-	-
Poads Road quarry	-	500	-	-	-	-	-	-	-	-	-
Total Growth	-	1,700	-	-	-	-	-	-	-	-	-

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Property Project Primary Type- to improve the level of service
-	-	-	-	-	-	-	-	-	-	Strategic land purchases
-	-	-	-	-	-	-	-	-	-	Endowment Subdivision Forbes Rd extension
-	-	-	-	-	-	-	-	-	-	Total level of service

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Property Project Primary Type- to m
-	-	-	-	-	-	-	-	-	-	260 Gladstone Road subdivision
-	-	-	-	-	-	-	-	-	-	Endowment Subdivision Forbes Rd extension
-	-	-	-	-	-	-	-	-	-	Poads Road quarry
-	-	-	-	-	-	-	-	-	-	Total Growth

Total Property Projects by Type	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Growth	-	1,700	-	-	-	-	-	-	-	-	-
Level of Service	200	1,500	-	1,500	-	-	-	-	-	-	-
Renewals	588	1,999	3,040	4,709	767	1,741	419	529	886	1,155	185
Total Property Projects	788	5,199	3,040	6,209	767	1,741	419	529	886	1,155	185

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Total Property Projects by Type
-	-	-	-	-	-	-	-	-	-	Growth
-	-	-	-	-	-	-	-	-	-	Level of Service
558	853	1,456	1,707	1,945	1,268	1,291	853	1,034	576	Renewals
558	853	1,456	1,707	1,945	1,268	1,291	853	1,034	576	Total Property Projects

Forecast Funding Impact Statement for Property

Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Property Group of Activities	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Sources of Operating Funding											
General rates, uniform annual general charges, rates penalties	925	852	1,176	981	1,279	322	397	1,493	1,849	1,655	1,696
Targeted rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	166	171	298	267	184	189	194	198	201	205	208
Local authorities fuel tax, fines, infringement fees, and other receipts	1	194	190	27	-	-	-	-	-	-	-
Internal charges and overheads recovered	414	405	411	452	469	476	472	473	480	473	472
Total Operating Funding (A)	1,506	1,622	2,075	1,727	1,932	987	1,063	2,164	2,530	2,333	2,376
Applications of Operating Funding											
Payments to staff and suppliers	842	1,088	1,381	625	630	653	684	708	724	392	405
Finance costs	301	195	375	424	453	509	558	579	604	636	652
Internal charges and overheads applied	311	377	370	357	367	375	385	393	400	405	411
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	1,454	1,660	2,126	1,406	1,450	1,537	1,627	1,680	1,728	1,433	1,468
Surplus (deficit) of operating funding (A-B)	52	(38)	(51)	321	482	(550)	(564)	484	802	900	
Sources of capital funding											
Subsidies and grants for capital expenditure	-	200	-	1,233	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Property Group of Activities
Sources of Operating Funding										
1,729	1,753	1,825	1,8142	2,032	2,134	2,251	2,282	2,341	2,437	General rates, uniform annual general charges, rates penalties
-	-	-	-	-	-	-	-	-	-	Targeted rates
-	-	-	-	-	-	-	-	-	-	Subsidies and grants for operating purposes
210	213	220	228	235	243	250	258	265	273	Fees and charges
-	-	-	-	-	-	-	-	-	-	Local authorities fuel tax, fines, infringement fees, and other receipts
477	470	476	488	486	492	508	502	507	524	Internal charges and overheads recovered
2,416	2,436	2,521	2,658	2,753	2,869	3,009	3,042	3,113	3,234	Total Operating Funding (A)
Applications of Operating Funding										
408	425	452	469	503	529	546	584	610	627	Payments to staff and suppliers
654	671	709	764	830	885	924	954	978	994	Finance costs
418	426	434	443	452	461	469	478	486	495	Internal charges and overheads applied
-	-	-	-	-	-	-	-	-	-	Other operating funding applications
1,480	1,522	1,595	1,676	1,785	1,875	1,939	2,016	2,074	2,116	Total applications of operating funding (B)
936	914	926	982	968	9948	1,070	1,026	1,039	1,118	Surplus (deficit) of operating funding (A-B)
Sources of capital funding										
-	-	-	-	-	-	-	-	-	-	Subsidies and grants for capital expenditure
-	-	-	-	-	-	-	-	-	-	Development and financial contributions

Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Property Group of Activities	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Increase (decrease) in debt	(2,986)	4,511	436	(3,288)	777	1,735	418	530	572	853	(129)
Gross proceeds from sale of assets	5,000	650	4,180	6,316	-	-	-	-	-	-	5,000
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	2,014	5,361	4,616	4,261	777	1,735	418	530	572	853	(129)
Applications of capital funding											
Capital expenditure											
- to meet additional demand	-	1,700	-	-	-	-	-	-	-	-	-
- to improve the level of service	200	1,500	-	1,500	-	-	-	-	-	-	-
- to replace existing assets	588	1,999	3,040	4,709	767	1,741	419	529	886	1,155	185
Increase (decrease) in reserves	1,278	124	1,525	(1,627)	492	(556)	(565)	485	488	598	594
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	2,066	5,323	4,565	4,582	1,259	1,185	(146)	1,014	1,374	1,753	779
Surplus (deficit) of capital funding (C-D)	(52)	38	51	(321)	(482)	550	564	(484)	(802)	(900)	(908)
Funding Balance ((A-B) +(C-D))	-	-	-	-	-	-	-	-	-	-	-
Depreciation	259	266	275	266	313	338	339	343	370	357	368

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Property Group of Activities
223	533	1,127	1,335	1,585	887	849	447	619	98	Increase (decrease) in debt
-	-	-	-	-	-	-	-	-	-	Gross proceeds from sale of assets
-	-	-	-	-	-	-	-	-	-	Lump sum contributions
-	-	-	-	-	-	-	-	-	-	Other dedicated capital funding
223	533	1,127	1,335	1,585	887	849	447	619	98	Total sources of capital funding (C)
										Applications of capital funding
										Capital expenditure
-	-	-	-	-	-	-	-	-	-	- to meet additional demand
-	-	-	-	-	-	-	-	-	-	- to improve the level of service
558	853	1,456	1,707	1,945	1,268	1,291	853	1,034	576	- to replace existing assets
601	594	601	594	597	610	608	613	628	620	Increase (decrease) in reserves
-	-	-	-	-	-	-	-	-	-	Increase (decrease) of investments
1,159	1,447	2,053	2,317	2,553	1,881	1,919	1,473	1,658	1,216	Total applications of capital funding (D)
(936)	(914)	(926)	(982)	(968)	(994)	(1,070)	(1,026)	(1,039)	(1,118)	Surplus (deficit) of capital funding (C-D)
-	-	-	-	-	-	-	-	-	-	Funding Balance ((A-B) +(C-D))
390	376	384	426	416	435	498	461	470	533	Depreciation

Activity Expenditure for Property

Activity Operating Expenditure Including depreciation	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Endowment	287	363	408	222	121	128	135	141	146	31	32
General Property	718	872	1,264	1,087	1,312	1,412	1,497	1,548	1,612	1,423	1,466
Campgrounds	20	20	21	22	22	23	23	24	24	24	25
Commercial Property	-	-	33	46	-	-	-	-	-	-	-
Council Building	273	266	270	296	308	313	311	311	316	311	311
Total Expenditure	1,298	1,521	1,996	1,673	1,763	1,876	1,966	2,024	2,098	1,789	1,834

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Activity Operating Expenditure Including depreciation
35	38	42	46	51	55	59	64	68	73	Endowment
1,497	1,525	1,598	1,709	1,804	1,905	2,015	2,053	2,112	2,200	General Property
25	25	26	27	27	28	28	29	29	30	Campgrounds
-	-	-	-	-	-	-	-	-	-	Commercial Property
314	310	313	322	320	324	335	331	334	345	Council Building
1,871	1,898	1,979	2,104	2,202	2,312	2,437	2,477	2,543	2,648	Total Expenditure

Community Infrastructure

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

The Community Infrastructure Group of Activities include:

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

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

This Activity aims to provide management of reserves, sports grounds cemeteries, street beautification, maintenance of berms on the roading network (urban cleansing), public halls and public toilets.

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

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

Key Projects for 2023/2024

To replace existing assets

- Reserve renewals - this project ensures that Council's parks and Reserves are maintained in a state which is 'fit for purpose'
- Waikawa beach Pedestrian Bridge – the Pedestrian bridge at Waikawa is in need of renewal/replacement this project will consider what bridge structure may replace the existing

To improve the levels of service

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

Rationale for this Activity (why we do it)

Activity	Community Outcome	Council Role
Maintain public reserves	<p>Outstanding Environment</p> <p>High quality parks, gardens and streetscapes provide for physical and physiological wellbeing of communities.</p> <p>This activity provides for the environmental restoration of streams, lakes, and sea-scapes.</p> <p>This activity is responsible for maintaining a range of natural features.</p> <p>Partnership with Tangata Whenua</p> <p>This activity through consultation with Mana Whenua recognises their role as Kaitiaki of their respective rohe.</p> <p>Strong communities</p> <p>This activity recognises the diversity of the community and provides high-quality spaces and places for the purpose of recreation and leisure.</p> <p>This activity meets regularly with resident organisations, clubs, and user groups recognising the interest and pride of those communities in local greenspace and thereby permits local decision making.</p>	Funder / Provider / Advocate

This activity through its SSP's, RMP's and other strategic documents ensures the provision of community infrastructure in a high growth environment.

This activity perceives its service providers as extensions of its role and builds highly collaborative relationships with them in the interest of building stronger and more resilient communities.

Manage a beautification programme across the district	<p>Vibrant Economy A well-maintained and high-quality streetscape encourages business and residents to relocate to the district</p> <p>Outstanding Environment This activity preserves its environmental assets assigning an amenity value to its street tree asset. This activity preserves a balance between economic growth and the natural environment by preserving key features of its green portfolio (eg Prouse Bush). A well-maintained streetscape improves the psychological well-being of the community.</p> <p>'Fit for purpose' Infrastructure This activity appertains specifically to the roading asset where a good level of maintenance preserves the lifecycle of the asset and mitigates infrastructural damage through line clearance and the clearance of signs. Street gardens help to manage stormwater and street trees improve shading, and act as a carbon sink to reduce the effects of global warming.</p> <p>Strong communities The Horowhenua has a well-established urban treescape that contributes to its heritage and identity which is maintained under this activity A well-maintained streetscape contributes to healthy psychological outcomes and has been shown to reduce anti-social behaviour and other social inequities.</p>	Funder/Provider
Maintain sports grounds for public use.	<p>Outstanding Environment High quality sportsgrounds provide for physical and physiological wellbeing of communities.</p>	Funder/Provider

'Fit for purpose' Infrastructure

Public sportsgrounds provide for community infrastructure.

Development plans of significant sportsground facilitate growth.

Partnership with Tangata Whenua

This activity through consultation with Mana Whenua recognises their role as Kaitiaki of their respective rohe.

Strong communities

This activity recognises the diversity of the community and provides high-quality spaces and places for the purpose of recreation and leisure

This activity meets regularly with resident organisations, clubs, and user groups recognising the interest and pride of those communities in local greenspace and thereby permits local decision making.

This activity through its SSP's, RMP's and other strategic documents ensures the provision of community infrastructure in a high growth environment

This activity perceives its service providers as extensions of its role and builds highly collaborative relationships with them in the interest of building stronger and more resilient communities.

Operate cemeteries	Outstanding Environment Provision of cemeteries provides for the psychological stresses and grief arising from bereavement and in this way supports the wellbeing of the community. 'Fit for purpose' Infrastructure This activity provides for the needs of existing and future generations. This activity provides for affordable places of rest for the community. Strong communities Existing and proposed improvements allow for an increasingly diverse population. This activity maintains a range of cemeteries with significant heritage value that contribute to the community's sense of identity.	Funder/Provider
Undertake Urban Cleansing on the urban	Vibrant Economy A well-maintained and high-quality streetscape encourages business and residents to relocate.	Funder/Provider

residential roading
network

Outstanding environment

A well-maintained streetscape improves the psychological well-being of the community.

'Fit for purpose' infrastructure

This activity relates specifically to the roading asset where a good level of maintenance preserves the lifecycle of the asset and mitigates infrastructural damage.

Strong communities

A well-maintained streetscape contributes to healthy psychological outcomes and has been shown to reduce anti-social behaviour and other social inequities.

Provide and maintain Community Halls	Strong communities Community Halls contribute to the community's sense of identity and provide heritage	Funder/Provider
Provide and maintain Public Toilets	Vibrant economy This activity contributes to the economy by providing facilities for residents and visitors. Outstanding environment This activity supports the well-being of people living in, or visiting the Horowhenua. 'Fit for purpose' infrastructure Maintenance of existing, and provision of new facilities in this activity meet the needs of current and future generations.	Funder/Provider

How we will measure our performance

Service	Community Outcomes	How we will measure our performance	Target 2022/23	Target 2023/24	Target 2024/41
Reserves are available for Community use.	Vibrant economy	Residential dwellings in urban areas are within 400 metres to local reserves, either Council or privately provided.	≥ 80%	≥ 80%	≥ 80%
	Outstanding environment	Residential dwellings in urban areas are within 800 metres of playgrounds or destination reserves.	≥ 80%	≥ 80%	≥ 80%
	Fit for purpose infrastructure				
	Partnership with Tangata Whenua				
	Strong communities				
What does this tell me? Reserves allow a diverse range of pursuits important to the enjoyment of healthy lifestyles. This measure shows Council that its reserves are located in areas where they are accessible to the public.					
Reserves meet local needs.	Outstanding environment	Percentage of customers satisfied with the service, based on the Annual Customer Satisfaction Survey.	≥ 80%	≥ 80%	≥ 80%
	Fit for purpose Infrastructure				
	Strong communities				
What does this tell me? The percentage of satisfied customers gives us an indication of the quality of service we are providing.					
Sports grounds are available for Community use.	Vibrant economy	Percent of time that sport grounds are available for use during their opening hours.	≥ 95%	≥ 95%	≥ 95%
	Outstanding environment				

	Fit for purpose infrastructure				
	Partnership with Tangata Whenua				
	Strong communities				
What does this tell me? Sports grounds cater for both organised and casual sports. This measure shows Council have grounds available all year round.					
Sports grounds meet local needs.	Outstanding environment	Number of Customer Request Management complaints reporting of ground conditions per annum.	<5	<5	<5
	Fit for purpose infrastructure				
	Strong communities				
What does this tell me? The number of complaints gives us an indication of the quality of service we are providing.					
Playgrounds are safe for users.	Outstanding environment	Playground facilities comply with relevant National Playground standards.	Achieve	Achieve	Achieve
	Fit for purpose infrastructure				
	Strong communities				
What does this tell me? It is extremely important to Council our playgrounds are safe for everyone to use.					
Community Halls are available for public us.	Strong communities	Number of uses per fortnight for Community Halls.	10	10	10
What does this tell me? Halls provide public spaces for local Communities to come together and participate in sport, social or other Community events. This measure is used to ensure the Halls are being utilised.					

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

- Changes in levels of demand and Community expectations are challenges facing Council for this Activity. These challenges are addressed by ensuring that reserves and sports grounds are developed to be multi-use and flexible enough to cope with changes in demands and expectations.
- The growth currently being experienced by Council will lead to pressure on existing resources and result in the proliferation of new reserves and green-space as subdivisions continue apace. This together with increasing inflationary pressures will increase the cost of the service, or alternatively will lead to Level of Service reductions.
- In the context of cemeteries and Horowhenua's changing demographic, there will be the need to consider less traditional users which may necessitate developing options for natural burials and/or changes to plot depth, size and orientation. Use of some facilities may also be a challenge, with usage decreasing and operational costs increasing.
- The accelerated growth will also support the need to maintain sufficient funding to maintain existing Level of Service and expansion of the network via subdivision or other means. In addition, a lack of asset knowledge and condition together with deferred maintenance funding will require higher expenditure to maintain existing Levels of Service in the short-term.
- Due to the lack of growth in the past, there has been a lack of strategic long-term planning for sports grounds and reserves assets, cemeteries, and shared pathways. The current RMP process, together with the regional facilities plan, should assist in this regard. In an increasingly technology savvy environment there will be the need to develop the e-citizens agenda across the Community Services portfolio.
- Changes to environmental standards may also be a challenge faced by Council. These changes may require Council to consider more riparian planting, dune stabilisation, succession planting than has traditionally been considered in the past, as well as having less reliance on traditional means of weed control (herbicides). These changes will inevitably result in additional costs.
- Vandalism and graffiti are challenges faced by Council for this Activity. Where possible Council designs assets to CPTED (Crime Prevention Through Environmental Design) standards. Horowhenua District Council 2021-2041 Long Term Plan 137140
- Another challenge facing Council is that the Community Halls in Levin and Foxton have been identified as being earthquake prone. Council proposes to manage this issue by transferring the halls to local community groups (Foxton Memorial Hall), and/or repurposing them (Levin Memorial Hall). Both Levin Domain Grandstand and Shannon Domain Grandstand are earthquake prone and will need to be strengthened or demolished and rebuilt.

Significant negative effects on the social, cultural, economic and environmental wellbeing of the local community associated with Reserves, Sports Grounds, Cemeteries, Beautification, Urban Cleansing, Public Halls, and Public Toilets

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

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

- Due to the active nature of some assets used within this Activity, there are varying levels of personal and social risks within some sub-activities. For example, playgrounds contain a range of inherent risks to personal safety. These types of risks are removed or managed by adherence to a range of standards regulating how these assets and activities are to be run.
- Earthquake prone buildings owned by Council will need to be strengthened in line with current legislation, or alternatively considered for disposal.
- There are increased expectations from local community groups that Council will raise its Levels of Service in this activity.
- A deferred renewals program from 2010 until 2016 has led to a 'bow wave' of necessary repairs with some assets failing prior to having been renewed.
- Council is finding itself having to deal with previously unconsidered growth and a change in demographic which is leading to a range of conflicting priorities as it applies to Council's Recreation and Leisure asset.
- An increased level of subdivision and inflationary pressure will increase the cost of this activity, or alternatively will lead to the need to make reductions in the Levels of Service currently enjoyed by the community.

Capital Expenditure for Community Infrastructure

The following tables have been updated to reflect the changes made to the budgets from the 2022/23 financial year and beyond.

Community Infrastructure Project Primary Type- to replace existing assets	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
District halls & pavilions reactive renewals	-	27	29	31	30	-	-	-	-	-	-
Public toilets - Minor renewals	-	54	58	61	60	-	-	-	-	-	-
Reserves renewals (non-building)	-	961	778	613	997	1,024	1,047	1,067	1,085	1,099	1,111
Sportsgrounds renewals (buildings)	-	152	9	44	731	88	442	78	69	116	356
Waikawa Beach Pedestrian Bridge	-	50	10	281	-	-	-	-	-	-	-
Public toilets - Major renewals	-	451	389	-	-	479	-	499	-	-	-
Tara-Ika - Community Sporting Fields	-	-	-	-	3,626	-	-	-	-	-	-
Mangahao tracks renewals / improvements	-	-	-	26	26	-	-	-	-	-	-
Reserves renewals (buildings)	-	2	34	248	16	42	110	21	47	60	57
Forestry Target Reserve	-	-	-	-	309	327	-	-	-	-	-
Donnelly Park - Replace netball lights	-	180	-	-	-	-	-	-	-	-	-
Park lighting replacement	-	255	90	-	-	-	-	-	-	-	-
District Halls (& Pavilions) - Reactive renewals	27	-	-	-	-	-	-	-	-	-	-
District play equipment	80	-	-	-	-	-	-	-	-	-	-
District Play Equipment Bark mulch	14	-	-	-	-	-	-	-	-	-	-
Endowment - Foxton Beach Reserves projects	204	-	-	-	-	-	-	-	-	-	-
Public toilets - Minor renewals	19	-	-	-	-	-	-	-	-	-	-
Reserves renewals	259	-	-	-	-	-	-	-	-	-	-
Waikawa Beach pedestrian bridge	50	-	-	-	-	-	-	-	-	-	-
Levin Adventure Park Renewals	-	-	322	319	-	-	-	-	-	-	-
Manakau Domain initiative projects - Better Off Funding	-	-	-	400	-	-	-	-	-	-	-
Te Maire Park Development	-	-	-	500	-	-	-	-	-	-	-
Total renewal	653	2,132	1,719	2,523	5,795	1,960	1,599	1,665	1,201	1,275	1,524

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Community Infrastructure Project Primary Type- to replace existing assets
-	-	-	-	-	-	-	-	-	-	District halls & pavilions reactive renewals
-	-	-	-	-	-	-	-	-	-	Public toilets - Minor renewals
1,123	1,133	1,170	1,208	1,245	1,283	1,320	1,358	1,395	1,433	Reserves renewals (non-building)
26	83	71	137	561	461	83	1,081	83	364	Sportsgrounds renewals (buildings)
-	-	-	-	-	-	-	-	-	-	Waikawa Beach Pedestrian Bridge
-	-	-	565	-	-	-	-	-	670	Public toilets - Major renewals
-	-	-	-	-	-	-	-	-	-	Tara-Ika - Community Sporting Fields
-	-	-	-	-	-	-	-	-	-	Mangahao tracks renewals / improvements
31	35	79	66	138	141	338	26	1,885	153	Reserves renewals (buildings)
-	-	-	-	-	-	-	-	-	-	Forestry Target Reserve
-	-	-	-	-	-	-	-	-	-	Donnelly Park - Replace netball lights
-	-	-	-	-	-	-	-	-	-	Park lighting replacement
-	-	-	-	-	-	-	-	-	-	District Halls (& Pavilions) - Reactive renewals
-	-	-	-	-	-	-	-	-	-	District play equipment
-	-	-	-	-	-	-	-	-	-	District Play Equipment Bark mulch
-	-	-	-	-	-	-	-	-	-	Endowment - Foxton Beach Reserves projects
-	-	-	-	-	-	-	-	-	-	Public toilets - Minor renewals
-	-	-	-	-	-	-	-	-	-	Waikawa Beach pedestrian bridge
-	-	-	-	-	-	-	-	-	-	Reserves renewals
-	-	-	-	-	-	-	-	-	-	Levin Adventure Park Renewals
-	-	-	-	-	-	-	-	-	-	Manakau Domain initiative projects - Better Off Funding
-	-	-	-	-	-	-	-	-	-	Te Maire Park Development
1,180	1,251	1,320	1,976	1,944	1,885	1,741	2,465	3,363	2,620	Total renewals

Community Infrastructure Project Primary Type- to improve the level of service	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
District fencing contingency	-	46	48	47	50	53	54	58	56	90	62
Coastal reserve resiliency program	-	50	51	53	52	53	54	55	56	57	58
District play equipment	-	82	87	-	-	-	-	-	-	-	-
Foxton Beach Reserves (FHA)	-	700	-	-	-	-	-	-	-	-	-
Cemetery - Avenue Rd - Development	-	-	-	-	155	-	381	-	394	-	-
Cemetery - Avenue Rd - Extend burial and cremation sites	-	-	-	-	-	102	-	-	-	-	-
Waitārere Domain improvements	-	85	56	112	10	-	-	-	-	-	-
Stream management plan	-	16	16	18	18	18	20	20	127	43	23
Foxton East Beautification	-	-	31	31	31	-	-	-	-	-	-
Mangahao tracks renewals / improvements	-	-	26	-	-	-	-	-	-	-	-
Stafford Street Reserves improvement	-	-	31	-	155	-	-	-	-	-	-
Playford Park - Improvements	-	450	184	158	-	-	-	-	-	-	-
Levin Domain Grandstand	-	160	-	-	-	-	-	-	-	1,370	-
Oxford Street Beautification (Transforming Taitoko)	-	-	-	-	-	-	65	266	270	274	-
Revoked SH1 Beautification	-	-	-	-	-	-	-	-	113	171	173
Cemetery - Foxton - Development Plan	-	-	-	60	-	-	-	-	-	-	-
Cemetery - Foxton - Development	-	-	-	-	-	106	-	277	-	286	-
Cemetery - Shannon - Extension	-	-	-	-	466	-	-	-	-	-	-
Cemetery - Manakau - Extension	-	-	-	-	-	479	-	-	-	-	-
Cemetery - Manakau - Logging	-	-	-	-	155	-	-	-	-	-	-

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Community Infrastructure Project Primary Type- to improve the level of service
64	65	72	74	79	80	86	89	91	94	District fencing contingency
58	59	61	63	65	67	69	71	73	74	Coastal reserve resiliency program
-	-	-	-	-	-	-	-	-	-	District play equipment
-	-	-	-	-	-	-	-	-	164	Foxton Beach Reserves (FHA)
-	-	-	-	-	-	-	-	-	-	Cemetery - Avenue Rd - Development
-	-	-	-	-	-	-	-	-	-	Cemetery - Avenue Rd - Extend burial and cremation sites
-	-	-	-	-	-	-	-	-	-	Waitārere Domain improvements
27	27	28	29	30	31	32	32	33	34	Stream management plan
-	-	-	-	-	-	-	-	-	-	Foxton East Beautification
-	-	-	-	-	-	-	-	-	-	Mangahao tracks renewals / improvements
-	-	-	-	-	-	-	-	-	-	Stafford Street Reserves improvement
-	-	-	-	-	-	-	-	-	-	Playford Park - Improvements
-	-	-	-	-	-	-	-	-	-	Levin Domain Grandstand
-	-	-	-	-	-	-	-	-	-	Oxford Street Beautification (Transforming Taitoko)
175	-	-	-	-	-	-	-	-	-	Revoked SH1 Beautification
-	-	-	-	-	-	-	-	-	-	Cemetery - Foxton - Development Plan
-	-	-	-	-	-	-	-	-	-	Cemetery - Foxton - Development
-	-	-	-	-	-	-	-	-	-	Cemetery - Shannon - Extension
-	-	-	-	-	-	-	-	-	-	Cemetery - Manakau - Extension
-	-	-	-	-	-	-	-	-	-	Cemetery - Manakau - Logging

Community Infrastructure Project Primary Type- to improve the level of service	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Ōhau river tracks improvements	-	-	-	250	-	-	-	-	-	-	-
Waikawa Beach walkway	-	-	-	250	246	-	-	-	-	-	-
Shannon Domain - Grandstand strengthening and fit out	-	-	-	-	-	-	-	-	-	742	-
Donnelly Park improve cricket facilities	-	71	-	-	-	-	-	-	-	-	-
Benches in high pedestrian use areas	10	-	-	-	-	-	-	-	-	-	-
Cemetery - Avenue - Redevelop front entrance	60	-	-	-	-	-	-	-	-	-	-
Cemetery - Avenue Road & Levin - Upgrade	11	-	-	-	-	-	-	-	-	-	-
District fencing contingency	44	-	-	-	-	-	-	-	-	-	-
Donnelly Park strategic plan and design	23	-	-	-	-	-	-	-	-	-	-
Driscoll Reserve improvement plan	52	-	-	-	-	-	-	-	-	-	-
Foxton Futures	3,800	-	-	-	-	-	-	-	-	-	-
Foxton Wharf Project	10	-	-	-	-	-	-	-	-	-	-
Innovative technology projects	10	-	-	-	-	-	-	-	-	-	-
Waitārere Domain improvement plan	53	-	-	-	-	-	-	-	-	-	-
RSA Memorial Footpath & Gates		-	35	-	-	-	-	-	-	-	-
Develop new vehicle access to Waikawa Beach		-	300	-	-	-	-	-	-	-	-
Control vehicle access to Foxton Beach		-	60	-	-	-	-	-	-	-	-
Total level of services	4,073	1,660	925	1,422	1,338	811	574	676	1,016	3,033	316

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Community Infrastructure Project Primary Type- to improve the level of service
-	-	-	-	-	-	-	-	-	-	Ōhau river tracks improvements
-	-	-	-	-	-	-	-	-	-	Waikawa Beach walkway
-	-	-	-	-	-	-	-	-	-	Shannon Domain - Grandstand strengthening and fit out
-	-	-	-	-	-	-	-	-	-	Donnelly Park improve cricket facilities
-	-	-	-	-	-	-	-	-	-	Benches in high pedestrian use areas
-	-	-	-	-	-	-	-	-	-	Cemetery - Avenue - Redevelop front entrance
-	-	-	-	-	-	-	-	-	-	Cemetery - Avenue Road & Levin - Upgrade
-	-	-	-	-	-	-	-	-	-	District fencing contingency
-	-	-	-	-	-	-	-	-	-	Donnelly Park strategic plan and design
-	-	-	-	-	-	-	-	-	-	Driscoll Reserve improvement plan
-	-	-	-	-	-	-	-	-	-	Foxton Futures
-	-	-	-	-	-	-	-	-	-	Foxton Wharf Project
-	-	-	-	-	-	-	-	-	-	Innovative technology projects
-	-	-	-	-	-	-	-	-	-	Waitārere Domain improvement plan
-	-	-	-	-	-	-	-	-	-	RSA Memorial Footpath & Gates
-	-	-	-	-	-	-	-	-	-	Develop new vehicle access to Waikawa Beach
-	-	-	-	-	-	-	-	-	-	Control vehicle access to Foxton Beach
324	151	161	166	174	178	187	192	197	366	Total level of services

Community Infrastructure Projects Primary Type- to meet additional demand	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
District play equipment	-	-	-	92	90	95	100	106	108	113	114
Cemetery - Avenue Rd - Development	-	-	62	-	-	-	-	-	-	-	-
Tara-Ika Reserves	-	-	-	-	3,108	-	-	-	-	-	-
Strategic parks development - Reserve development for growth	-	-	-	-	-	-	1,360	1,386	1,409	1,428	1,444
Manakau Domain - Improvements	-	-	-	-	155	-	-	-	-	-	-
Cemetery - Manakau - Development Plan	-	-	31	-	-	-	-	-	-	-	-
Cemetery - Shannon - Development Plan	-	-	31	-	-	-	-	-	-	-	-
Total growth	-	-	123	92	3,353	95	1,460	1,492	1,517	1,541	1,558

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Community Infrastructure Projects Primary Type- to meet additional demand
124	128	131	138	149	160	161	-	-	-	District play equipment
-	-	-	-	-	-	-	-	-	-	Cemetery - Avenue Rd - Development
-	-	-	-	-	-	-	-	-	-	Tara-Ika Reserves
1,459	1,471	1,520	1,569	1,618	1,666	1,715	1,764	1,813	1,861	Strategic parks development - Reserve development for growth
-	-	-	-	-	-	-	-	-	-	Manakau Domain - Improvements
-	-	-	-	-	-	-	-	-	-	Cemetery - Manakau - Development Plan
-	-	-	-	-	-	-	-	-	-	Cemetery - Shannon - Development Plan
1,583	1,599	1,651	1,707	1,767	1,826	1,876	1,764	1,813	1,861	Total growth

Total Community Infrastructure Projects by Type	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Growth	-	607	410	261	3,488	374	1,837	1,782	1,905	1,749	1,754
Level of Service	4,079	1,303	919	1,031	1,178	789	616	876	1,063	3,123	565
Renewals	652	1,882	1,437	2,743	5,821	1,702	1,180	1,178	767	978	1,081
Total Community Infrastructure Projects	4,731	3,792	2,766	4,034	10,488	2,866	3,634	3,835	3,735	5,850	3,400

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Total Community Infrastructure Projects by Type
1,777	1,794	1,856	2,029	1,980	2,043	2,103	2,080	2,137	2,362	Growth
579	409	424	552	457	474	488	419	431	642	Level of Service
730	798	852	1,266	1,447	1,372	1,213	1,922	2,805	1,845	Renewals
3,086	3,002	3,132	3,847	3,885	3,888	3,803	4,420	5,373	4,848	Total Community Infrastructure Projects

Forecast Funding Impact Statement for Community Infrastructure

Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Community Infrastructure Group of Activities	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Sources of Operating Funding											
General rates, uniform annual general charges, rates penalties	5,084	5,325	5,655	5,805	5,946	6,363	6,671	7,069	7,337	7,793	8,185
Targeted rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	103	-	203	365	109	111	114	116	119	-	-
Fees and charges	314	285	296	290	317	325	333	340	346	351	356
Local authorities fuel tax, fines, infringement fees, and other receipts	-	876	85	(365)	(109)	(111)	(114)	(116)	(119)	-	-
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Total Operating Funding (A)	5,501	6,486	6,239	6,095	6,263	6,688	7,004	7,409	7,683	8,144	8,541
Applications of Operating Funding											
Payments to staff and suppliers	3,641	3,686	3,954	4,385	4,098	4,242	4,437	4,640	4,729	4,834	4,981
Finance costs	184	147	249	287	358	452	499	590	678	807	924
Internal charges and overheads applied	954	1,028	1,051	1,041	1,081	1,112	1,137	1,166	1,190	1,213	1,226
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	4,779	4,861	5,254	5,713	5,537	5,806	6,073	6,396	6,597	6,854	7,131
Surplus (deficit) of operating funding (A-B)	722	1,625	985	382	726	882	931	1,013	1,086	1,290	1,410
Sources of capital funding											
Subsidies and grants for capital expenditure	3,800	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	632	207	207	630	646	662	675	688	699	708

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Community Infrastructure Group of Activities
										Sources of Operating Funding
8,386	8,628	8,921	9,270	9,668	10,078	10,491	10,893	11,355	11,846	General rates, uniform annual general charges, rates penalties
-	-	-	-	-	-	-	-	-	-	Targeted rates
-	-	-	-	-	-	-	-	-	-	Subsidies and grants for operating purposes
361	365	378	391	404	417	430	443	456	468	Fees and charges
-	-	-	-	-	-	-	-	-	-	Local authorities fuel tax, fines, infringement fees, and other receipts
-	-	-	-	-	-	-	-	-	-	Internal charges and overheads recovered
8,747	8,993	9,299	9,661	10,072	10,495	10,921	11,336	11,811	12,314	Total Operating Funding (A)
										Applications of Operating Funding
5,047	5,176	5,360	5,543	5,725	5,913	6,095	6,280	6,468	6,651	Payments to staff and suppliers
974	1,012	1,047	1,132	1,266	1,399	1,527	1,665	1,836	2,013	Finance costs
1,245	1,266	1,291	1,316	1,343	1,368	1,394	1,420	1,446	1,472	Internal charges and overheads applied
-	-	-	-	-	-	-	-	-	-	Other operating funding applications
7,266	7,454	7,698	7,991	8,334	8,680	9,016	9,365	9,750	10,136	Total applications of operating funding (B)
1,481	1,539	1,601	1,670	1,738	1,815	1,905	1,971	2,061	2,178	Surplus (deficit) of operating funding (A-B)
										Sources of capital funding
-	-	-	-	-	-	-	-	-	-	Subsidies and grants for capital expenditure
718	726	752	(777)	(803)	(829)	(854)	(880)	(906)	(931)	Development and financial contributions

Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Community Infrastructure Group of Activities	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Increase (decrease) in debt	324	1,481	1,206	(3,355)	3,984	168	1,952	2,056	1,867	3,884	1,307
Gross proceeds from sale of assets	-	-	-	5,558	5,057	1,083	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	4,124	2,113	1,413	2,410	9,671	1,897	2,614	2,731	2,555	4,583	2,015
Applications of capital funding											
Capital expenditure											
- to meet additional demand	-	607	410	261	3,488	374	1,837	1,782	1,905	1,749	1,754
- to improve the level of service	4,079	1,303	919	1,031	1,178	789	616	876	1,063	3,123	565
- to replace existing assets	652	1,882	1,437	2,743	5,821	1,702	1,180	1,178	767	978	1,081
Increase (decrease) in reserves	115	(54)	(368)	(1,243)	(90)	(86)	(88)	(92)	(94)	23	25
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	4,846	3,738	2,398	2,792	10,397	2,779	3,545	3,744	3,641	5,873	3,425
Surplus (deficit) of capital funding (C-D)	(722)	(1,625)	(985)	(382)	(726)	(882)	(931)	(1,013)	(1,086)	(1,290)	(1,410)
Funding Balance ((A-B) +(C-D))	-	-	-	-	-	-	-	-	-	-	-
Depreciation	694	724	775	724	808	969	1,019	1,104	1,181	1,266	1,385

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Community Infrastructure Group of Activities
912	759	804	2,979	2,975	2,926	2,779	3,354	4,242	3,626	Increase (decrease) in debt
-	-	-	-	-	-	-	-	-	-	Gross proceeds from sale of assets
-	-	-	-	-	-	-	-	-	-	Lump sum contributions
-	-	-	-	-	-	-	-	-	-	Other dedicated capital funding
1,630	1,485	1,556	2,202	2,172	2,097	1,925	2,474	3,336	2,695	Total sources of capital funding (C)
										Applications of capital funding
										Capital expenditure
1,777	1,856	2,029	1,980	2,043	2,103	2,080	2,137	2,362	-	- to meet additional demand
579	424	552	457	474	488	419	431	642	-	- to improve the level of service
730	852	1,266	1,447	1,372	1,213	1,922	2,805	1,845	-	- to replace existing assets
25	(108)	(690)	(12)	21	108	(591)	(928)	548	4,873	Increase (decrease) in reserves
-	-	-	-	-	-	-	-	-	-	Increase (decrease) of investments
3,111	3,024	3,157	3,872	3,910	3,912	3,830	4,445	5,397	4,873	Total applications of capital funding (D)
(1,481)	(1,539)	(1,601)	(1,670)	(1,738)	(1,815)	(1,905)	(1,971)	(2,061)	(2,178)	Surplus (deficit) of capital funding (C-D)
-	-	-	-	-	-	-	-	-	-	Funding Balance ((A-B) +(C-D))
1,457	1,516	1,577	1,645	1,712	1,791	1,879	1,947	2,036	2,153	Depreciation

Activity Expenditure for Community Infrastructure

Activity Operating Expenditure Including depreciation	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Reserves	1,976	2,020	2,244	2,517	2,298	2,360	2,535	2,727	2,892	3,080	3,266
Cemeteries	591	604	615	623	668	742	808	861	891	940	964
Sportsgrounds	1,191	1,227	1,288	1,449	1,498	1,729	1,752	1,797	1,806	1,862	1,963
Beautification	630	642	687	663	701	720	738	821	854	892	966
Halls	281	284	259	292	284	292	293	296	303	302	303
Public Toilets	328	328	445	373	382	404	426	444	468	471	475
Urban Cleansing	477	480	491	518	515	528	541	552	563	572	579
Total Expenditure	5,474	5,585	6,029	6,435	6,346	6,775	7,093	7,498	7,777	8,119	8,516

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Activity Operating Expenditure Including depreciation
3,417	3,620	3,818	4,054	4,331	4,615	4,909	5,205	5,526	5,894	Reserves
968	973	990	1,007	1,024	1,040	1,057	1,074	1,097	1,115	Cemeteries
1,975	1,987	2,014	2,041	2,081	2,137	2,179	2,227	2,295	2,326	Sportsgrounds
987	1,003	1,033	1,060	1,088	1,119	1,147	1,174	1,202	1,229	Beautification
307	306	312	320	322	328	339	338	344	355	Halls
481	483	495	520	548	559	573	580	591	621	Public Toilets
587	595	614	633	653	672	692	711	731	750	Urban Cleansing
8,722	8,967	9,276	9,635	10,047	10,470	10,896	11,309	11,786	12,290	Total Expenditure

Representation and Community Leadership

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

What Representation and Community Leadership involves:

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

Key Projects for 2023/2024

To improve the level of service

- Levin Town Centre Strategy activation projects

Rationale for this Activity (why we do it)

Activity	Community Outcome	Council Role
<p>Hosting local elections.</p> <p>Engaging and informing residents of decisions of Council.</p> <p>Represent the views and interests of residents.</p> <p>Gain the trust and confidence of district residents, by being open, transparent and accountable.</p>	<p>Vibrant economy</p> <p>Through the Long Term Plan and Annual Plans, residents and district-wide views and aspirations will be listened to, challenges will be recognised and decisions made in the best interests of the district.</p> <p>Strong communities</p> <p>Elected members are effective, responsible and accountable for the decisions they make.</p> <p>With strong governance and leadership, decisions will be made through a transparent and accountable process where residents feel they are listened to, have trust and confidence in Council.</p> <p>Partnership with Tangata Whenua</p> <p>As Te Tiriti o Waitangi partners, Tangata Whenua and Māori will have meaningful engagement and their views listened to. Through enhanced relationships there will be increased opportunity for Māori to contribute to the decision making process of Council.</p>	<p>Provider/Advocate</p>
<p>Reviewing the District Plan, monitoring the effectiveness of the District Plan, and preparing or processing Plan Changes/Variations.</p>	<p>Vibrant economy</p> <p>The District Plan plays a crucial role in providing for business activities. The use of different zones helps to ensure that there is sufficient opportunity for different business activities to establish and operate locally, supporting a healthy local economy.</p> <p>Outstanding environment</p> <p>The District Plan works to ensure that as our communities change and grow that any adverse effects on the natural and physical environment are managed sustainably.</p>	<p>Provider</p>

	<p>Partnership with Tangata Whenua We work with Tangata Whenua through the development of Plan Changes and the review of the District Plan to ensure that the things important to them are understood and where possible provided for.</p> <p>Strong communities Plan Changes and the review of the District Plan are public processes and Council encourages its people to actively participate in these to help ensure that the provisions put in place meet the needs of our local communities. The District Plan is instrumental in ensuring the development of safe, healthy and well-connected communities. It also aids in the protection of local heritage.</p>	
<p>Preparing the key strategic policy and planning documents of Council.</p>	<p>Strong communities Community wellbeing is at the heart of Council's strategic policies and plans, with Council's Horowhenua 2040 Strategy and its vision for our community being firmly based on this concept. Council's key strategic documents may serve different purposes but they all aim to build stronger. Our strategic documents to this by supporting specific activities (e.g. economic development or affordable housing), or by providing support to specific parts of our communities (e.g. youth or the elderly) to ensure that the diverse needs of our communities are met.</p> <p>'Fit for purpose' infrastructure The LTP provides for the maintenance and growth of Council's infrastructure and identifies how this is going to be funded. This forward planning aims to ensure that our infrastructure remains fit for purpose and that the needs of current and future generation can be met.</p>	<p>Provider/Enabler</p>

How we will measure our performance

Service	Community Outcomes	How we will measure our performance	Target 2022/23	Target 2023/24	Target 2024/41
Council provides open, accessible information and processes to local government and the Community	Strong communities	<p>Number of successful challenges to Council's decision-making processes.</p> <p>LGOIMA requests responded to within 20 working days. Official Information requests are processed in accordance with the LGOIMA.</p>	<p><2</p> <p>>100% compliance rate</p>	<p><2</p> <p>>100% compliance rate</p>	<p><2</p> <p>>100% compliance rate</p>
What does this tell me? Council seeks to strengthen democracy through facilitating Community input to decision-making processes. Council is required to comply with the Local Government and Official Information and Meetings Act.					
Council supports residents and ratepayers to have their views heard and considered in Council decision making	Strong communities	<p>Percent of residential and non-residential ratepayers who are satisfied with the way Council involves the public in its decision making, based on the Annual Customer Satisfaction Survey.</p> <p>Council will pre-engage on all significant decisions as</p>	<p>>50%</p> <p>Achieve</p>	<p>>50%</p> <p>Achieve</p>	<p>>50%</p> <p>Achieve</p>
Council supports residents and	Strong communities				

ratepayers to have their views heard and considered in Council decision making		outlined in the Significance of Engagement Strategy found on Council's website.			
What does this tell me? The percentage of satisfied people gives us an indication of the quality of public involvement in Council decision making. Through pre-engagement on significant decisions, Council is engaging with the Community beyond what is legally required.					
Council's planning documents meet statutory requirements and have unqualified audit opinions	Vibrant economy	The LTP is completed within the statutory timeframe, including a Financial and Infrastructure Strategies which meets the requirements of the Local Government Act. The Annual Plan will be adopted before 30 June annually. * The Annual Report will include an unqualified audit opinion.	Adopted before 30 June (every 3 years)	Adopted before 30 June (every 3 years)	Adopted before 30 June (every 3 years)
	Outstanding environment				
	Strong communities				
	Partnership with Tangata Whenua				
	Fit for purpose infrastructure				
			Achieve	Achieve	Achieve
			Achieve	Achieve	Achieve
What does this tell me? Council will meet its statutory requirements regarding planning and reporting documents.					
The District Plan provides for a balanced regulatory framework that protects important	Vibrant economy	Council will process non-complying consents in a robust way. When the percentage of non-complying consents	<5%	<5%	<5%
	Outstanding environment				
	Strong communities				

community and environmental values	Partnership with Tangata Whenua	approved exceed 5% we will undertake an investigation of the District Plan rules that have triggered the non-complying consents.			
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What does this tell me? Good planning supports sustainable growth and development. It protects natural and built environments and helps maintain quality of life for our residents. This measure is used to understand whether the District Plan is performing effectively. If the number of consent applications being approved as non-complying activities is above 5% it could suggest the District Plan needs to be updated to support growth and development that is considered appropriate for the District.

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

Challenges Council faces for Representation and Community Leadership

- A key challenge faced by Council is how to make local government more relevant for our residents and ratepayers as well as how to encourage positive and active engagement in Council's decision-making processes.
- Another challenge is the impact that future changes in legislation could have on Council and its responsibilities and functions. Likely reform of the Resource Management Act may mean Council Officers will be required to understand and implement a new system for environmental management.
- Council is also conscious of protecting its reputation, both within the local Community but also nationally and with key stakeholders. Council's reputation is critical to working with others (such as Central Government Agencies) in the pursuit of Community Outcomes.
- The District is experiencing higher levels of growth than it has faced in the last 20 years. This combined with the significant investment that has been made in the expressway and highway improvements to the south of the Horowhenua District, and the development of an expressway from Ōtaki to North of Levin, make it crucial that Council ensures it balances its planning for growth with achieving the best outcomes for the community.
- Council must work towards giving effect to the first set of National Planning Standards in the next four to six years. Where possible these will be given effect to as Council undertakes plan changes.

Significant negative effects on the social, cultural, economic and environmental wellbeing of the local community associated with Representation and Community Leadership

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

Key Risks and Assumptions associated with this Activity

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

Capital Expenditure for Representation and Community Leadership

The following tables have been updated for this amendment from the year 2022/23 and beyond.

Representation and Community Leadership Projects Primary Type - to improve the	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Levin Town Centre strategy activation projects	-	500	500	2,875	-	-	-	-	-	-	-
Total level of services	-	500	500	2,875	-	-	-	-	-	-	-

Representation and Community Leadership Projects Projects by Type	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Growth	-	-	-	-	-	-	-	-	-	-	-
Level of Service	-	500	500	2,875	-	-	-	-	-	-	-
Renewals	-	-	-	-	-	-	-	-	-	-	-
Total Representation and Community Leadership	-	500	500	2,875	-	-	-	-	-	-	-

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Representation and Community Leadership Projects Primary Type - to improve the level of service
-	-	-	-	-	-	-	-	-	-	Levin Town Centre strategy activation projects
-	-	-	-	-	-	-	-	-	-	Total level of service

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Representation and Community Leadership Projects Projects by Type
-	-	-	-	-	-	-	-	-	-	Growth
-	-	-	-	-	-	-	-	-	-	Level of Service
-	-	-	-	-	-	-	-	-	-	Renewals
-	-	-	-	-	-	-	-	-	-	Total Representation and Community Leadership Projects

Forecast Funding Impact Statement for Representation and Community Leadership

Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Representation and Community Leadership Group of Activities	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Sources of Operating Funding											
General rates, uniform annual general charges, rates penalties	40	267	427	146	466	551	614	686	716	768	818
Targeted rates	3,564	4,051	4,564	5,791	5,398	5,585	5,938	5,934	6,092	6,399	6,382
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	1	1	-	-	-	-	-	-	-	-
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Total Operating Funding (A)	3,604	4,319	4,992	5,937	5,864	6,136	6,552	6,620	6,808	7,167	7,200
Applications of Operating Funding											
Payments to staff and suppliers	1,594	2,057	2,213	3,383	1,828	1,682	2,120	1,542	1,839	2,071	1,940
Finance costs	123	107	212	259	474	544	615	679	740	807	874
Internal charges and overheads applied	3,102	3,709	4,064	5,090	5,235	5,354	5,493	5,603	5,722	5,784	5,874
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	4,819	5,873	6,489	8,732	7,537	7,580	8,228	7,824	8,301	8,662	8,688
Surplus (deficit) of operating funding (A-B)	(1,215)	(1,554)	(1,497)	(2,795)	(1,673)	(1,444)	(1,676)	(1,204)	(1,493)	(1,495)	(1,488)
Sources of capital funding											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Representation and Community Leadership Group of Activities
										Sources of Operating Funding
866	911	986	1,072	1,137	1,229	1,223	1,300	1,352	1,403	General rates, uniform annual general charges, rates penalties
6,526	6,828	6,897	7,111	7,497	7,555	7,779	8,176	8,222	8,446	Targeted rates
-	-	-	-	-	-	-	-	-	-	Subsidies and grants for operating purposes
-	-	-	-	-	-	-	-	-	-	Fees and charges
-	-	-	-	-	-	-	-	-	-	Local authorities fuel tax, fines, infringement fees, and other receipts
-	-	-	-	-	-	-	-	-	-	Internal charges and overheads recovered
7,392	7,739	7,883	8,183	8,634	8,784	9,002	9,476	9,574	9,849	Total Operating Funding (A)
										Applications of Operating Funding
1,958	2,149	2,081	2,346	2,314	2,511	2,000	2,590	2,484	2,554	Payments to staff and suppliers
941	1,009	1,076	1,146	1,213	1,279	1,338	1,391	1,450	1,507	Finance costs
5,977	6,093	6,207	6,333	6,451	6,574	6,694	6,814	6,937	7,063	Internal charges and overheads applied
-	-	-	-	-	-	-	-	-	-	Other operating funding applications
8,876	9,251	9,364	9,825	9,978	10,364	10,032	10,795	10,871	11,124	Total applications of operating funding (B)
(1,484)	(1,512)	(1,481)	(1,642)	(1,344)	(1,580)	(1,030)	(1,319)	(1,297)	(1,275)	Surplus (deficit) of operating funding (A-B)
										Sources of capital funding
-	-	-	-	-	-	-	-	-	-	Subsidies and grants for capital expenditure
-	-	-	-	-	-	-	-	-	-	Development and financial contributions

Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Representation and Community Leadership Group of Activities	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Increase (decrease) in debt	1,214	2,055	1,998	5,596	1,672	1,443	1,674	1,206	1,492	1,495	1,487
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	1,214	2,055	1,998	5,596	1,672	1,443	1,674	1,206	1,492	1,495	1,487
Applications of capital funding											
Capital expenditure											
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	-	500	500	-	-	-	-	-	-	-	-
- to replace existing assets	-	-	-	2,875	-	-	-	-	-	-	-
Increase (decrease) in reserves	(1)	1	1	(74)	(1)	(1)	(2)	2	(1)	-	(1)
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	(1)	501	501	2,801	(1)	(1)	(2)	2	(1)	-	(1)
Surplus (deficit) of capital funding (C-D)	1,215	1,554	1,497	2,795	1,673	1,444	1,676	1,204	1,493	1,495	1,488
Funding Balance ((A-B) +(C-D))	-	-	-	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-	-	-	-

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Representation and Community Leadership Group of Activities
1,486	1,512	1,479	1,641	1,345	1,578	1,030	1,319	1,296	1,275	Increase (decrease) in debt
-	-	-	-	-	-	-	-	-	-	Gross proceeds from sale of assets
-	-	-	-	-	-	-	-	-	-	Lump sum contributions
-	-	-	-	-	-	-	-	-	-	Other dedicated capital funding
1,486	1,512	1,479	1,641	1,345	1,578	1,030	1,319	1,296	1,275	Total sources of capital funding (C)
										Applications of capital funding
										Capital expenditure
-	-	-	-	-	-	-	-	-	-	- to meet additional demand
-	-	-	-	-	-	-	-	-	-	- to improve the level of service
-	-	-	-	-	-	-	-	-	-	- to replace existing assets
2	-	(2)	(1)	1	(2)	-	-	(1)	-	Increase (decrease) in reserves
-	-	-	-	-	-	-	-	-	-	Increase (decrease) of investments
2	-	(2)	(1)	1	(2)	-	-	(1)	-	Total applications of capital funding (D)
1,484	1,512	1,481	1,642	1,344	1,580	1,030	1,319	1,297	1,275	Surplus (deficit) of capital funding (C-D)
-	-	-	-	-	-	-	-	-	-	Funding Balance ((A-B) +(C-D))
-	-	-	-	-	-	-	-	-	-	Depreciation

Activity Expenditure for Representation and Community Leadership

Activity Operating Expenditure Including depreciation	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
LTP/Annual Plan/Annual Report	1,504	1,649	1,664	2,004	2,095	2,160	2,342	2,274	2,320	2,509	2,400
Sustainable Growth Planning	527	721	727	796	868	923	978	1,034	1,088	1,142	1,191
Governance	1,930	2,174	2,481	3,560	3,065	3,145	3,272	3,289	3,355	3,425	3,468
District Planning	682	1,137	1,288	2,133	1,297	1,134	1,412	999	1,304	1,348	1,387
Community Board	165	182	183	201	212	218	223	229	234	238	241
Elections	10	11	146	40	-	-	-	-	-	-	-
Total Expenditure	4,818	5,874	6,489	8,734	7,537	7,580	8,227	7,825	8,301	8,662	8,687

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Activity Operating Expenditure Including depreciation
2,436	2,627	2,535	2,586	2,806	2,700	2,755	2,988	2,867	2,923	LTP/Annual Plan/Annual Report
1,244	1,298	1,357	1,415	1,473	1,531	1,588	1,644	1,699	1,754	Sustainable Growth Planning
3,524	3,583	3,668	3,755	3,843	3,929	4,019	4,105	4,192	4,282	Governance
1,428	1,495	1,548	1,808	1,590	1,929	1,391	1,773	1,821	1,869	District Planning
245	249	255	261	267	273	279	285	291	297	Community Board
-	-	-	-	-	-	-	-	-	-	Elections
8,877	9,252	9,363	9,825	9,979	10,362	10,032	10,795	10,870	11,125	Total Expenditure

Community Support

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

These Activities are:

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

Emergency Management

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

What Emergency Management involves:

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

Key Projects for 2023/2024

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

Rationale for this Activity (why we do it):

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

How we will measure our performance

Service	Community Outcomes	How we will measure our performance	Target 2022/23	Target 2023/24	Target 2024/25
Community awareness is promoted and encouraged.	Strong communities	12 media messages promoting preparedness for an emergency will be made to residents and ratepayers annually*	Achieve	Achieve	Achieve
What does this tell me? Council is working with the Community to build greater resilience to emergencies and disaster events, and to help our District recover faster.					
Council maintains a functional EOC and trained staff.	Strong communities	Civil defence and emergency management assessment of readiness and capability.	Council's EOC (and alternate EOC) are fully functional, designated staff are trained and qualified, and Council meets its obligations under the CDEM Act	Council's EOC (and alternate EOC) are fully functional, designated staff are trained and qualified, and Council meets its obligations under the CDEM Act	Council's EOC (and alternate EOC) are fully functional, designated staff are trained and qualified, and Council meets its obligations under the CDEM Act
What does this tell me? Council will take the lead in a civil defence or emergency event and will have the capacity and capability to do so.					

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

Challenges Council faces for Emergency Management

- Council has faced a worldwide pandemic. The pandemic is a health led activity that could result in the shutdown of city, region or the country. The resurgence of this pandemic has a major impact on the community, business sector and staff who form part of the emergency management team. Council also have a much higher level of scrutiny and audit because of disasters in this country including the Canterbury and Kaikoura earthquakes. Together this means a deeper level of commitment of staff time for EOC training and exercises as well as from Council managers and Civil Defence Emergency Management EOC function managers (and associated team members), for regular planning and reviewing of processes associated with the various emergency management functions.
- Another challenge Council faces for this Activity is obtaining accurate and up-to-date information on potential hazards (e.g. liquefaction and sea level rise) and how they might affect this District.

Significant negative effects on the social, cultural, economic and environmental wellbeing of the local community associated with Emergency Management

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

Key Risks and Assumptions associated with Emergency Management

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

Community Engagement

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

What Community Engagement involves:

Community Development

- Support delivery on the Horowhenua Community Wellbeing Framework.
- Implement the Action Plans for: Housing, Education, Youth, Access and Inclusion, Arts, Culture and Heritage, and Positive Ageing.
- Support community-led development within the Community to help the Community respond to local needs.
- Advocate on behalf of the Community for better health, transport and social outcomes through the Community Wellbeing Committee.
- Facilitate a Community Capacity Building Programme: provide free or subsidised training to the not-for-profit sector with the aim to increase their governance and operational capability.
- Provide funding support for local Surf Life Saving, Waitārere and Foxton Beach Wardens, and Neighbourhood Support.
- Provide the following contestable grant schemes:
 - Community Development Grant
 - Community Consultation Grant
 - International Representation Grant
 - Rural Halls Grant
 - Vibrant Communities Fund
 - Horowhenua Events Grant
- Provide administrative support to externally funded contestable grant schemes:
 - Horowhenua Creative Communities Scheme
 - Shannon Community Development Trust

Communications

- Produce and distribute Council's printed and digital publications (e.g. media releases, Community Connection, Puāwai, public notices, and strategies).
- Oversee, monitor, update and report on Council's social media channels.

- Oversee, maintain and update Council's web presence –
 - www.horowhenua.govt.nz
 - www.horowhenuanz.co.nz
 - www.teawahou.com
 - www.tetakere.org.nz
 - www.aquatics.horowhenua.govt.nz
- Respond and provide information to media outlets.
- Undertake regular voice of the customer research
- Provide a 24 hour, 7 day a week service to the public including an after hours' emergency telephone response service, and an afterhours Animal Control response function.

Cultural Outcomes

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

Key Projects for 2023/2024

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

Rationale for this Activity (why we do it):

Activity	Community Outcome	Council Role
Facilitate a Youth Council and Community networks and forums.	Strong communities Council's networks and forums provide a platform for those who may not otherwise have a voice to participate in local decision making and come together to achieve outcomes collectively.	Provider
Advocate for better health, safety, housing and social belonging outcomes	Strong communities The Community Wellbeing Committee brings together representatives from key target groups, service providers and government organisations to identify priority areas. The committee enables collective action to achieve better outcomes.	Advocate
Contestable Grant Schemes are provided.	Strong communities The Grant Schemes provide an opportunity for groups and organisations to contribute positively to the community.	Funder
Administration of externally funded Grant Schemes.	Strong communities Administering the external grant schemes gives the community access to funding to support their initiatives and community-led activities.	Provider
Contracted services are managed.	Strong communities Council supports services which provide support for the community helping our people to be connected and safe.	Funder
Capabilities training for the non-profit sector is provided.	Strong communities Council supports non-profit organisations by providing opportunities to upskill and build capability, which in turn allows the organisations to support communities to become resilient and connected.	Funder
Perform Council's communication function.	Vibrant economy Council's communications function assists in telling the district's Growth story, capturing opportunities. Additionally, the business	Provider

sector is a key stakeholder whom Council communicates with regularly to provide information and support.

Outstanding environment

We utilise a number of different mediums to communicate with the community, not only to ensure we are reaching a wide audience, but to also use sustainable resources such as web based modes instead of print.

Strong communities

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

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

Partnership with Tangata Whenua

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

Opportunities are available for the community to celebrate our vibrant cultures	Strong communities By providing a platform for cultures to come together and share their uniqueness and celebrate their identity, our people build pride and connection to each other and their wider community.	Provider
Council upholds Te Tiriti o Waitangi and its principles	Partnerships with tangata whenua Council is committed to partnering with tangata whenua. This is achieved through following the principles of Te Tiriti o Waitangi and by working alongside tangata whenua in a partnership that is mutually beneficial. Officers are provided opportunities to learn how to achieve this and supported in undertaking their role successfully.	Provider

How we will measure our performance

Service	Community Outcomes	How we will measure our performance	Target 2022/23	Target 2023/24	Target 2024/41
Council provides effective leadership in advocating, coordinating and facilitating on behalf of Community needs.	Strong communities Partnership with Tangata Whenua	Number of Community Wellbeing Committee meetings per year.	≥4	≥4	≥4
What does this tell me? The Community Wellbeing Committee is the platform for community engagement with Council facilitating and coordinating on behalf of the Community to find solutions to respond to local needs.					
Young people in Horowhenua live in a safe and supportive environment, which empowers them to make positive life choices.	Strong communities	Number of Youth Empowerment Project meetings per year.	≥8	≥8	≥8
		Number of programmes or projects implemented by Youth Empowerment Project.	≥4	≥4	≥4
		Number of Youth Services Network meetings per year.	≥6	≥6	≥6
What does this tell me? Council is engaging with young people and supporting programmes or projects with a youth focus					
Horowhenua residents are empowered to make choices enabling them	Strong Communities	Number of Older Person Network meetings per year.	≥6	≥6	≥6

to live a satisfying and healthy lifestyle.		Number of Elderberries magazine publications annually.	≥4	≥4	≥4
What does this tell me? Council is engaging with the older people and keeping them informed.					
Horowhenua is a vibrant, creative and friendly Community with an abundance of art, rich cultures and a strong sense of heritage.	Strong communities	Number of Creative Communities funding rounds per year.	≥2	≥2	≥2
What does this tell me? Council supports arts and culture in the District by providing administrative support to externally funded contestable grant schemes.					
Horowhenua is New Zealand's foremost District in taking joint responsibility for the success of our Community through education.	Strong communities	Number of Education Horowhenua meetings per year.	≥4	≥4	≥4
What does this tell me? Council is leading the way in a collaborative approach to education in the District via the Education Horowhenua group.					
Horowhenua is fully accessible to all people.	Strong communities	Number of Access and Inclusion Leadership forums per year.	≥4	≥4	≥4
What does this tell me? Council supports United Nations Convention of Rights of Persons with Disabilities. The Convention guides how to remove barriers and make sure disabled people have full and equal enjoyment of all human rights and fundamental freedoms.					
Council promotes community group empowerment and provides opportunities for Community driven	Strong communities	Number of Community Capacity and Capability Building Programme workshops or trainings offered.	≥10	≥10	≥10

initiatives and projects, and to grow and develop.		Percent of satisfaction with Capacity and Capability Building Programme workshops or training. Number of individuals participating in Capacity and Capability Building Programme workshops or training over the year.	≥85% ≥200	≥85% ≥200	≥85% ≥200
What does this tell me? Council provides opportunities for Community driven initiatives and projects by distributing funds through a contestable grants and funding scheme. Council also promotes community group empowerment via the Capacity and Capability Building Programme where the percentage of satisfaction gives an indication of the quality of the programme provided.					
Council supports beach safety initiatives within Communities by providing financial support.	Strong communities	Number of weeks Council funded surf lifesaving service is provided at Foxton and Waitārere Beaches.	≥6	≥6	≥6
What does this tell me? Public safety while enjoying the District's beaches is very important to Council. Council funds surf lifesaving services at two of the District's most popular beaches during peak season.					
Council effectively communicates with its ratepayers and residents.	Strong communities	Percent of media releases feature in media within 21 days of release.	≥60%	≥60%	≥60%
	Vibrant economies				
	Outstanding environment	Percent of residents are well informed about what the Council is doing.	≥60%	≥60%	≥60%
	Partnership with Tangata Whenua				

What does this tell me? Council provides useful and accessible information for the community.					
Council provides a variety of ways to access information.	Strong communities	Number of Council Community Connections newsletters published annually.	≥10	≥10	≥10
		Number of new digital services are delivered online annually.	≥2	≥2	≥2
What does this tell me? Council offers a variety of mediums to engage with the community.					
Council provides a 24/7 telephone contact centre operation.	Strong Communities	Telephone contact is continually provided 24/7.	Achieve	Achieve	Achieve
What does this tell me? Council can be contacted any time even out of normal business hours					
Council staff are knowledgeable in tikanga māori and the principles of Te Tiriti o Waitangi.	Partnership with Tangata Whenua	Percent of staff who have undertaken training.	80% of Council staff	80% of Council staff	80% of Council staff
What does this tell me? Council upholds Te Tiriti o Waitangi and its principles.					

Challenges Council faces for Community Engagement

- A challenge facing Council for this Activity is the change in community expectations for engagement. This is, in part, due to the growing population who bring with them different challenges and expectations. This challenge will be met by ensuring that the services provided by the Community Engagement Activity will be developed to ensure that they are meeting the needs of their target audience as well as the wider Community and to ensure that they are flexible enough to cope with these changing demands and expectations.
- Another challenge is the need to stay connected to Central Government's Strategic Policies and Direction for providing for community engagement and community wellbeing while maintaining a focus on the needs of our local Communities.
- Funding requests are regularly higher than the limited funding that is available and these funds must be allocated to a wide range of community organisations, not just a few.
- Council is often viewed as the effortless driver of community projects and are therefore approached regularly to lead activities. As Council is moving towards Community-Led projects, building capacity in the community and other organisations is a measure to develop capability and less of a reliance on Council.
- Difference in understanding of what iwi partnership means across the organisation and within the community.

Significant negative effects on the social, cultural, economic and environmental wellbeing of the local community associated with Community Engagement

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

Key Risks and Assumptions associated with Community Engagement

- An assumption is that the role of local government will continue to include community wellbeing as a core service and outcome.
- Despite the growth in population, an assumption has been made that the target population areas which currently form our Networks and Forums such as Young People and Older People, will remain the same.

Visitor Information

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

What Visitor Information involves:

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

Key Projects for 2023/2024

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

Rationale for this Activity (why we do it):

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

How we will measure our performance

Service	Community Outcomes	How we will measure our performance	Target 2022/23	Target 2023/24	Target 2024/41
Council supports the promotion of Horowhenua as a tourism destination.	Vibrant economy Strong communities	i-Site accreditation is maintained at Te Awahou Nieuwe Strom and Te Takeretanga o Kura-hau-pō facilities. Annual number of visitor information enquiries conducted from Horowhenua i-Sites.	Achieve ≥10,000	Achieve ≥10,000	Achieve ≥10,000
What does this tell me? i-Site is a visitor information network with over 80 visitor centres throughout New Zealand and offers an excellent platform for local operators and service providers to sell their businesses and for the District to promote local events and public amenities. The i-Site brand is managed by Tourism New Zealand and various standards must be met to maintain accreditation.					

Economic Development

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

What Economic Development involves:

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

Key Projects for 2023/2024

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

Rationale for this Activity (why we do it):

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

How we will measure our performance

Service	Community Outcomes	How we will measure our performance	Target 2022/23	Target 2023/24	Target 2024/41
Council provides opportunities for businesses to collaborate and network resulting in a stronger business sector.	Vibrant economy Strong communities	Number of business networking meetings organised per year.	≥10	≥10	≥10
What does this tell me? Council is committed to collaborate and network with the local business sector. Below 10 would indicate Council is not fulfilling its commitment.					
Council advocates for and facilitates business development and new business investment in the Horowhenua District.	Vibrant economy Fit for purpose infrastructure	Percent of the District's Business Community that are satisfied or more than satisfied with Council's overall performance in the Economic Development Activity	>75%	>75%	>75%
What does this tell me? Council is committed to collaborate and network with the local business sector. Below 10 would indicate Council is not fulfilling its commitment.					

Challenges Council faces for Economic Development

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

Significant negative effects on the social, cultural, economic and environmental wellbeing of the local community associated with Economic Development

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

Key Risks and Assumptions associated with Economic Development

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

Capital Expenditure for Community Support

The following tables have been updated for the 2022/23 year and beyond

Community Support Project Primary Type- to replace existing assets	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Christmas Lights	-	8	6	7	-	2	9	7	7	-	2
Boundary Sign	-	11	-	-	-	-	-	12	-	-	-
Flags	-	9	4	15	2	6	3	7	2	10	2
Active Campaign Software	-	-	-	5	-	-	-	-	-	-	-
Total renewals	-	28	10	27	2	8	12	26	9	10	4

Community Support Projects Primary Type- to improve the level of service	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Website Development	-	-	-	-	-	-	6	-	-	-	-
Facility signage	-	12	-	-	-	-	-	13	-	-	-
New Portable Generator - Emergency Management	-	5	-	-	-	-	-	-	-	6	-
VHF Digital Radio Upgrade Project - Emergency Management	-	20	-	-	-	-	-	-	-	-	-
Economic Development assets	-	10	-	-	-	-	-	-	-	-	-
Total level of service	-	47	-	-	-	-	6	13	-	6	-

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Community Support Project Primary Type- to replace existing assets
9	7	8	-	3	11	8	9	-	3	Christmas Lights
-	-	14	-	-	-	-	-	16	-	Boundary Sign
7	4	12	2	8	3	13	3	9	3	Flags
-	-	-	-	-	-	-	-	-	-	Active Campaign Software
16	11	34	2	11	14	21	12	25	6	Total renewals

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Community Support Project Primary Type- to improve the level of Service
-	7	-	-	-	-	-	9	-	-	Website Development
-	-	15	-	-	-	-	-	18	-	Facility signage
-	-	-	-	-	-	-	-	-	-	New Portable Generator - Emergency Management
-	-	-	-	-	-	-	29	-	-	VHF Digital Radio Upgrade Project - Emergency Management
-	-	-	-	-	-	-	-	-	-	Economic Development assets
-	7	15	-	-	-	-	38	18	-	Total level of service

Total Community Support Projects by Type	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Growth	-	-	-	-	-	-	-	-	-	-	-
Level of Service	-	47	-	-	-	-	6	13	-	6	-
Renewals	-	28	10	26	2	8	12	25	10	10	5
	-	-	-	-	-	-	-	-	-	-	-
Total Community Support Projects	-	75	10	26	2	8	18	39	10	16	5

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Total Community Support Projects by Type
-	-	-	-	-	-	-	-	-	-	Growth
-	7	15	-	-	-	-	38	18	-	Level of Service
17	11	34	2	11	14	21	12	25	6	Renewals
-	-	-	-	-	-	-	-	-	-	
-	7	15	-	-	-	-	38	18	-	Total Community Support Projects

Funding Impact Statement for Community Support

Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Community Support Group of Activities	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Sources of Operating Funding											
General rates, uniform annual general charges, rates penalties	2,739	2,759	2,962	2,891	3,082	3,160	3,234	3,307	3,375	3,441	3,490
Targeted rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	33	33	34	35	36	36	37	38	39	40	40
Fees and charges	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	7	51	53	(35)	(36)	(36)	(37)	(38)	(39)	(40)	(40)
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Total Operating Funding (A)	2,779	2,843	3,049	2,891	3,082	3,160	3,234	3,307	3,375	3,441	3,490
Applications of Operating Funding											
Payments to staff and suppliers	1,615	1,809	1,828	1,808	1,692	1,735	1,778	1,815	1,851	1,886	1,920
Finance costs	16	-	2	-	1	-	1	2	2	2	2
Internal charges and overheads applied	1,135	1,026	1,206	1,363	1,419	1,456	1,488	1,523	1,554	1,585	1,601
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	2,766	2,835	3,036	3,171	3,112	3,191	3,267	3,340	3,407	3,473	3,523
Surplus (deficit) of operating funding (A-B)	13	8	13	(280)	(30)	(31)	(33)	(33)	(32)	(32)	(33)
Sources of capital funding											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Community Support Group of Activities
										Sources of Operating Funding
3,546	3,605	3,706	3,807	3,908	4,008	4,109	4,211	4,316	4,417	General rates, uniform annual general charges, rates penalties
-	-	-	-	-	-	-	-	-	-	Targeted rates
41	42	43	45	46	47	49	50	52	53	Subsidies and grants for operating purposes
-	-	-	-	-	-	-	-	-	-	Fees and charges
(41)	(42)	(43)	(45)	(46)	(47)	(49)	(50)	(52)	(53)	Local authorities fuel tax, fines, infringement fees, and other receipts
-	-	-	-	-	-	-	-	-	-	Internal charges and overheads recovered
3,546	3,605	3,706	3,807	3,908	4,008	4,109	4,211	4,316	4,417	Total Operating Funding (A)
										Applications of Operating Funding
1,950	1,982	2,052	2,120	2,189	2,258	2,328	2,396	2,467	2,535	Payments to staff and suppliers
2	2	3	4	4	4	4	5	6	6	Finance costs
1,627	1,655	1,687	1,719	1,752	1,784	1,818	1,850	1,883	1,916	Internal charges and overheads applied
-	-	-	-	-	-	-	-	-	-	Other operating funding applications
3,579	3,639	3,742	3,843	3,945	4,046	4,150	4,251	4,356	4,457	Total applications of operating funding (B)
(33)	(34)	(36)	(36)	(37)	(38)	(41)	(40)	(40)	(40)	Surplus (deficit) of operating funding (A-B)
										Sources of capital funding
-	-	-	-	-	-	-	-	-	-	Subsidies and grants for capital expenditure
-	-	-	-	-	-	-	-	-	-	Development and financial contributions

Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Community Support Group of Activities	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Increase (decrease) in debt	6	75	(2)	18	(7)	(1)	9	29	(1)	5	(6)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	6	75	(2)	18	(7)	(1)	9	29	(1)	5	(6)
Applications of capital funding											
Capital expenditure											
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	6	47	-	-	-	-	6	13	-	6	-
- to replace existing assets	-	28	10	26	2	8	12	25	10	10	5
Increase (decrease) in reserves	13	8	1	(288)	(39)	(40)	(42)	(42)	(43)	(43)	(44)
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	19	83	11	(262)	(37)	(32)	(24)	(4)	(33)	(27)	(39)
Surplus (deficit) of capital funding (C-D)	(13)	(8)	(13)	280	30	31	33	33	32	32	33
Funding Balance ((A-B) +(C-D))	-	-	-	-	-	-	-	-	-	-	-
Depreciation	12	9	12	9	9	9	9	10	11	11	11

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Community Support Group of Activities
5	6	36	(11)	(3)	-	7	35	26	(13)	Increase (decrease) in debt
-	-	-	-	-	-	-	-	-	-	Gross proceeds from sale of assets
-	-	-	-	-	-	-	-	-	-	Lump sum contributions
-	-	-	-	-	-	-	-	-	-	Other dedicated capital funding
5	6	36	(11)	(3)	-	7	35	26	(13)	Total sources of capital funding (C)
										Applications of capital funding
										Capital expenditure
-	-	-	-	-	-	-	-	-	-	- to meet additional demand
-	15	-	-	-	-	38	18	-	-	- to improve the level of service
17	34	2	11	14	21	12	25	6	-	- to replace existing assets
(45)	(77)	(2)	(58)	(54)	(59)	(84)	(48)	(20)	(53)	Increase (decrease) in reserves
-	-	-	-	-	-	-	-	-	-	Increase (decrease) of investments
(28)	(28)	-	(47)	(40)	(38)	(34)	(5)	(14)	(53)	Total applications of capital funding (D)
33	34	36	36	37	38	41	40	40	40	Surplus (deficit) of capital funding (C-D)
-	-	-	-	-	-	-	-	-	-	Funding Balance ((A-B) +(C-D))
12	12	12	14	14	14	14	15	18	18	Depreciation

Activity Expenditure for Community Support

Activity Operating Expenditure Including depreciation	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Community Development	751	684	800	779	803	823	841	861	880	898	908
Community Grants and Funding	511	465	461	477	461	472	484	494	504	514	522
District Communication and Marketing	391	431	471	715	747	766	785	803	820	836	847
Emergency Management	284	262	278	249	257	264	269	275	280	285	289
Economic Development	699	914	939	893	786	806	826	844	861	877	892
Visitor Information	142	86	101	65	67	69	71	72	74	75	76
Total Expenditure	2,778	2,842	3,050	3,178	3,121	3,200	3,276	3,349	3,419	3,485	3,534

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Activity Operating Expenditure Including depreciation
923	939	960	982	1,002	1,023	1,044	1,065	1,087	1,108	Community Development
531	539	557	574	591	609	626	644	661	678	Community Grants and Funding
861	876	898	920	942	963	986	1,008	1,030	1,052	District Communication and Marketing
293	298	306	314	323	331	339	348	360	368	Emergency Management
906	921	952	984	1,015	1,047	1,079	1,110	1,142	1,173	Economic Development
77	79	81	83	85	87	89	92	94	96	Visitor Information
3,591	3,652	3,754	3,857	3,958	4,060	4,163	4,267	4,374	4,475	Total Expenditure

Regulatory Services

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

The Regulatory Services Group of Activities includes the following Activities:

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

Resource Consenting

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

What Resource Consenting involves:

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

Key Projects for 2023/2024

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

Rationale for this Activity (why we do it)

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

How we measure our performance

Service	Community Outcomes	How we will measure our performance	Target 2022/23	Target 2023/24	Target 2024/41
Processing of applications under the Resource Management Act (RMA) 1991.	<p>Vibrant economy</p> <p>Outstanding environment</p>	Applications under the RMA will be processed within statutory timeframes.	95%	95%	95%
<p>What does this tell me? This measure indicates whether we are meeting our statutory timeframes for processing resource consent applications. The Resource Management Act contemplates that there will be occasions where a consent application is not processed within the statutory timeframes and provides a discounting process to ensure that the applicant receives an offset for the delay. This target recognises that while Council strives to achieve the statutory timeframes there are occasions where getting the best outcome can result in a consent being processed beyond the statutory timeframe. Examples of where this can occur include where officers seek to ensure the decision and consent conditions are workable and</p>					

understood by the applicant before issuing the decision. Where the applicant has not agreed to an extension of time, this process of providing draft conditions to the applicant and checking their understanding can impact on compliance with the statutory timeframe

Challenges Council faces for the Resource Consents Activity

- A key challenge facing Council for this Activity is that there is a level of uncertainty about the implications for Council of the current reforms to the RMA, as well as the development or amendment of National Environmental Standards or National Policy Statements. For example, implications could result in changes to how resource consent applications are processed or could require the District Plan to be updated or amended.
- Another challenge is balancing the need to provide for and encourage economic development with the desire to ensure that any adverse effects that businesses and their associated activities may have on the natural environment are acceptable, and will not compromise future generations use and enjoyment of natural resources.
- The requirement to apply for resource consents can be perceived by some people as encroaching on private property rights and frustrate property owners who perceive 'over-regulation'. However, requirements relating to the District Plan and resource consents are deemed necessary to protect and sustainably manage the District's natural and physical resources.
- The anticipated growth of the District will place pressure on this Activity. The growth environment is likely to see an increase in the volume and complexity of applications.

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

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

Key Risks and Assumptions associated with the Resource Consents Activity

- Changes in legislation could result in subsequent changes to the District Plan or changes to how resource consents are processed or monitored, which have not been anticipated. However, it is assumed that Central Government will give local government adequate notice/warning of any potential changes. It is also assumed where major changes are required, there will be an appropriate transition period provided to allow for Council to plan and budget for any required changes.

Building Consenting

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

What Building Consenting involves:

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

Key Projects for 2023/2024

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

Rationale for this Activity (why we do it):

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

How we will measure our performance

Service	Community Outcomes	How we will measure our performance	Target 2022/23	Target 2023/2024	Target 2024/41
Carry out Building Consent Authority functions including enforcement of legislation relating to construction of buildings and structures.	Vibrant economy Outstanding environment	Building consent applications are processed within statutory timeframes. Council will maintain its accredited status as a Building Consent Authority.	98% Achieve	98% Achieve	98% Achieve
What does this tell me? This measure indicates whether we are meeting our statutory timeframes for processing building consent applications. Council has to maintain its status as a Building Consent Authority in order to be able to issue building consents.					

Challenges Council faces for the Building Consenting Activity

- A key challenge facing Council for this Activity is that there is uncertainty around future amendments to current legislation or the introduction of new legislation, and the implications that this would have on the Levels of Service for this Activity.
- The anticipated growth of the District is likely to place pressure on this Activity. The growth environment is likely to see an increase in commercial and industrial new builds in the district. Potential development of increased housing density, may result in the building of multi-story and multi-unit dwellings. The Building Consent Authority will need to ensure that building officers continue to develop their skills and competencies to cater for the increased complexity associated with these types of buildings and the commercial and industrial buildings.

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

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

Key Risks and assumptions associated with this activity

- The risk for this Activity is that Council may not maintain its Building Consent Authority Accreditation and this would mean that Council would no longer be able to process building consent applications in-house. However, Council has an internal auditing and monitoring programme in place to ensure that its systems, policies and procedures are appropriate to ensure that it maintains its accreditation at each re-assessment.
- Changes in legislation could result in an increase to the Levels of Service or require changes to be made to how Council currently undertakes this Activity. However, it is assumed that Central Government will give local government adequate notice/warning of any potential changes and that where major changes are required there will be an appropriate transition period provided to allow for Council to plan and budget for these.

Environmental Health (Food Safety)

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

What Environmental Health (Food Safety) involves:

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

Key Projects for 2023/2024

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

Rationale for this Activity (why we do it):

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

How we will measure our performance

Service	Community Outcomes	How we will measure our performance	Target 2022/23	Target 2023/24	Target 2024/41
Food safety – Food businesses are monitored to ensure compliance with legislation.	Vibrant economy Strong communities	Food businesses operating under the Food Act 2014 are verified at the frequency determined by the Food Regulations 2015.	Achieve	Achieve	Achieve
What does this tell me? Local food businesses need to be routinely verified to check they are operating safely when providing food to the public.					

Challenges Council faces for the Environmental Health (Food Safety) Activity

- A key challenge facing Council for this Activity is that there is uncertainty around future amendments to current legislation or the introduction of new legislation, including the possible introduction of government levies, and the implications that this would have on the Levels of Service for this Activity.

Significant negative effects on the social, cultural, economic and environmental wellbeing of the local community associated with the Environmental Health (Food Safety) Activity

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

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

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

Alcohol Licensing

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

What Alcohol Licensing involves:

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

Key Projects for 2023/2024

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

Rationale for this Activity (why we do it):

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

How we will measure our performance

Service	Community Outcomes	How we will measure our performance	Target 2022/23	Target 2023/24	Target 2024/41
Monitoring of licensed premises to ensure compliance with relevant* legislation.	<p>Strong communities</p> <p>Vibrant economy</p>	Premises are inspected annually to check for compliance with their licence conditions.	Achieve	Achieve	Achieve

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

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

Challenges Council faces for the Alcohol Licensing Activity

- A key challenge for this activity is that the fees for licensing are set by Central Government and as such, Council is unable to change them without first adopting an alcohol fees bylaw. Another key challenge for this Activity is that there is uncertainty around future amendments to current legislation or the introduction of new legislation that can be made at short notice; an example of this is the immediate modification orders made during Covid-19 pandemic, the changes having a huge impact on service delivery, and resulted in significant delays for customers.

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

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

Key Risks and Assumptions associated with the Alcohol Licensing Activity

- Changes in legislation could result in unanticipated changes in Levels of Service for this Activity. It is assumed that Central Government will provide local government adequate notice/warning of any potential changes. It is also assumed that where major changes are required there will be an appropriate transition period provided to allow for Council to plan and budget for any required changes.

Parking Enforcement

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

What Parking Enforcement involves:

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

Key Projects for 2023/2024

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

Rationale for this Activity (why we do it):

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

How we will measure our performance

Service	Community Outcomes	How we will measure our performance	Target 2022/23	Target 2023/24	Target 2024/41
All parking restricted areas in Levin will be enforced under the provisions of Council's Bylaw and the Land Transport Regulations.	Vibrant economy Strong communities	Parking infringement explanations are responded to within 5 business days of receipt.	Achieve	Achieve	Achieve
What does this tell me? This measure indicates the frequency at which we are enforcing our Land Transport Bylaw (in regards to parking restricted areas in Levin) and other relevant legislation e.g. how many working days a year our parking wardens are undertaking their enforcement duties					

Challenges Council faces for the Parking Enforcement Activity

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

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

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

Key Risks and Assumptions associated with the Parking Enforcement Activity

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

Building Compliance

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

What Building Compliance involves:

- Responding to complaints relating to non-compliances with the Building Act 2004 and associated codes and regulations, and taking appropriate action when non-compliance is observed.
- Monitoring of swimming pool barriers (fencing) to protect children under five years old from drowning.
- Monitoring, enforcement and actions related to the Building (Earthquake-prone Buildings) Amendment Act 2016.
- Ensuring Building Warrants of Fitness (BWOFs) are renewed and are accurate.

Key Projects for 2023/2024

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

Rationale for this Activity (why we do it):

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

How we will measure our performance

Service	Community Outcomes	How we will measure our performance	Target 2022/23	Target 2023/24	Target 2024/41
Carry out territorial authority functions including enforcement of legislation	Outstanding environment Strong communities	Reported cases of illegal building work will be responded to within five working days. Percentage of private swimming pools on register inspected annually for compliance.	Achieve >33%	Achieve >33%	Achieve >33%
What does this tell me? This measure is all about ensuring buildings and structures, such as swimming pools, are or continue to be safe for use and do not cause harm or problems in the future.					
Carry out territorial authority functions including enforcement of legislation	Outstanding environment	100% of BWOFs are renewed or Notices to Fix are issued.	Achieve	Achieve	Achieve
What does this tell me? Council must ensure all buildings are compliant and safe.					

Challenges Council faces for the Building Compliance Activity

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

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

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

Key Risks and Assumptions associated with the Building Compliance Activity

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

Resource Management Compliance

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

What Resource Management Compliance involves:

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

Key Projects for 2023/2024

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

Rationale for this Activity (why we do it):

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

How we will measure our performance

Service	Community Outcomes	How we will measure our performance	Target 2022/23	Target 2023/24	Target 2024/41
Monitoring of District Plan requirements, resource consent compliance and complaints	Outstanding environment	Known and reported instances of non-compliances with the District Plan and any resource consents will be responded to within five working days.	Achieve	Achieve	Achieve
		All resource consents that are required to be monitored for the year are monitored for compliance with conditions.	Achieve	Achieve	Achieve

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

Challenges Council faces for the Resource Management Compliance Activity

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

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

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

Key Risks and Assumptions associated with the Resource Management Compliance Activity

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

Animal Control

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

What Animal Control involves:

- Maintaining a register of dogs in the District.
- Patrolling the District for animal nuisances.
- Responding to complaints about dogs and livestock.
- Providing impounding facilities for dogs and livestock.
- Educating the public on the responsibilities of dog ownership.
- Re-homing or euthanising unclaimed animals.
- Enforcement of Council's bylaws related to Animal Control - Dog Control Bylaw 2015, Animal Nuisance and the Keeping of Pigs, Poultry and Bees Bylaw 2014 and Land Transport Bylaw 2017 (Part 2 – Stock Control and Movement).
- Enforcement of relevant legislation – Dog Control Act 1996 and Impounding Act 1955.

Key Projects for 2023/2024

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

Rationale for this Activity (why we do it):

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

How we will measure our performance

Service	Community Outcomes	How we will measure our performance	Target 2022/23	Target 2023/24	Target 2024/41
Reported instances of non-compliances and dog nuisances will be responded to	Strong communities	Percent of reported instances of non-compliances and dog nuisances will be responded to. An after-hours emergency response will be continuously provided.	100% Achieve	100% Achieve	100% Achieve
What does this tell me? This measure will tell us how effective our response is to reports of non-compliances with bylaws, such as Council's Dog Control Bylaw, and dog nuisances. When responding to these reports, our aim is to ensure that animals are looked after and are not menacing or a nuisance to the public.					
Registration and classification of all known dogs within the District	Strong communities	Percent of known dogs that will be registered or accounted for annually by 31 October.	100%	100%	100%
What does this tell me? This measure indicates how much of the known dog population is accounted for on our register. For each dog, the register holds information on the dog itself, their owner and its microchip number (if it has one), so if it was ever lost or stolen there is the information to help the dog be reunited with its owner. The register also helps us keep track of dogs deemed to be menacing or dangerous.					

Challenges Council faces for the Animal Control Activity

- A key challenge for the Animal Control function is the aging state of the pound facility and its ability to meet the minimum standards in the MPI code of welfare.
- Another key challenge for this activity is the increasing demand on the service as our population grows and dog numbers increase.

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

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

Key Risks and Assumptions associated with the Animal Control Activity

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

General Regulatory Services

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

What General Regulatory Services involves:

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

Key Projects for 2023/2024

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

Rationale for this Activity (why we do it)

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

How we will measure our performance

Service	Community Outcomes	How we will measure our performance	Target 2022/23	Target 2023/24	Target 2024/41
Noise complaints response service will be provided	Strong communities	Noise complaints services are provided all year round and 90% of complaints will be responded to within 60 minutes.	Achieve	Achieve	Achieve
What does this tell me? Excessive noise can cause a nuisance, especially if occurring within a quiet part of a neighbourhood. This measure indicates whether we are responding to noise complaints efficiently and ensuring that the noise, if deemed excessive, is addressed.					
Public safety bylaws and other legislation will be enforced	Strong communities	Percent of reported non-compliances and complaints that are responded to within five working days.	100%	100%	100%
What does this tell me? Our public safety bylaws are in place to ensure our community feel safe in the environment they live within. Any non-compliance with the bylaws or other legislation that compromises public safety should be addressed efficiently, which is what this measure is looking at.					

Challenges Council faces for the General Regulatory Services Activity

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

Significant negative effects on the social, cultural, economic and environmental wellbeing of the local community associated with the General Regulatory Services Activity

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

Key Risks and Assumptions associated with the General Regulatory Services Activity

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

Capital Expenditure for Regulatory Services

The following tables have been updated for year 2022/23 and beyond

Regulatory Services Project Primary Type- to replace existing assets	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Animal Control - Body worn video equipment	-	4	26	-	-	6	-	-	7	-	-
Parking - Mobile ticket devices	-	-	15	-	-	16	-	-	17	-	-
Parking - Body worn video equipment	-	-	4	-	-	4	-	-	5	-	-
Animal Control - Stock pound fencing & stock loading ramp	-	-	-	-	21	-	-	-	-	-	-
Parking - Meter Replacements	-	-	-	-	-	-	65	66	-	-	-
Vehicles - Replacing JYL288	36	-	-	-	-	-	-	-	-	-	-
Total renewals	36	4	45	-	21	26	65	66	29	-	-

Regulatory Services Project Primary Type- to improve the level of service	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Parking - Meter Upgrades	-	60	-	-	-	63	-	-	-	69	-
Animal Control - Dog Pound driveway concreting	-	-	-	-	-	26	-	-	-	-	-
Animal - Dog Pound shade and kennel repairs	-	20	8	-	-	-	-	-	-	-	-
Animal Control - Dog Pound facility refurb investigation costs	-	-	26	-	-	-	-	-	-	-	-
Total level of service	-	80	34	-	-	89	-	-	-	69	-

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Regulatory Services Project Primary Type- to replace existing assets
7	-	-	8	-	-	8	-	-	12	Animal Control - Body worn video equipment
18	-	-	19	-	-	21	-	-	23	Parking - Mobile ticket devices
5	-	-	5	-	-	6	-	-	6	Parking - Body worn video equipment
-	-	-	-	-	-	-	-	-	-	Animal Control - Stock pound fencing & stock loading ramp
-	72	75	-	-	-	-	87	90	-	Parking - Meter Replacements
-	-	-	-	-	-	-	-	-	-	Vehicles - Replacing JLL288
30	72	75	32	-	-	35	87	90	41	Total renewals

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Regulatory Services Project Primary Type- to improve the level of service
-	-	-	-	-	-	-	-	-	-	Parking - Meter Upgrades
-	-	-	-	-	-	-	-	-	-	Animal Control - Dog Pound driveway concreting
-	-	-	-	-	-	-	-	-	-	Animal - Dog Pound shade and kennel repairs
-	-	-	-	-	-	-	-	-	-	Animal Control - Dog Pound facility refurb investigation costs
-	-	-	-	-	-	-	-	-	-	Total level of service

Regulatory Services Project Primary Type- to meet additional demand	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Animal Control - Dog Pound facility refurb	-	-	-	-	514	-	-	-	-	-	-
Total growth	-	-	-	-	514	-	-	-	-	-	-

Total Regulatory Services Projects by Type	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Growth	-	-	-	-	514	-	-	-	-	-	-
Level of Service	-	80	34	-	-	26	-	-	-	-	-
Renewals	36	4	45	-	21	90	65	66	28	69	-
Total Regulatory Services Projects	36	84	79	-	535	116	65	66	28	69	-

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Regulatory Services Project Primary Type- to meet additional demand
-	-	-	-	-	-	-	-	-	-	Animal Control - Dog Pound facility refurb
-	-	-	-	-	-	-	-	-	-	Total growth

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Total Regulatory Services Projects by Type
-	-	-	-	-	-	-	-	-	-	Growth
-	-	-	-	-	-	-	-	-	-	Level of Service
30	72	75	32	-	-	35	87	90	42	Renewals
30	72	75	32	-	-	35	87	90	42	Total Regulatory Services Projects

Forecast Funding Impact Statement for Regulatory Services

Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Regulatory Services Group of Activities	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Sources of Operating Funding											
General rates, uniform annual general charges, rates penalties	2,337	2,453	1,984	3,390	2,993	3,086	3,154	3,234	3,302	3,381	3,388
Targeted rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	9	204	275	225	221	227	232	237	242	247	251
Local authorities fuel tax, fines, infringement fees, and other receipts	2,841	3,490	4,329	3,691	4,225	4,332	4,439	4,533	4,624	4,710	4,792
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Total Operating Funding (A)	5,187	6,147	6,588	7,306	7,439	7,645	7,825	8,004	8,168	8,338	8,431
Applications of Operating Funding											
Payments to staff and suppliers	478	615	924	860	672	686	707	720	733	747	760
Finance costs	3	1	1	1	10	21	22	21	19	17	14
Internal charges and overheads applied	4,646	5,461	6,037	6,375	6,689	6,860	7,014	7,177	7,324	7,477	7,557
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	5,127	6,077	6,962	7,236	7,371	7,567	7,743	7,918	8,076	8,241	8,331
Surplus (deficit) of operating funding (A-B)	60	70	(374)	70	68	78	82	86	92	97	100
Sources of capital funding											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Regulatory Services Group of Activities
										Sources of Operating Funding
3,435	3,502	3,507	3,503	3,512	3,510	3,508	3,516	3,524	3,526	General rates, uniform annual general charges, rates penalties
-	-	-	-	-	-	-	-	-	-	Targeted rates
-	-	-	-	-	-	-	-	-	-	Subsidies and grants for operating purposes
255	259	268	277	286	295	304	313	322	332	Fees and charges
4,870	4,949	5,121	5,294	5,466	5,639	5,812	5,984	6,157	6,330	Local authorities fuel tax, fines, infringement fees, and other receipts
-	-	-	-	-	-	-	-	-	-	Internal charges and overheads recovered
8,560	8,710	8,896	9,074	9,264	9,444	9,624	9,813	10,003	10,188	Total Operating Funding (A)
										Applications of Operating Funding
772	785	815	841	868	895	923	951	978	1,005	Payments to staff and suppliers
10	8	7	4	-	(5)	(9)	(11)	(12)	(14)	Finance costs
7,683	7,815	7,972	8,126	8,288	8,445	8,607	8,764	8,923	9,084	Internal charges and overheads applied
-	-	-	-	-	-	-	-	-	-	Other operating funding applications
8,465	8,608	8,794	8,971	9,156	9,335	9,521	9,704	9,889	10,075	Total applications of operating funding (B)
										Surplus (deficit) of operating funding (A-B)
95	102	102	103	108	109	103	109	114	113	
										Sources of capital funding
-	-	-	-	-	-	-	-	-	-	Subsidies and grants for capital expenditure
-	-	-	-	-	-	-	-	-	-	Development and financial contributions

Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Regulatory Services Group of Activities	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Increase (decrease) in debt	(22)	14	419	(70)	464	40	(20)	(22)	(63)	(28)	(100)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	(22)	14	419	(70)	464	40	(20)	(22)	(63)	(28)	(100)
Applications of capital funding											
Capital expenditure											
- to meet additional demand	-	-	-	-	514	-	-	-	-	-	-
- to improve the level of service	-	80	34	-	-	26	-	-	-	-	-
- to replace existing assets	36	4	45	-	21	90	65	66	28	69	-
Increase (decrease) in reserves	2	-	(34)	-	(3)	2	(3)	(2)	1	-	-
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	38	84	45	-	532	118	62	64	29	69	-
Surplus (deficit) of capital funding (C-D)	(60)	(70)	374	(70)	(68)	(78)	(82)	(86)	(92)	(97)	(100)
Funding Balance ((A-B) +(C-D))	-	-	-	-	-	-	-	-	-	-	-
Depreciation	59	70	76	70	70	76	85	88	91	97	100

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Horowhenua District Council Funding impact statement for the years 2021/22 to 2040/41 for Regulatory Services Group of Activities
(66)	(29)	(29)	(71)	(109)	(109)	(68)	(23)	(25)	(71)	Increase (decrease) in debt
-	-	-	-	-	-	-	-	-	-	Gross proceeds from sale of assets
-	-	-	-	-	-	-	-	-	-	Lump sum contributions
-	-	-	-	-	-	-	-	-	-	Other dedicated capital funding
(66)	(29)	(29)	(71)	(109)	(109)	(68)	(23)	(25)	(71)	Total sources of capital funding (C)
										Applications of capital funding
										Capital expenditure
-	-	-	-	-	-	-	-	-	-	- to meet additional demand
-	-	-	-	-	-	-	-	-	-	- to improve the level of service
30	75	32	-	-	35	87	90	42	-	- to replace existing assets
(1)	(2)	41	32	(1)	(35)	(52)	(4)	47	42	Increase (decrease) in reserves
-	-	-	-	-	-	-	-	-	-	Increase (decrease) of investments
29	73	73	32	(1)	-	35	86	89	42	Total applications of capital funding (D)
(95)	(102)	(102)	(103)	(108)	(109)	(103)	(109)	(114)	(113)	Surplus (deficit) of capital funding (C-D)
-	-	-	-	-	-	-	-	-	-	Funding Balance ((A-B) +(C-D))
95	101	105	103	109	109	103	110	115	113	Depreciation

Activity Expenditure for Regulatory Services

Activity Operating Expenditure Including depreciation	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Liquor Policy	44	74	76	35	36	37	38	39	39	40	41
Parking	452	439	459	547	567	583	605	623	638	653	664
Animal Control	217	284	299	329	351	377	386	393	399	406	408
Dog Control	514	714	753	766	804	826	845	865	883	900	911
Environmental Health Policy	102	144	148	43	45	46	47	48	49	50	50
Safety Licencing	156	174	179	286	294	302	309	316	322	328	333
Resource Planning	972	1,123	1,527	1,712	1,630	1,670	1,707	1,745	1,780	1,819	1,839
Planning Policy	375	448	533	767	802	822	840	859	876	895	905
Building Consents	1,678	1,494	1,757	1,763	1,810	1,855	1,896	1,937	1,976	2,015	2,038
Building Policy	-	441	509	595	627	643	657	673	687	700	708
Liquor Licences	231	267	265	208	212	217	221	226	231	236	239
Environmental Health	445	545	532	254	262	269	275	282	287	293	296
Total Expenditure	5,186	6,147	7,037	7,305	7,440	7,647	7,826	8,006	8,167	8,335	8,432

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Activity Operating Expenditure Including depreciation
41	42	43	44	45	46	47	48	49	50	Liquor Policy
668	683	704	719	738	751	762	783	805	820	Parking
412	418	425	430	438	445	450	458	465	470	Animal Control
926	942	963	984	1,006	1,027	1,048	1,070	1,091	1,112	Dog Control
51	52	53	54	55	56	58	59	60	61	Environmental Health Policy
338	344	352	360	369	377	386	394	403	411	Safety Licencing
1,870	1,902	1,941	1,979	2,018	2,056	2,096	2,134	2,173	2,212	Resource Planning
920	936	955	973	992	1,010	1,029	1,048	1,067	1,086	Planning Policy
2,070	2,104	2,150	2,194	2,240	2,286	2,332	2,377	2,423	2,469	Building Consents
720	732	747	762	777	792	807	822	837	853	Building Policy
243	247	252	257	262	267	272	277	282	287	Liquor Licences
301	306	312	318	324	331	337	343	349	356	Environmental Health
8,560	8,708	8,897	9,074	9,264	9,444	9,624	9,813	10,004	10,187	Total Expenditure

Infrastructure Strategy 2021 - 2051

Te Rautaki Hanganga Metarahi

Definitions

Asset Management Plan (AMPs)

An Activity Management Plan (AMP) is a considered, infrastructure plan that is asset related, which details how individual Activities are managed and the Levels of Service for the Activity to the end user or customer. The plans are used as the basis of the work programmes and budgets that are included in the Infrastructure Strategy and Long Term Plan. The plans have succinct descriptions of problems, benefits and consequences, for each of the separate activities, and establish the justification for option identification and provide detailed analysis to substantiate the selection of the preferred programme.

Level of Service (LoS)

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

Renewal

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

Core infrastructure

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

Three Waters

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

Financial Strategy

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

Statement of Service Provisions (SSPs)

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

Infor Public Sector (IPS)

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

Road Asset and Maintenance Management (RAMM)

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

CCTV

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

CMPs

Catchment Management Plans.

Introduction

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

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

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

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

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

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

Partnership with Tangata Whenua

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

- Muaūpoko
- Ngāti Apa
- Ngāti Raukawa
- Rangitāne

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

Purpose and Scope

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

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

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

The purpose of the Strategy is to identify the significant infrastructure issues for the Horowhenua district over the next 30 years, the options for managing the issues and the implications.

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

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

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

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

Council Activities not included

Solid Waste

The Solid Waste activity is not covered in this Strategy. Through the Long Term Plan 2021-2041 Amendment Council decided to close the Levin Landfill and to investigate alternative uses for revenue generation. The process to close the Landfill will now proceed. Alternative site uses will be investigated alongside the review of Council's Waste Minimisation and Management Plan over the 12 months to June 2024.

Non-Council Infrastructure

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

Infrastructure Delivery

Council will deliver the capital programme through:

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

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

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

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

Infrastructure Funding

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

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

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

Goals

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

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

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

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



Significant Challenges for the District & How We Will Manage Them

Population Growth & Increasing Demand

Challenge

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

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

This growth will have a number of impacts on demand across the infrastructure activities included in this strategy. To ensure Horowhenua remains a great place to live

Council needs to ensure infrastructure is provided in a manner that proactively meets demand to support affordable property prices, and that user satisfaction and needs are met for our community infrastructure and facilities. The challenges being faced include:

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

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

Our Response

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

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

water from the Ōhau River in high flows, and store it for when the river has low flows.

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

- Development planning is being undertaken for both the Levin Aquatic Centre and Foxton Pool to ensure the facilities are fit for purpose for the projected growth and increase in demand.



Ageing Infrastructure & Renewals

Challenge

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

Our Response

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

- Asset maintenance and renewals strategies are developed to stabilise the average asset useful life of all Council's infrastructure.
- Continual improvements to asset condition assessment programmes, alongside a focus data collection and analysis will help inform efficient maintenance and renewal strategies across all of Council's infrastructure.
- Renewal programmes are informed using analysis of remaining useful lives, condition

assessments. Renewal programmes are phased smoothly, preventing cost or resource capacity spikes over the LTP period. This is the most effective way to address renewal from funding planning and delivery point of view.

- Just-in-time provision. Ensuring assets are renewed only when necessary and just before upgrades are required due to increasing maintenance costs or as a result of growth pressure.
- Future-proofing where appropriate. When undertaking renewal work, also undertaking improvements to cater for growth where required. This approach will reduce long term costs associating with retrofitting assets and will be assessed on a case by case basis, considering the balance between the benefits of undertaking the improvement works and the desire for just-in-time infrastructure provision identified above.
- Council is planning to catch up on the required renewals for water and wastewater over the 30 year plan. A consistent programme of stormwater renewals over the 30 year period is planned, however due to investment needed for growth approximately \$19 million of required renewals will not be completed during the 30 years. This will be reassessed during the next long term plan.

The need to replace our ageing infrastructure

A considerable amount of development occurred in the district 60-70 years ago, meaning the district has old and ageing infrastructure, particularly for the three waters network. Across all of the infrastructure activities, particularly for the three waters network, there has been historic underfunding of renewals. A key challenge for the district is making smart decisions around when to replace these ageing assets.

Continual assessment of asset condition and monitoring of reactive maintenance costs are undertaken to inform decision making. This ensures that we replace our older assets at the best time. We plan to replace our assets just-in-time to ensure we get the greatest use possible out of them. When replacing assets we consider whether any upgrades are needed to meet increasing demands. This approach ensures our infrastructure is future proofed for increases to demand where appropriate.

The renewal of assets is budgeted for based on the age of the assets. However, before renewals are undertaken condition assessments are undertaken. If the condition of assets differs from what is expected from the age of the asset, renewals may be required earlier or later than planned.

For our roading infrastructure we have reliable information about the condition of the assets. However we have less certain information about the condition of all of our three waters infrastructure. We mitigate the impact of this uncertainty through our maintenance contracts which ensures that any asset failures can be resolved in a timely manner. We continue to improve our asset data as assets are replaced, but given the long life nature of many of our assets, it will take some time for confidence levels to increase as data collection depends on the requirement to undertake work on these assets.

If renewals are required earlier than planned unbudgeted expenditure may be required, maintenance costs may increase, and there could be increased risk of disruption in services and anticipated improvements in levels of service could be delayed.



Challenge

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

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

Our infrastructure activities are experiencing the following challenges:

- All infrastructure assets are at risk of damage resulting from earthquakes. There is a range of resilience in the infrastructure assets to

earthquakes, however, a significant event could create damage for many assets.

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

Our Response

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

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

¹ per degree of warming for a 1 hour, 1 in 100 year event

Changes to Levels of Service

Challenge

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

Our Response

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

Public Health and Environmental Outcomes

Challenge

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

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

- The ongoing challenges for land transport are creating safer roads, and improving the provision of active transport assets.
- Challenges for the three waters network are providing services for a growing population, continuing to provide water that is safe to drink, as well as reducing potential environmental impacts from water takes and wastewater discharges. Resource consents required for stormwater discharges will potentially require investment in the pre-treatment of stormwater prior to disposal.
- The National Policy Statement for Freshwater will result in higher environmental standards and increased costs to meet them.
- For parks and reserves there are ongoing challenges of securing sufficient funding to meet the requirements Horizons Regional Pest Plan.
- Upcoming requirements for the strengthening or demolition of earthquake-prone buildings remains a challenge for our property assets. The costs associated with these works are significant, and while Council has disposed of many of these properties in recent years there will be a number, such as the Levin and Shannon Grandstands, Surf Life Saving Clubs and the Levin Memorial Hall which are likely to remain under Council ownership.
- The majority of public toilets are in excess of 50 years old and many are constructed of difficult to clean materials. There is a need to improve a number of these facilities by introducing more modern surfaces and in some cases complete replacement.

- It is likely Covid-19 will be an ongoing feature of public health concerns over the medium to long term. This will require a higher level of maintenance in publicly accessible buildings as and when necessary to reduce transmission.
- There is an ongoing need to continue to ensure aquatic facilities, provide adequate water treatment to protect the public from illness.
- Non-core property that is earthquake-prone will continue to be disposed of in accordance with Council's Property Strategy, whereas those considered core will be strengthened or demolished in line with the relevant legislation over the course of this plan.
- Budgets for minor (public toilet improvements) and major (replacement of public toilets) have been identified
- Any redevelopment or new aquatic provision will continue to provide adequate water treatment to protect human health.

Our Response

The approaches to managing these challenges are equally diverse:

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



Infrastructure Groups

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

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

Land Transport

The main purpose of this Activity is to provide for the safe, convenient and efficient transit of people and goods through, and within, the district in a way that meets national standards.

This is achieved by providing a network of roads, footpaths, bridges, car parks, signs and markers, street lights and associated drainage systems in what is known as the 'Transport Corridor'.

This Activity is heavily influenced by Waka Kotahi / New Zealand Transport Agency (NZTA), which is Council's co-investment partner for roading and the Optimised Programme (Council's programme of road works) which is approved on a three-yearly cycle in the Regional Land Transport Plan. The Council operates, maintains and improves its land transport assets, utilising the budgets set within this programme.

Land Transport Significant Issues

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

Land Transport Activity Principal and Alternative Options

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



Significant Decisions Required

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

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

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

Asset deterioration is accelerating

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

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

Low level of community use and satisfaction with active transport infrastructure

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

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

Land Transport Operating Expenditure

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

category. Forecast expenditure over the 30 year planning period is shown in Figure 1. Figures have been adjusted for inflation. This shows the operational expenditure over the 30 year period is projected to be \$359,978,240.

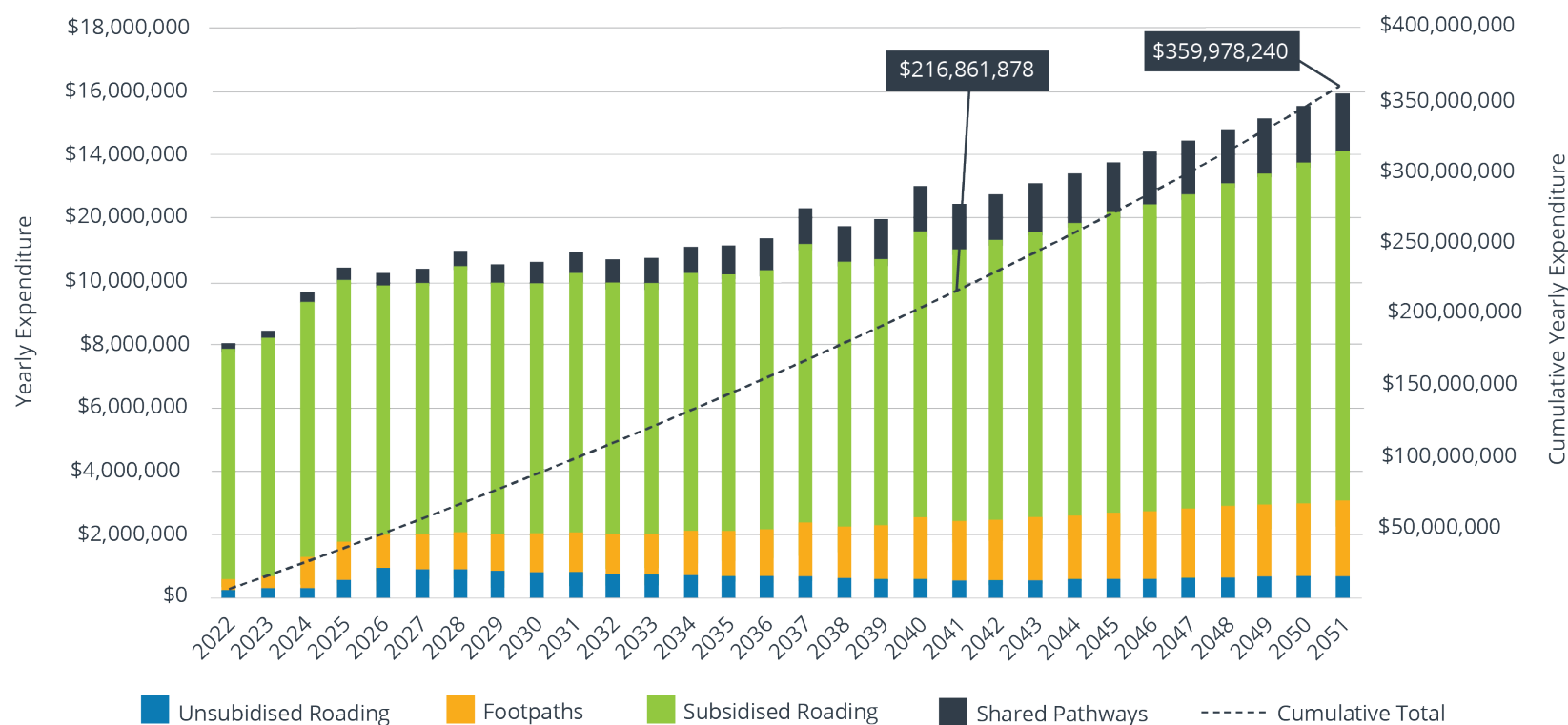


Figure 1: Projected Road Transport Operating Expense

Land Transport Capital Expenditure

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

improvements and constructing new footpaths. Growth includes projects that are needed to meet a growing population. The total capital expenditure programme over the next 30 years is projected to cost \$508,053,118. The majority of expenditure is proposed for renewals – \$401,339,172 over the 30 year period.

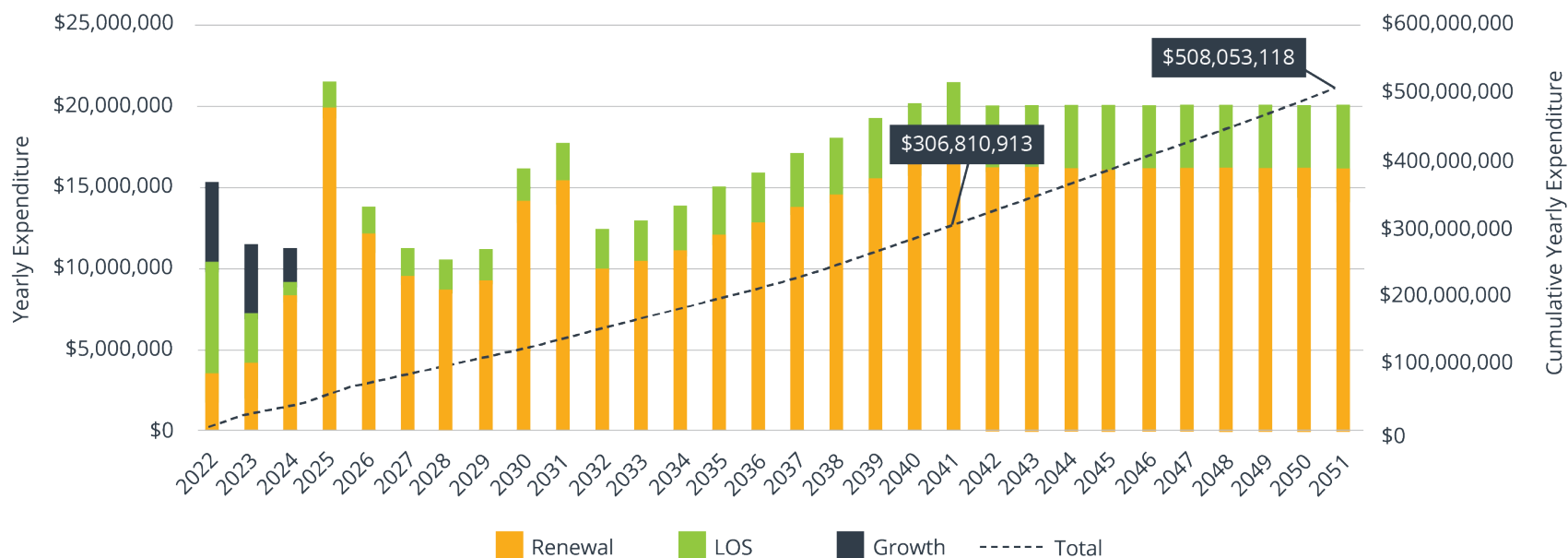


Figure 2: Land Transport Capital Expenditure



Water Supply



Council provides a safe drinking water to over 13,000 households and businesses in Levin, Foxton Beach, Foxton, Shannon and Tokomaru.



Council owns river intakes, groundwater bores, water treatment plants and water storage facilities, pump stations, and underground pipe networks including all associated accessories within the reticulation network. Council's water supply is managed, operated and maintained by Council staff and contractor's staff as a team – Horowhenua Alliance.

Water Supply Significant Issues

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

Water Supply Activity Principal and Alternative Options

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



Significant Decisions Required

Demand for Water – Water Demand Management / Response to Growth

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

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

Water Master Plan

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

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

2023 Update

Strategic upgrade of the Levin Water Treatment Plant to increase capacity of the clarifiers, filters and chemical dosing plant, increase treated water storage capacity and to improve the backwash water process and re-use, \$21.5 million between 2024-2030.

The Poads Road Water Reservoir

This project is to build a large scale off-river raw water reservoir to improve resilience and reliability of the Levin and Ohau drinking water supply and meet the projected demand from a growing population. This will provide raw water storage of 700,000 m³ (or at least 30 days storage). It is in our current LTP, but the funding was spread out over many later years to reduce the impact it would have on rates. We need to bring this project forward to ensure we do

not run out of water as we continue to grow. To make sure this project is finished in time we need to begin this project now and increase funding for it by \$2.5 million.

Foxton Beach Wastewater Treatment Plant upgrades

The Foxton Beach Wastewater Treatment Plant needs to be upgraded over the next 10 years. These upgrades include improving the treatment process of wastewater, increasing the capacity that the plant can store and discharge, and to become more resilient to climate change. We also have some costs associated with renewing the consent for this plant in 2028. All up we need to spend \$7 million on the Foxton Beach Wastewater Treatment Plant.

Water Demand Management

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

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

Our primary water demand management are:

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

LTP 2021-2041

Principal and Alternative Options	Year decision needs to be made	Cost Impact
Improve water source treatment capacity for Levin (preferred option). <ul style="list-style-type: none"> • Levin Water Treatment Plant • Bring forward additional funding for Poad's Road Reservoir as required sooner (Supplementary water supply). • Introduce water meters/leak detectors to enhance current water demand management initiatives. 	2024 – water source	<ul style="list-style-type: none"> • Additional \$21.5M for Levin Water Treatment Plant • Additional \$2.5M (Poad's Road Reservoir) • Additional \$6.1M for water meters/leak detectors
Secure a new water source only. <ul style="list-style-type: none"> • Retain current water treatment capacity. • Continue current water demand management initiatives. 	2024 – water source	<ul style="list-style-type: none"> • \$16.3M over the 30 year period.
Status quo – Water Demand Management.	2020/21	<ul style="list-style-type: none"> • Targeted water reticulation renewals as identified from leak detections, \$1.0 – 1.2M. • Continuous water demand management including education programme, \$250 – \$300k.

LTP Amendment 2021-2041

Principal and Alternative Options	Year decision needs to be made	Cost Impact
Further Improve water source, treatment capacity and demand management for Levin (preferred option). <ul style="list-style-type: none"> Levin Water Treatment Plant Bring forward additional funding for Poad's Road Reservoir as required sooner (Supplementary water supply). Introduce water meters/leak detectors to enhance current water demand management initiatives. 	2024 – water source	<ul style="list-style-type: none"> Additional \$21.5M for Levin Water Treatment Plant Additional \$2.5M (Poad's Road Reservoir) Additional \$6.1M for water meters/leak detectors
Status quo – Improve water source treatment capacity for Levin.	2023/24	<ul style="list-style-type: none"> No additional funding

Future Reticulated Water Supply Schemes for Smaller Settlements

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

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

Ageing Infrastructure – what we need to renew

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

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

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

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

Resilience against natural hazards and climate change

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

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

Levin Water Reticulation Renewals

To make sure that we have a reliable water supply network in Levin we need to keep up maintenance. This means replacing the water mains as they reach the end of their life and begin to break and leak. Greater investment is

required than identified in the LTP 2021-2024 due to cost increases. An additional \$4.8M is proposed to achieve this, bringing the total in the LTP 2021-41 once amended to \$27M.

Shannon Water Reticulation Renewals

Some of the water mains that form the Shannon water supply network are aging and need to be replaced. This will be done through a \$4.5 million renewals program between 2024-2026.

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

Principal and Alternative Options	Year decision needs to be made	Cost Impact
<p>Increase resilience in our water network and changing AC pipes progressively (preferred option).</p> <ul style="list-style-type: none"> • Build necessary resilience (additional line and/or cross connection for critical services). • Levin Water Reticulation Renewals programme increased for materials cost adjustment (\$4.8M) • Shannon Water Reticulation Renewals programme to replace aging water mains (\$3.5M) • Where necessary build water storage tanks, cost stated in above section. • Provide supplementary sustainable water supply, cost stated in above section. • Encourage sustainable growth by promoting onsite water tanks. No cost implication. 	2023/24	<ul style="list-style-type: none"> • Additional \$8.3M to increase water reticulation renewal in Levin and Shannon
<p>Status quo.</p> <p>Disruption possible to our level of service in our community due to frequent water supply outages as current budget not adequate to cover work required</p>	2023/24	<ul style="list-style-type: none"> • No additional cost

Water Supply Operating Expenditure

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

Figure 3 shows the projected operational expenditure for the 30 year period is \$400,488,152. It shows the biggest investment is required for the Levin scheme – \$203,862,344 across the 30 year period.

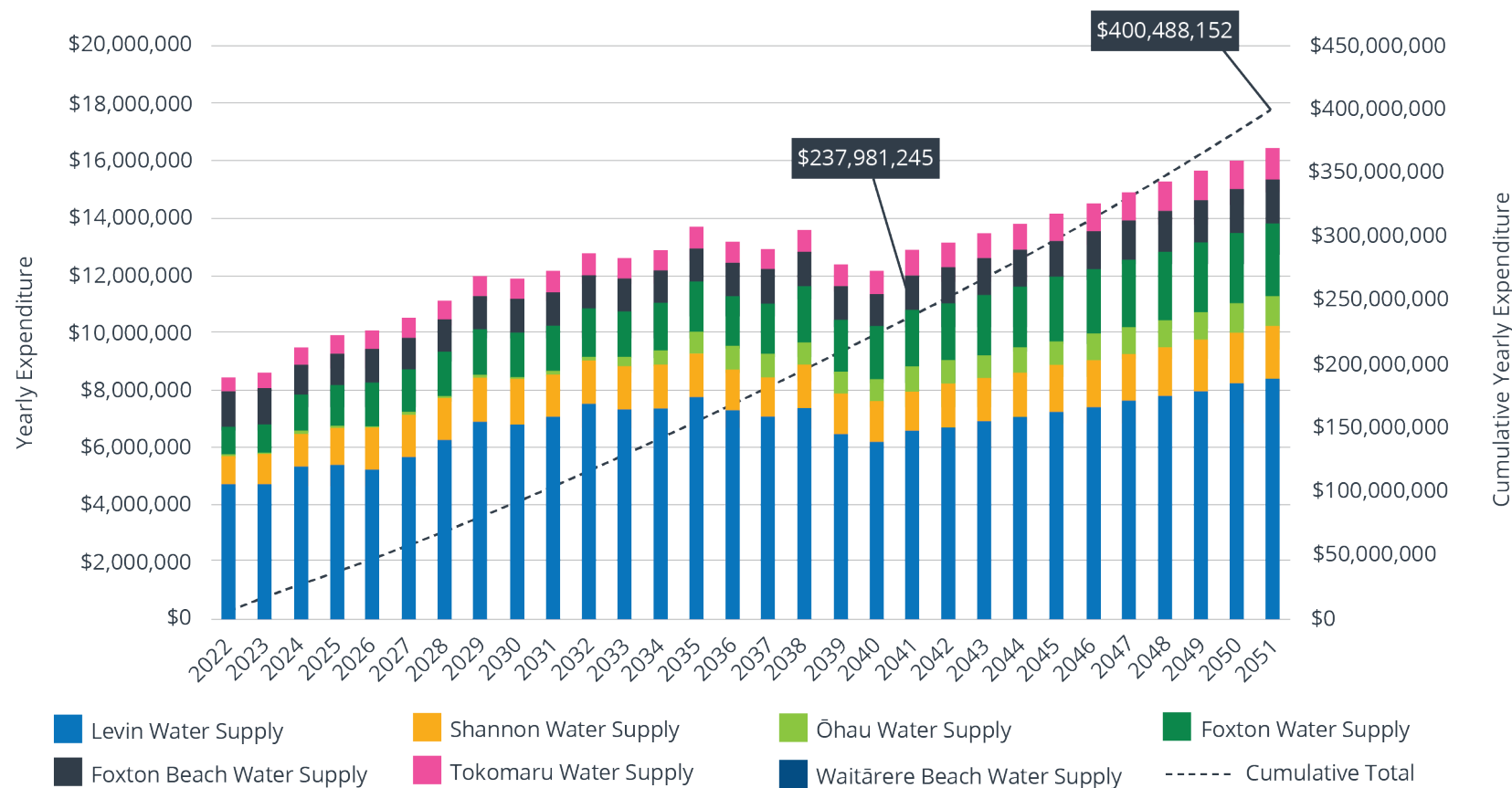


Figure 3: Water Supply Operating Expenditure

Water Supply Capital Expenditure

The proposed capital expenditure programme for Water Supply is presented in Figure 4 and Figure 5. Figures have been adjusted for inflation. Figure 4 shows the projected capital expenditure for the 30 year period is \$281,160,140.

The major expenditure in the planning period is largely renewals and growth. Figure 5 shows the most significant investment required for the Levin scheme which has a total proposed capital expenditure to \$154,537,079 over the 30 year period.

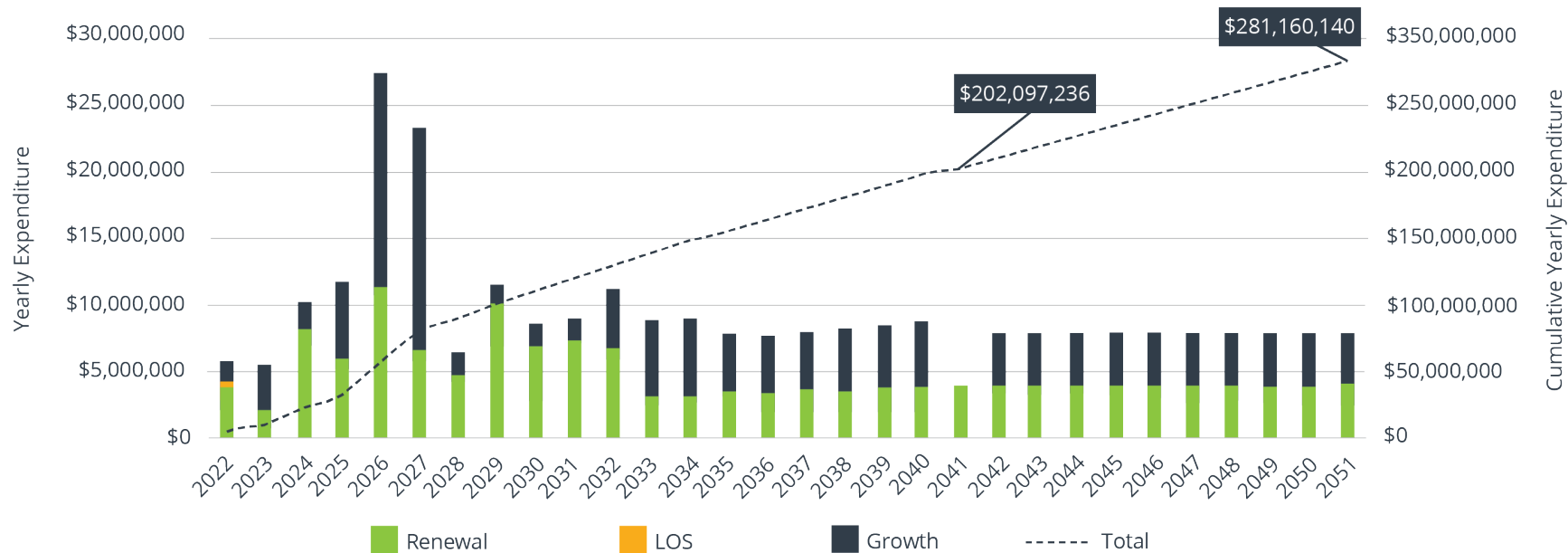


Figure 4: Water Supply Capital Expenditure

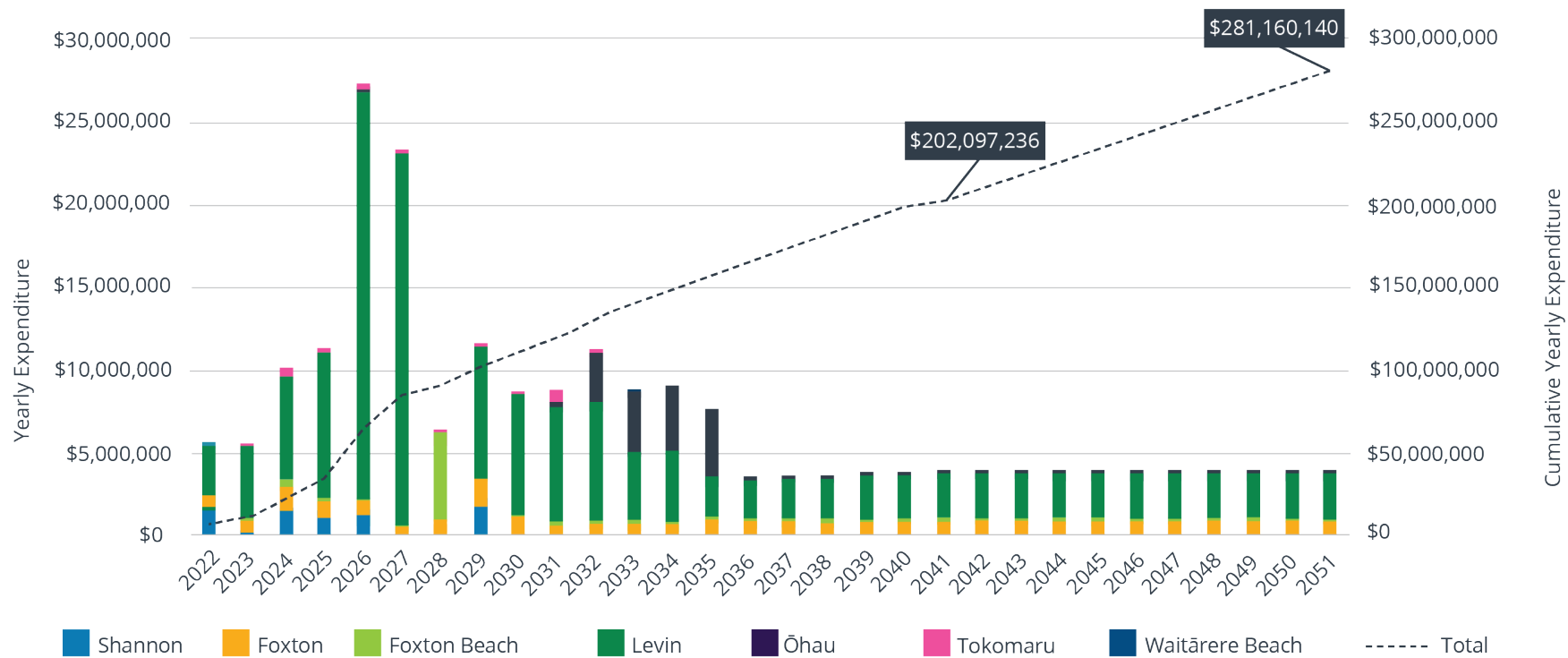


Figure 5.: Water Supply Capital Expenditure – by scheme



Wastewater



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



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

Wastewater Significant Issues

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



Wastewater Activity Principal and Alternative Options

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

Significant Decisions Required

Ageing Infrastructure – what we need to renew

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

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

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

LTP 2021-2041

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

Response to Growth

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

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

with the most urgent decision required for Levin.
For the location identified growth areas, please see Horowhenua Growth Strategy 2040.

Wastewater Master Plan

We are in the process of improving our wastewater master plan, which takes a long term view of wastewater treatment, Levin primarily, and within our district.
This will take a holistic approach and big picture of wastewater treatment. Identify upgrades requirement and develop a phased work

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

Levin Wastewater Treatment Plant – 2023 Update

The Levin Wastewater Treatment Plant has reached the capacity for organic loading it was designed to process. To comply with our POT consent (the consent from Horizons to discharge treated wastewater to the land known as The POT), we need to increase organic and hydraulic capacity and also increase the removal of biological nutrients (bugs). In other words, we need to increase the amount of wastewater we can treat while also increasing the amount of contaminants we remove from our wastewater. To complete this project, we need to fund an additional \$14.5 million than agreed in the current LTP. This project is set to be completed by 2028.

LTP 2021-2041

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

LTP 2021-2041 Amendment

Principal and Alternative Options	Year decision needs to be made	Cost Impact
<p>Increased investment in the Levin Wastewater Treatment Plant (preferred option).</p> <p>To increase organic and hydraulic capacity and also increase the removal of biological nutrients (bugs). The amount of wastewater we can treat needs to be increased while also increasing the amount of contaminants we remove from our wastewater. To complete this project, we need to fund an additional \$14.5 million than agreed in the current LTP.</p>	2023/24	<ul style="list-style-type: none"> • An additional \$14.5M than in the original LTP 2021-2041 • Brings investment to \$33.1M
<p>Status quo.</p> <p>Most improvements are done on an ad-hoc basis. The Levin Wastewater Treatment Plant and disposal area is limited to current consent conditions. Critical assets could fail causing major disruption in our community and unwanted environmental discharge.</p>	Current	<ul style="list-style-type: none"> • No additional cost on existing capital and operational budgets.

Future Reticulated Wastewater Schemes for Smaller Settlements

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

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

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

Resilience against natural hazards & climate change

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

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

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

LTP 2021-2041

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

Wastewater Operating Expenditure

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

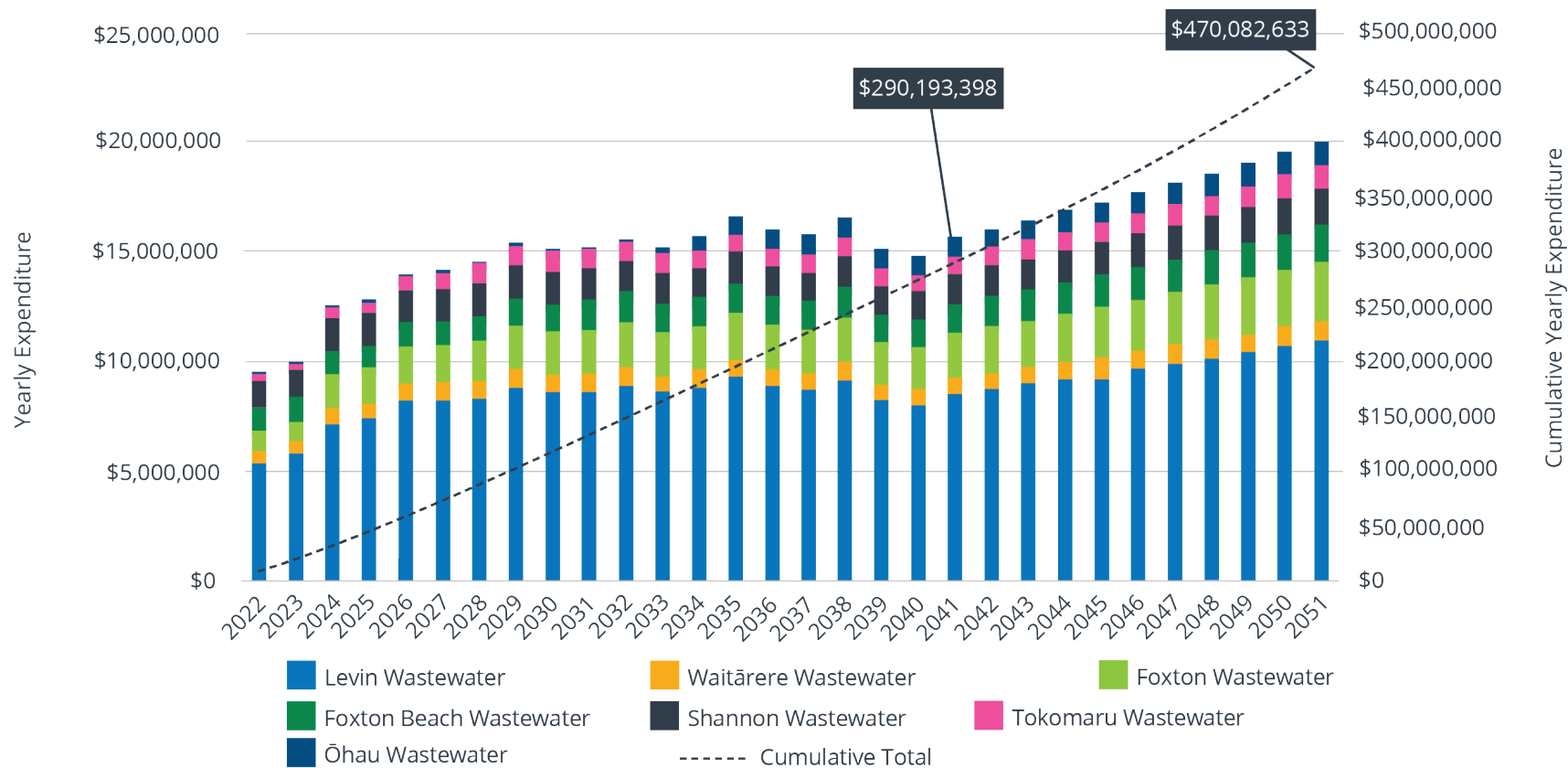


Figure 6: Wastewater Operating Expenditure

Wastewater Capital Expenditure

Figures 7 and 8 show projected capital expenditure for the district's wastewater schemes. Figures have been adjusted for inflation. The proposed capital expenditure is \$278,409,398 across the 30 year period. The expenditure is mostly required for renewals.

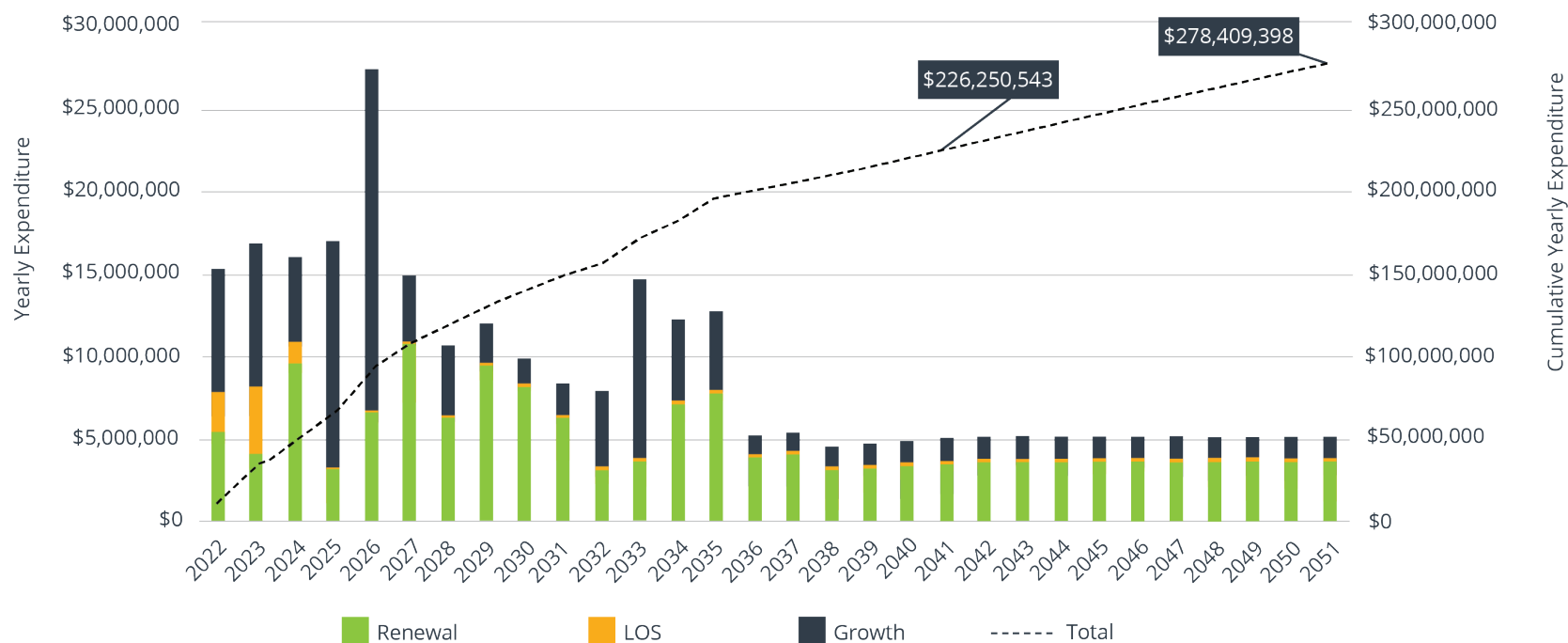


Figure 7: Wastewater Capital Expenditure

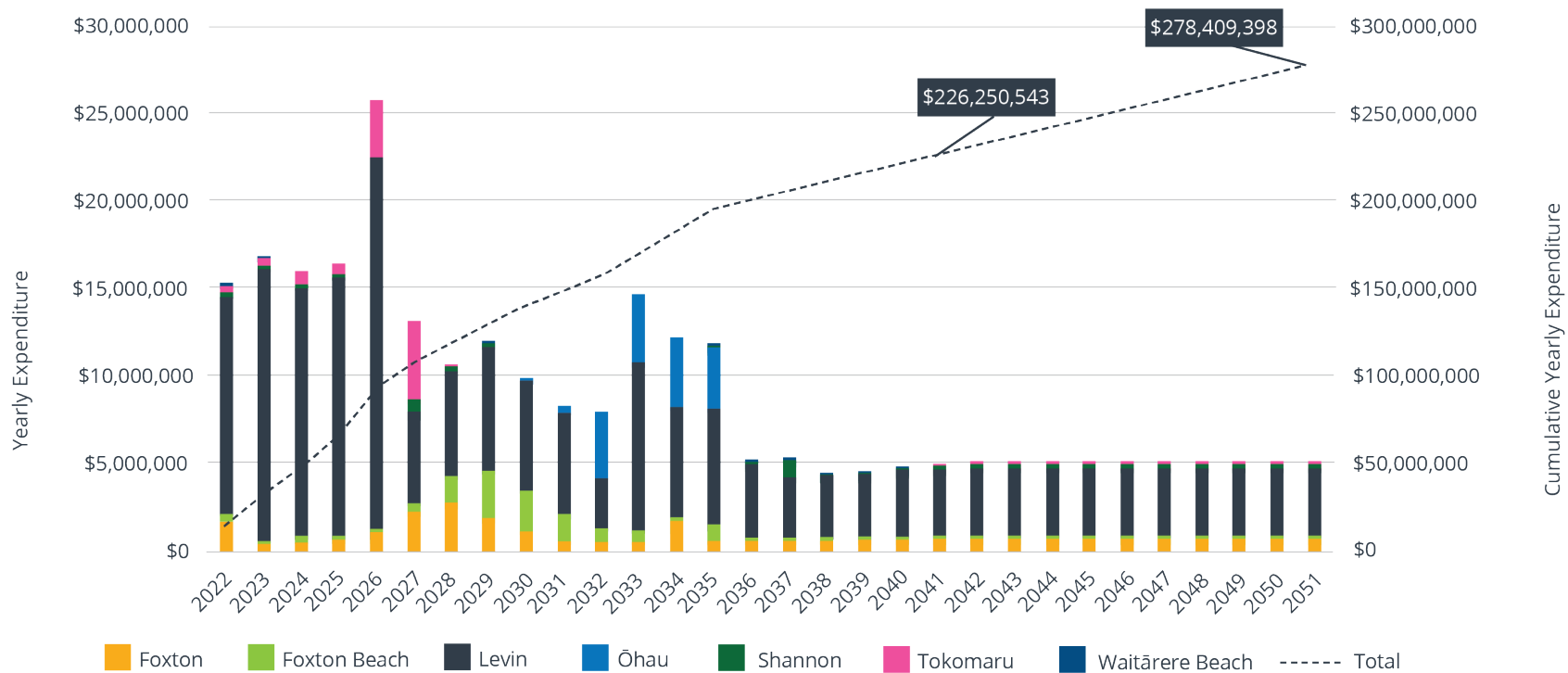


Figure 8: Wastewater Capital Expenditure – by scheme



Stormwater

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

● Council owns, operates and maintains piped stormwater drainage systems, pumping stations, and detention areas. Stormwater is closely aligned in both location and function with the Land Transport Group of Activities, and in particular the roading network. Council's stormwater system is managed together by Council staff and contractor's staff as a Team – Horowhenua Alliance.

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

Stormwater Significant Issues

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

Stormwater Activity Principal and Alternative Options

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

Significant Decisions Required

Growth and Resilience against natural hazards & climate change

Increased and more intense rainfall events are increasing the frequency of stormwater system overloads, resulting in flooding.

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

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

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

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

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

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

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

LTP 2021-2023 Amendment

Principal and Alternative Options	Year decision needs to be made	Cost Impact
<p>Deliver expanded programme of work from stormwater catchment management plans (status quo).</p> <ul style="list-style-type: none"> • Use CMP information to develop an updated prioritised work programme over this strategy period. • Use this information during land development phase to reduce the flooding risk and for ecological benefits and community wellbeing. • Carry out continuous improvements across the district. 	2023	<ul style="list-style-type: none"> • An additional \$11.8M/10 years • A total of \$18M/10 years
<p>Deliver programme of work from stormwater catchment management plans (status quo).</p> <ul style="list-style-type: none"> • Use CMP information to develop a prioritised work programme over this strategy period. • Use this information during land development phase to reduce the flooding risk and for ecological benefits and community wellbeing. • Carry out continuous improvements across the district. 	Current	<ul style="list-style-type: none"> • \$6M capital expenditure over 30 years from 2021. • No increase on current maintenance, renewal and improvement budgets. • Increase in reactive maintenance costs and emergency flooding management.

Stormwater Operating Expenditure

Figure 9 shows the projected operating expenditure for the district's Stormwater activity. Figures have been adjusted for inflation. The operating expenditure for the Stormwater activity is projected to be \$101,549,341 over the 30 year period.



Figure 9: Stormwater Operating Expenditure

Stormwater Capital Expenditure

Figure 10 shows the projected capital expenditure for the district's Stormwater activity. Figures have been adjusted for inflation. The capital expenditure for the 30 year period is projected to be \$80,383,413. This expenditure is split between renewals, level of service and growth.

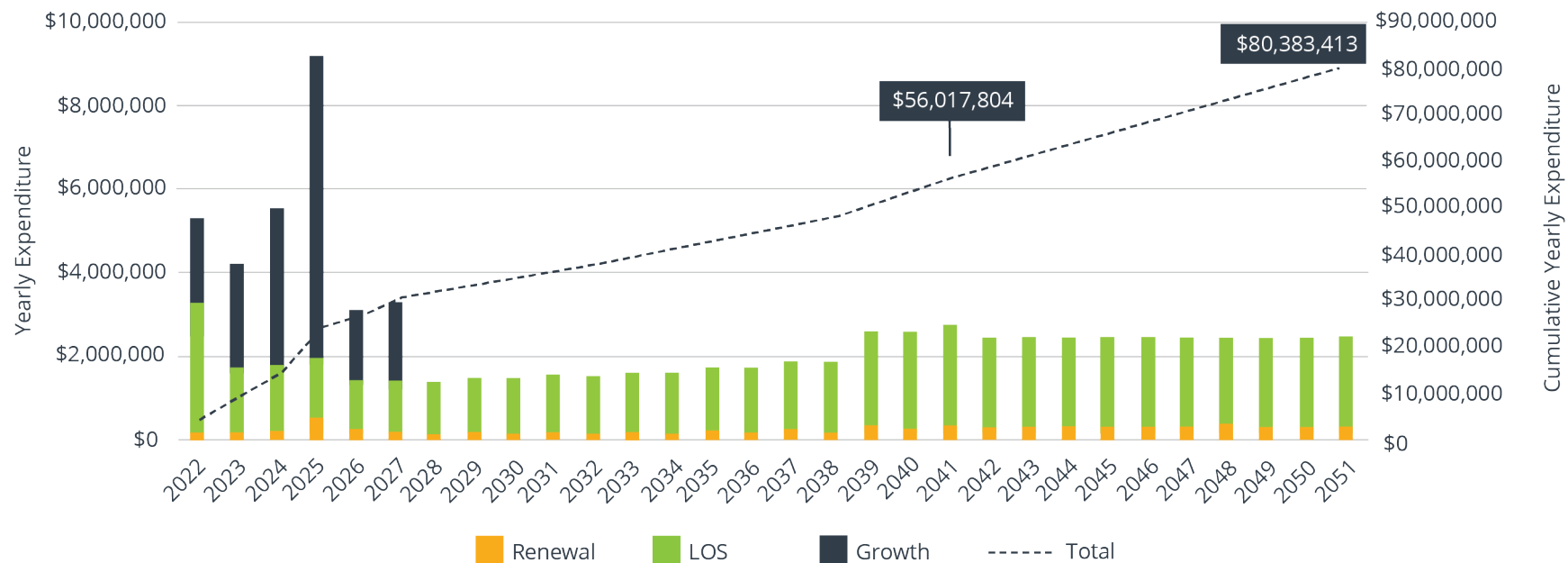


Figure 10: Stormwater Capital Expenditure



Community Facilities

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

- Multi-functional facilities that provide a wide range of services to both the community and to visitors to the Horowhenua District
- District wide library services based in Levin, Foxton and Shannon. They deliver a range of programmes and activities for all ages. Also facilitating online library services.
- Aquatic facilities offering public access to swimming pools and programmes, fitness and rehabilitation. They enhance community wellbeing with a range of healthy recreational and social opportunities.



Community Facilities Significant Issues

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

Community Facilities Principal and Alternative Options

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

Significant Decisions Required

Foxton Pool

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

Council has resolved and made the decision to move forward with the Basic All-year Pool (preferred option).

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

Jubilee Park Aquatic Provision

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

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

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

Council has resolved and made the decision to move forward with the development of a splashpad at Jubilee Park in Levin (preferred option).

Principal and Alternative Options	Year decision needs to be made	Cost Impact
Development of a Splashpad at Jubilee Park in Levin (preferred option). Given the risks associated with the current unsupervised paddling pool and the condition of the asset it is planned to be removed and replaced with a Splashpad to ensure an aquatic provision remains at Jubilee Park.	2021	<ul style="list-style-type: none"> • \$313,497 across 2021/22 and 2022/23
Close and remove the paddling pool. Do not replace the paddling pool with another aquatic option.	2021	<ul style="list-style-type: none"> • \$30,000 in 2021/22

Levin Aquatic Centre

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

Principal and Alternative Options	Year decision needs to be made	Cost Impact
Development of a Business Case to support funding applications (internal and external) and provide a strong case for investment (preferred option).	2024	• \$165,000 in 2024/25
Undertake Strategic Aquatic works. Meets customer expectation, in line with a number of Council's strategic plans, and reduces growth related pressure for the term of the plan.	2026	• \$25.0m in 2027 to 2041

Community Facilities Renewals

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

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

Community Facilities Operating Expenditure

The largest proportion of the operating costs for Community Facilities relate to Libraries and Community Facilities (63%) compared with Aquatics at 37%. These costs are shown below in Figure 11. Figures have been adjusted for inflation. The proposed operational expenditure for the 30 year period is \$409,369,011.

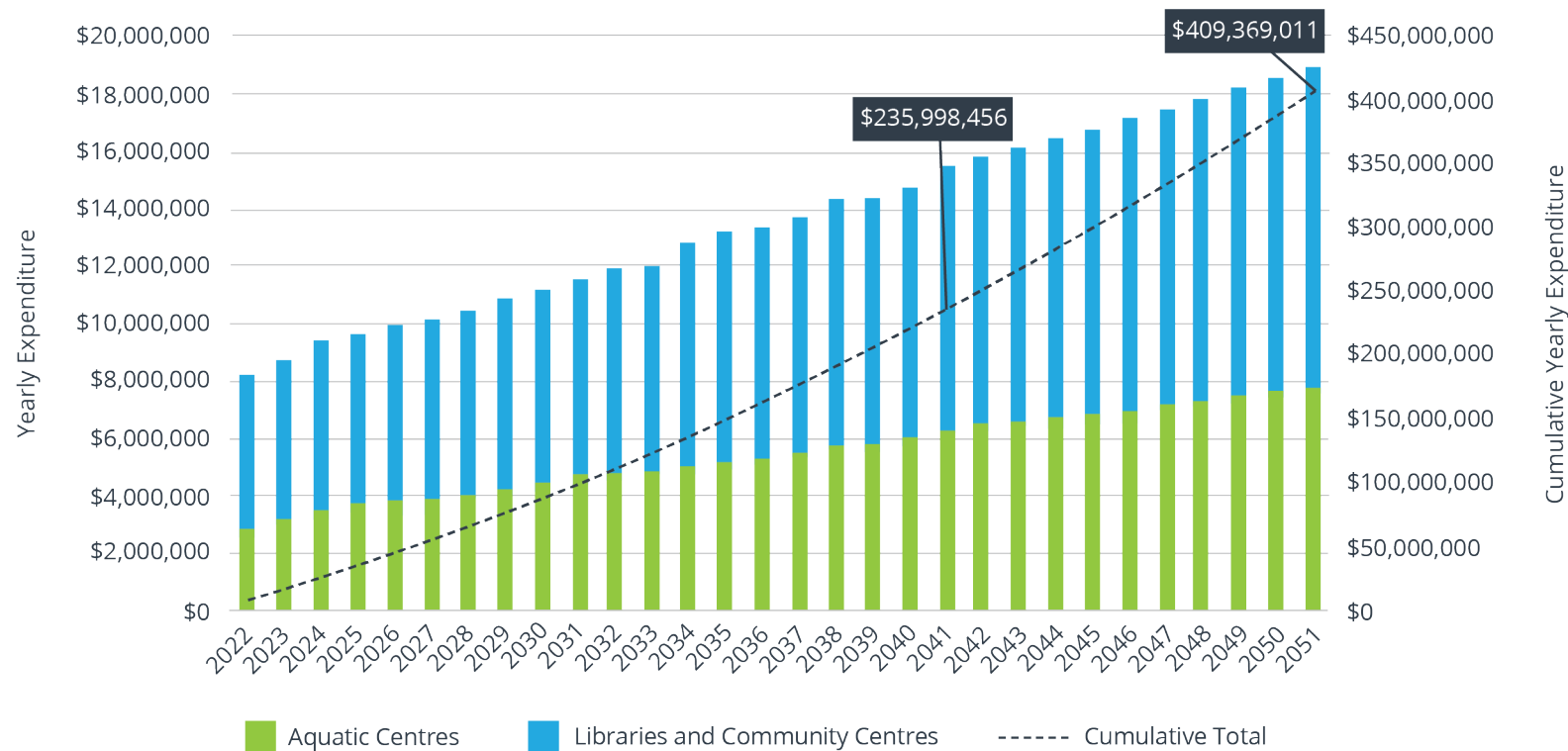


Figure 11: Community Facilities Operating Expenditure

Community Facilities Capital Expenditure

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

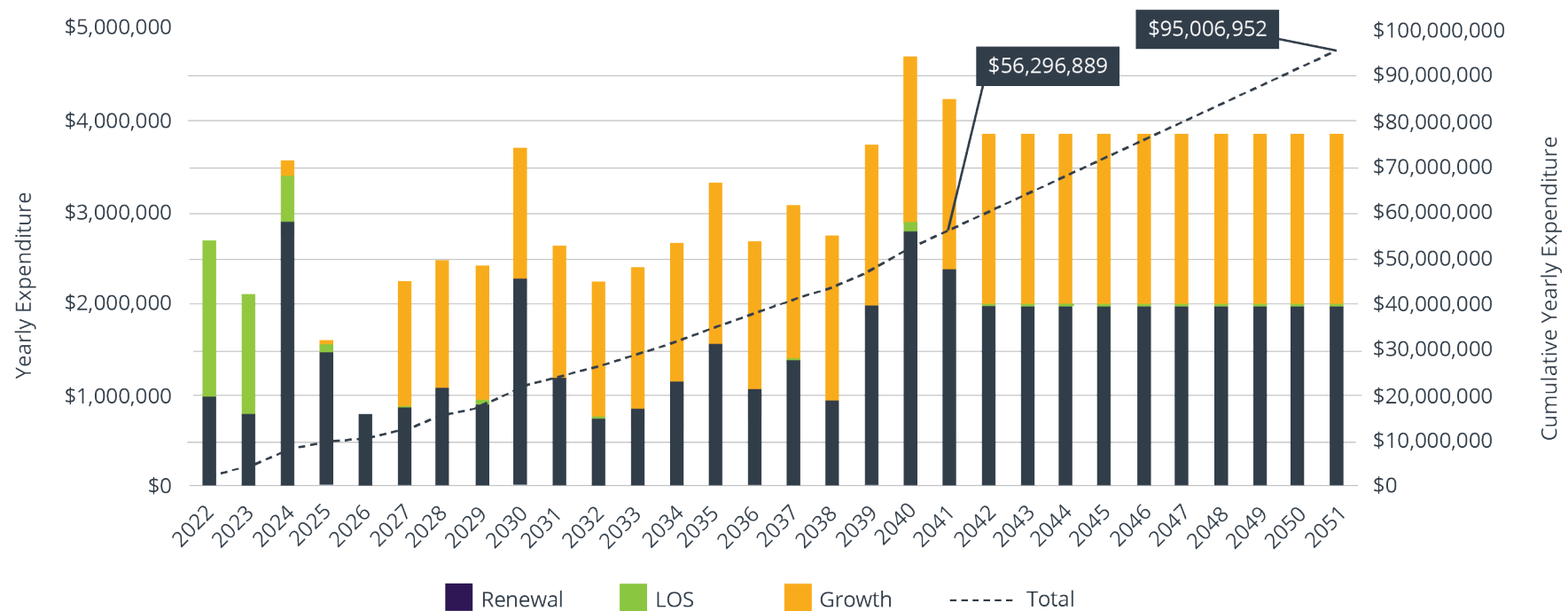


Figure 12: Community Facilities Capital Expenditure



Community Infrastructure

- The main purpose of this activity is to provide for formal and informal recreation and play in order to meet required community outcomes, and provide safe well managed cemeteries primarily for the residents of the district.
- This is achieved by providing good quality and accessible open space for the use of residents and visitors, and ensuring cemeteries are well managed and have sufficient capacity to meet a range of end of life choices.
- This activity includes reserves, sportsfields, cemeteries, beautification, urban cleansing, memorial halls, and public toilets with the majority of services being rate-payer funded.

Community Infrastructure Significant Issues

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

Community Infrastructure Activity Principal and Alternative Options

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

Significant Decisions Required

Renewals

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

that it was largely in line with depreciation until under the influence of Covid-19, when Council decided to defer reserves renewals programme as part of the 2020-21 Annual Plan as a response to the pandemic.

Principal and Alternative Options	Year decision needs to be made	Cost Impact
Complete Renewals funding as indicated in the renewals schedule (preferred option). This maintains existing levels of service and ensures assets are replaced prior to failure.	2021	• \$49,743,853 over 30 years
Defer the asset renewals programme. This will negatively affect levels of service, increase customer dissatisfaction, likely exacerbate failures leading to higher end costs.	2021	• \$49,743,853 over 27 years

Customer Expectation

Whilst the Community Infrastructure portfolio is well received by residents (generally 93% satisfied), there is a growing interest in developing local Community Infrastructure. Specifically, Waitārere Beach Domain, Holben Reserve, improving facilities at Donnelly Park, Playford Park, and the Manakau Domain.

Principal and Alternative Options	Year decision needs to be made	Cost Impact
Complete business case for strategic parks upgrades. Meets customer expectation, facilitates the rationalisation of sportsfields in Levin, is in line with a number of Council's strategic plans, and reduces growth related pressure for the term of the plan.	2021	• \$24,991,625 over 30 years
Defer decisions on the business case for strategic parks upgrade. Does not meet customer expectations, risks a loss of service in an expanding market, raises the likelihood of customer dissatisfaction, and condenses the timeframe and cost in which to accomplish the works.	2021	• \$24,991,625 over 30 years
Cancel some or all of the works. Fails to address customer expectations, reduces LoS, does not allow for growth, and likely to result in customer dissatisfaction.	2021	• 0-\$24,991,625 over 30 years

Growth

Another significant impact for the Community Infrastructure portfolio is the projected growth of the Horowhenua. It is anticipated that population will lift from the current 35,000 persons in 2020/2021 to in excess of 80,000 by 2051. There are clear implications for Council in this regard with a significant number of new subdivisions occurring which has three downstream impacts being:

1. Additional strain on an already fatigued asset;
2. The need to provision extra recreational facilities for an increasing population;
3. Additional cost to maintain an intensifying and growing asset base.

Principal and Alternative Options	Year decision needs to be made	Cost Impact
Fund the Capital Growth budget (preferred option). Deals with growth-related pressures, consolidates and improves Level of Service.	2021	• \$ 25,937,163 over 30 years
Defer elements of the Capital Growth budget to 2024. This approach would see ongoing pressure in the Community Infrastructure portfolio and is likely to result in less satisfaction with the services as the impacts of growth materialise. It would also see similar costs develop over the course of the plan, accompanied by higher peaks in loan requirements in what might not be as advantageous to borrowing as is current. This would increase the overall costs of debt funding.	2021	• \$25,937,163 over 30 years
Fund only some elements of the capital growth budget. This approach will provide an uneven approach to managing growth, leading to pressure points in some areas, likely an increase in customer dissatisfaction, and may become a demotivator to would-be new residents.	2021	• 0-\$25,937,163 over 30 years

Environmental Awareness

In an increasingly environmentally aware society, global warming and environmental sustainability have achieved an ever increasing profile. Council can assist in reducing the impacts of global warming and maintaining a sustainable environment in a number of ways.

Council has for a number of years been developing coastal resiliency by replacing marram dunes which have low resiliency

to localised coastal erosion with native sand-binding species such as Spinifex and Pingau. It also manages a significant number of street and park trees which act as a carbon sink. However, Council's street tree stock which was planted within a relatively narrow timeframe is reaching the end of its useful life. There is as such a need to develop a tree planting and fell and replant programme.

Principal and Alternative Options	Year decision needs to be made	Cost Impact
<p>Programmed beautification is undertaken, as is stream management works, and forestry felling and replant at Target Reserve (preferred option).</p> <p>The programme builds resiliency into the urban tree canopy, foreshore and streams (via riparian planting), thereby improving bio-diversity and environmental outcomes. The replanting of Council's limited forestry holding mitigates issues as they relate to the emissions trading scheme, and maintains the balance of Council's carbon credits.</p>	2021	• \$3,385,263 over 30 years
<p>Works relating to environmental improvements are deferred until 2024.</p> <p>This approach would see ongoing pressure in the Community Infrastructure portfolio and is likely to result in less satisfaction with the services. It would also see similar costs develop over the course of the plan, accompanied by higher peaks in loan requirements in what might not be as advantageous to borrowing increasing overall costs of debt funding.</p>	2021	• \$3,385,263 over 30 years

Regulation and Legislation

Changes to the Building Act that came in to force on 1st July 2016 divided New Zealand into areas of risk for seismic activity; those areas being high, medium, and low. Horowhenua falls under the high risk category. In accordance with the legislation Council completed an assessment of its buildings in 2014 and identified a number of earthquake prone buildings it owns including –

1. Grandstand at Levin Domain;
2. Grandstand at Shannon Domain;
3. Levin Memorial Hall;
4. Foxton Memorial Hall;
5. Coronation Hall (Mavtec).

Subsequently Council resolved to dispose of the Foxton Memorial Hall and that a ten year lease would be granted to Mavtec to pursue and complete earthquake strengthening via a Lotteries bid. However, this still leaves the strengthening or demolishing of the two grandstands and the Levin Memorial Hall outstanding (the Levin Memorial Hall is to serve as a small business incubator in the town centre).

Principal and Alternative Options	Year decision needs to be made	Cost Impact
Funds are provided to complete the necessary earthquake strengthening for the grandstands and Levin Memorial Hall (preferred option). This provides for maintaining existing levels of service with works to be completed between 2021 and 2024 but does not meet potential growth targets.	2021	• \$4,856,733, prior to 2031
Funds are provided to demolish and remove all three structures. This reduces the LoS at Levin and Shannon Domain and removes any option for Council to make a refurbished community hall available as a small business incubator.	2021	• \$500,000 – \$650,000 prior to 2031
Defer any decision until 2024/2025. This option defers the decision.	2021	• \$4,856,733 prior to 2031

Community Infrastructure Operating Expenditure

Figure 13 shows the operating expenditure for the Community Infrastructure activity. Figures have been adjusted for inflation. The proposed 30 year operating expenditure is \$311,460,382.

The largest proportion of the operating costs for Community Infrastructure relate to the maintenance of Reserves (including

playgrounds) (44.2%), which is understandable as it is this sub-activity that will be impacted most by future subdivisions as a symptom of growth.

The second largest operational cost is in relation to Sportsfields.

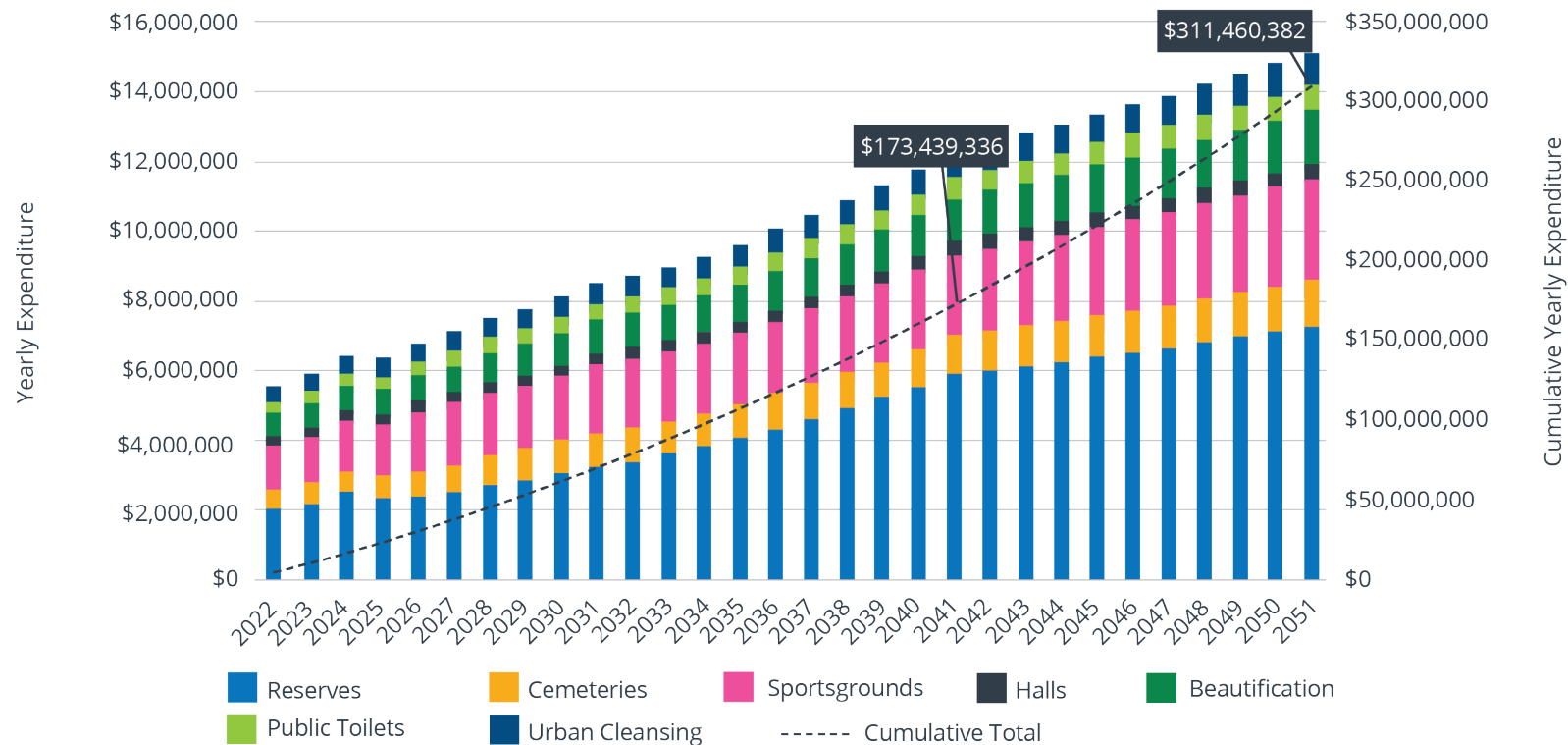


Figure 13: Community Infrastructure Operating Expenditure

Community Infrastructure Capital Expenditure

Figure 14 shows the proposed capital expenditure for the Community Infrastructure activity. Figures have been adjusted for inflation. The proposed capital expenditure over the 30 year period is \$128,499,934. The greatest capital expenditure for Community Infrastructure across the 30 year period arises from the Reserves. The biggest proportion of spending is on levels of service projects, followed by renewals.

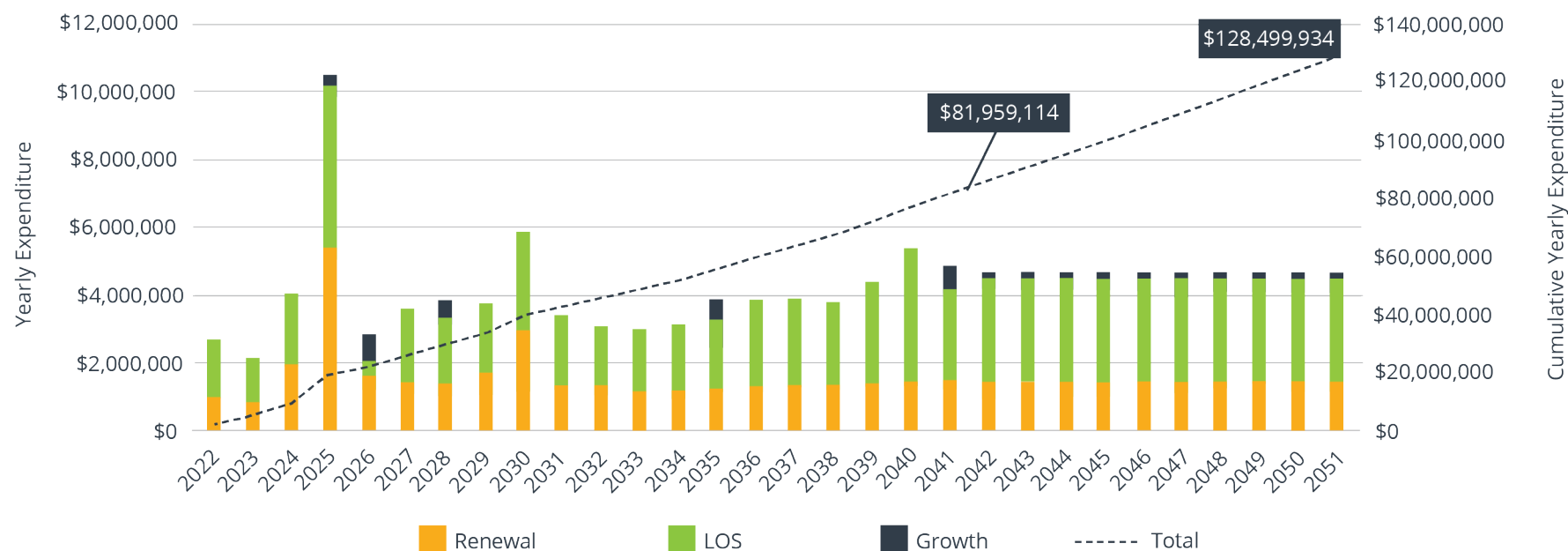


Figure 14: Community Infrastructure Capital Expenditure



Property

- The main purpose of this activity is to provide fit for purpose facilities and land to deliver Council Activities that meet required community outcomes.
- This is achieved by providing good quality and accessible facilities and land that meet current and future demand.
- This activity includes: camp grounds; commercial property; Council building; Endowment Property; General Property; and Residential Housing.
- This activity also allows for managing building maintenance in a range of other activities including Infrastructure and Community Facilities, and managing building renewals in Infrastructure (primarily three waters and solid waste).
- This activity also includes managing maintenance and renewals of Council's Fleet.

Property Significant Issues

- Council has a significant quantity of non-core property which does not perform well in terms of economic or community outcomes, and has as such resolved (LTP 2018-2038) to get down to core property only by 2028. However many of its properties are encumbered via legislation that will need revoking/lifting to enable sale.
- Council has a diverse portfolio of core and non-core property. There is a need to ensure that renewals are completed on core property to ensure the property is 'fit for purpose', and complete necessary works on non-core properties until they are disposed of.
- Council has a number of Community Infrastructure Buildings requiring strengthening or demolishing under the provisions of the Building (Earthquake-prone Buildings) Amendment Act 2016.

Property Principal and Alternative Options

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



Significant Decisions Required

Renewals Funding

Historically, Property renewals have outstripped depreciation potentially leading to a poor focus on core property required to achieve Community Outcomes. Completion of the renewals programme:

- Reduces the likelihood of catastrophic failure.
- Maintains Level of Service.
- Minimises downstream costs.
- Maximises the assets life.
- Retains the value of the asset.
- Facilitates the appropriate depreciation cycle.

Principal and Alternative Options	Year decision needs to be made	Cost Impact
Complete Renewals funding as indicated in the renewals schedule (preferred option). This maintains existing levels of service and ensures assets are replaced prior to failure.	2021	• \$35,754,413 over 30 years
Defer the asset renewals programme. This will negatively affect level of service, increase customer dissatisfaction, likely exacerbate failures leading to higher end costs, and potentially introduce a random factor in managing the financial costs of delivering the service over the term of the plan.	2021	• \$35,754,413 over 30 years

Seismic Strengthening

The Building (Earthquake-prone Buildings) Amendment Act 2016 requires Council to complete earthquake strengthening of its earthquake prone buildings by June 2031. Council is in the process of strengthening the Foxton Beach Surf Life Saving Club but there is still the need to resolve the issue around its

surf life-saving club at Waitārere Beach. Council is currently completing a feasibility study for the surf life-saving club building and will make a formal decision on an option once the study has been completed.

Council has resolved and made the decision to move forward with the demolition and rebuild of the surf life-saving club at Waitārere Beach (preferred option).

Principal and Alternative Options	Year decision needs to be made	Cost Impact
Funds are provided to demolish and rebuild the surf life-saving club at Waitārere Beach (preferred option). This provides for maintaining existing level of service with works to be completed between 2021 and 2024 and will meet additional demand brought on by growth.	2021	<ul style="list-style-type: none"> • \$3.3M prior to 2023/24.
Funds are provided to demolish and remove the surf life-saving Club at Waitārere Beach but not build a new facility. This reduces current LoS and is contrary to earlier Council direction to support the building of a new surf life saving club.	2021	<ul style="list-style-type: none"> • \$30,000 – \$60,000 prior to 2023/24.
Defer any decision until 2024/2025. This option defers the decision.	2021	<ul style="list-style-type: none"> • \$0

Property Operating Expenditure

The operating expenditure for Property is shown as Figure 15. Figures have been adjusted for inflation. The expenditure over the 30 year period is \$106,750,227. The majority of this expenditure is on general property.

Council sold its pensioner housing in 2017 and the majority of its commercial portfolio in 2019. The last commercial property (Focal Point) will be sold by July 2021.

Property operating expenditure is composed of the sub-activities General Property; Council Building; Campgrounds; and Endowment Property. In addition, the activity also allows for the maintenance of Halls; Public Toilets; Aquatic Centres; Community Hubs; and Libraries which are part of the Community Facilities portfolio. It similarly carries out maintenance on a number

of infrastructure properties. Operational budgets include grounds maintenance; building cleaning; cleansing and hygiene services; heating, ventilation and air conditioning; and means of escape and access to public buildings.

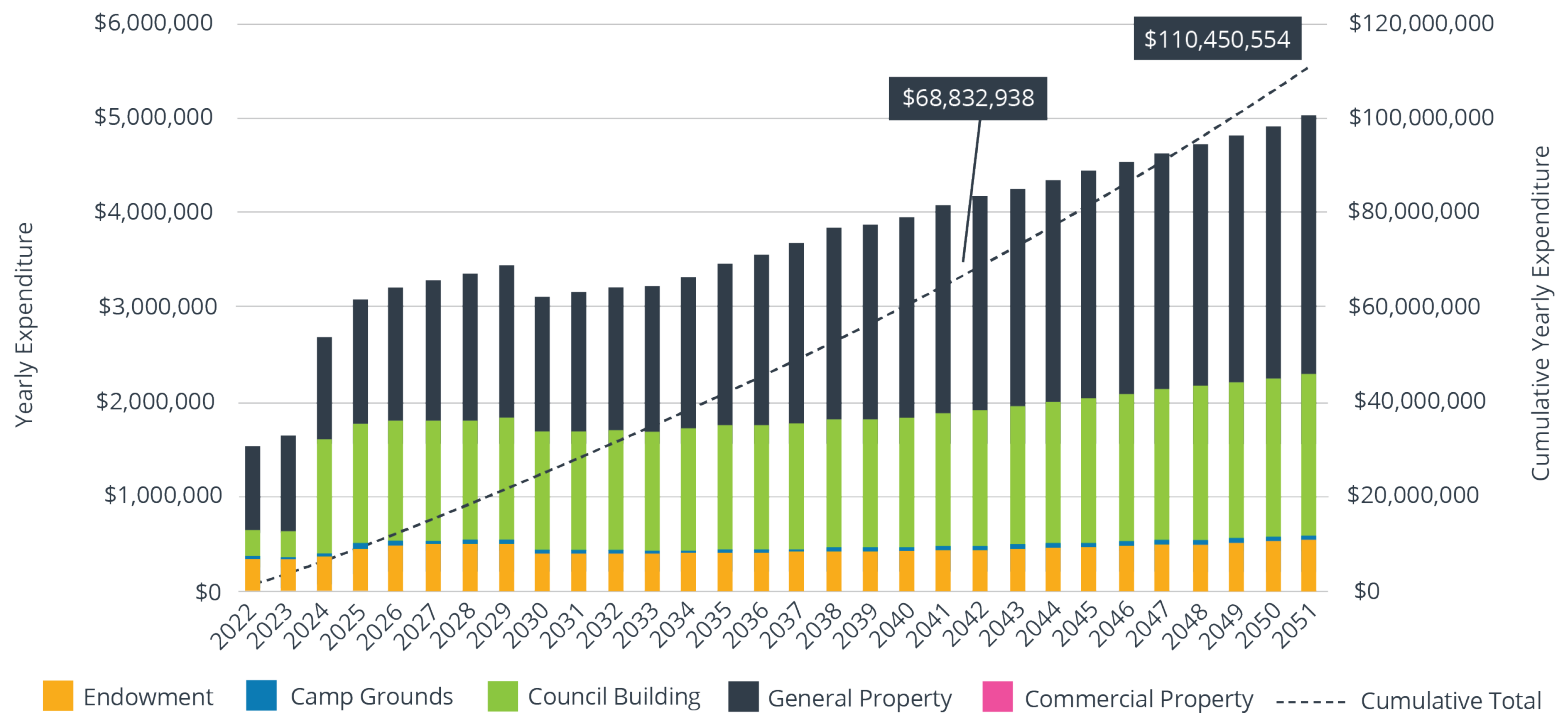


Figure 15: Property Operating Expenditure

Property Capital Expenditure

Figure 16 shows the projected Capital Expenditure for the Property activity. Figures have been adjusted for inflation. The proposed capital expenditure of the 30 year period is \$42,998,824. The largest proportion of capital expenditure is on renewals, with limited budget for growth.

No allowance has been made for Level of Service improvements in the capital expenditure profile for property over the course of the plan. This represents Council's desire to dispose of non-core property.

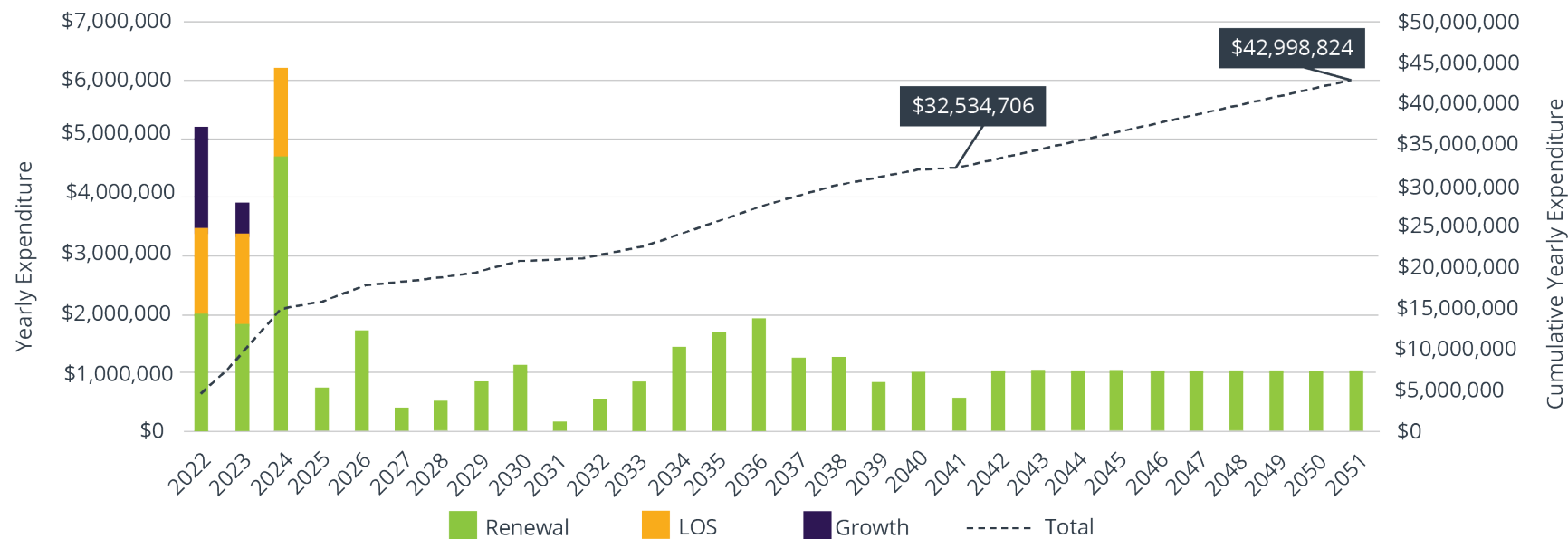


Figure 16. Property Capital Expenditure.

Total Cost of Most Likely Scenario

Figure 17 shows the most likely total operating expenditure for all activities covered by this Infrastructure Strategy.

The proposed operating expenditure is \$2,163 million for the 30 year period.

Figures have been adjusted for inflation.

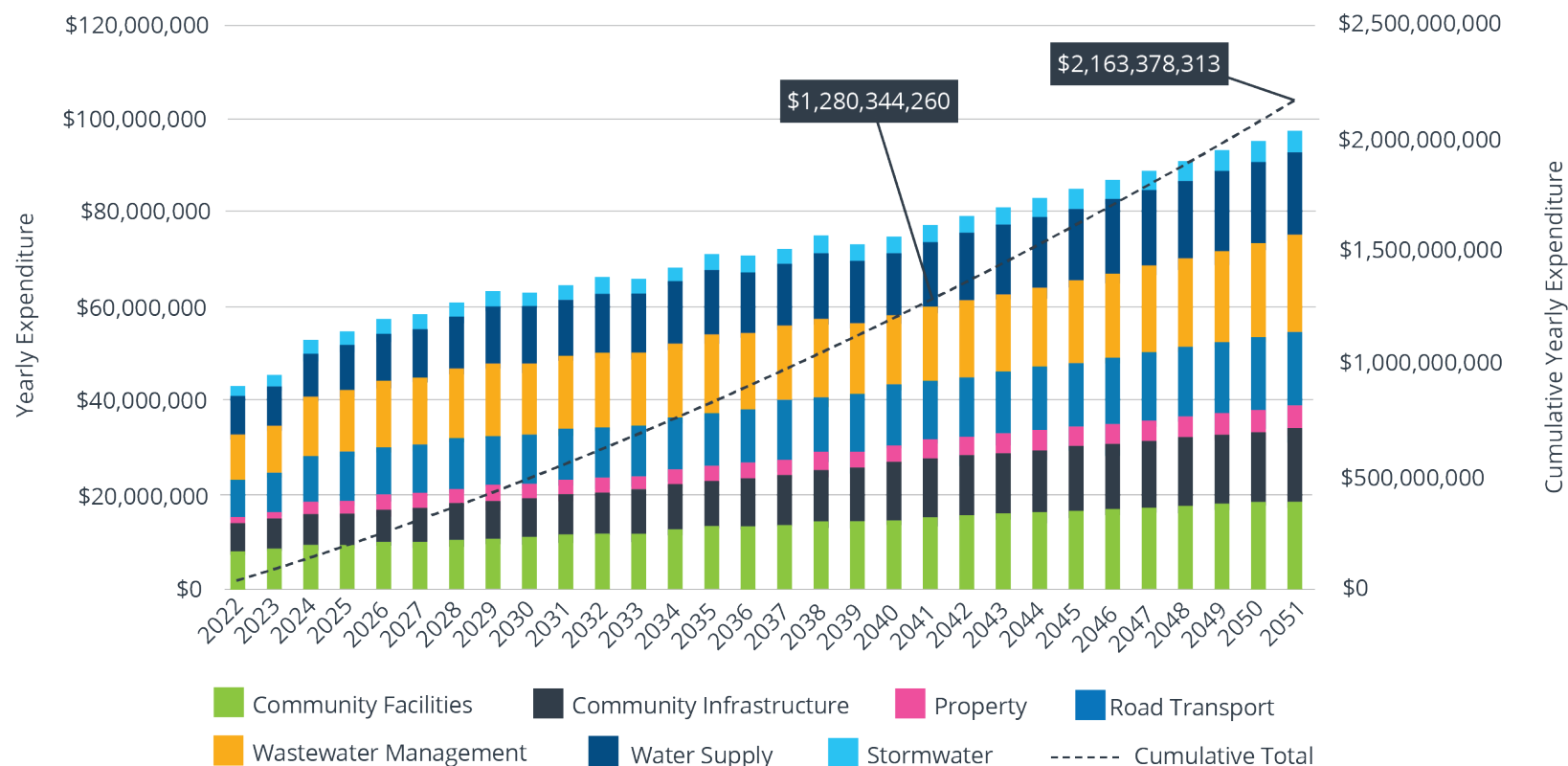


Figure 17: Projected Operating Expenditure - All activities included in this Infrastructure Strategy

Most Likely Capital Cost Scenario

Figure 18 shows the most likely total capital expenditure for all activities covered by this Infrastructure Strategy. The total capital expenditure is \$1,356 million for the 30 year period.

Figures have been adjusted for inflation.

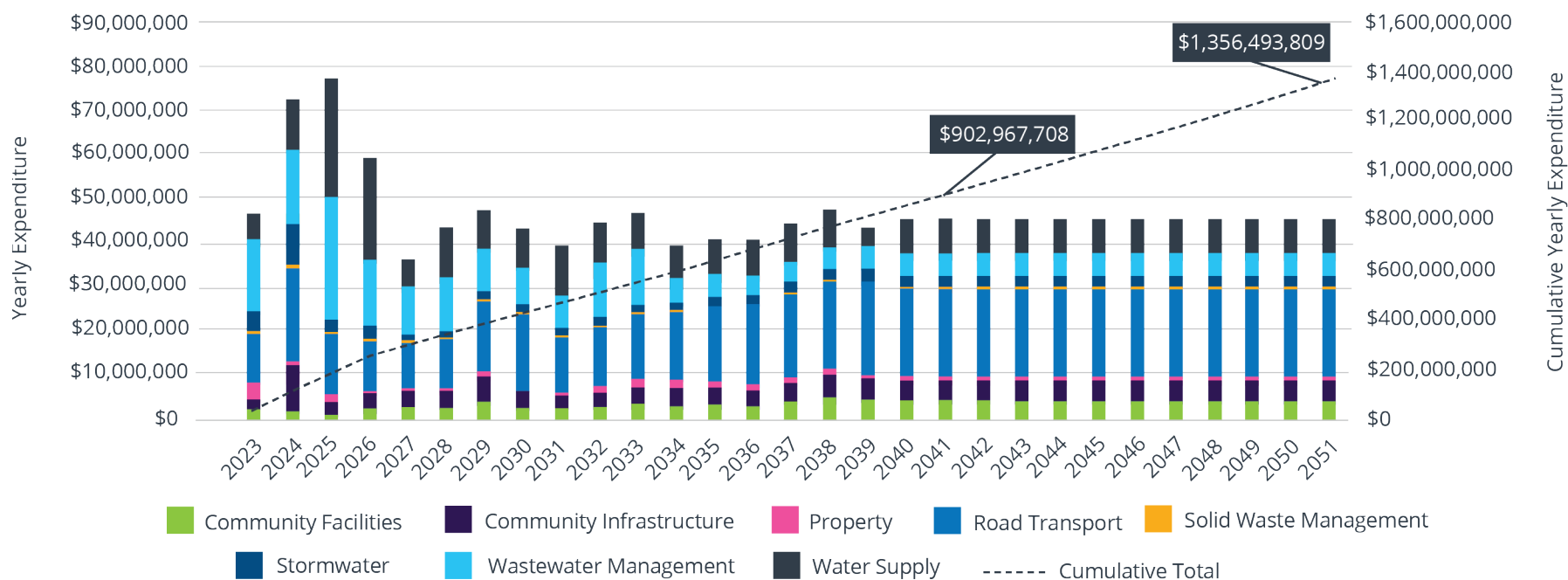


Figure 18: Projected Capital Expenditure - All activities included in this Infrastructure Strategy

Assumptions

This Infrastructure Strategy is based on a number of assumptions. These assumptions include:

- Population
- Demographics
- Households
- Levels of Service
- Data and Information
- Lifecycle of Significant Assets

Population

The Horowhenua District's population has been growing at a rate of 2% since 2014 (StatsNZ, 2020).

Population is influenced by factors including employment opportunity, economic development, age and change in age profile, and fertility and mortality rates. Changes in population are difficult to predict, but are vital to understand future requirements for infrastructure services.

Council has adopted the 95th percentile from the Horowhenua Socio-Economic Projections, prepared by Sense Partners. The 95th percentile projections identify the annual average

population growth rate will be:

- 2.6% per annum from 2021 until 2031
- 2.9% per annum 2031 until 2041
- 2.9% per annum 2041 until 2051

The population growth projections are shown in Table 1.

There is a moderate risk that the population growth across the Horowhenua District is at a significantly different rate (much higher or lower) than assumed. The level of this uncertainty will increase over the lifespan of the LTP.

Table 1: Population Growth Over 30 Years

LTP Year	Financial Year	Population	LTP Year	Financial Year	Population
	19/20	35,887	Yr 15	35/36	54,362
	20/21	36,708	Yr 16	36/37	55,674
Yr 1	21/22	37,532	Yr 17	37/38	57,481
Yr 2	22/23	38,431	Yr 18	38/39	59,010
Yr 3	23/24	39,360	Yr 19	39/40	60,772
Yr 4	24/25	40,368	Yr 20	40/41	62,716
Yr 5	25/26	41,444	Yr 21	41/42	64,933
Yr 6	26/27	42,621	Yr 22	42/43	66,664
Yr 7	27/28	43,810	Yr 23	43/44	68,216
Yr 8	28/29	44,968	Yr 24	44/45	69,599
Yr 9	29/30	46,202	Yr 25	45/46	71,965
Yr 10	30/31	47,355	Yr 26	46/47	74,135
Yr 11	31/32	48,562	Yr 27	47/48	76,824
Yr 12	32/33	49,905	Yr 28	48/49	79,243
Yr 13	33/34	51,246	Yr 29	49/50	81,583
Yr 14	34/35	52,792	Yr 30	50/51	83,741

Demographics

The majority of growth in the Horowhenua District's population will occur in the 15-39 years old and 40-34 years old ranges. This assumption is based on the 95th percentile from the Horowhenua Socio-Economic Projections, prepared by Sense Partners.

By June 2051, the age profile of the Horowhenua population will be:

- 0-14 years old: 20%
- 15-39 years old: 29%
- 40-34 years old: 31%
- 65 years old or over: 20%

Each age group will increase by the following number of people between June 2021 and June 2051:

- 0-14 years old: 9,853
- 15-39 years old: 14,164
- 40-34 years old: 14,654
- 65 years old or over: 8,030

There is a low - moderate risk that growth across age profiles will occur at a significantly different rate (much higher or lower) than assumed.

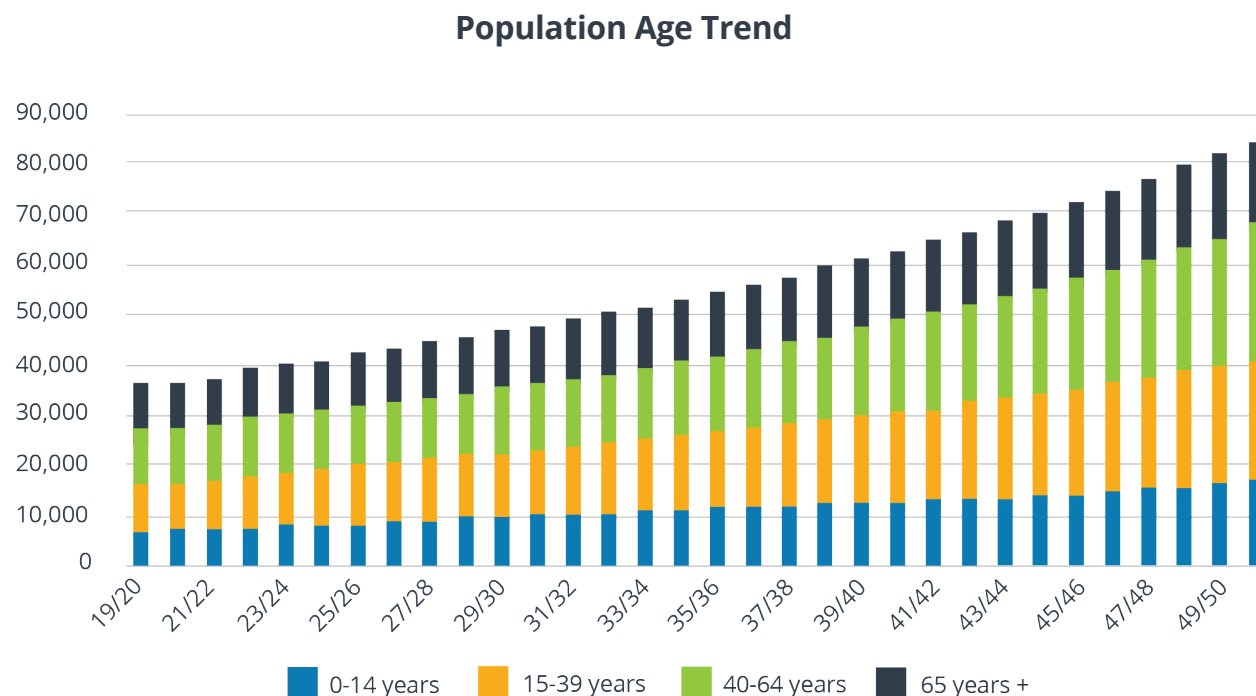


Figure 19: Population Age Trend to 2051.

Table 2: Population Age Trend to 2051

LTP Year	Financial Year	0-14 years	15-39 years	40-64 years	65+ years
	19/20	6,746	9,329	11,269	8,981
	20/21	7,014	9,329	11,269	8,981
Yr 1	21/22	7,014	9,786	11,309	9,176
Yr 2	22/23	7,513	10,536	11,550	9,509
Yr 3	23/24	7,777	10,874	11,629	9,752
Yr 4	24/25	8,036	11,208	11,756	9,975
Yr 5	25/26	8,363	11,550	11,892	10,231
Yr 6	26/27	8,676	11,906	12,041	10,497
Yr 7	27/28	9,015	12,208	12,249	10,771
Yr 8	28/29	9,378	12,511	12,467	11,027
Yr 9	29/30	9,708	12,824	12,776	11,250
Yr 10	30/31	10,023	13,122	13,111	11,500
Yr 11	31/32	10,302	13,415	13,520	11,723
Yr 12	32/33	10,621	13,728	13,894	11,981
Yr 13	33/34	51,246	Yr 29	49/50	81,583
Yr 14	34/35	11,221	14,540	14,743	12,504
Yr 15	35/36	11,444	15,016	15,203	12,759

LTP Year	Financial Year	0-14 years	15-39 years	40-64 years	65+ years
Yr 16	36/37	11,698	15,504	15,697	13,017
Yr 17	37/38	11,920	16,076	16,243	13,271
Yr 18	38/39	12,180	16,626	16,852	13,518
Yr 19	39/40	12,536	17,166	17,500	13,781
Yr 20	40/41	12,830	17,791	18,171	14,022
Yr 21	41/42	13,070	18,461	18,845	14,247
Yr 22	42/43	13,304	19,044	19,602	14,477
Yr 23	43/44	13,537	19,670	20,317	14,744
Yr 24	44/45	13,976	20,228	21,060	15,034
Yr 25	45/46	14,317	20,837	21,844	15,316
Yr 26	46/47	14,832	21,532	22,612	15,638
Yr 27	47/48	15,341	22,155	23,397	15,997
Yr 28	48/49	15,833	22,859	24,212	16,371
Yr 29	49/50	16,271	23,423	25,086	16,783
Yr 30	50/51	16,867	23,950	25,963	17,206

Households

There will be an increase of 21,145 dwellings in the Horowhenua District between June 2021 and June 2051.

This assumption is based on the 95th percentile from the Horowhenua Socio-Economic Projections, prepared by Sense Partners.

The district is assumed to have 16,606 dwellings at June 2021.

This figure is based on:

- Census 2018: 15,804 dwellings
- Building consents issued for 2018/2019: 271
- Building consents issued for 2019/2020: 266
- Forecast for 2020/2021: 265

It is assumed the Dwelling Occupancy Rate for the district will be approximately 90%. The dwelling occupancy rate for the 2018 Census was 85%. However, due to the district's rapid growth, an assumed increase in permanent residents at the coastal settlements and

increased pressure on housing the occupancy rate is anticipated to increase.

Of the new dwellings constructed there will be:

- Occupied: 33,976
- Unoccupied: 3,775

This growth will result in an average of dwellings being constructed per year as follows:

- 2021 – 2031: 434
- 2031 – 2041: 686
- 2041 – 2051: 994

Table 3 shows the forecasted number of households (occupied and unoccupied) for the life of this LTP.

There is a moderate risk that household growth will occur at a significantly different rate (much higher or lower) than assumed.

Table 3: Number of households to 2051

LTP Year	Financial Year	Households	LTP Year	Financial Year	Households
	19/20	16,341	Yr 18	38/39	26,175
	20/21	16,606	Yr 19	39/40	26,981
Yr 1	21/22	16,958	Yr 20	40/41	27,815
Yr 2	22/23	17,299	Yr 21	41/42	28,658
Yr 3	23/24	17,668	Yr 22	42/43	29,531
Yr 4	24/25	18,073	Yr 23	43/44	30,413
Yr 5	25/26	18,508	Yr 24	44/45	31,388
Yr 6	26/27	18,932	Yr 25	45/46	32,365
Yr 7	27/28	19,426	Yr 26	46/47	33,406
Yr 8	28/29	19,906	Yr 27	47/48	34,461
Yr 9	29/30	20,414	Yr 28	48/49	35,555
Yr 10	30/31	20,951	Yr 29	49/50	36,644
Yr 11	31/32	21,497	Yr 30	50/51	37,751
Yr 12	32/33	22,055			
Yr 13	33/34	22,655			
Yr 14	34/35	23,308			
Yr 15	35/36	23,951			
Yr 16	36/37	24,638			
Yr 17	37/38	25,384			

² Based on the average of building consents issued for the past 3 years.

Levels of Service

Level of Service (LoS) targets included in activity statements are measured and monitored continuously and reported to Department of Internal Affairs and part of Finance, Audit and Risk committee reports. There are annual Customer Satisfaction surveys carried out and reported for each activity. Council review LoS performances on an ongoing basis. The result of Customer Satisfaction surveys are used in Activity Management Plans and any gaps identified are addressed.

This Strategy assumes Levels of Service targets proposed in the Asset Management Plans will not change. Customer expectations are increasing, putting pressure on levels of service. Planning is being undertaken to make improvements to Council's infrastructure assets, however, identified levels of services will not change.

The level of uncertainty for this assumption is moderate.



Data and Information

Infrastructure management is working to improve data and information quality. This is needed to establish a more reliable basis for decision making and proposed actions outlined in this Strategy. Council has actively conducted CCTV and condition assessment of pipes to have a better understanding of underground assets. The assumptions related to asset data are that:

- Council will continue to improve processes to better capture asset data, including true operations and maintenance costs;
- Council will update and refine the required renewal expenditure based on the improved data;
- The renewals programmes will continue to be based on condition and performance monitoring; and

- Asset renewal profiles and depreciation rates/ calculations will be reviewed on a regular basis as improved information becomes available.

An assessment of confidence in the data underlying the current Asset Management Plans is shown in Table 5.

Table 4: Asset Confidence Grade Description

Grade	Confidence Description
A Highly reliable.	Data based on sound records, procedure, investigations and analysis, documented properly and recognized as the best method of assessment. Dataset is complete and estimated to be accurate $\pm 2\%$.
B Reliable.	Data based on sound records, procedures, investigations and analysis, documented properly but has minor shortcomings, for example some data is old, some documentation is missing and/or reliance is placed on unconfirmed reports or some extrapolation. Dataset is complete and estimated to be accurate $\pm 10\%$.
C Uncertain.	Data based on sound records, procedures, investigations and analysis which is incomplete or unsupported, or extrapolated from a limited sample for which grade A or B data are available. Dataset is substantially complete but up to 50% is extrapolated data and accuracy estimated $\pm 25\%$.
D Very uncertain.	Data based on unconfirmed verbal reports and/or cursory inspection and analysis. Dataset may not be fully complete and most data is estimated or extrapolated. Accuracy is $\pm 40\%$.
E Unknown.	None or very little data held.

Table 5: Asset Data Confidence Rating

Asset Class	Data Confidence Grade	Method of Assessment
Water	<p>C overall – Data based on sound records, investigations and analysis but has minor shortcomings in treatment plants. All critical asset and majority of non-critical assets information have been captured within water reticulation system. Regular condition assessment are performed via continuous leak detection and 24/7 SCADA monitoring of flow and pressure in our biggest water reticulation network.</p> <p>As for treatment plants, all critical and non-critical assets information have been captured at a high level. Above-ground assets are continuously visually inspected. Feedback from operation and maintenance team are captured continuously. There is an improvement plan for asset-register and as-build at a component level to improve asset data capture and valuation.</p> <p><i>Asset data (GIS) is continuously being updated to capture monthly work orders and incidents.</i></p>	Asset data analysis
Wastewater	<p>C overall – Data based on sound records and investigations but has minor shortcomings in treatment plants. All critical asset and majority of non-critical assets information have been captured within reticulation system. Regular condition assessment are performed via CCTV and visual inspections (pump stations).</p> <p>As for treatment plants, all critical assets information have been captured at a high level. Above-ground assets are continuously visually inspected. Feedback from operation and maintenance team are captured continuously. There is an improvement plan for asset-register and as-build at a component level to improve asset data and valuation.</p> <p><i>Asset data (GIS) is continuously being updated to capture monthly work orders and incidents.</i></p>	Asset data analysis
Stormwater	<p>B – Data based on sound records, but has minor shortcomings. All critical asset information has been captured on GIS. Regular condition assessment are performed, for example, CCTV and Inflow and Infiltration surveys.</p> <p><i>Asset data (GIS) is continuously being updated to capture monthly work orders and incidents.</i></p>	Asset data analysis

Note: This rating is not a condition assessment, Council has a separate condition assessment process to prioritise work programmes.

Asset Class	Data Confidence Grade	Method of Assessment
Land Transport	<p>B – Data based on sound records, but has minor shortcomings. All critical asset information has been captured. Regular condition assessments are undertaken. The NZTA ONRC PMRT Asset Management Data Quality Report for 2019/20 gave our aggregated Overall Percentage Result of data quality metrics at 80%, for data at the Expected Standard or Minor Issues, which correlates with the B assessment given.</p> <p><i>Asset data is being updated with work orders on monthly basis. All data updates are quality assurance checked to a minimum of 5%.</i></p>	Asset data analysis
Community Infrastructure	<p>B – Data based on sound records, but has minor shortcomings. All asset information is captured and used to generate renewal forecasts based on well-established and accurate component life-cycles from a national database. Renewal forecasts from the asset datasets reflect the value of need, and component costs are amended annually to reflect changes in cost of supply and labour. Data is audited before inclusion onto the asset database following renewals. Asset information is reviewed annually by an independent organisation.</p> <p><i>Condition assessments are ongoing and are reviewed by an independent organisation every fifth year.</i></p>	Asset data analysis
Property	<p>B – Data based on sound records, but has minor shortcomings. All asset information is captured and used to generate renewal forecasts based on well-established and accurate component life-cycles from a national database. Renewal forecasts from the asset datasets reflect the value of need, and component costs are amended annually to reflect changes in cost of supply and labour. Data is audited before inclusion onto the asset database following renewals. Asset information is reviewed annually by an independent organisation.</p> <p><i>Condition assessments are ongoing and are reviewed by an independent organisation every fifth year.</i></p>	Asset data analysis
Community Facilities	<p>B – Data based on sound records, but has minor shortcomings. Full independent condition assessments have been undertaken for Community Facilities and this data has directly influenced Capital renewal and maintenance budgets for the 2021-41 LTP. This is the first assessment of this nature for Aquatic Facilities and all critical assets have been captured (plant, pool tank, building and hardware). The data will be independently reviewed every three years in line the Long Term Planning cycles.</p> <p><i>Asset Data is updated annually and full condition assessments undertaken in line with LTP cycles.</i></p>	Asset data analysis

Council is continuously updating asset data condition. All renewals are planned not just on the basis of age but also consider the material type, criticality, incident history, asset performance and the road sealing programme. The expected useful life of each asset type in each Activity is also set in the Asset Management Plans and the Asset Valuation to help determine how long the assets are expected to last for.


A data confidence grading system is used for describing the confidence Council has in the accuracy of the asset data; i.e. if the data was taken from “as-built” drawings and robust asset register, the data would have a high confidence rating but if most of the data is based on estimate, the confidence would be low.


For water and wastewater treatment plants, an improvement plan has been put in place to improve asset register at a component level and as-built. This would help with asset data confidence (currently sitting at C), maintenance and valuations. The implication of the data confidence rating of C for the water and wastewater treatment plants is that there may be unplanned maintenance or renewal costs, or renewals may need to occur earlier or later than planned.

Asset lifecycle – asset condition and asset data confidence of our assets are extensively covered in Activity Management Plans. Performance of our network assets are continuously measured by Level of Service targets, asset data collection are continuously collected (CCTV in wastewater/stormwater pipelines and water leak detection and pressure/flow monitoring via pressure zones in water supply network). Also improvement plans are in place to improve asset data confidence levels.

Lifecycle of Significant Assets

These tables set out the asset lives in years used for each asset type. The asset lives are used to set the depreciation rates for each asset and calculate the Depreciated Replacement Cost (book value) of each asset portfolio. They are also used to set the default renewal intervals for each asset where condition and performance levels are not known.

 Water	
Asset Type	Life
Treatment	1-100
Air-valve	25
Borehole	40
Hydrant	60
Intake	60
Junction	60
Lateral	30-100
Meter	20
Pipe	30-100
Pump Station	100
Pump Station Mechanicals	15
Backflow Preventer	20
Service Meter	20
Sprinkler	10
Storage	50
Valve	60

 Wastewater	
Asset Type	Life
Treatment	1-100
Air-valve	25
Cleaning Eye	80
Junction	80
Lac	80
Lateral	60-100
Lateral Cleaning Eye	80
Manhole	80
Meter	20
Pipe	40-100
Pump Station	60
Pump Station Mechanicals	15
Storage	50
Valve	60

Stormwater

Asset Type	Life
Air-valve	25
Catch pit (sump)	80
Channel	60-100
Culvert	50-100
Detention Area	80
Inlet/Outlet	80
Junction	60
Lateral	80
Manhole	80
Pipe	40-100
Pump Station	100
Pump Station Mechanicals	15
Soak Pit	60
Soak Trench	60
Valve	60

Roading

Asset Type	Life
Crossing	100
Bridge	40-100
Crossing	50
Drainage	50-100
Footpath	20-100
Marking	1
Minor Structure	60
Railing	15-50
Shoulder	40
Sign	12
Street Light Lamp	10-25
Street Light Pole	25-50
Storm Channel	10-100
Traffic Facility	8
Road Surface	3-25
Basecourse	60

Community Facilities

Asset Type	Life
Libraries	
Lending Collection	3-9
Aquatics	
External Building Fabric	3-75
Internal Finishing	10-50
Ceiling	20-30
Fittings and Fixtures	3-30
Floor	10-30
Interior Doors	15-30
Interior Walls	50
Wall Finishes	10-50
Electrical Services	5-20
Fire Services	5-20
Lift/Hoists	5-20
Mechanical Services	5-20
Pool Structure	5-20
Sanitary Plumbing	5-20
Special Services	5-20
Pool Tanks	5-30
Filtration and Treatment System	5-30
Heating Systems	5-30
Air Supply and Extraction	3-22

Property	
Asset Type	Life
Ceilings	10 - 75
Electrical	15 - 40
External Stairs	50 - 75
External Walls	25 - 100
Fences	10 - 75
Fire Services	10 - 40
Fixtures and Fittings	5 - 75
Floor Finishes	10 - 75
Interior Doors	10 - 50
Interior Walls	18 - 25
Mechanical	7 - 35
Roof	10 - 50
Exterior Works	5 - 50
Sanitary Plumbing	20 - 50
Wall Finishes	10 - 75
Windows and Doors	10 - 50
Tanks	35 - 50
Swimming Pools	25 - 50
Special	5 - 50

Community Infrastructure	
Asset Type	Life
Bins	1 - 15
Fences	15 - 75
Electrical	15 - 25
Exterior Works - Access	5 - 50
Exterior Works - Grounds	15 - 50
External Walls	10 - 100
Fixtures and Fittings	1 - 25
Park Furniture	12 - 50
Play Equipment	5 - 50
Roof	10 - 50
Sanitary Plumbing	20 - 35
Special	12 - 50
Bollards	25
Signs	10 - 15
Sports Equipment	3 - 25
Structures	25 - 60
Windows and Doors	25 - 35
Footpath	10 - 50
Gardens	8 - 32
Gates	25 - 50
Jettys	45 - 60
Seats	1 - 15





Financial Strategy

Te Rautaki Ahumoni

Definitions

Business and Economic Research Limited (BERL)

Leading provider in economic research, analysis, advice, and consultancy for business and public sector clients.

Consumer Price Index (CPI)

Measures changes in the price of consumer goods and services

Core Infrastructure

Horowhenua defines the following Groups of Activities as Core Infrastructure, Water Supply, Wastewater, Stormwater, and Land Transportation (roading and footpaths).

Deficit

The amount by which expenditures or liabilities exceed income (i.e. spend more than you earn).

Funding Assistance Rate (FAR)

A subsidy from Waka Kotahi (NZTA) to partially fund council owned roading networks. The subsidy partially funds maintenance, renewals and minor safety improvements. This is referred to as a “rate” which is different for each Council based on an assessment of the local economy and need.

Infrastructure Strategy

Describes how a local authority intends to manage infrastructure assets and associated expenditure over 30 years.

Legislation

A reference in this strategy to any law, legislation or legislative provision includes any statutory modification, amendment or re-enactment, and any subordinate legislation or regulations issued under that legislation or legislative provision.

Levels of Service (LoS)

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

Local Authority Protection Programme (LAPP)

A disaster fund to assist with the replacement of infrastructure following catastrophic damage caused by a natural disaster.

Local Government Cost Price Index (LGCI)

Measures the cost drivers of Local Government, such as the price of construction material for large infrastructure (i.e. Water reticulation networks, treatment plants and local road maintenance).

Local Government Funding Agency (LGFA)

Provides more efficient funding costs and diversified funding sources for local authorities.

Long Term Plan (LTP)

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

Manawatū-Whanganui Local Authority Shared Services (MW LASS)

Shared service partnership within the Manawatu Whanganui Region to achieve financial savings.

Society of Local Government Managers (SOLGM)

An organisation for local government professionals to support and promote professional management.

Surplus

Operating revenue in excess of what is required to meet operating expenses (i.e. earn more money than is spent).



Summary

What is a Financial Strategy?

This is a fundamental strategy in Council's Long Term Plan that sets out 20 years of prudent financial management. It covers the key financial parameters Council will operate within, including limits on rates and debt.

Financial Goal

Our key financial goal is to manage growth while living within our means. This includes achieving a balance between:

- ensuring affordable rates for the community
- minimising Council's debt
- making the best use of capital spending.

Financial Challenges

The key financial challenge Council is facing is funding the capital programme needed to support the projected growth of our district. The is particularly important for our three waters activity areas where are facing increases in both the cost and level of investment

required to provide for our existing and growing community. The population is expected to almost double within 20 years, which increases demand on existing infrastructure and community assets and requires considerable investment in new assets. The funding of this investment needs to be managed prudently and sustainably. In preparation for the transition of our three waters assets and operations to a new three waters entity, sometime between July 2024 and July 2026, the Council has been careful to prepare a realistic plan for the National Transition Unit that outlines the needs of our community. This has meant \$75 million in additional capital spending will be required for three waters over the next ten years.

Debt Limits

With significant growth on the horizon and an investment in three waters infrastructure growing by almost \$70m from the Long Term Plan 2021-2041, the Council is requiring its debt limits to increase until the three waters transition occurs. Debt is primarily driven by capital expenditure, and with growth comes a need to fund new infrastructure. It is proposed to raise the debt limit from 225% to 250% of operating revenue, when accounting for our three waters debt. This will be temporary to account for the additional \$75 million in spending until we set our next Long Term Plan that factors in Council excluding three waters assets. In the longer term 225% will still leave adequate borrowing in the event of a natural disaster and for investment in community infrastructure.

Rate Limits

Rates are Council's primary income source. The proposed rate increases and limits are in the table below.

Balancing the Budget

Balancing the budget means Council's revenue is equal to or exceeds operating expenditure so there is no budget deficit. Council has a history of budget deficits. However, we are planning to significantly increase the level of rates funding every year of this 20 year plan, apart from deficits for the first three years due to increasing three waters , interest ,insurance and solid waste operational costs. This will help us catch up for years where we haven't fully funded our renewals and help to ensure borrowings stay below the limit we have set in our financial strategy.

Table 1: Our proposed rates increases over 10 years

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
Rates Increase (after growth)	7.0%	7.4%	8.6%	9.8%	9.8%	5.9%	1.5%	0.6%	1.6%	-0.4%
Rates Limit (after growth)	10%						6%			

Introduction

Council aims to find a cost effective and efficient balance between the operating budget, prudent debt levels, levels of service, providing for growth and limiting rate increases.

The Financial Strategy covers the key financial parameters Council will operate within, including limits on rates and debt. Council's Long Term Plan (LTP) focuses on 20 years to better understand the effects of new projects related to Horowhenua's anticipated growth.

Our community is currently experiencing significant growth which means Council is faced with the challenge of maintaining existing infrastructure assets, as well as providing new infrastructure to support a growing population while trying to keep rates affordable.

This Strategy is the foundation of Council's LTP goal of managing growth while living within its means, focused on achieving a balance between:

- ensuring affordable rates for the community
- minimising Council's debt
- making the best use of capital spending.

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

Council aims to use rates to fund the replacement (renewal) of assets, this ensures current generations contribute to the asset replacement as they use the asset. Council has not always funded renewals from rates in the past, this has resulted in the need to loan fund some of those renewals to maintain assets which is not sustainable. Council is continuing its strategy of increasing the rates funding of renewals to achieve a more sustainable financial position.

Council has set limits on debt and rates to ensure we are able to maintain existing levels of service and meet additional demands resulting from growth. Council has increased the level of renewal capital spending in this

plan to be able to provide and maintain existing levels of service and has incorporated an additional \$70m in three waters capital spending in the first ten years to ensure that the district is well set up for its transitions to a new water entity sometime between July 2024 – July 2026. We also have additional demand for infrastructure due to our population growing significantly.

Debt is primarily driven by capital expenditure, and with growth comes a need to fund new infrastructure. It is proposed to raise the debt limit from 225% to 250% of operating revenue, when accounting for our three waters debt. This will be temporary until we set our next Long Term Plan that will exclude our three waters assets. In the longer term 225% will still leave adequate borrowing in the event of a natural disaster and for investment in community infrastructure.

Population Growth and Changing Land Use

The district is going through a period of transformation. Our population has been growing at a rate of 2% per annum since 2014 and is projected to increase at a rate of 2.6% per annum until 2031, increasing to 2.9% per annum until 2041.

The population of the Horowhenua District at the 2018 Census was 33,261, is projected to be 36,708 by June 2021 and reach 62,716 by 2041. This is an increase of 26,008 people between June 2021 and June 2041.

As a result of the increased population growth, there is projected to be an increase of 11,209 dwellings in the Horowhenua District between June 2021 and June 2041 (a total of 27,815 dwellings). This growth will result in an average of 434 dwellings being constructed per year between 2021 and 2031, and an average of 686 per year between 2031 and 2041.

Population growth will have an impact on land use in the Horowhenua and is likely to result in both greenfield (large scale development of previously vacant land) and brownfield (redevelopment/intensification within the existing urban footprint) housing and business

land development. Growth is projected to be largely residential (85%) and in Levin (51.8% of the urban growth).

Council is currently working on three Master Plans for future development in the growth areas of Levin East (Tara-Ika), Waitārerere Beach and Foxton Beach. Over a number of years these Master Plan areas will transition from rural/semi-rural areas to urban environments. Council is also in the early stages of planning for other future residential and commercial growth areas that will see land use transition over time.

The Ōtaki to North of Levin (O2NL) highway, part of the Wellington Northern Corridor project, is planned to be constructed by 2029. Land use is likely to change near the highway, particularly around interchange locations which are likely to attract commercial and industrial

activities. In addition, O2NL will change how our local road network functions – some exiting roads will be severed, while other new road connections will be provided. This will change movement patterns, altering how people move around the District. Foxton and Shannon will each become the first towns on a State Highway outside of Wellington – both towns will likely experience changes in land use as a result of this as businesses seek to entice passing travellers to stop for a rest.

Investing in Our Infrastructure and Community Assets

Council is facing a challenging environment and must respond to these challenges while trying to reach a balance between loan and rate funding.

The growth our district is projecting is significant. The population is expected to almost double within 20 years, which increases demand on existing infrastructure and community assets and requires considerable investment in new assets.

Council's growth capital programme has implications for operational expenditure. Over the 20 year plan of our last long term plan, we agreed to spend an additional \$1.3 million of operational spending occurring as a result of planned growth projects. This extra operational expenditure is due to ongoing maintenance requirements associated with parks and reserves, cemeteries and our wastewater treatment plants.

In this Long Term Plan Amendment we are proposing that the district needs to invest an additional \$75m in our three waters assets over the first ten years of the plan. The majority of this work will need to be delivered by the new

water services entity that will be established sometime between July 2024 – July 2026. Our proposed plan, which has been consulted on with our community will ensure that the new entity understand well what the district needs.

Table 2. Major Capital Expenditure Projects

Project	Total 2023/24	Total 2024/25 +
Levin wastewater treatment plant - strategic upgrade	\$405,000	\$35,633,296
Ōhau future water supply services option	\$ -	\$14,988,425
Waitārere Beach future water supply services option	\$ -	\$22,922,200
Subsidised Roding - road improvements due to O2NL	\$ -	\$25,607,000
Levin North East Stormwater drainage	\$1,400,000	\$1,451,800
Tara-Ika	\$8,320,550	\$20,284,850
Alternative water source for Levin	\$1,000,000	\$35,631,000
Ōhau future supply of wastewater services	\$ -	\$15,254,725

Council has plans in place to ensure the significant investment in our infrastructure assets are able to be delivered. For further information see the Infrastructure Strategy.

The primary challenges in managing our infrastructure assets are:

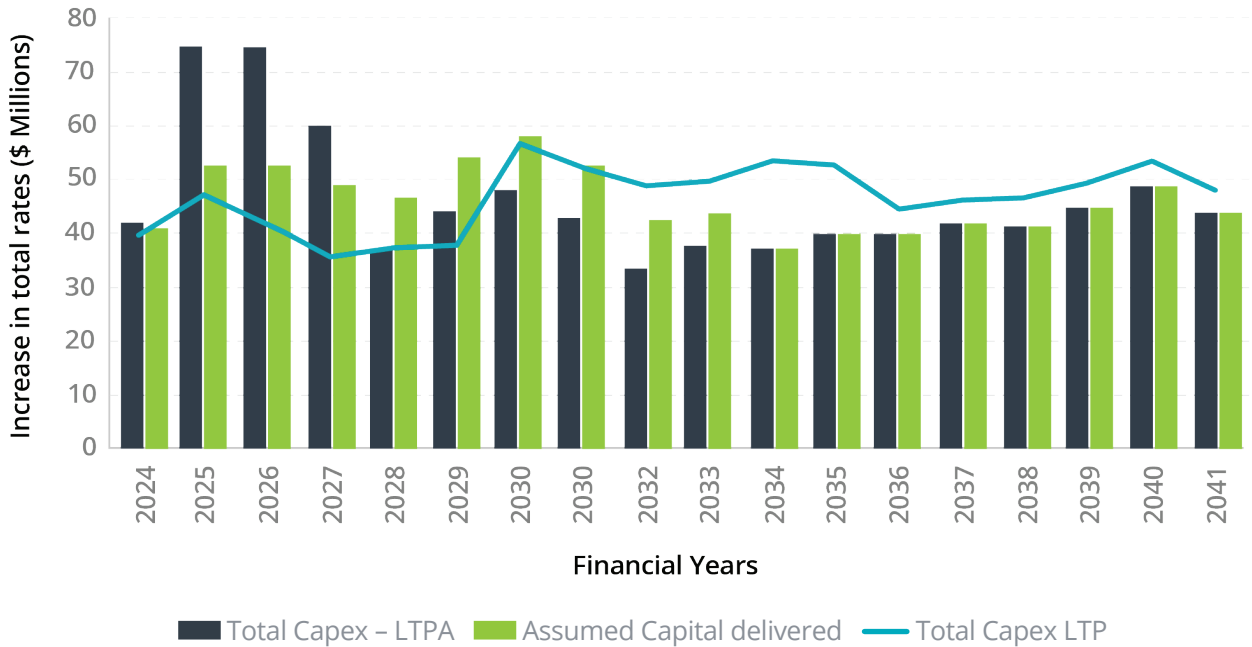
Population growth resulting in increased demand. This includes the need to plan for changes to the roading network as a result of the Ō2NL expressway, finding a new water source for Levin and the need to make major upgrades to our parks and reserves.

Ageing infrastructure and renewals, particularly for the three waters network. This includes maintaining our infrastructure networks to continue to deliver the levels of service the community has come to expect.

Public health and environmental outcomes. Needed to increase investment in the three waters space to provide higher quality environmental outcomes and strengthening earthquake-prone buildings to protect public health and safety.

Capital expenditure required for our infrastructure and community assets for growth, levels of service and renewals, averages \$49million each year. The capital expenditure required to service growth equates to about 27% of the programme.

Figure 1. Asset Expenditure and Loans



The loans/asset sales line in the graph shows that we do not need to use debt to fund all of the capital programme. We aim to fund our renewals through rates, grants from NZTA and other sources that contribute towards renewals and new assets. Also while we sought feedback on a capital programme totaling \$288m over the first five year, we have planned on the assumption that some of this programme will be delivered in years 5-10.

We are also proposing to continue to recover our growth spending through contributions from new households. This makes sure new properties pay their share which helps to ensure our borrowings will be below the limits we set by contributing \$86m during the next 20 years. It is assumed that 100% of the growth spending will be recovered through development contributions.

Borrowings

Council uses borrowings (loans) to fund the cost of providing new infrastructure for growth and increases to levels of service, to ensure future generations pay their fair portion of the cost of the new assets which they will use.

Throughout the 20 year plan we are planning to spend approximately \$517m to continue maintaining existing assets and to ensure our infrastructure and community assets are able to service the extra 11,000 dwellings we are expecting to be constructed in the district over the next 20 years. This renewal capital programme will be fully funded by rates and subsidies from Waka Kotahi. Of the total growth and upgrade programme of \$346m, \$236m is assumed to be funded from development contributions with \$86m contributed over the next 20 years.

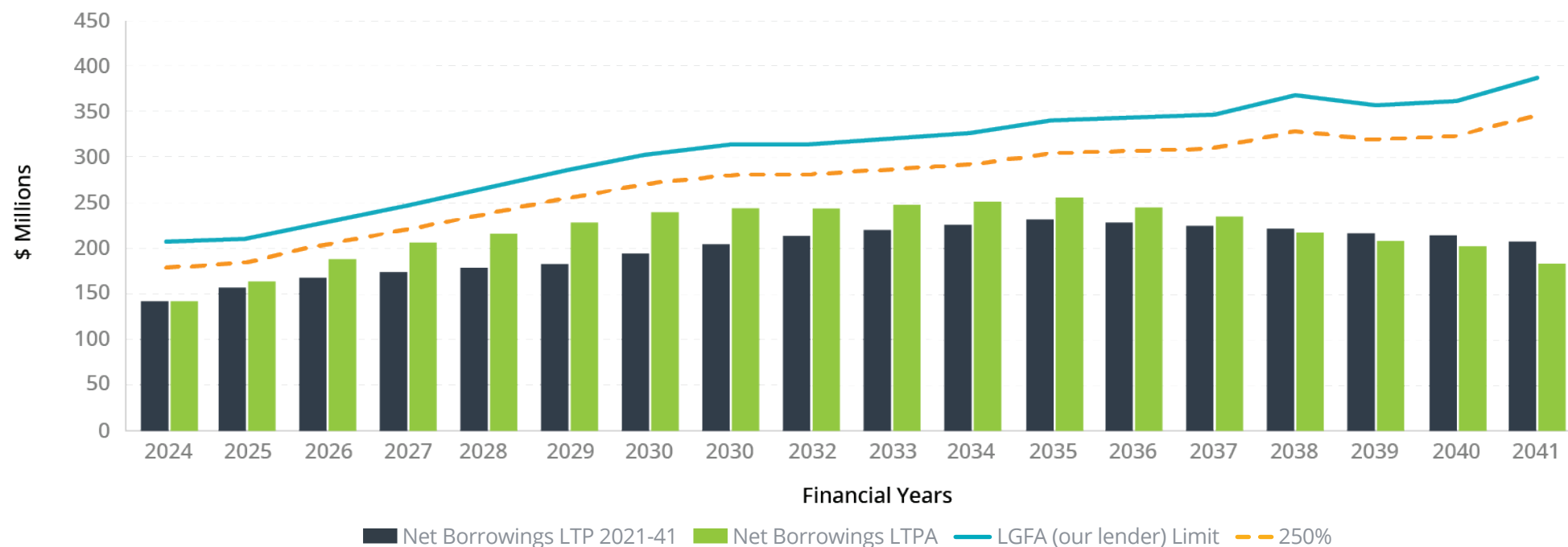
Council's net borrowings are predicted to peak at \$231m in 2030. For the LTP Amendment 2023-41, Council is proposing to increase its debt limit from 225% to 250% to provide sufficient room to fund the additional \$70m that is needed to upgrade the Council's water infrastructure. Once the Council's three water's assets are transferred to the new entity, the borrowings limit will be reduced back to 225%. Figure 3 shows that a significant portion of Council's debt requirements are for investing in

three waters infrastructure and it is important that the Council present a full picture of that is needed for the Horowhenua District to the National Transition unit at the point where the district water assets are handed over into the new entity's care. Increasing the debt limit to 250% temporarily is considered to be prudent as there is still sufficient headroom with the debt limit imposed by the LGFA (who Council borrows money from) and provides a sufficient buffer to access additional funds if required in the event of an emergency such as a natural disaster.

In the past, Council has used debt to fund some of the renewals of assets and to keep rates affordable. This is unsustainable and resulted in above average debt and an unbalanced budget. This is proposed to be addressed through this 20 year plan by increasing rates to fund renewals.

Council is also committed to exploring other sources of revenue, such as external grants, to pay for infrastructure needed to meet the needs of the growing community. Council has had recent success in receiving Central Government Funding for investment in delivering infrastructure for the Tara-Ika growth area, the Foxton River Loop and for the 3 Waters network.

Figure 2. Our borrowings



As you can see from Figure 3, the three waters borrowings are significantly higher than the borrowing levels for the rest of the Council activities. Once the sets and liabilities transfer to the new entity the Council's borrowings level will be significantly below the current 225% limit.

Figure 3. Three Waters Borrowings

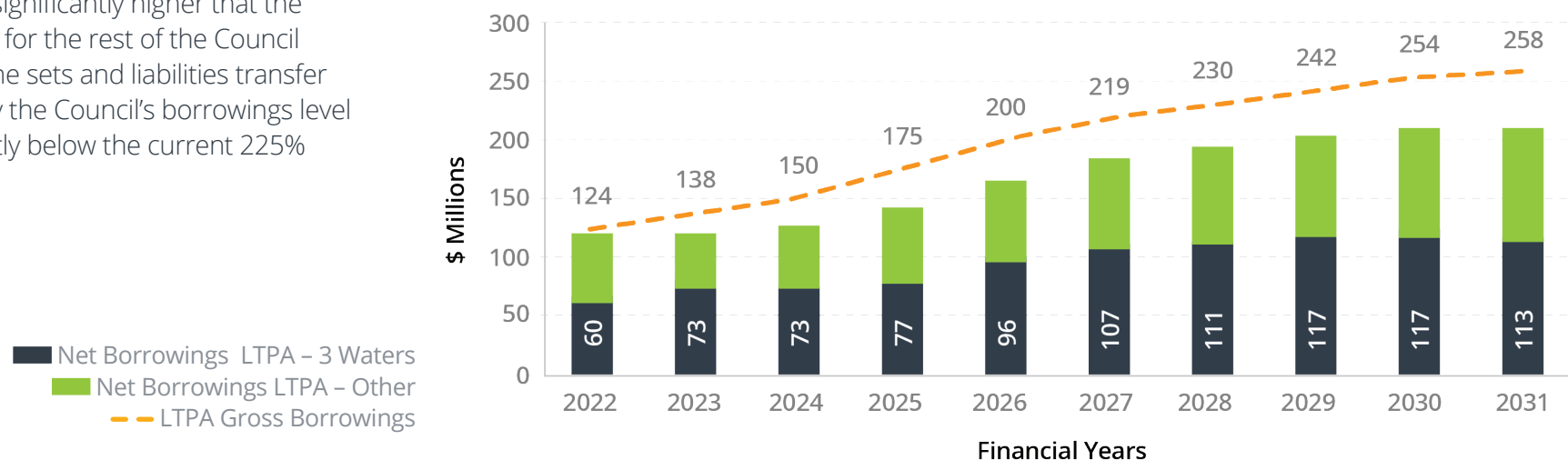
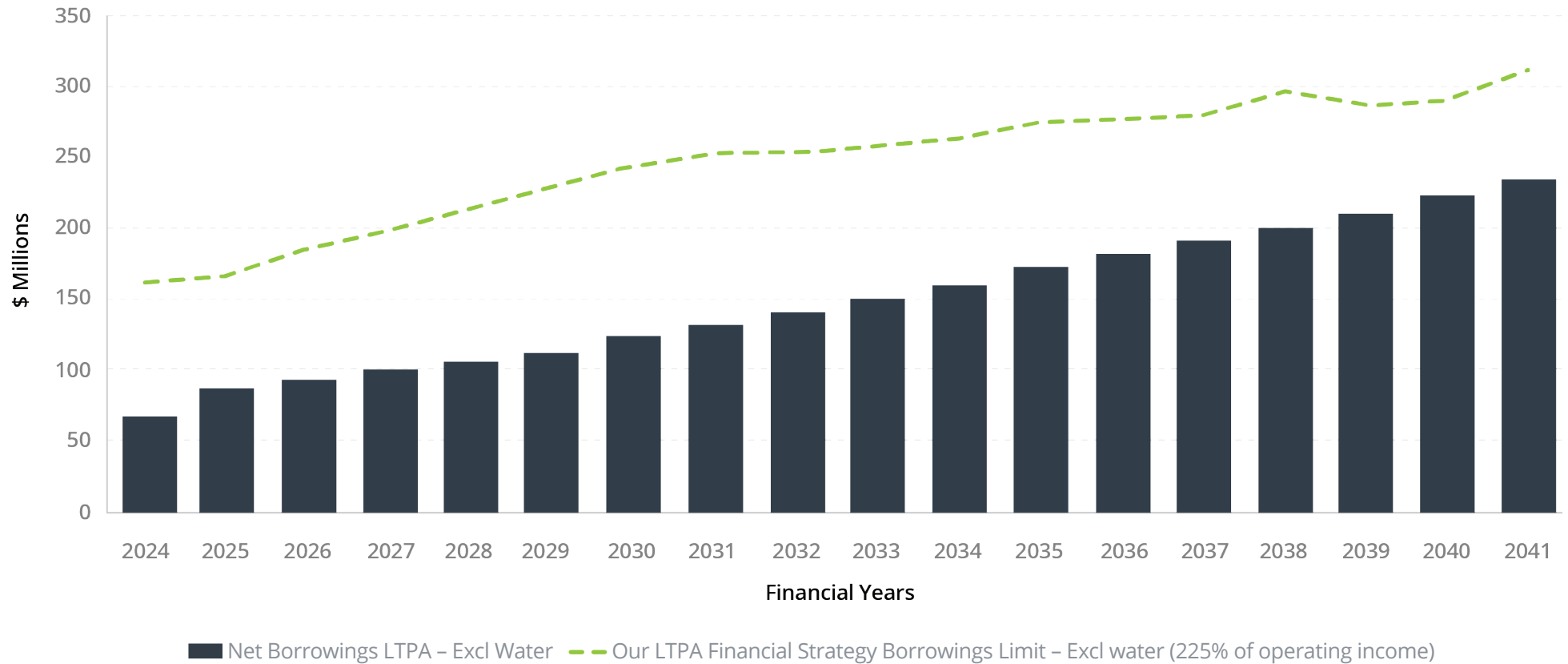


Figure 4. Council Net Borrowings Excluding Three Waters



LGFA

The LGFA is the Agency where Council sources the bulk of its loan funding.

Council has maintained an A+ credit rating with Standard and Poors every year since first being rated in 2015.

This credit rating enables the LGFA limit to be set at 300% of Council's operating income for the 2020/21 and 2021/22 years, reducing to 280% in year 2025/26 and remaining at 280%.



Limit – Debt

The net debt to revenue ratio will be within the maximum of 225% of Council's operating income as calculated for LGFA covenant disclosures. When excluding three waters debt, the limit will be 225%.

Rates

Council remains committed to a long-term programme of increasing income to:

- 1 Increase rates funding of asset renewals expenditure.**
- 2 Pay for operational expenses.**
- 3 Maintain a balanced operating budget.**

In recent years, a key aspect of Council's Financial Strategy has been increasing rates to move from the partial loan funding of renewals to rate funding of renewals, with an aim of fully rates funding renewals and achieving a balanced budget.

Rates funding renewals ensures that current generations contribute to the asset replacement as they use the asset. This has led to above inflation rate increases since the 2013/14 financial year, apart from in 2020/21, when Council decided on a 1.83% decrease to the total rates income collected in response to the Covid-19 pandemic.

However, in order to keep rates increases below 10%% in the first 6 years, Council is proposing to continue to loan fund some additional costs for three waters in 2023/24 and also reduce the level of depreciation funding for the first four years. After that, we will be fully funding our depreciation each year.

Figure 5: Rates Increases

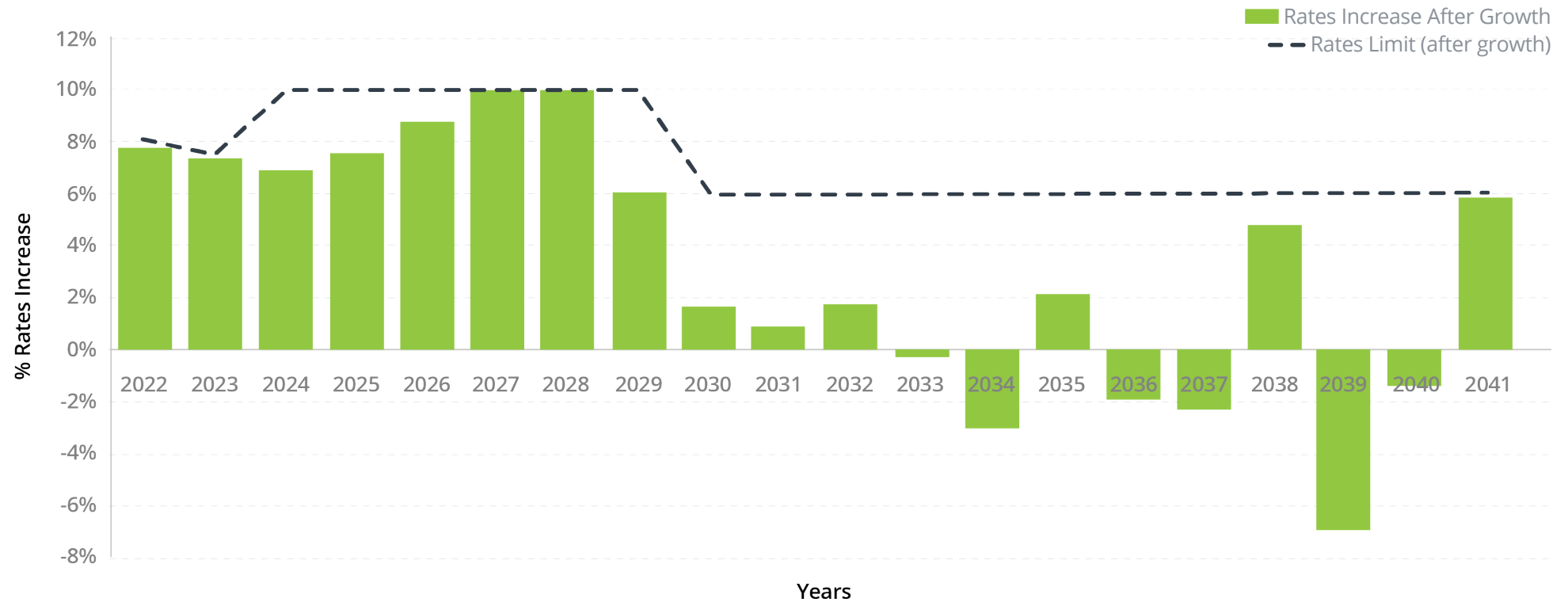


Table 2: Rates Increases

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
Rates Increase (after growth)	7.8%	7.4%	7.0%	7.4%	8.6%	9.8%	9.8%	5.9%	1.5%	0.6%	1.6%	-0.4%	-3.4%	1.6%	-2.3%	-2.8%	4.1%	-7.7%	-2.0%	5.1%
Growth	1.71%	1.76%	1.87%	2.01%	2.11%	2.0%	2.28%	2.16%	2.23%	2.30%	2.28%	2.27%	2.38%	2.52%	2.41%	2.51%	2.65%	2.73%	2.69%	2.70%
Rates Limit (after growth)	8.0%	7.5%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Total Rates LTPA (\$m)	43.4	47.2	51.4	56.2	62.3	69.3	78.0	84.3	87.4	90.0	93.5	95.2	94.3	98.2	98.3	98.0	104.7	99.5	100.1	108.0



Balancing the budget

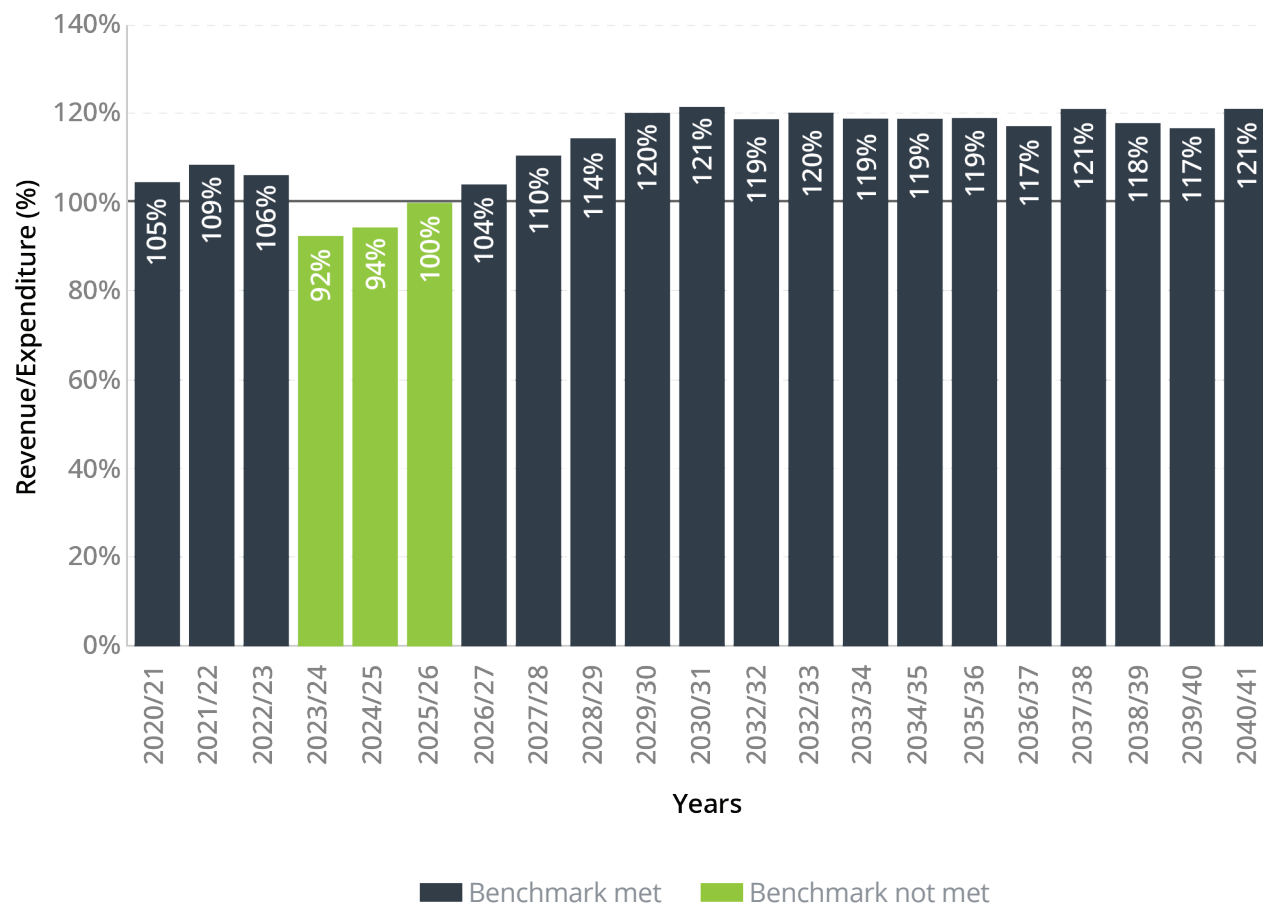
Balancing the budget means Council's income is equal to or more than operational expenses.

Council has a history of budget deficits, largely resulting from the council not fully funding the costs of asset use (depreciation) For this 20 year plan we are planning to balance the budget by year 5. In order to keep the rate increases affordable with the considerable increase in three waters costs, Council is proposing to luse borrowings in the short term to help fund the increases and take until 2026/27 to balance the budget. The following years we will need to increase rates to repay our borrowings and ensure we have sufficient capacity for our future investments in community assets. This has the consequence of increasing surpluses from year seven.

Operating in surplus means we will be able to pay-off more borrowings.

The balanced budget measure is calculated by measuring incomes less expenses but excluding income from development contributions, vested assets, asset revaluation gains/ losses and other non-operating income and expenses.

Figure 6: Balancing our Budget



Policy on Securities

In order to borrow money, Council has to offer our lenders some security.

In general, councils secure debt by giving the lender the ability to raise a rate (i.e. rate you more) to repay the loan. Council uses the LGFA as a source of loans and uses rates as security for all borrowings from the LGFA. Using rates as security helps Council take out loans with low interest rates.

Investments

Council holds investments in companies, commercial property and cash.

Investment in Companies

Council is an equity holder in three companies (listed in Table 2). Council does not hold these equity interests to receive a financial return. The reason for holding the share is strategic, to foster efficiencies and positive outcomes in reducing costs. Council holds an investment in Civic Financial Services Limited. Before 1 March 2017 it was known as the New Zealand Local Government Insurance Corporation Ltd and traded under the name of Civic Assurance, however, the company no longer offers insurance products. Council's initial reason for investing, to foster a competitive insurance market, no longer applies. Recently the Company sold its Wellington building and paid out a special dividend to shareholders.

Investment in Property

Council owns a mix of properties both core, relating to Council's primary services (e.g. drainage and sewage) and non-core, pertaining to non-traditional services (e.g. commercial buildings and motor camps). Council has been implementing a programme of asset sales of non-core property following an evaluation of the property portfolio in accordance with Council's Property Strategy.

This programme of sale of non-core property assets will be continued, with the aim of Council owning and maintaining only core property by 2028.

There is a risk that the sale of assets will not occur in the assumed timeframe due to unforeseen property markets.

Table 2: Council Shareholdings

Company	Shareholding	Principal reason for investment	Budgeted Return
Manawatū-Whanganui Local Authority Shared Services Ltd	\$16,000 (14.29%)	Efficient cost effective back office functions	nil
New Zealand Local Government Funding Agency	\$100,000 (0.4%)	Cost effective borrowing	\$6,000 pa
Civic Financial Services Ltd	\$104,000 (1.0%)	Historically for risk management, and ensuring a competitive insurance market	nil

Cash investments

Council has surplus cash from operations from time to time. Surplus cash is invested for short periods of time (30 to 90 days) to maximise returns from these funds.

Council's practice is to use surplus cash to minimise external debt. It is prudent to hold some cash to ensure short-term liquidity. Council generally holds between \$5m and \$10m in cash. Cash is supplemented by the use of a committed banking facility of \$30m that enables Council to raise short-term borrowings in the event of a natural disaster when Council would need access to funds quickly to provide relief.

Council recently increased cash reserves to reduce the liquidity risk (i.e. to reduce the risk of not covering our short-term debt).

Other investments

As part of borrowing from the LGFA, the Council is required to invest in financial bonds at 2.5% of the borrowing from the LGFA. Council will receive interest and full repayment of these "borrower's notes" upon repayment of the loan to which they relate. Interest is calculated to cover the cost of funds.



Insurance

Council has full insurance cover through the MW LASS insurance procurement project.

Council currently insures all Water, Wastewater and Stormwater assets as well as Council's operational assets (plant and equipment) and buildings. Land Transport (Roads and Footpaths) assets are uninsured.

A key assumption is that Central Government will contribute towards the replacement of Land Transport assets following a qualifying natural disaster event. This assistance would be provided at the Council's current Funding Assistance Rate (FAR), which was 62% in 2021/22, 61% in 2022/23 and will be 60% in 2023/24. For the portion of cumulative claims of the total costs of emergency works that exceed 10% of the Council's approved maintenance programme for the year, Central Government would provide funding at the normal FAR plus an additional 20%. Council will loan fund the difference.

Another key assumption with any disaster recovery is that Central Government will contribute 60% of the funding to reinstate infrastructural assets following a significant natural disaster. Council's 40% share is insured for disaster recovery through the Local Authority Protection Programme (LAPP). LAPP is a mutual self-insurance arrangement with other local government entities to insure underground infrastructure against disaster damage similar in nature to Christchurch's earthquake.

Council is reviewing its membership of LAPP due to the continued withdrawal of member councils in recent years. This increases Council's risk of LAPP not being able to cover insurance claims in the long-term. If Council decided to leave LAPP, it will replace this form of mutual insurance with normal insurance subject to affordable premiums and excess. Normal insurance for operational assets and buildings is sourced through the Manawatū-Whanganui Local Authority Shared Services (MW LASS) procurement in conjunction with our regional partners.

Central Government is reviewing their commitment to cover 60% of any disaster reinstatement whereby they will withdraw from this arrangement in all but catastrophic events. However, the Government has not made any definitive decisions as yet. Council has, therefore, assumed the status quo in the interim. Council believes it will have sufficient capacity to borrow to cover the costs of any emergency within the new 250% of income debt limit and well within the LGFA limit of 300% (decreasing to 280%).

Policies

Ngā Kaupapa Here

- Revenue and Financing Policy
- Rates Remissions Policy
- Remissions of Rates on Māori Freehold Land
- Liability Management Policy
- Prospective Accounting Policies
- Summary of Council's Policy on Determining Significance

Revenue and Financing Policy

Introduction

The Local Government Act 2002 (LGA) requires Councils to adopt a Revenue and Financing Policy that provides details on the funding of operational and capital expenditure. The required contents are set out in section 103 of the LGA. Council is required to have this policy to provide predictability and certainty about sources and levels of funding and to illustrate which parts of the community contribute to paying for Council's activities. The Policy describes:

- The general approach to funding operational (day-to-day costs) and capital expenditure (funding required for physical structures i.e., pipes in the ground)
- The different mechanisms or sources for funding (where the money comes from)
- The Council's activities, services, and facilities (what we do and why we do it) and who uses, benefits, and pays for the Council activities and services

Council has reviewed each individual activity and considered the nature of the service, the benefits, and beneficiaries for each service. In deciding the most appropriate funding source for each activity Council has considered :

- the Community Outcomes to which the activity primarily contributes;
- the distribution of benefits between the Community as a whole, identifiable parts of the Community and individuals;

- the period during which those benefits are expected to occur;
- the extent to which the actions, or inactions, of individuals or groups contribute to the need to undertake the activity;

Funding Sources Available

General rates

General rates are used where it is not possible and/or practical to clearly identify customers or users. General rates are also used where, for reasons of fairness, equity, and consideration of the wider community good it is considered that this is the most appropriate way in which to fund an activity, and when the Council is unable to meet its user charge targets.

The General rate will fund both operating and capital expenditure for all activities other than those funded by Targeted rates or other revenue sources or funding mechanisms. All ratepayers are assessed (charged) a General rate. This is set differentially, in order to set the rates in proportion to the relative benefits generated by Council's expenditure.

Council has decided to maintain the previous method of calculating the differentials from previously being a percentage of the total rate income to one where the Farming Categories will have a differential factor of 0.5.

The proportions of general rate are proposed to change as follows:

General Rates

Category General Rate	Proposed (Differential Factor) 2021/41
Farming Categories	0.5
Rural	N/A
District Wide (excluding Farming)	1

- a. A District Wide Differential to apply to all rating units other than those in the farming category differential.
- b. The Farming Categories applies to rating units classified as Farming. These properties will be identified in the District Valuation Roll ("DVR") using the "property Category" codes from Appendix F of the Rating Valuation Rules 2008(LINZS30300), promulgated by the Valuer General.

Those categories are;

- "A" Arable
- "D" Dairy
- "F" Forestry except protected forestry
- "H" Horticulture
- "P" Pastoral
- "S" Specialist livestock

The Farming Category also applies to rating units located outside the urban boundaries, as defined in the Urban Rating Area maps available in the Council Offices, identified as:

- "LB" Lifestyle Bare
- "LV" Lifestyle Vacant
- "RB" Residential Bare
- "RV" Residential Vacant

The General rates set in each of the categories based on land value.

Council is not setting a Uniform Annual General Charge (under section 15 of the Local Government (Rating) Act 2002 ("LG(R)A")) preferring instead to set Targeted rates as fixed amounts for Libraries, Representation and Community Leadership, Solid Waste and Aquatic Centres (Swimming Pools) (refer below).

Targeted Rates

Targeted rates are used when Council considers that transparency is important, or where location or the method of rating makes the use of a Targeted rate more appropriate, fairer, and more equitable.

Targeted rates are set to cover, in a transparent manner, the operating and capital expenditure for the following major activities:

Activity	Rating Area	Rating Method
Solid Waste	District wide where by all rural rating units pay 20% and all urban rating units pay 80% of the net solid waste costs.	Separately Used or Inhabited Part (SUIPs (Separately Used or Inhabited Part))
Water Supplies	District wide on all connected properties. Availability charge to those rating units that are able to be connected.	SUIPs and metered supply where applicable
Wastewater	District wide on all connected properties. Availability charge to those rating units that are able to be connected.	SUIPs
Land Transport (Roads and Footpaths)	District wide.	Capital Value
Libraries and Community Centres	District wide.	SUIPs
Representation and Community Leadership	District wide.	SUIPs
Stormwater	Urban rating units.	Capital Value
Aquatic Centre	District wide.	SUIPs

Fees and Charges

Fees and charges are user charges to people and/or groups who use certain Council services, for example swimming pools. Charges are set to recover the costs from users where there is a high private benefit accruing to those individuals or user groups.

In a small number of cases, it is also possible and appropriate to recover the private benefit of capital expenditure (e.g., water connections, sewer connections, and subdivision infrastructure).

Interest and Dividends

The interest earned from the investment of special funds is added to those special funds, to help fund future expenditures.

Dividends and other interest earnings are used to offset General rates rather than being used to fund particular expenditures.

Borrowing

Borrowing is used primarily to fund capital expenditure where other sources of funding are not available or not appropriate, in order to spread the incidence of the expenditure over both current and future beneficiaries. Policies in relation to borrowing are presented in the Liability Management Policy. Loan servicing costs are (both internal and external borrowing) borne by the activity requiring the loan funding.

In general Council does not fund operating expenditure by borrowing. Exceptions include the following circumstances;

1. To smooth rating increases where a substantial and unexpected change in costs would increase rates above the rates increase limits set out in the Financial Strategy.
2. To fund long term operational projects like district plans and strategic planning documents that plan for a 10 year or more period.
3. To reduce rates in a year where a major disaster (natural or otherwise) has had an impact on the local economy and where Council wishes to reduce the rate as a way to stimulate the economy.
4. To reduce rates and smooth rates increases over a five-year period

Proceeds from Asset Sales

The proceeds of asset sales are primarily used to reduce or avoid borrowing. This is to strengthen Council's Balance Sheet and to create capacity to respond to future growth opportunities.

Development Contributions and Lump Sum Contributions

The Council reintroduced a Development Contributions Policy effective 1 July 2021.

Contributions may be negotiated through private developer agreements.

Council may set financial contributions (under the Resource Management Act 1991) to assist with the costs of providing infrastructure for developments and providing for the recreational needs of the community.

Council may set Lump Sum contributions under the Local Government (Rating) Act 2002, where infrastructural improvements have been requested or necessary to existing ratepayers.

Grants and Subsidies

Grants and subsidies apply to some activities when income from external agencies is received to support that activity. Most grants and subsidies are primarily sourced from Central Government.. Council seeks to maximize the opportunity and ensure use is made of grants and subsidy funding whenever and wherever they are available:

- a. Roading subsidies are tied to specific operating and capital expenditures;
- b. Petrol tax distributions are used to offset the Land Transport Targeted rate; and
- c. Other grants and subsidies tend to be related to particular expenditures, for relatively small sums, and of insecure tenure according to the policies of Central Government

Reserves

Reserves are held to ensure that funds received for a particular purpose are used for that purpose and any surplus created is managed in accordance with the reason for which the reserve was established. Surpluses held in reserves are credited with interest.

Council holds 15 reserves, with four being restricted reserves. Restricted reserves are reserves that have rules set by legal obligation that restrict the use that Council may put the funds towards. The remaining Council created reserves are discretionary reserves which the Council has established for the fair and transparent use of monies. Reserve balances are not separately held in cash and the funds are managed as part of Council's treasury management.

Funding of Operating Expenses

The Council's policies and practices as regards to the funding of its operating expenses are set to ensure that the policies comply with applicable legislation and generally accepted accounting practice, and after consideration of the matters set out in section 101(3) of the Local Government Act 2002.

In general terms it will use a mix of revenue sources to meet operating expenses, the major sources being rates, grants and subsidies, and fees and charges.

The following sources of funding are used to finance operating expenses:

Activity Group	General Rates	Targeted Rates	Grants and Subsidies	Reserves	Fees and Charges	Borrowing
Regulatory Services	✓			✓	✓	✓
Community Infrastructure	✓		✓	✓	✓	✓
Community Facilities		✓ Library and Community Centres, Aquatics Centres	✓	✓	✓	✓
Land Transport (Roads and Footpaths)		✓	✓	✓		✓
Water Supply		✓		✓	✓	✓
Wastewater Disposal		✓		✓	✓	✓
Solid Waste		✓	✓	✓	✓	✓
Stormwater		✓		✓		✓
Property	✓			✓	✓	✓
Community Support	✓		✓	✓	✓	✓
Representation and Community Leadership	✓ Strategic Planning and District Planning	✓		✓		✓

Funding of Capital Expenditure

Capital expenditure represents expenditure on property, plant and equipment which are tangible assets that are held by the Council for use in the provision of its goods and services and may include items held for the maintenance or repair of such assets.

The Council's policies and practices as regards to the funding of its capital expenditure are set to ensure compliance with applicable legislation and generally accepted accounting practice.

In general terms Council will use a mix of funding sources to meet capital expenditure, the major sources being borrowings, grants, reserves, and rates funded depreciation.

The following sources of funding are used to finance capital expenditure in the order of preference shown:

1. The first source of financing capital expenditure will always be third party sources that relieve the burden on ratepayers generally. These are not commonly available but would include any government subsidies for water and wastewater schemes, and third-party donations, development contributions, financial contributions lump sum contributions and Special Purpose Vehicles (SPVs) under the Infrastructure Funding and Financing Act 2020.
2. The second source considered will be asset sales. Such sales will be applied firstly to the activity to which the asset is attributed to. This may also result in early repayment of any borrowing relating to this activity. The third source considered will be depreciation through rates. This reflects a prudent propensity on the Council's part to ensure that

special purpose reserves are only utilised on a selective basis on relatively significant works in the context of long-term planning, rather than on minor works over a shorter term, and a prudent reluctance to increase loan indebtedness unless necessary.

3. The fourth source considered will be reserves, particularly funds that may be held for larger capital works in specific activities. Examples include water, wastewater, road, and property works financed from the Foxton Beach Freeholding Account, cemetery extensions financed from the Capital Projects Fund and vehicle purchases financed from the Plant Depreciation Fund.
4. The final source considered for the financing of capital expenditure will be borrowing. This reflects a prudent reluctance to increase loan indebtedness unless necessary. Although it is the last option considered, the Long Term Plan (LTP) provides for substantial new borrowing to achieve an element of intergenerational equity in the financing of a range of major capital expenditure works. Loan funding is also used for infrastructural asset renewals where the rate generated reserves are inadequate due to the level of renewals in any one year.

Funding of Capital Expenditure

Activity group	General Rates	Targeted Rates	Grants and Subsidies	Reserves	Borrowings	Development/Financial Contributions	Lump Sum Contributions
Regulatory services	✓			✓	✓		
Community Infrastructure	✓		✓	✓	✓	✓	
Community Facilities and Services		✓ Library, Community Centres and Aquatics Centres		✓	✓	✓	✓
Land Transport (Roads and Footpaths)	✓		✓	✓	✓	✓	✓
Water Supply		✓	✓	✓	✓	✓	✓
Stormwater		✓		✓	✓	✓	✓
Wastewater		✓	✓	✓	✓	✓	✓
Solid waste		✓			✓	✓	
Property	✓			✓	✓		
Community support	✓			✓	✓		
Representation and Community Leadership		✓		✓	✓		

Depreciation Reserves

Depreciation reserves have generally been funded from rates (or other funding from a surplus within the activity in any particular year). Depreciation reserves are only used to fund replacements and renewals of operational and infrastructural assets.

The Council currently use any rated funding received for depreciation to reduce the borrowings in the activity areas.

Funding Allocations between Ratepayers and Users

Regulatory Services

Resource Consent Applications

Processing applications within the confines of the Resource Management Act (RMA) 1991 and the Horowhenua District Plan.

Matters that must be considered under the Local Government Act (LGA 2002).

Community Outcomes	The Outstanding Environment Community Outcome is supported by this service as it involves managing development within the confines of the District Plan and the RMA.
Who Benefits	<p>The main beneficiaries of this work are the individual people and businesses involved in land subdivision and development. Planning consents are undertaken within the confines of the RMA, this ensures developments are safe, sustainable and meet legal obligations. The guiding principle, as stated in section 2 of the RMA is “to promote the sustainable management of natural and physical resources”. In the RMA sustainable management is defined as “managing the use, development, and protection of natural and physical resources in a way, or at a rate, which enables people and communities to provide for their social, economic and cultural wellbeing and for their health and safety.”</p> <p>By controlling the safety and environmental effects of developments, and provision of participation through notification processes, Council help prevent harm to members of the public both now and in the future, The wider public also benefit from this activity as it helps to protect high class soils which are a national asset.</p>
Period of Benefit	At the time the consent is processed.
Whose acts create a need	The applicant for resource consent benefits the most directly from resource consent, although the public at large also benefits in certain instances.
Separate funding	A large degree of private benefit makes user charging feasible.
Funding Source	<p>Public good - General rate: 30% - 40%</p> <p>Private Benefit - Fees and Charges: 60% - 70%</p>
Rationale	Although primarily a private benefit the RMA exists to protect the wider environment for the benefit of all residents

Resource Management Policy and Enforcement, District Plan, Strategic Planning

The development and review of a Strategic Plan and District Plan and enforcement of the district planning consent as required by the RMA.

Matters that must be considered under the LGA 2002.

Community Outcomes	The Outstanding Environment and Vibrant Economy Community Outcomes are supported by means of enabling growth while managing development of the District within the confines of the District Plan and RMA.
Who Benefits	All residents are given the opportunity to participate in realising the future of the District through consultation and feedback on the development of Strategic and District Plans.
Period of Benefit	The activity contributes to a well organised Community and a sustainable environment in which all residents have the opportunity to participate in formulating the desired outcomes.
Whose acts create a need	This activity should be funded over the life of the District Plan and Strategic Plan. Public enquiry and enforcement should be funded in the year the work was carried out.
Separate funding	Those who create the need for enforcement. However, the enforcement action protects the wider Community by enforcing consent conditions.
Funding Source	No private benefit exists from this activity.
Rationale	Public good - General rate: 100%

Building Consents

The provision of services as required under the Building Act 2004 and associated legislation. To ensure that building work undertaken in the District is done with an approved consent and inspection process that ensures standards are met.

Matters that must be considered under the LGA 2002.

Community Outcomes	The Strong Communities and Vibrant Economy Community Outcomes are supported as everyone needs to be able to assume that the buildings in the district are not dangerous or unsanitary.
Who Benefits	Benefits from building consents accrue to users of these services (ie people who build or alter buildings) through meeting legislative and safe building requirements. The community benefits through enforcement of regulations that ensure safe, sanitary and accessible buildings in which people live, play and work. It is possible to directly charge the primary beneficiaries i.e., the applicant. Buyers of property benefit from surety around previous work undertaken.
Period of Benefit	At the time the permit is processed.
Whose acts create a need	The applicant for building permits benefits the most directly from the permitting process.
Separate funding	A large degree of private benefit makes user charging feasible.
Funding Source	Public good- General rate: 10% - 20%
Rationale	Private Benefit - Fees and Charges: 80% - 90%

Building Policy, Accreditation, Public liaison

The provision of services as required under the Building Act 2004 and associated legislation. To ensure that building work undertaken in the District is done with an approved consent and inspection process that ensures standards are met.

Matters that must be considered under the LGA 2002.

Community Outcomes	The Strong Communities and Vibrant Economy Community Outcomes are supported as everyone needs to be able to assume that the buildings in the District are not dangerous or unsanitary.
Who Benefits	The wider public benefit since they are protected from “unsustainable practices” and poor building practices especially in relation to commercial buildings. Potential buyers of property benefit from surety around previous work undertaken.
Period of Benefit	Over the period of the accreditation.
Whose acts create a need	The economic activity that leads to the need for building permits activity to be undertaken and for the need for standards to be set.
Separate funding	No private benefit exists from this activity.
Funding Source	Public good - General rate: 100% Private Benefit - Fees and Charges: 0%
Rationale	Although the building consenting activity is a private benefit, the Building Act 2004 and the accreditation process exists to ensure standards set by regulatory agencies are met to protect the wider Community from poor building practices.

Health Licensing

To provide inspection and licensing of premises service to ensure hygiene and other regulatory standards are met for the health and safety of users.

Matters that must be considered under the LGA 2002:

Community Outcomes	The Strong Communities Community Outcome is supported as Council will monitor and mitigate problems, nuisances, and threats to public health
Who Benefits	The public benefit as the purpose of licensing is to enforce legal provisions primarily under the Health Act, Food Act, Sale and Supply of Alcohol Act and relevant Council Bylaws for the benefit of the wider public. It also gives users of premises surety around hygiene and food standards. The activity is a statutory requirement, and the provision of the service provides direct health benefits to the Community. To be more specific this activity area has been split into Licensing and Environmental
Period of Benefit	Over the period of the licence.
Whose acts create a need	Premises operators will incur direct costs in not complying and such costs should be passed on to them to ensure the standards set are established and maintained. The cost incurred in obtaining a licence should also be borne to some degree by the Premises Operators.
Separate funding	A degree of private benefit to the premises operators makes user charging feasible.
Funding Source	Licensing (both health and liquor) Public good – General rate: 20% - 40% Private Benefit - Fees and Charges: 60% - 80% Environmental (community health and safety) Public good – General rate: 95% - 100% Private Benefit - Fees and Charges: 0 - 5%
Rationale	The activity is serviced by specifically qualified staff with direct responsibility for licensing, inspections and work associated with enquiries and complaints in relation to public health matters for which the Council is responsible. The general ratepayer is the widest beneficiary of the service, which is a statutory requirement.

Dog and Animal Control

This Activity is undertaken to meet the Council's obligations under the Dog Control Act 1996 and associated legislation and Bylaws. It involves the provision of services in respect of animals, particularly dogs, for the general safety and wellbeing of the Community.

Matters that must be considered under the LGA 2002.

Community Outcomes	The Strong Communities Community Outcome is supported as the Council monitor and mitigate public concerns about risks and nuisance associated with dogs and wandering livestock e.g., can be dangerous to people, traffic, and flora.
Who Benefits	By legislation, dog owners are required to register their dog/s. Principal beneficiaries of the Animal Control activity are the owners of animals - mainly dogs. Secondary beneficiaries are the wider community who benefit from the service by having dog and stock rangers to ensure public safety. To be more specific this activity area has been split into Dog Control and Animal Control.
Period of Benefit	Over the period the service is rendered.
Whose acts create a need	Animal owners, through the need to regulate for the care of those animals, and to protect the public from nuisance and any health and safety issues caused by the keeping of those animals.
Separate funding	User charging for stock has proven ineffectual; the cost is not so significant as to warrant a separate rate.
Funding Source	Dog Control Public good - General rate: 10% - 20% Private Benefit - Fees and Charges: 80% - 90% Animal Control Public good - General rate: 0% - 5% Private Benefit - Fees and Charges: 95% - 100%
Rationale	Although primarily a private benefit, the Dog Control Act exists to protect the wider Community from errant dogs.

Parking Enforcement

This service exists to carry out the enforcement of parking restrictions that apply, including traffic safety policing but also ensuring vehicle car park turnover i.e., the public availability of parking.

Matters that must be considered under the LGA 2002.

Community Outcomes	The Vibrant Economy Community Outcome is supported by ensuring that parking is made available for retailers in the Commercial Business District.
Who Benefits	Shopkeepers ensuring parking turnover availability to their premises and the wider public by ensuring convenient car parking is available.
Period of Benefit	Continuously as wardens carry out their duties.
Whose acts create a need	The errant motorist who overstays the permitted time.
Separate funding	Being predominantly self-funding there is no need for separate rating mechanisms.
Funding Source	Public good - General rate: 0 -10% Private Benefit - Fees and Charges: 90 - 100%
Rationale	Predominantly funded from exacerbators.

Liquor Licensing

As the District Licensing Authority, considering and approving or declining liquor licence applications.

Matters that must be considered under the LGA 2002.

Community Outcomes	The Strong Communities Community Outcome is supported by ensuring there are controls on availability and appropriate controls on the sale of liquor.
Who Benefits	The wider public by ensuring that licensees are reliable, and the public's health and safety is maintained by compliance with the statutory standards.
Period of Benefit	Continuously as licenses are issued.
Whose acts create a need	Licensee of clubs, premises etc. fees set by legislation.
Separate funding	Being a relatively small cost there is no need for separate rating mechanisms.
Funding Source	Public good - General rate: 60-80% Private Benefit - Fees and Charges: 20-40%
Rationale	Licence fees are set by regulation and cannot be altered by Council.

Health and Liquor Policy and Public liaison

The provision of services as required under the health and sale of alcohol legislation. This helps to ensure that Council is able to react to changes in legislation and policy and to enable public education and liaison.

Matters that must be considered under the LGA 2002.

Community Outcomes	The Strong Communities Community Outcome is supported as everyone needs to be able to assume that there are appropriate general and legislatively required policies in place to regulate health and liquor licensing activities.
Who Benefits	The wider public.
Period of Benefit	As changes in legislation occur and public liaison occurs.
Whose acts create a need	The need to educate the public and react to changes in legislation results in the public at large creating the need.
Separate funding	No private benefit exists from this activity.
Funding Source	Public good - General rate: 100% Private Benefit - Fees and Charges: 0%
Rationale	This activity is entirely for the benefit of the public at large and should therefore be funded from the General rate.

General Inspection services

Regulatory activities required to be provided for which the user generally cannot be identified (e.g., Bylaw and Policy Reviews, Enforcement, Abandoned Vehicles, Noise, Litter, and Gaming Machine Venue consents).

Matters that must be considered under the LGA 2002.

Community Outcomes	The Strong Communities Community Outcome is supported by ensuring a clean environment from litter, abandoned vehicles, noise etc.
Who Benefits	The wider public.
Period of Benefit	Continuously as the inspections and enforcement actions occur.
Whose acts create a need	Offenders, noise, abandoned vehicles, litterers etc.
Separate funding	Being a relatively small cost there is need for separate rating mechanisms.
Funding Source	Public good - General rate: 100% Private Benefit - Fees and Charges: 0%
Rationale	As it is not practicable to charge the exacerbators of the service which necessitates rating the general public through the general rate.

Community Support

Emergency Management

To meet Council's obligation under the Civil Defence Emergency Management Act 2002 including provide access resources, coordinate support, and assist welfare and recovery measures in the Community in the case of an emergency.

Matters that must be considered under the LGA 2002.

Community Outcomes	The Strong Communities Community Outcome is supported by this activity. Preparing the Community under the 4Rs 'Readiness, Reduction, Response and Recovery'. Protecting life and property and removing potential fire hazards.
Who Benefits	All residents and businesses benefit from preparation to manage emergency events. The emergency management activity links with wider emergency services, community groups and government organisations.
Period of Benefit	Continuously as the service is predominantly to ensure public education and preparedness.
Whose acts create a need	In certain circumstances costs may be recovered from the landowner where culpability exists.
Separate funding	Being of relatively small cost there is no need for separate rating mechanisms.
Funding Source	Public good- General rate: 100% Private Benefit - Fees and Charges: 0%
Rationale	With emergency management there is limited ability to secure external funding except for minor annual subsidises on expenditure. As a Community activity, fees and charges cannot be charged.

Community Grants and Funding

Grants for; maintenance of Community Halls, general grants, grants of \$10k to \$100k towards sporting, environmental or cultural developments of a capital nature, artistic and cultural products and events, Beach Wardens, one off grants, lifesaving, and international representation.

Matters that must be considered under the LGA 2002.

Community Outcomes	The Strong Communities Outcome has been identified as being enhanced through the provision of Community grants funding.
Who Benefits	It is possible to identify those receiving the grants but to charge those people would defeat the purpose of making the grant. Only qualifying Community groups or individuals are eligible for grants.
Period of Benefit	Continuously the grant pool is available and replenished each year.
Whose acts create a need	None exist, unless the applicants themselves are considered exacerbators but to charge those people would defeat the purpose of making the grant.
Separate funding	Being of relatively small cost there is no need for separate rating mechanisms.
Funding Source	Public good - General rate: 100% Private Benefit - Fees and Charges: 0%
Rationale	The activity should be funded as a true tax with no user charge element.

Community Development

The function of Council's Community Development activity includes coordination, facilitation and advocacy for Community organisations and it aims to improve the wellbeing of our Community. This activity includes the implementation of Council's Youth, Positive Ageing, Arts, Culture and Heritage, Education, Disability, and Pride and Vibrancy Action Plans.

Matters that must be considered under the LGA 2002.

Community Outcomes	The Vibrant Economy and Strong Communities Outcomes are being supported by the Community Development activity.
Who Benefits	All residents and ratepayers of the Horowhenua District.
Period of Benefit	Immediate and ongoing, however, these benefits cannot be easily quantified. The effect of Council's expenditure is indeterminate.
Whose acts create a need	None exist.
Separate funding	Being of relatively small cost there is no need for separate rating mechanisms.
Funding Source	Public good - General rate: 100% Private Benefit - Fees and Charges: 0%
Rationale	The activity should be funded as a true tax with no user charge element.

District Communications and Marketing

These activities help keep residents and ratepayers informed of the Council's activities and promote Horowhenua as a valued destination to visit, work in, live in and play in. This function also supports Council's legislative requirements surrounding consultation and emergency management.

Matters that must be considered under the LGA 2002.

Community Outcomes	All Community Outcomes are being supported by the provision of this function across all areas of Council.
Who Benefits	All residents and ratepayers of Horowhenua District benefit from this activity and local businesses and industries.
Period of Benefit	Ongoing, but difficult to quantify.
Whose acts create a need	No specific acts create a need.
Separate funding	Being of relatively small cost there is no need for separate rating mechanisms.
Funding Source	Public good - General rate: 100% Private Benefit - Fees and Charges: 0%
Rationale	The activity should be funded as a true tax with no user charge element.

Economic Development and Visitor Information

To fund a broad range of proactive strategies to encourage new investment and strengthen present industries to provide greater economic security for the District and lower levels of unemployment. There is a focus on encouraging downstream processing of primary produce.

Matters that must be considered under the LGA 2002.

Community Outcomes	The Vibrant Economy and Strong Communities Community Outcomes have been identified as being enhanced through the provision of this activity.
Who Benefits	The functions of this activity benefit individuals, defined groups (e.g., businesses) and the wider community through the promotion and attraction of people and new business investment, improved employment, and skill development opportunities. The private benefit of providing assistance and advice is outweighed by the wider economic security of the District as a whole. The benefits are difficult to assign to any one industrial group or group of individuals.
Period of Benefit	Costs incurred may have long term benefits. However, these benefits cannot be easily quantified. Increased economic activity is created from a number of factors. The effect of Council's expenditure is indeterminate.
Whose acts create a need	None exist.
Separate funding	Relatively low costs suggest there is no particular need for separate funding to achieve greater transparency or accountability.
Funding Source	Public good - General rate: 100% Private Benefit - Fees and Charges: 0%
Rationale	The activity should be funded as a true tax with no user charge element.

Community Facilities and Services

Library and Community Centres

The operational cost of Libraries and Community Centres throughout the District to provide for the social and cultural wellbeing of the Community.

Matters that must be considered under the LGA 2002.

Community Outcomes	The Strong Communities Community Outcome has been identified as enhanced through this activity.
Who Benefits	The Libraries and Community Centres benefits largely accrue to the community through cultural enrichment and community identity. Public benefits are from the ability to access information, enhance levels of skill, literacy, knowledge, and community services that provide economic and social benefits. They act as a hub for digital hotspots, hosting of events and outreach services that bring people together, as well as provide information for migrants and residents about local communities and their history. Libraries and Community Centres are seen as core business and an essential service that needs to be preserved for the main urban centres of the Horowhenua District. There are direct benefits for individuals and groups who chose to use the facilities available. Educational costs to other institutions such as universities and schools are lowered due to the resources held in the library.
Period of Benefit	Benefits accrue in the year the costs are incurred. Capital expenditure will benefit future periods in line with resultant asset lives. The capital costs will be evenly allocated to operating expenditure over the life of the asset by use of loan interest and repayments costs and straight line depreciation costs.
Whose acts create a need	Borrowers who retain items issued from the libraries beyond the loan period are exacerbators, since they are limiting access to other potential readers. Renewal and overdue fees and the cost of lost books are charged.
Separate funding	A Targeted rate would aid in the transparency and accountability to residents of the District. Through a Targeted rate using a fixed charge to every used or inhabited part of any rating unit

	across the District. Capital expenditure for the new facilities will be funded by loan with interest payments funded through the fixed charge rate. Book renewals, asset renewals, and loan capital repayments will be funded from the Targeted rate overtime.
Funding Source	Public good - Targeted rate: 75-85% Private Benefit - Fees and Charges: 15-25%
Rationale	A fixed charge rate better matches the benefit to individual households than a value-based rate. High levels of user fees and charges have proven to be a barrier to participation and accessibility, especially among low income groups to which the service is targeted. Also, the Local Government Act (LGA) 2002 has the following section. Section 142 of the LGA 2002 - Obligation to provide free membership of libraries: <i>"If a local authority or a council-controlled organisation provides a library for public use, the residents in the district or region are entitled to join the library free of charge."</i>

Passive Recreation Reserves, Urban Cleansing and Street Beautification

The provision of passive reserves, street cleaning, roadside rubbish bin collection and beautification of District streets.

Matters that must be considered under the LGA 2002.

Community Outcomes	The Strong Communities and Outstanding Environment Community Outcomes are enhanced by this activity.
Who Benefits	Benefits accrue generally through the provision for groups and individuals to explore active and passive leisure pursuits in the natural environment, community pride from cleansing and beautification activities and its contribution to community health and well-being. There are occasions where reserves are used to hold events where the public is charged entry. Some reserves are iconic and attract visitors from outside the District.
Period of Benefit	Most reserves and roadside bins have existed for some time and only incur yearly operational costs. Any new facility would be loan funded and loan cost spread over future generations. Council has a maximum loan period of 25 years.
Whose acts create a need	Vandals and those who dispose rubbish to roadside bins are an exacerbator. However, the general Community, particularly those with children, that create the need for play equipment and facilities. Financial Contributions in the form of land will be used to provide esplanade reserves where subdivision developments occur adjacent to Priority Water Bodies identified in the District Plan.
Separate funding	A separate Targeted rate is probably not necessary as reserves and Roadside bins are generally located throughout the District and can be used by the public and visitors alike.
Funding Source	Public Good - General Rate: 95% - 100% Private Benefit - Fees and Charges: 0% - 5%
Rationale	As reserves can be used by anyone and any charge or fee would limit accessibility and participation the general rate is the most appropriate method of funding passive reserves while the collection of fees from vandals those who use roadside bins is impracticable.

Cemeteries

The provision of cemeteries is a legal obligation of Council.

Matters that must be considered under the LGA 2002.

Community Outcomes	The Strong Communities Community Outcome is enhanced by this activity.
Who Benefits	The functions of this activity benefit individuals, defined groups, and the wider community, with access to burial and cremation facilities and provision for remembrance. There is a fundamental public health benefit in ensuring burials are carried out appropriately. The facilities are also an important part of the work of funeral businesses operating within the District. Wider intergenerational benefits accrue particularly for historic heritage.
Period of Benefit	Most cemeteries have been in existence for some time and only incur yearly operational costs. Any new facility would be loan funded and loan cost spread over future generations. Council has a maximum loan period of 25 years. The provision of new concrete berms does not occur every year but are relatively immaterial in costs.
Whose acts create a need	The general public who die and create the need to provide cemeteries.
Separate funding	A separate Targeted rate is probably not necessary as cemeteries are generally located throughout the District and can be used by the public and visitors alike. Burial fees and plot charges will continue to be charged.
Funding Source	Public Good - General Rate: 50% - 70% Private Benefit - Fees and Charges: 30% - 50%
Rationale	While cemeteries have a degree of private benefit, the true cost of burials has never been able to be collected as it would be too onerous for some families to bear the full cost.

Aquatic Centres (Swimming Pools)

The provision of safe and hygienic pools for recreation and sporting activities. Public swimming pools are located at Levin and Foxton. The Levin pool is available all year while the Foxton pool is available for summer period only.

Matters that must be considered under the LGA 2002.

Community Outcomes	The Strong Communities Community Outcome is enhanced by this activity.
Who Benefits	This activity benefits individuals who choose to use the aquatic facilities by providing access to recreational, fitness and learn to swim opportunities. The facilities and services contribute to health and wellbeing. Benefits extend to the wider community by encouraging recreation and healthy lifestyles and provision of events and bringing people together. A wider health benefit accrues from use of the pools and increased public safety from learning to swim.
Period of Benefit	Benefits accrue in the year the costs are incurred. Capital expenditure will benefit future periods in line with resultant asset lives. The capital costs will be evenly allocated to operating expenditure over the life of the asset by use of loan interest and repayments costs and straight-line depreciation costs.
Whose acts create a need	Those who use the pool, swimming clubs, and learn to swim classes that are charged a fee for usage.
Separate funding	A Targeted rate would aid in the transparency and accountability to residents of the District. Through a Targeted rate using a fixed charge to every used or inhabited part of any rating unit across the District. Capital expenditure will be funded by loan with interest payments funded through the fixed charge rate.
Funding Source	Public Good - Targeted Rate: 75% - 85% Private Benefit - Fees and Charges: 15% - 25%
Rationale	Providing swimming pools are regarded as core business of Council. They are not self-funding. To charge the full cost of the facility to the users would dramatically impact on use and participation and deny accessibility by the public.

Sports Grounds

The provision of sports grounds that can be utilised by individuals and sporting organisations for the health and wellbeing of the Community. Sports grounds have a dual purpose in that they are available for passive and active recreation.

Matters that must be considered under the LGA 2002.

Community Outcomes	The Strong Communities Community Outcome is enhanced by this activity.
Who Benefits	Residents, sporting codes, groups, and visitors when booked for recognised events benefit from this activity. Most of the time they are available for passive recreation. The particular sporting codes where the grounds are specifically marked for a particular sport and cannot be used (other than passively) for any other sport, especially when games are scheduled.
Period of Benefit	Most grounds have been in existence for some time and only incur yearly operational costs. Any new facility would be loan funded and loan cost spread over future generations. Council has a maximum loan period of 25 years.
Whose acts create a need	Players and spectators, and those sporting codes that use the grounds and are charged a fee for usage.
Separate funding	The most efficient and transparent method of funding capital is through the general rate (depreciation charge) as it avoids debt and financial contributions. Operational expenditure should be funded by all ratepayers. Rents and leases are arranged where there are opportunities to recover the private good component.
Funding Source	Public Good - General Rate: 95% - 100% Private Benefit - Fees and Charges: 0% - 5%
Rationale	Providing sports grounds is regarded as a core business of Council. They are not self-funding and are used extensively for passive recreation. To charge the full cost of the facility to the users would dramatically impact on use and participation and deny accessibility by the public. The grounds are unavailable at peak times during the weekends but remain available during the week for passive recreational use. The funding mechanism reflects the fact that sports grounds are unavailable to the public at those peak times.

Public Halls and Community Buildings (under direct Council management)

Incidental uneconomic property holdings that are being reviewed as to whether they should be held for some strategic reason or sold including but not limited to public halls, rental houses, the Levin town clock, the Surf Lifesaving buildings at Waitārere Beach and Foxton Beach, Thompson House and adjacent Pottery Club building, and the Shannon Railway Station. This excludes Council's Civic Building which is treated as an overhead and the costs are allocated against all activities.

Matters that must be considered under the LGA 2002.

Community Outcomes	The Strong Communities Community Outcome is enhanced by this activity.
Who Benefits	The Community at large benefits from the variety of halls and meeting venues throughout the District as well as the users of specific Community property assets. Council's involvement has largely been historical.
Period of Benefit	Depreciation funding is used to cover cyclic maintenance. Any new facility would be loan funded and loan cost spread over future generations. Council has a maximum loan period of 25 years.
Whose acts create a need	None identified apart from those organisations that use the facilities and are charged a rental for usage. As the size and composition of communities change so does the extent of the usage of the facilities.
Separate funding	The most efficient and transparent method of funding capital is through the General rate (depreciation charge) as it avoids debt and financial contributions. Operational expenditure should be funded by all ratepayers. Rents and leases are arranged where there are opportunities to recover the private good component.
Funding Source	Halls: Public Good - General Rate: 85% - 100% Private Benefit - Fees and Charges: 0% - 15% Community Buildings: Public Good - General Rate: 80% - 100% Private Benefit - Fees and Charges: 0% - 20%
Rationale	These facilities are an integral part of the communities that they are located in. Attempts to recover higher levels of rental income from users would reduce usage dramatically, which would be counterproductive in trying to foster usage.

Public Toilets

This activity provides for clean public toilets for the benefit of the District and travelling public.

Matters that must be considered under the LGA 2002.

Community Outcomes	The Strong Communities Community Outcome is supported by provision of public toilets.
Who Benefits	Public benefit through having these essential facilities available for residents and visitors and maintaining standards of public hygiene. Although technically able to charge for use, most toilets are set up free of charge.
Period of Benefit	Depreciation funding is used to cover cyclic maintenance. Any new facility would be loan funded and loan cost spread over future generations. Council has a maximum loan period of 25 years.
Whose acts create a need	None identified, apart from the users and possibly vandals.
Separate funding	The most efficient and transparent method of funding capital is through the General rate (depreciation charge) and financial contributions. Operational expenditure should be funded by all ratepayers.
Funding Source	Public Good - General Rate: 100% Private Benefit - Fees and Charges: 0%
Rationale	It is not practicable or desirable to charge for the use of public toilets when usage is to be encouraged for the wider Community benefit. Funding should be by General rate as the toilets are used by visitors to towns primarily, which would include country residents as well as out of District residents. Town's folk gain benefit from the toilets, aiding in keeping towns clean and sanitary. It could be argued that toilets could benefit shop owners in the CBD as when people stop to use toilets, they quite often take a break and visit cafes etc. The benefit is not easily measurable and could be seen as negligible.

Representation and Community Leadership

Representation and Community Leadership

All costs of operating the Council including those costs associated with elections and the Foxton Community Board. The ability of all residents and ratepayers to participate in the democratic process through the LTP, Annual Plan, Annual Report processes and the advocacy offered by Council on issues affecting our local Community.

Matters that must be considered under the LGA 2002.

Community Outcomes	The Strong Communities Community Outcome is supported by provision of public toilets.
Who Benefits	No one can legally be excluded from participating in the democratic process. All residents and ratepayers are identified as beneficiaries of this process. No one can legally be excluded from the voting process. All residents and ratepayers are identified as beneficiaries of the electoral process.
Period of Benefit	Given that the costs are incurred year by year with no variation, no intergenerational equity issues exist. The costs of running an election are incurred once in every three years and will be smoothed over the remaining two years of each triennium.
Whose acts create a need	None exist. The right to participate in the democratic process is universal.
Separate funding	All residents and ratepayers gain equal benefit regardless of the value attributable to their properties. Some residents may not even have property. As residents and ratepayers live in houses and often conduct their businesses from separate premises a rating mechanism that targets separately used or inhabited portions of a rating unit is more appropriate.
Funding Source	Public good - Targeted Rate: 100% Private Benefit - Fees and Charges: 0%
Rationale	A fixed charge rated based on separately used or inhabited portions of each rating unit over the whole District would be most appropriate.

Property

Commercial Property and Endowment property

This activity includes all commercially tenanted property within the District owned by Horowhenua District Council as well as the Endowment Property held at Foxton Beach.

Matters that must be considered under the LGA 2002.

Community Outcomes	The Vibrant Economy and Strong Communities Outcomes are supported through the provision of buildings for businesses to occupy.
Who Benefits	The tenants occupying the land and buildings, as tenants are excluded unless they have a current lease agreement. The rental space can only be occupied by one tenant at a time, the Community of Foxton beach as the Endowment monies are to be spent for the benefit of the people in Foxton Beach.
Period of Benefit	Depreciation funding is used to cover cyclic maintenance. Any new facility would be loan funded and loan cost spread over future generations. Council has a maximum loan period of 25 years. All such costs are to be funded from rents received or sale of land holdings.
Whose acts create a need	None identified, apart from the tenants themselves.
Separate funding	No separate funding mechanism is used other than rents and land sales.
Funding Source	Public Good - General Rate: 0% Private Benefit - Fees and Charges: 100%
Rationale	Total private good to the leases.

Motor camps owned and/or operated by Council

This activity involves the provision of low cost holiday accommodation.

Matters that must be considered under the LGA 2002.

Community Outcomes	The Vibrant Economy and Strong Communities Outcome are supported by this activity.
Who Benefits	The campers who can be charged for the space or facilities used or occupied. Or lessees who operate the Levin and Waitārere camping grounds.
Period of Benefit	Depreciation funding is used to cover cyclic maintenance. Any new facility would be loan funded and loan cost spread over future generations. Council has a maximum loan period of 25 years. All such costs are to be funded from rents received.
Whose acts create a need	None identified, apart from the campers themselves.
Separate funding	No separate funding mechanism is used other than fees and charges. Foxton Beach Holiday Park capital development may be funded from the Foxton Freeholding Fund.
Funding Source	Public Good - General Rate: 0% Private Benefit - Fees and Charges: 100%
Rationale	Total private good to the campers or lessees of the camps.

Land Transport (Roads and Footpaths)

Land Transport

The Land Transport activity includes all roading activities that attract a government subsidy plus unsubsidised roading, footpaths, car parks, street cleaning and any main street developments.

Matters that must be considered under the LGA 2002.

Community Outcomes	The Strong Communities, Vibrant Economy and Fit for purpose Infrastructure Community Outcomes are enhanced through having a good land transport network.
Who Benefits	<p>All residents derive a benefit of access to schools, their place of employment, and to pursue recreational and social opportunities. However, there is a high reliance on our network by businesses to enable them:</p> <p>To maintain and carry their network assets (in the case of utility companies);</p> <p>To enable customers to access their shops (in the case of businesses in CBD); and</p> <p>To enable products to be delivered to markets (farmers and manufacturers).</p> <p>Although primarily located in urban centres the footpaths and car parks are used by all residents and motorists. Most residents will pay for the roading network to enable recreational and business interests to be facilitated even if they currently have no need to use the network.</p>
Period of Benefit	Any new roading development will be loan funded with loan charges recouped over time. However, most renewals are done in a cyclic manner where the costs are evenly spread year by year and will be funded from rates into available depreciation reserves.
Whose acts create a need	Some high density users such as dairying or forestry can cause localised deterioration of the roading network. Council has no formal policy on user compensation but has successfully negotiated a contribution from forestry owners in the past depending on the situation and circumstance. Financial Contributions and/or Development contributions will be used to fund roading capital expenditure necessitated by new developments in identified growth areas in the District Plan.
Separate funding	All residents and ratepayers gain equal benefit regardless of the value attributable to their properties. Some residents may not even have property. The capital value of a rating unit reflects the sale value.

	In the case of a business, this would also have a correlation to the use of the roading network as the capital value, in some respects, reflects the sale price and therefore the economic activity generated. Also, utility companies use the roading networks but pay minimal rates under land value, as their assets do not have a land value. It is therefore appropriate to rate fund this activity separately using the capital value of the rating unit.
Funding Source	Public good - Targeted Rate: 100% (After factoring in any funding from Waka Kotahi which varies as a percentage from year to year) Private Benefit - Fees and Charges: 0% Petrol Tax revenue should off-set roading costs (not treated as revenue offsetting General Rates) as the revenue is sourced from road users.
Rationale	Land Transport is Council's single largest cost. For this reason, Council has a Targeted rate for land transport to enhance transparency and accountability. Rating for such a large expenditure item is practicable.

Stormwater

To provide effective drainage and disposal to enable the roading network to function and to protect people and property from water damage during rain events as well as mitigating the environmental effects of contaminants in Stormwater.

Matters that must be considered under the LGA 2002.

Community Outcomes	The Strong Communities, Vibrant Economy, Outstanding Environment and Fit for purpose Infrastructure Community Outcomes are enhanced through this activity.
Who Benefits	Primarily urban property owners who gain benefits from the mitigation of flooding events. Stormwater kerb, channel and piped network are only located in urban areas. Stormwater drainage in rural areas is primarily part of the roading expenditure or, when the water drains into streams, it becomes a Regional Council responsibility. Most residents will pay for the stormwater network to enable their recreational and business interests, and protection from flooding, even if they currently have no direct use the stormwater network.
Period of Benefit	Any new stormwater development will be loan funded with loan charges recouped over time. However, most renewals are done in a cyclic manner where the costs are evenly spread year by year and will be funded from rates using available depreciation reserves.
Whose acts create a need	Exacerbations include developers who increase the impervious surface areas in their developments. Financial Contributions will be used to fund stormwater capital expenditure necessitated by new developments in identified growth areas in the District Plan.
Separate funding	All urban residents, ratepayers and road users gain a benefit related in part to the size of the house on the rating units serviced by the network. As the capital value of the property bears some relationship to the size of the house, a Capital Value rating system was seen as an appropriate mechanism. It is not practicable to charge a fee for such a service as it is equally available to all urban ratepayers.
Funding Source	Public Good - Targeted Rate: 100% Private Benefit - Fees and Charges: 0%
Rationale	As the stormwater system and network is primarily an urban service to protect urban rating units, Council decided to set a Targeted rate for stormwater to enhance transparency and accountability. Rating for such a large expenditure item is practicable.

Solid Waste Management

Solid Waste Landfills and Waste Transfer Stations

The provision of a solid waste disposal network available to all residents and also any aftercare costs of closed landfills to ensure clean and sanitary towns and lack of fly tipping in the rural areas.

Matters that must be considered under the LGA 2002.

Community Outcomes	The Outstanding Environment and Strong Communities Community Outcomes are enhanced by this activity.
Who Benefits	The Community benefits through the availability of the disposal site which allows for waste collection. Central Government health costs would undoubtedly increase if transfer stations were not available.
Period of Benefit	The immediate benefit accrues to those able to dispose of refuse. The capital cost of the facility needs to be spread over its useful life by way of an annual depreciation charge.
Whose acts create a need	Those who create the need for the service are the users and beneficiaries who create the refuse taken to waste transfer stations.
Separate funding	User fees are charged to dispose of District refuse into the transfer station and from there through to the Landfill. Any unrecovered cost to be included in the Solid Waste rate. This rate is currently (and proposed to be) set as a fixed charge per SUIP (Separately Used or Inhabited Part) of each rating unit. It also has a differential of 80% urban and 20% rural. The differential is justified by recognising that rural residents tend to make relatively less use of solid waste management facilities.
Funding Source	Public Good - Targeted Rate: 30% - 40% Private Benefit - Fees and Charges: 60% - 70%
Rationale	Council is proposing to retain the Targeted rate for solid waste to enhance transparency and accountability.

Refuse Collection

Collection of refuse from local streets with official bags.

Matters that must be considered under the LGA 2002.

Community Outcomes	The Outstanding Environment and Strong Communities Community Outcomes are enhanced by this activity.
Who Benefits	Households who choose to use the service. Only the official bags will be collected.
Period of Benefit	The immediate benefit accrues to those able to dispose of refuse.
Whose acts create a need	Those who create the need for the service are the users and beneficiaries who purchase the rubbish bags for collection.
Separate funding	Bag fees used to cover the private benefit. One could argue for full cost recovery. However, the existence of alternative providers reduces the economies of scale by reducing the numbers using bags. To simply increase the bag price to cover full costs may be counter-productive. Often reducing the costs can achieve greater participation and greater cost recovery. Any unrecovered cost should be included in the Solid Waste rate. This rate is currently set as a fixed charge per SUIP of each rating unit. It also has a differential of 80% urban and 20% rural recognising that rural residents tend to make relatively less use of solid waste management facilities.
Funding Source	Public Good:- Targeted Rate: 0% - 15% Private Benefit - Fees and Charges 85% - 100%
Rationale	Currently Council has a Solid Waste rate that covers the costs of all the public good elements relating to the Solid Waste activity. Council is proposing to retain the Targeted rate for solid waste to enhance transparency and accountability.

Waste minimisation and recycling

The public benefit costs of waste minimisation education and providing for recycling initiatives. To achieve a reduction in refuse that needs to be disposed of while increasing public awareness and education to reduce the waste stream.

Matters that must be considered under the LGA 2002.

Community Outcomes	The Outstanding Environment and Strong Communities Community Outcomes are enhanced by this activity.
Who Benefits	The public benefits through the education service, while those using the recycling service benefit from the service and will contribute through the collection service costs of kerbside recycling.
Period of Benefit	The immediate benefit accrues to those able to dispose of refuse.
Whose acts create a need	Those who create the need for the service are the users and beneficiaries by using the recycling bins provided for roadside collection.
Separate funding	All cost should be included in the Solid Waste rate. This rate is currently set as a fixed charge per SUIP of each rating unit. It also has a differential of 80% urban and 20% rural recognising that rural residents tend to make relatively less use of solid waste management facilities.
Funding Source	Public good - Targeted Rate: 100% Private Benefit - Fees and Charges: 0%
Rationale	Currently Council has a Solid Waste rate that covers the costs of all the public good elements relating to the Solid Waste activity. Council is proposing to retain the Targeted rate for solid waste to enhance transparency and accountability.

Wastewater

Wastewater (Sewer) Systems

The supply of wastewater networks to urban communities including reticulated networks that render the effluent less harmful and more environmentally acceptable to discharge.

Matters that must be considered under the LGA 2002.

Community Outcomes	The Strong Communities, Fit for purpose Infrastructure, Vibrant Economy and Outstanding Environment Outcomes have been identified as benefactors of the provision of this service.
Who Benefits	All residents and businesses. All rating units connected can be identified and only those rating units connected or to which connection is available benefit. Some industries place increased demand on the treatment system due to the nature of the effluent they wish to dispose of. Benefits accrue to health providers in Council's provision of a wastewater disposal service as well as the wider benefit to the environment.
Period of Benefit	For operational costs there are no intergenerational equity issues. Capital projects for improvements should be loan funded to spread costs over the next generation. Renewals of assets will be rate funded in the first instance; any annual shortfall will be loan funded.
Whose acts create a need	Industries can place an extra burden on the treatment plant. Such users should pay for their disposal on a user pays basis. Financial Contributions will be used to fund wastewater capital expenditure necessitated by new developments in identified growth areas in the District Plan.
Separate funding	Ideally, the funding mechanism should be fully user pays with volumetric charging. The ability to charge such a way is not available yet. A Targeted rate for wastewater is proposed. Council does charge industries that are connected using the Trade Waste Bylaw provisions and this will be retained.
Funding Source	Public Good -Targeted Rate: 80% - 90% Private Benefit - Fees and Charges: 10% - 20%
Rationale	Wastewater was traditionally charged as a fixed charge Targeted rate determined using the cost structure for each scheme. This approach favours those communities that have larger populations and greater economies of scale. The converse is that small communities pay more for the same service which can lead to affordability issues for small communities. Since 2009 Council has set a fixed rate on each SUIP of each rating unit or for each connection, whichever is the greater, across the District as one uniform charge. An availability charge on vacant sections will be charged 50% of this Targeted rate. Council is proposing to retain the Targeted rate for solid waste to enhance transparency and accountability.

Water Supply

Urban Water Supply

The supply of potable water to urban communities and surrounding hinterland. Council also administers some small water race supplies to rural communities.

Matters that must be considered under the LGA 2002.

Community Outcomes	The Strong Communities, Vibrant Economy and Outstanding Environment Outcomes have been identified as benefactors of the provision of this service.
Who Benefits	Those people residing on the rating units supplied with a reticulated water supply. All rating units connected can be identified. It is only those rating units connected or to which connection is available that benefit.
Period of Benefit	For operational costs there are no intergenerational equity issues. Capital projects for improvements should be loan funded to spread costs over the next generation. Renewals of assets will be rate funded in the first instance; any annual shortfall will be loan funded.
Whose acts create a need	High users can place an extra burden on the supply necessitating greater storage capacity etc. Such users should pay for their supply on a user pays basis. Vacant sections and unconnected rating units benefit from the provision of firefighting capacity and should be charged an availability charge. Financial Contributions will be used to fund water supply capital expenditure necessitated by new developments in identified growth areas in the District Plan.
Separate funding	Ideally, the funding mechanism should be fully user pays with universal water meters. However, the cost of providing meters to each household outweighs the benefits of using this charging mechanism. Water meters should be used, however, for high users and anyone that is supplied outside the designated network area (being that area where houses are obliged to connect or have a right to connect). Universal volumetric charging only occurs in the Foxton Beach Community. A Targeted rate for water supply is proposed for all other communities and to cover the fixed cost component of the Foxton Beach supply. Council does charge extraordinary users that are connected by use of a charge per cubic meter consumed. Currently metered users are charged a fixed charge enabling them to use up to a cubic meter a day (90m ³ a quarter) and are charged regardless of whether they use this or not.

Funding Source	Public Good -Targeted Rate: 70% - 80% (fixed charge) Private Benefit - Fees and Charges: 20% - 30% (water by meter)
Rationale	Water Supply was traditionally charged as a fixed charge Targeted rate determined using the cost structure for each scheme. This approach favours those communities that have larger populations and greater economies of scale. The converse is that small communities pay more for the same service which can lead to affordability issues for small communities. Since 2009 Council has set a fixed rate on each SUIP of each rating unit or for each connection, whichever is the greater, across the District as one uniform charge. Vacant sections will be levied 50% of this Targeted rate. As an availability charge to cover fixed costs and the provision of firefighting hydrants.

Rates Remissions Policy

Introduction

This policy is adopted pursuant to section 85 of the Local Government (Rating) Act 2002 and section 109 of the Local Government Act 2002.

The general objectives sought to be achieved by this policy are:

- (1) The vision and goals of the Community Outcomes, particularly those supporting community development, voluntary initiatives and the protection of the natural environment, and
- (2) Equity and efficiency in the administration of the rating system.

Applications meeting the conditions and criteria laid out in the policy will be considered, each on its merits, and the outcome is a matter for Council's discretion.

The policy provides for the following classes of rate remissions:

- Part 1 Community groups
- Part 2 Voluntarily protected land
- Part 3 Penalties on rates
- Part 4 Excessive water charges
- Part 5 Remnant land
- Part 6 Rating units in industrial and commercial areas used for residential purposes
- Part 7 Land Used for Primary Industry and Rural Residential purposes in areas that have been rezoned as Residential and Business Zones
- Part 8 Small rate balances
- Part 9 Targeted rates on non-rateable land
- Part 10 Properties affected by disasters
- Part 11 Subdivisions which are in Common Ownership but do not meet the criteria of a Contiguous Property
- Part 12 On Bare Land
- Part 13 Council Owned Utilities
- Part 14 Contiguous rating units not in common ownership.

Part 1:

Remission of Rates on Community Groups

(a) Objective

To facilitate the ongoing provision of non-governmental, not-for-profit community support services to the residents of the District.

(b) Conditions and Criteria

To qualify for remission under this part of the policy a rating unit must:

- be owned and occupied by a community support organisation;
- used primarily for the provision of community support services to the general public; and
- (except as provided in the next paragraph) not receiving any other form of rating relief.

Rating units that are 50% non-rateable under Part 2 of Schedule 1 of the Act, except for that area where a liquor license is in force, shall have 100% remission of rates other than water and sewer rates over that part of the land. Where an owner has a liquor license they are ineligible for a remission.

Other matters taken into account in determining whether a rating unit qualifies for remission will include:

- the level of rates assessed on the rating unit;
- the extent to which the primary purpose of the ratepayer is to provide services to disadvantaged groups (including children, youth, young families, aged people and economically-disadvantaged people);
- the impact of the ratepayer's activities on the social, cultural, economic or environmental well-being of the District;
- the number of members and/or clients;
- history of service to the residents of the District; and
- the rating status of similar groups.

Applications must be in writing, supported by:

- statement of objectives;
- description of governance structure;
- financial accounts;
- information on activities and programmes; and
- information on membership or clients.

Applications must be received prior to the commencement of the rating year. Applications received during a rating year will be considered from the commencement of the following rating year commencing the next 1st July. Applications will not be backdated.

(c) Process

Applications will be determined by the Group Manager – Finance or Finance Manager (or equivalent positions within the Finance Department) to a value of \$2,500. Any requested remissions above \$2,500 or if there is any doubt or dispute arising, the application is to be referred to the Chief Executive and a member of the Finance Subcommittee for a decision.

Each application will be considered on its merits, and if approved the value of the remission will be 100% of all general and targeted rates generally applied across the District except water and waste water. The ratepayer will be informed of the outcome of the application in writing.

Part 2:

Remission of Rates on Voluntarily Protected Land

(a) Objective

To encourage and promote the conservation and protection of significant natural features.

(b) Conditions and Criteria

To qualify for remission under this part of the policy a rating unit or part thereof must:

- be the subject of a QEII Open Space or similar DOC covenant (in which case 100% remission of all rates will apply), or the likes of a DOC Management Agreement

under the Reserves Act or Conservation Act (in which case 50% remission of some or all rates may apply), and

- not be receiving any other form of rating relief.

Other matters taken into account in determining whether a rating unit qualifies for remission will include:

the degree to which significant natural features worthy of conservation and protection are present on the land;

the degree to which such significant natural features inhibit the economic utilisation of the land;

- the extent to which the conservation and protection of such significant natural features would be promoted by the remission of rates; and
- the ability or potential of the public to enjoy the significant natural features.

Applications must be in writing, supported by documentary evidence of the protected status.

Applications must be received prior to the commencement of the rating year.

Applications received during a rating year will be considered from the commencement of the following rating year commencing the next 1st July. Applications will not be backdated.

c) Process

Applications will be determined by the Group Manager – Finance or Finance Manger (or equivalent positions within the Finance Department) to a value of \$2,500 Any requested remissions above \$2,500 or if there is any doubt or dispute arising, the application is to be referred to the Chief Executive and a member of the Finance Subcommittee for a decision.

Each application will be considered on its merits and if approved the value of the remission will be 100% if General and Targeted rates generally applied across the District except Water and Wastewater (QEII covenants only) and 50% of General and Targeted rates generally applied across the District except Water and Wastewater on others.

The Council will arrange a two-way apportionment of the rating value of the rating unit between the area covered by the application and the balance for this purpose. The ratepayer will be informed of the outcome of the application in writing.

Part 3:

Remission of Penalties on Rates

(a) Objective

The objective of the Remission of Penalties is to enable the Council to act fairly and reasonably in its consideration of rates which have not been received by the Council by the penalty date, primarily due to circumstances outside the ratepayer's control.

(b) Conditions and Criteria

Remission of penalties on late payment of rates may be made when it is considered just and equitable to do so. In determining justice and equity, one or more of the following criteria shall be applied.

- a) Where there exists a history of regular, punctual payment over the last five years (or back to purchase date if the rating unit has been owned for less than five years) and payment is made within a 10 days following the ratepayer being made aware of the non-payment, a one-off reduction of instalment penalties may be made.
- b) Where an agreed payment plan is in place, penalties may be suppressed or reduced, where the ratepayer complies with the terms of the agreed payment plan which include payment by direct debit. In the event that the agreement is not maintained, Council reserves the right to levy future penalties.

- c) Where the rates instalment was issued in the name of a previous property owner. The rating unit has a new owner who has been given insufficient notice of invoice due date.
- d) Where a ratepayer has been ill or in hospital or suffered a family bereavement or tragedy of some type and has been unable to attend to payment, on compassionate grounds.
- e) Where an error has been made on the part of the Council staff or arising through error in the general processing or incorrect rates being applied which has subsequently resulted in a penalty charge being imposed.

(c) Process

- a) A ratepayer may request in writing that the penalty applied for late payment be remitted.
- b) Each application will be considered on its merits, and if approved, the value of the remission may be all or part of any penalties incurred.
- c) Applications may also be at the initiative of the Group Manager – Finance or Finance Manger (or equivalent positions within the Finance Department).
- d) Applications will be determined by the Group Manager – Finance or Finance Manger (or equivalent positions within the Finance Department) to a value of \$2,500. Any requested remissions above \$2,500 or if there is any doubt or dispute arising, the application is to be referred to the Chief Executive and a member of the Finance Subcommittee for a decision.

Part 4:

Remission of Excessive Water Charges

(a) Objective

To enable Council to act fairly, reasonably and consistently in its assisting ratepayers who have excessively high water rates due to a fault in the internal reticulation serving their rating unit.

(b) Conditions and Criteria

To qualify for remission under this part of the policy a rating unit must have incurred excessive water charges attributable to a fault in the internal reticulation serving the rating unit.

Applications must be made in writing, with verification that the fault has been rectified (e.g. a plumber's bill).

(c) Process

Applications will be determined by the Group Manager – Finance or Finance Manger (or equivalent positions within the Finance Department) to a value of \$2,500 Any requested remissions above \$2,500 or if there is any doubt or dispute arising, the application is to be referred to the Chief Executive and a member of the Finance Subcommittee for a decision.

Assessment of the excessive water charge will take into account:

- the charges for normal levels of water consumption; and
- the time taken to have the fault repaired.

Each application will be considered on its merits, and if approved the value of the remission will be half of the value of the excessive consumption.

The ratepayer will be informed of the outcome of the application in writing.

Part 5: Remission of Rates on Remnants of Land

(a) Objective

To enable Council to act fairly and equitably in the assessment of rates on what are determined for these purposes to be remnants of land.

(b) Conditions and Criteria

To qualify for remission under this part of the policy a rating unit must:

- comprise a piece of land that does not warrant the assessment or invoicing of rates
- not be the subject of any other form of rating relief.

Matters taken into account in determining whether a rating unit qualifies for remission, and a guide as to what may be expected to qualify as a remnant, will include:

Matter taken into account	Example for guidance
Area	Only a few square metres
Location	Remote, landlocked
History	Unintended remnant of subdivision
Ownership	Indeterminate
Rateable Value	Nominal
Potential Uses	Nil

Applications must be received prior to the commencement of the rating year. Applications received during a rating year will be considered from the commencement of the following rating year commencing the next 1st July.

Applications will not be backdated.

Applications may be at the initiative of the Group Manager – Finance, Finance Manager, or Rates Officer or in writing from the ratepayer.

(c) Process

Applications will be considered and determined by the Group Manager – Finance or Finance Manager (or equivalent positions within the Finance Department) to a value of \$2,500. Any requested remissions above \$2,500 or if there is any doubt or dispute arising, the application is to be referred to the Chief

Executive and a member of the Finance Subcommittee for a decision.

Each application will be considered on its merits, and if approved the value of the remission will be the whole of the rates that would otherwise be assessed on the rating unit. The ratepayer will be informed of the outcome of the application in writing.

Part 6:

Remission of Rates on Rating Units in Industrial and Commercial Areas Used for Residential Purposes

(a) Objective

To ensure that owners of rating units situated in commercial or industrial areas used for residential purposes are not duly penalised by the zoning restrictions of this Council and previous local authorities.

(b) Conditions and Criteria

To qualify for consideration for remission under this part of the policy the rating unit must:

- be situated within an area of land that has been zoned for commercial or industrial use. (Ratepayers can determine the zoning of their property by inspecting the District Plan, copies of which are available from the Levin office, Te Takeretanga o Kura-hau-pō and the Shannon and Foxton libraries. Alternatively the District Plan is available for viewing on the Council website www.horowhenua.govt.nz.)
- be rated the same as an equivalent urban rating unit;

- have an excessive rateable value in comparison to similar residential rating units in the vicinity; and
- not be the subject of any other form of rating relief.

Applications must be received prior to the commencement of the rating year. Applications received during a rating year will be considered from the commencement of the following rating year commencing the next 1st July.

Applications will not be backdated. Applications must be made in writing.

(c) Process

Applications will be determined by the Group Manager – Finance or Finance Manager (or equivalent positions within the Finance Department) to a value of \$2,500. Any requested remissions above \$2,500 or if there is any doubt or dispute arising, the application is to be referred to the Chief Executive and a member of the Finance Subcommittee for a decision.

Each application will be considered on its merits, and if approved the value of the remission will be given effect by the determination by Council of a special rateable value.

The ratepayer will be informed of the outcome of the application in writing.

Part 7:

Rates Remission on Land Used for Primary Industry and Rural Lifestyle purposes in areas that have been rezoned as Residential and Business Zones

(a) Objectives of the policy

The objectives of the policy are:

1. To provide rates relief in respect of land used for primary industry and rural lifestyle purposes where rating units greater than 659m² (or rating units, including residential use rating units, that are able to be subdivided under the operative District Plan) where the Council is satisfied that the rating valuation of the land is in some measure attributable to the potential use to which the land may be put for residential, commercial or industrial development.
2. To preserve uniformity and equitable relativity with comparable parcels of land used for primary production and rural lifestyle purpose land, that is able to be subdivided, in the district where the valuations do not contain any "potential value".

(b) Conditions and criteria

The Council will remit value based rates on land used for primary industry and rural lifestyle rating units greater than 659m² and rating units, including residential use rating units, that are able to be subdivided creating saleable lots under the operative District Plan as a Controlled Activity in the Residential, Greenbelt Residential, Commercial and Industrial zones or in the case of the

Greenbelt Residential (Foxton Beach North Overlay) Zone as a Limited Discretionary Activity, where it is satisfied that the rating valuation of the land is in some measure attributable to the potential use to which the land may be put for residential, commercial or industrial development.

1. For the purposes of this policy, "land used for primary industry" means land that is classified by the Office of the Valuer General as being used for primary industry under Clause C.3.4 primary Level use code 1 in Appendix C of the Rating Valuation Rules 2008, is used exclusively or principally for agricultural, horticultural, or other pastoral purposes or for the keeping of bees or poultry or other livestock; and "farming purposes" has a corresponding meaning. This may include land used for dairy farming, stock fattening, arable farming, storage of livestock, market gardens and orchards, specialist livestock, forestry, mineral extraction and vacant/idle land.
2. For the purposes of this policy, "land used for Rural Lifestyle purposes" means land that is classified by the Office of the Valuer General as being used for lifestyle use under Clause C.3.4 primary Level use code 2 in Appendix C of the Rating Valuation Rules 2008. This does not include residential properties in rural areas or rural lifestyle properties that are too small in area to be subdivided under the operative District Plan as a Controlled Activity.
3. For the purposes of this policy, "land used for Residential purposes" means land that is classified by the Office of the Valuer General as being used for residential use under

Clause C.3.4 primary Level use code 9 in Appendix C of the Rating Valuation Rules 2008. This does not include residential properties formerly zoned as rural or lifestyle properties that are too small in area to be subdivided under the operative District Plan as a Controlled Activity.

4. Rating units for which a subdivision consent has been approved or lodged and under consideration by the Council shall not be eligible for rates remission under this policy.

(c) Process

The process for seeking rates remission is as follows:

- 1) On written application from the ratepayer of any rating unit that is:
 - a) located in a zone in the District Plan other than the Rural zone, and is
 - b) land used for primary industry, or
 - c) land used for rural lifestyle purposes, or
 - d) land used for residential purposes that are able to be subdivided.

The Council will request its Valuation Service Provider to issue a special “rates remission value” for that rating unit.

- 2) The rates remission value will be determined so as to:
 - a) exclude any potential value that, at the date of valuation, the land may have for residential purposes, or for commercial or industrial use; and

- b) preserve uniformity and equitable relativity with comparable parcels of land used for primary industry, rural lifestyle and residential purposes the valuations of which do not contain any such potential value.

- 3) Rates remission special values allocated under this policy are final and there is no right of objection against the level of valuation. (The owner still has the right to object to the rating valuation of the property where those values have been determined under the Rating Valuations Act 1998).
- 4) Where a rates remission value has been determined, the payment of rates will be remitted to the extent specified in clause (5) of this policy.
- 5) The amount of rates remitted in any year shall be an amount equal to the difference between the amount of the rates for that period calculated according to the rateable value of the property and the amount of the rates that would be payable for that period if the rates remission value of the property were its rateable value.
- 6) Notice of the amount of rates remitted shall be expensed and entered as a credit to the rates owing in the rating records and will be notified with the rates assessment issued in respect of that rating unit.
- 7) Subject to the rates remission value remaining in force, rates will be remitted from the commencement of the rating period in respect of which they were made and levied.
- 8) Rates remission will apply from the beginning of the rating year following the period in which the rates remission application is approved and will not be backdated to prior years. However, in

the event that an application is approved prior to 1 August, rates remission may apply from the beginning of the financial year in which the application is approved.

The following delegations apply in respect of:

- *Group Manager - Finance or Finance Manager, - to approve remissions which meet the requirements of this policy.*
- *Chief Executive and/or the Chairperson of the Finance Sub-committee, – to hear and make a final decision on any appeal on an application for remission that has been declined.*

Part 8: **Remission of Small Rates Balances**

(a) Objective

To save Council the costs of processing rates of uneconomic value.

(b) Conditions and Criteria

To qualify for remission under this part of the policy the rating unit must have a balance of less than \$5 owing on a general or targeted rate as at 30 June in any year.

Applications may be at the initiative of the Group Manager – Finance or Finance Manager, or Rates Officer or in writing from the ratepayer.

(c) Process

Applications will be determined by the Group Manager – Finance or Finance Manager acting under delegated authority.

Each application will be considered on its merits, and if approved the value of the remission will be the whole of any outstanding rate of \$5 or less at year end.

Part 9:

Remission of Targeted Rates on Non-rateable Land

(a) Objective

To balance user-pays, equity and community interest in the assessment of targeted rates on non-rateable rating units.

(b) Conditions and Criteria

To qualify for consideration for remission under this part of the policy the rating unit must be:

- non-rateable
- otherwise liable for rates for services described in s.9 of the Local Government (Rating) Act 2002 (i.e. rates for water supply, sewage disposal or waste collection).

Determinations will not be backdated.

(c) Process

Decisions will be made by way of policy determinations by Council in respect of a type of ratepayer or rating unit. The value of the remission will be the whole or part of any or all of the applicable rates.

Under this policy targeted water rates are levied by way of the normal water rates in the case of non-rateable residences, libraries and halls, but by metered water consumption in all other cases.

Part 10:

Properties Affected by Disasters

(a) Objective

To provide rating relief to ratepayers whose property has been affected by a disaster event.

(b) Conditions and Criteria

To qualify for remission under this part of the policy a rating unit or part thereof must be

- Affected by a disaster event such as a flood, storm, earthquake, subsidence; and
- Rendered incapable of normal use by the ratepayer for a certain period.

Other matters taken into account in determining whether or not the rating unit qualifies for remission, and the extent of such remission, will include

- The impact(s) of the disaster event on the property, and
- The duration of such impact(s)
- The extent to which the losses were insurable.

Applications must be in writing, either from the applicant or at the initiative of an officer of the Council.

(c) Process

Applications will be considered, and decision made, by Council.

No remission will be made before further guidelines specific to the disaster event are established.

Such guidelines will take into account the extent of funding available from which to make any remissions, and may cover such factors as:

- Special conditions and criteria, including any period for which a property may have been incapable of normal use
- Special application forms and information to be provided
- Deadlines for applications
- The extent of remissions to be made, whether on a fixed sum, percentage, sliding scale or other basis
- The appointment of an advisory committee to assist in the consideration of applications, if appropriate.

Each application will be considered on its merits, and in the context of guidelines established in response to the disaster event.

The ratepayer will be informed of the outcome of the application in writing.

Part 11:

Rates Remission for Subdivisions which are in Common Ownership but do not meet the criteria of a Contiguous Property

(a) Background

Developers face significant costs in the early stages of subdivision development, including the payment of development contributions to Council. Once titles are issued, all properties are rated individually and the holding costs can be quite high until properties are sold.

(b) Objectives

To provide a positive development incentive by supporting the development and holding of subdivision land for residential and rural lots by remitting all rates levied using fixed (uniform) charges on unsold development land where each separate lot or title is treated as a separate Rating Unit.

(c) Conditions and Criteria

This remission applies to unsold subdivided land, where each separate lot or title is treated as a separate Rating Unit, and such land is implied to be not used as a single rating unit under s20 of the Local Government (Rating) Act 2002.

1. The rating units must have been created in accordance with Council's subdivision development requirements and have been granted a subdivision consent. The rating units

must be vacant land i.e. the rating unit does not contain any habitable dwelling.

2. The rating units on which remission is applied must be owned by the same ratepayer who must be the original developer
3. Rate remission to the extent of fixed (uniform) charges for unsold subdivided land.
4. Remission shall cease for any allotment if any interest in the land is passed by the developer to another party. Remission ceases from the end of the year in which the change in title occurs.
5. Application must be submitted in writing and submitted to Council prior to the commencement of the rating year (i.e. before 30 June).
6. The ratepayer will remain liable for at least one “set” of fixed (uniform) general and/or targeted rates.
7. Remissions will not apply to Water, Stormwater and Sewerage targeted rates.
8. Each application will be considered in line with the general guidelines; however, individual circumstances may vary and could influence the final decision.
9. From 1 July 2015 any remissions will only apply for a period of five years and then be reviewed. Remissions will not be granted in retrospect for previous years.
10. Decisions on remission under this policy will be delegated to the Group Manager–Finance, Finance Manager (or equivalent positions).

Part 12:

Remission of Rates on Bare Land

(a) Objectives:

To reduce the rates burden on bare, uninhabited land, where the owner of the rating unit is not able to use the services funded from targeted rates.

Council may remit any rate set using a fixed (uniform) charge in respect of one or more rating units owned by the same ratepayer (as recorded on the certificate of title and recorded in the Rating Information Database) if it considers it reasonable in the circumstances to do so.

(b) Conditions and Criteria

1. Rating units must be owned by the same ratepayer (as recorded on the certificate of title and recorded in the Rating Information Database).
2. Council may remit any rate set using a fixed (uniform) charge on rating units considered to be bare land, provided that the ratepayer pays at least one “set” of the rates set using a fixed (uniform) charges within the District.
3. Bare land is defined as rating units with no habitable improvements. For the purposes of this policy forestry blocks (without habitable buildings) are deemed to be bare land.
4. Decisions on remission under this policy will be delegated to the Group Manager–Finance, Finance Manager (or equivalent positions).

Part 13:

Remission Rates for Council Owned Utilities

(a) Objectives

To avoid incurring the rating costs to Council that would be indirectly recovered from other ratepayers.

(b) Conditions and Criteria

Utilities (i.e. water, stormwater and wastewater) owned by the Horowhenua District Council will receive 100% remission of all rates that have been set, which includes any rate set using a fixed (uniform) charge.

Part 14:

Remission of any rate set using a fixed (uniform) charge on contiguous properties

(a) Objectives

To enable Council to act fairly and equitably with respect to the imposition of any rate set using a fixed (uniform) charge on two or more separate rating units that are contiguous, but separately owned and used jointly for a single residential, business or farming use.

(b) Background

This policy has been developed to provide for the remission of rates in situations where two or more rates set using a fixed (uniform) charge, are assessed on contiguous, but separately owned rating units which are being used jointly as a single property or business.

The circumstances where an application for a remission of charges will be considered are:

- residential dwelling and associated garden and ancillary buildings where the property occupies a maximum of two rating units and those rating units are used jointly as a single property.
- A farm that consists of a number of separate rating units that are contiguous.
- A commercial, retail or industrial business that operates from more than one rating unit where those rating units are contiguous and are used jointly as a single property.

- However, Council's "Separately Used or Inhabited" (SUIP) definition will still be applied.

(c) Conditions and Criteria

Applications under this policy must be in writing, signed by the ratepayer and must comply with the conditions and criteria set out below.

- 1) The rating units must be contiguous.
- 2) The rating units must:
 - a) In the case of a residential property, be owned by the same ratepayer (as recorded on the certificate of title and recorded in the Rating Information Database) who uses the rating units jointly as a single residential property.
 - i) A vacant section adjoining a residential lot does not comply.
 - ii) The individual areas of the rating units concerned must not exceed the size of a typical residential lot.
 - b) In the case of a farm, be owned by the same owner (as recorded on the certificate of title and recorded in the Rating Information Database) or be leased, from other owners, for a term of not less than five (5) years, to the

same ratepayer who uses the rating units jointly as a single farm. The owners of each of the individual rating units must confirm in writing that their unit/s is being jointly used as a single farming operation.

- 3) The Council may on written application from a rate payer of such rating units remit any rate set using a fixed (uniform) charge levied on the rating units if it considers it to be reasonable in the circumstances to do so.
- 4) The applicant must provide sufficient evidence as is necessary to prove that the properties are being jointly used as a single property and Council's decision on the matter is final.
- 5) The Council reserves the right to determine that any specific targeted charge will be excluded from this policy.
- 6) Remissions will not apply to Water, Stormwater and Sewerage targeted rates.
- 7) Each application will be considered in line with the general guidelines; however, individual circumstances may vary and could influence the final decision
- 8) Decisions on remission under this policy will be delegated to the Group Manager-Finance or Finance Manager (or equivalent positions).

Remission of Rates on Māori Freehold Land

Introduction

This Policy is prepared under Section 102(2)(e) of the Local Government Act (LGA) 2002. 'Māori Freehold Land' is defined in Section 5 of the Local Government (Rating) Act 2002 as 'land whose beneficial ownership has been determined by the Māori Land Court by Freehold Order'. Only land that is the subject of such an order may qualify for remission under this Policy.

This Policy aims to ensure the fair and equitable collection of rates from all sectors of the Community and recognises that certain Māori owned lands have particular conditions, features, ownership structures, or other circumstances that make it appropriate to provide relief from rates.

Council does not provide for the postponement of rates set on Māori Freehold land.

Objectives

The objectives of this Policy are set out in Schedule 11 (2) of the LGA 2002;

- a) supporting the use of the land by the owners for traditional purposes,
- b) recognising and supporting the relationship of Māori and their culture and traditions with their ancestral lands,
- c) avoiding further alienation of Māori Freehold Land,

- d) facilitating any wish of the owners to develop the land for economic use,
- e) recognising and taking account of the presence of wāhi tapu that may affect the use of the land for other purposes,
- f) recognising and taking account of the importance of the land in providing economic and infrastructure support for marae and associated
- g) papakāinga housing (whether on the land or elsewhere),
- h) recognising and taking account of the importance of the land for community goals relating to -
- i) the preservation of the natural character of the coastal environment;
- j) the protection of outstanding natural features;
- k) the protection of significant indigenous vegetation and significant habitats of indigenous fauna;
- l) recognising the level of community services provided to the land and its occupiers, and
- m) recognising matters relating to the physical accessibility of the land.

Principles

The principles used to develop and establish this Policy are;

- a) that, as defined in Section 91 of the Local Government (Rating) Act 2002, Māori Freehold Land is liable for rates in the same manner as if it were general land,
- b) that Council is required to consider whether it should have a policy on rates relief on Māori Freehold Land,
- c) that Council and the Community benefit through the efficient collection of rates that are properly payable and the removal of rating debt that is considered non-collectible,
- d) that applications for relief meet the criteria set by Council, and
- e) that the Policy does not provide for the permanent remission or postponement of rates on the property concerned.

Conditions and Criteria

Māori Freehold Land is defined by Section 5 of the Local Government (Rating) Act 2002 as;

- “Land whose beneficial ownership has been determined by the Māori Land Court by freehold order”.
- Only land that is the subject of such an order may qualify for remission under this Policy.

To qualify, a property must meet all of the required criteria and at least one of the optional criteria.

The required criteria are:

1. The land must be Māori Freehold land as defined in the Local Government (Rating) Act 2002,
2. in multiple or trust ownership, and
3. be unoccupied or papakāinga housing.

The optional criteria are:

- 1) Development of the land for economic use;
 - i) particularly if it will provide employment for local Māori.
 - ii) this remission will decrease in proportion to the properties increased economic use through the development period.
 - iii) plans of the development and financial projections will be required to support application under this criterion;.
- 2) The presence of wāhi tapu that may affect the use of the land for other purposes;
- 3) Where houses are in the vicinity of the Marae and are used for papakāinga, the Council will consider applications for a rates remission.
- 4) How the land is used for the preservation and/or protection of the coastline, outstanding natural features, significant indigenous vegetation, and habitats of indigenous fauna. Applications under this criterion need to be supported by an existing Department of Conservation or Regional Council Management Plan (e.g. in the Department of Conservation Coastal Management Plan for the area);

- 5) When it is difficult to legally, physically or practically access a property, a rates remission will be considered. Examples of accessibility issues are;
- i) the property is landlocked by properties owned by other people/entities.
 - ii) access is legally available by paper road or easement but the road does not exist.
 - iii) a road ends or passes a property but a river, ravine, cliff or other impediment prevents practical access.
- 6) If the property is in and will remain in a natural and undeveloped state and there is no financial income, a rates remission will be considered.

Applications for remission should be made prior to the start of the rating year (1 July). Applications made after the start of the rating year may be accepted at the discretion of Council.

Owners or trustees making an application should include the following information in their applications:

- i) details of the property, the objectives that will be achieved by providing a remission, and
- ii) documentation that proves the land is Māori freehold land.

Council may, at its own discretion, apply remissions to qualifying rating units.

Rating relief, and the extent thereof, is at the sole discretion of Council and may be cancelled and reduced at any time.

Process

Applications will be determined by the Group Manager – Finance or Finance Manager (or equivalent positions within the Finance Department) to a value of \$2,500. Any requested remissions above \$2,500, or if there is any doubt or dispute arising, will be referred to the Chief Executive and a member of the Finance Subcommittee for a decision.

The remission will be 100% of any rates except targeted rates made for water supply, sewage disposal or refuse collection.

Appendix

Appendix 1: Definitions and Interpretations

Wāhi tapu: Sites, area or localities of special cultural, spiritual or historical significance to Tangata Whenua and associated with tapu. May include (but is not limited to) urupa, places where baptismal rites are performed and historical battlegrounds.

Natural state (land): The state or condition in which something occurs in nature, untreated or unprocessed, as before the application of any manufacturing process; the condition to which a thing, person, or system tends in the absence of external influences.

Undeveloped state (land): The state or condition of being developed for commercial, residential, and/or personal use.

Liability Management Policy

Legislative Provisions

The Local Government Act (LGA) 2002 requires:

- liabilities to be managed prudently and in a manner that promotes the current and future interests of the Community (Section 101(1));
- a Liability Management Policy to be adopted by Council (Section 102); and
- specific content of such a policy (Section 104).

Objectives

- a) The objectives of the Liability Management Policy are to:
 - minimise the cost of borrowing (including interest, contracted services, staff, time and administration);
 - minimise the exposure to the risks associated with borrowing;
 - maintain strong financial ratios;
 - consider long term indebtedness as a means of creating intergenerational equity; and
 - maintain the integrity of Council's Long Term Plan (LTP).
- b) The objectives of the Management of Liquidity and Funding Risk are to:
 - ensure Council's continued ability to meet its debts in an orderly manner as and when they are due in

both the short and long term, through appropriate liquidity and funding risk management;

- arrange appropriate funding facilities for Council, ensuring they are at market related margins utilising bank debt facilities and/or capital markets as appropriate; and
- maintain lender relationships and Council's general borrowing profile in the local debt and capital markets, so that Council is able to fund itself appropriately at all times.
- The objectives relating to Reporting are to:
- produce accurate and timely information that can be relied on by senior management and the full Council for control, exposure monitoring, and performance measurement purposes in relation to treasury activity.

Current Liabilities

Current liabilities are those which Council has to meet within the following 12 months.

Council will arrange such terms and conditions as it considers necessary for the establishment and provision of normal trade credit to enable it to carry out its Activities. Such credit will not normally involve the issue of any security, undertaking, or collateral as a condition of the provision of such credit, except finance leases and hire purchase, which normally include a charge over the assets being purchased.

Council policy is to pay all routine expenditure obligations by the due date.

Borrowing

(For these purposes 'borrowing' does not include hire purchase, deferred payment, or the giving of credit for goods and services where the transaction is for less than 91 days or does not exceed \$500,000).

Borrowing Limits

Debt will be managed within the following limits:

- Net annual interest costs will not exceed 20% of total annual operating revenue.
- Net annual interest costs will not exceed 25% of total annual rates revenue.
- Net debt shall not exceed 225% of total operating revenue.

Council will also monitor and report:

- The ratio of equity: debt.
- Debt per rateable property.

Instruments or methods to raise debt

- The following funding instruments and methods may be used by Council to raise external debt:
- Committed bank facilities.
- Uncommitted bank facilities.
- Local Authority Bonds which includes fixed rate bonds and floating rate notes.
- Medium Term Notes.
- Local Government Funding Agency.

Management of Interest Rate Risk

Fixed Rate Hedging Percentages

Years	Minimum Fixed Rate Amount	Maximum Fixed Rate Amount
0 - 2 years	40%	100%
2 - 4 years	25%	80%
5 -8 years	0%	60%

The fixed rate hedging percentages shall apply to the core debt of Council as detailed in the Long Term Plan or Annual Plan.

The Chief Executive Officer after consulting with appropriate external advisors may use the following interest rate risk management instruments to manage the core debt of Council.

- Interest rate swaps.
- Swaptions (options on swaps).
- Interest rate options, including collar type structures but only in a ratio of 1:1.
- Forward rate agreements.

Management of Credit Risks

All bank borrowing and interest rate hedging transactions must be undertaken with a New Zealand Registered Bank with a minimum Standard and Poor's Long Term credit rating of at least A+ (or the Moody's or Fitch Ratings equivalents).

Council will satisfy itself in all its borrowing transactions that counterparties are financially adequate, have an appropriate industry standing, and have an appropriate track record to give Council reasonable certainty that obligations under concluded contracts will be performed.

Management of Liquidity Risks

Liquidity Risk Management has the objective of ensuring that adequate funding sources and liquid assets are available at all times to meet the short term commitments of Council as they arise. Appropriate cash flow reports will be maintained to monitor Council's estimated liquidity position over the next 12 months, with such reports being updated at least every three months.

Management of Funding Risk

- Council must maintain committed funding lines of not less than 110% of projected core debt.
- Where practicable no more than 40% of debt shall mature in any rolling 12 month period.

Debt Repayment

Loan Repayment Reserves will be established to ensure that sufficient funds are on hand to allow appropriate repayment and/or appropriate refinancing.

Provision of Security

When arranging funding facilities, Council will have a preference for unsecured facilities unless a cost benefit accrues from offering security.

Council's first choice will be to offer security for borrowings by way of a pledge of rates.

Physical assets will be pledged only where there is a direct relationship between the debt and the asset purchase or construction, or Council considers such a pledge to be more appropriate.

Finance leases for such assets as office equipment, information technology, and vehicles may be entered into provided that the interest rates are commercially advantageous.

Accountabilities

As provided in the Delegations Register, the authority to provide for and manage Council's borrowing facilities, debt and risk hedging is delegated to the Chief Executive (who can further delegate to any other officer of Council as required) in accordance with the Council's Borrowing Management Policy and the Long Term Plan and/or applicable Annual Plan. (This includes without limitation issuing bonds, drawing debt under existing facilities, renegotiation and extension of existing facilities, negotiation and establishment of new facilities, hedging interest rates, entry into ISDA agreements to govern derivative hedges, and the approval of counterparties).

The quarterly debt reports shall detail Council's weighted average cost of funds as at the end of the relevant quarter.

The Group Manager – Finance or Finance Manager will report to the Finance, Audit and Risk Subcommittee or Council meetings on borrowing management transactions and any instances where the policy has not been able to be complied with, and on all aspects of the Liability Management Policy.

Internal Borrowing

Council may, from time to time, instead of raising loans or borrowing on overdraft, internally borrow from any Special Fund accounts on such terms and conditions as it thinks appropriate in any instance, but without interrupting the normal cash flow requirements of any such fund. Such terms and conditions may

include, amongst other matters, a nil rate of interest and deferral or future waiving of repayments.

Repayments may be made directly to the source fund or through an Internal Loan Repayment Fund.

Internal borrowing arrangements will not be subject to clauses 4.1 or 4.2 of the Liability Management Policy.

The interest rate for internal borrowing will be the sum of the current three year swap bid rate as quoted by Council's principal bank, plus a margin (which includes a commitment fee) of 1.50%.

New Zealand Local Government Funding Agency Limited Investment

Despite anything earlier in this Liability Management Policy, Council may borrow from the New Zealand Local Government Funding Agency Limited (LGFA) as a Principal Shareholding Local Authority. In connection with that borrowing, Council may enter into the following related transactions to the extent it considers necessary or desirable:

- a) Contribute a portion of its borrowing back to the LGFA as subordinate debt, convertible equity if required by LGFA;
- b) Provide a guarantee of the indebtedness of the LGFA;
- c) Commit to contributing additional equity to the LGFA if required;
- d) Subscribe for shares and uncalled capital the LGFA; and

- e) Secure its borrowings from LGFA, and the performance of other obligations to the LGFA or its creditors with a charge over Council's rates and rates revenue.

Prospective Accounting Policies

Reporting Entity

The prospective financial statements of the Horowhenua District Council are for the year ended 30 June 2022 and for the subsequent nineteen years, ending 30 June 2041.

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

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

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

The prospective financial statements contained in the long term plan are in full compliance with FRS 42 Prospective Financial Statements

The operations of HDC have been divided into the following activities:

- Land Transport (Roads and Footpaths)
- Stormwater

- Water Supply
- Wastewater Disposal
- Solid Waste
- Regulatory Services
- Community Facilities
- Community Infrastructure
- Property
- Community Support

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

The prospective financial statements were authorised by issue by Council on 30 June 2021. The Mayor and Chief Executive that authorise the issue of the prospective financial statements by HDC are responsible for the prospective financial statements presented, including the appropriateness of the assumptions underlying the prospective financial statements and all other required disclosures.

The actual results achieved for the period covered by this plan are likely to vary from the information presented in this document, and these variances may be material.

Measurement Base

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

Accounting Policies

The following accounting policies which materially affect the measurement of results and financial position have been applied consistently to all years presented from 1 July 2023 unless otherwise stated.

Basis of Preparation

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

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

Basis of Consolidation

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

intragroup balances, transactions, revenues and expense are eliminated on consolidation.

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

Comparative Information

The Annual Plan 2020/2021 adopted by the council on 30 June 2020 has been provided as a comparator for these consolidated prospective financial statements for year one. The Annual plan 2022/2023 adopted by the council on 29 June 2022 has been provided as a comparator for these consolidated prospective financial statements for year two. 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.

Revenue

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

Rates Revenue

The following policies for rates have been applied:

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

unread meters at year end, is accrued on an average usage basis.

- Rate remissions are recognised as a reduction of rates revenue when the Council has received an application that satisfies its rates remission policy.

Development and financial contributions

Revenue from development and financial contributions is recognised at the later of the point when Council provides, or is able to provide, the service for which the contribution was charged. Otherwise, development and financial contributions are recognised as liabilities until such time as Council provides, or is able to provide, the service. Development contributions are disclosed separately.

Infringement Fees Revenue

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

Subsidises Revenue

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

Grants Revenue

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

Rendering of Services Revenue

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

Sale of Goods Revenue

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

Vesting of Assets Revenue

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

The fair value of vested or donated assets is usually determined by reference to the cost of constructing the asset. For assets received from property developments, the fair value is based on construction price information provided by the property developer.

For long-lived assets that must be used for a specific use (e.g. land must be used as a recreation reserve), the Council immediately recognises the fair value of the asset as revenue. A liability is recognised only if the Council expects it will need to return or pass the asset to another party.

Commission Revenue

Revenue from acting as an agent for another party is recognised in the form of the commission or fee on the transaction.

Interest and Dividend Revenue

Revenue from interest is recognised using the effective interest method. Interest revenue on an impaired financial asset is recognised using the original effective interest rate.

Revenue from dividends is recognised when the right to receive payment has been established.

Building and resource consent revenue

Fees and charges for building and resource consent services are recognised on a percentage completion basis with reference to the recoverable costs incurred at balance date.

Landfill fees

Fees for disposing of waste at the Council's landfill are recognised as waste is disposed by users.

Lease revenue

Lease revenue from operating leases is recognised as revenue on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which benefits derived from the leased asset is diminished.

Borrowing Costs

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

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.

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.

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.

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.

Trade and Other Receivables

Trade and other receivables are initially measured at face value less any provision for impairment.

A provision for impairment of receivables is established when there is objective evidence that HDC will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the estimated present value of the expected future cash flows, discounted using the effective interest method.

Derivative Financial Instruments

Derivative financial instruments are used to manage exposure to interest rate risks arising from the Council's financing activities. In accordance with its treasury policy, the Council does not hold or issue derivative financial instruments for trading purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance date. The resulting gains or losses are recognised in the surplus or deficit as Council does not hedge account.

The portion of the fair value of an interest rate derivative that is expected to be realised within 12 months of balance date is classified as current, with the remaining portion of the derivative classified as non-current.

Financial Assets

HDC classifies its financial assets into four categories:

- financial assets at fair value through surplus or deficit,
- held-to-maturity investments,
- loans and receivables and
- financial assets at fair value through other comprehensive revenue and expenses.

The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial acquisition and re-evaluates this designation at every reporting date.

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

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

The categories of financial assets are:

Financial Assets at Fair Value through Surplus or Deficit

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

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

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

Held-to-maturity Investments

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

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

Loans and Receivables

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

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

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

Financial Assets at Fair Value through Other Comprehensive Revenue and Expenses

Financial assets at fair value through other comprehensive revenue and expenses are those that are designated as fair value through other comprehensive revenue and expenses or are not classified in any of the other categories above. They are included in non-current assets, unless management intends to dispose of, or realise, the investment within 12 months of balance date. After initial recognition these investments are measured at their fair value.

Gains and losses are recognised directly in other comprehensive revenue and expenses except for impairment losses which are recognised in the surplus or deficit.

On de-recognition the cumulative gain or loss previously recognised in equity is recognised in the surplus or deficit.

Financial assets in this category include investments HDC intends to hold long-term but which may be realised before maturity and shareholdings that HDC holds for strategic purposes.

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.

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.

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
Operational Assets		
Land	N/A	N/A
Buildings:		
Structure	20 to 100 years	1% to 5%
Roofing	40 years	2.5%
Electricals	40 years	2.5%
Plant, equipment and vehicles	4 to 25 years	4% to 25%
Library assets	10 years	10%
Solid waste management:		
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%
Restricted Assets		
Land	N/A	N/A
Buildings:		
Structure	20 to 100 years	1% to 5%
Roofing	40 years	2.5%
Electricals	40 years	2.5%
Improvements	4-25 years	4% to 25%
Infrastructure Assets		

	Useful Life	Depreciation Rate
Roading: (average lives and depreciation rates of major components)		
Land	N/A	N/A
Formation	N/A	N/A
Berms	100 years	1%
Surface water channels	50 to 100 years	1% to 2%
Bridges and culverts	40 to 100 years	1% to 2.5%
Drainage	80 years	1.25%
Sealed pavement	78 years	1.29%
Basecourse	60 years	1.66%
Footpaths – concrete	60 years	1.66%
Footpaths – metal	100 years	1%
Footpaths – other	20 to 45 years	2.22% to 5%
Crossings	50 years	2%
Streetlights – poles	30 to 50 years	2% to 3.33%
Streetlights – lights	25 years	4%
	Useful Life	Depreciation Rate
Infrastructure Assets		
Signage	12 years	8.33%
Surfacing	1 to 25 years	4% to 100
Stormwater:		
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%

	Useful Life	Depreciation Rate
Water:		
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%
Sewer:		
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 residential value and useful life of an asset is reviewed and adjusted if applicable at each financial year end.

Revaluation

Horowhenua District Council accounts for revaluations of property, plant and equipment on a 'class of asset' basis.

Land and buildings (operational and restricted) are revalued on a three yearly valuation cycle. Infrastructure assets (except land under roads) are revalued every two years

All other asset classes are carried at depreciated historical cost.

The carrying values of revalued items are reviewed at each balance date to ensure that those values are not materially different to fair value. If there is a material difference, then the off-cycle asset classes are revalued.

The net revaluation results are credited or debited to other comprehensive revenue and expense and are accumulated to an asset revaluation reserve in equity for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive revenue and expense but is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value is recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive revenue and expense.

Intangible Assets

Software Acquisition and Development

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

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

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

Easements

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

Carbon credits

Carbon credits are initially recognised at cost. After initial recognition they are not amortised but all carbon credits are

measured, annually, at fair value. The net revaluation result is credited or debited to other comprehensive revenue and expense and is accumulated to fair value through general reserve. Where this results in a debit balance in the reserve, this balance is not recognised in other comprehensive revenue and expense but is recognised in the surplus or deficit. Any subsequent increase in revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive revenue and expense. They are derecognised when they are used to satisfy carbon emission obligations.

Amortisation

HDC's carrying value of an intangible asset with a finite life is amortised on a 'straight-line' basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is de-recognised. The amortisation charge for each period is recognised through the surplus or deficit.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

- Computer software: 10 years, 10%.
- The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:
- Kete software – 4 years, 60%
- Koha software – 8 years, 30%
- Other software – 60% diminishing value.

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.

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.

Impairment of Property, Plant and Equipment and Intangible Assets

Property, plant, and equipment that have a finite useful life are reviewed for impairment at each balance date and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

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

If an asset's carrying amount exceeds its recoverable amount, the asset is regarded as impaired and the carrying amount is written-down to the recoverable amount. For revalued assets, the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus or deficit. For assets not carried at a revalued amount, the total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss on a revalued asset is credited to other comprehensive revenue and expense and increases the asset revaluation reserve for that class of asset. However, to the extent that an impairment loss for that class of asset was previously recognised in the surplus or deficit, a reversal of the impairment loss is also recognised in the surplus or deficit.

For assets not carried at a revalued amount, the reversal of an impairment loss is recognised in the surplus or deficit.

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

Value in use for non-cash generating assets

Non-cash generating assets are those assets that are not held with the primary objective of generating a commercial return.

For non-cash generating assets, value in use is the depreciated replacement cost.

Value in use for cash generating assets

Cash generating assets are those assets that are held with the primary objective of generating a commercial return.

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

Employee Benefits

Short-term Benefits

Employee benefits that Horowhenua District Council expects to be settled within 12 months after the end of period in which the employee renders the related service are measured at nominal values based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, retiring and long service leave entitlements expected to be settled within 12 months.

HDC recognises a liability and an expense for bonuses where contractually obliged or where there is a past practice that has created a constructive obligation.

Long-term Benefits

Entitlements that are payable beyond 12 months after the end of period in which the employee renders the related service, such as long service leave and retiring leave, have been calculated on an actuarial basis.

The calculations are based on:

- the likely future entitlements accruing to staff (based on years of service), years to entitlement, the likelihood that staff will reach the point of entitlement and contractual entitlements information and;
- the present value of the estimated future cash flows.

Employees Benefit Liabilities

These are calculated based on estimate of individual staff members reaching the long service leave milestones based on current salaries.

Superannuation Schemes

Defined Contribution Schemes

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

Defined benefit schemes

Horowhenua District Council does not belong to any Defined Benefit Scheme.

Creditors and Other Payables

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

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.

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.

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.

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.

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.

Critical Accounting Estimates and Assumptions

In preparing these financial statements HDC has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Landfill Aftercare Provision

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

Infrastructural Assets

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

- The physical deterioration and condition of an asset, for example the Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for assets that are not visible, for example stormwater, wastewater and water supply pipes that are underground. This risk is minimised by Council performing a combination of physical inspections and condition modelling assessments of underground assets.
- Estimating any obsolescence or surplus capacity of an asset.
- Estimates are made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be impacted by the local conditions, for example, weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then HDC could be over or under estimating the annual depreciation charge recognised as an expense through surplus or deficit. To minimise this risk HDC's infrastructural asset useful lives have been determined

with reference to the NZ Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group and have been adjusted for local conditions based on past experience. Asset inspections, deterioration and condition modelling are also carried out regularly as part of the HDC's asset management planning activities, which gives HDC further assurance over its useful life estimates.

- Experienced independent valuers perform the Council's infrastructural asset revaluations.

Accounting Standards issued but not yet Effective

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the prospective financial statements are as follow:

Financial Instruments

For year 1 (2021/22) of the LTP, PBE IPSAS 29 Financial Instruments applies. The comparative prospective financial statements for 2020/21 were also prepared using this accounting standard.

For subsequent years, 2023-2031, PBE IPSAS 41 Financial Instruments will be applicable as this new accounting standard will become effective for the period beginning 1 July 2022. The prospective financial statements for the years 2 to 10 have not been prepared using this new standard as Council does not consider that the financial information will be materially different.

The main differences between PBE IPSAS 29 and PBE IPSAS 41 relate to the classification of financial assets and liabilities, impairment and hedging. Under PBE IPSAS 41 the financial classification should not significantly change the value of the financial assets or liabilities. The required change in impairment model should have no impact as impairments are not usually significant when considering prospective financial statements and the hedging requirements under PBE IPSAS 41 can be continued as they were under PBE IPSAS 29. Current accounting policies under PBE IPSAS 29The Council plans to apply this standard in preparing the 30 June 2023 financial statements and anticipates that the standard will not have a material effect on Council's financial statements.

Service Performance Reporting

Council is required under the Local Government Act 2002 to produce a Statement of Service Performance as part of its annual report.

In November 2017, the XRB issued a new standard, Service Performance Reporting (PBE FRS 48).

This Standard establishes new requirements for public benefit entities (PBEs) to select and present services performance information. PBEs will need to provide users with: (i) sufficient contextual information to understand why the entity exists, what it intends to achieve in board terms over the medium to long term, and how it goes about this; and (ii) information about what the entity has done during the reporting period in working towards its

broader aims and objectives. The new standard is mandatory for annual periods beginning on or after 1 January 2022, with early application permitted.

The Council plans to apply this standard in preparing the 30 June 2023 financial statements and anticipates that the standard will not have a material effect on Council's financial statements.

Other changes in accounting policies

There have been no other changes in accounting policies since 30 June 2020.

Summary of Council's Policy on Determining Significance

Legislative requirements

In accordance with section 76AA of the Local Government Act (LGA) 2002 the Council is required to have a Significance and Engagement Policy (Policy). This Policy is required to set out the following:

- a) Council's general approach to determining the significance of proposals and decisions in relation to issues, assets, and other matters;
- b) any criteria or procedures that are to be used by Council in assessing the extent to which issues, proposals, assets, decisions, or activities are significant or may have significant consequences;
- c) how Council will respond to community preferences about engagement on decisions relating to specific issues, assets, or other matters, including the form of consultation that may be desirable; and how Council will engage with communities on other matters.

Determining whether a decision is significant

The Policy outlines the criteria and procedures for Council when determining whether or not a decision is significant. In accordance with its general approach, Council will determine all decisions to be significant unless the impact on the:

- Current or future cultural, economic, environmental and social wellbeing of the district is minimal
- Achievement of, or ability to achieve, Council's stated levels of service as set out in the current Long Term Plan (LTP) is minimal
- Capacity of Council to perform its role and carry out its activities, now and in the future is unaffected
- Financial resource and other costs of the decision are minimal or included in an adopted LTP

Engagement with the Community

Community involvement in Council's decision making process for significant decisions is important. The Policy outlines how Council intends to engage with the Community during its decision making process for significant decisions using a principle-based approach to community engagement:

- Be fairly informal and not too bureaucratic
- Seek the views of interested and affected people
- Seek the views of the people whom Council does not normally hear from

- Give people relevant and honest information in a way that suits them
- Use plain language
- Make it easy for people to give their views to Council
- Engage in the community by going to where people are and not always expecting them to come to Council
- Involve people right through the decision making process
- Give people time to think about the issues and respond to them
- Be clear about the process being used and the levels of influence that people have
- Undertake the engagement with an open mind
- Be receptive to new ideas
- Give people involved in the engagement a response to the issues they raise
- Undertake the engagement in a cost effective

Decision making

When Council makes decisions about issues/plans/policies identified as significant then it will:

- Identify and assess as many options as are practicable
 - Quantify the costs and benefits resulting from the decision to be made
 - Provide detailed information accessible to the public
- Maintain clear and complete records showing how compliance with the Significance and Engagement Policy was achieved

- Take into account views already expressed in the community, where there has been no material change to the issue since previous engagement
- Provide processes to encourage and engage with Māori*

* If the issue, proposal, decision or other matters concerned involved a significant decision in relation to land or a body of water, Council will take into account the relationship of Māori and their culture and traditions with their ancestral land, water, sites, wāhi tapu, valued flora and fauna, and other taonga.

Review of the Significance and Engagement Policy

This Policy will be reviewed at least once every three (3) years.

As part of the engagement process for the adoption of this Policy and subsequent reviews, Council will work with people in Horowhenua to gain an understanding of their engagement preferences.

It is recommended the review occurs prior to each Draft LTP consultation so that learnings may be incorporated into the Policy prior to one of the triennium's largest engagement projects.

Note: This is just a summary of the Significance and Engagement Policy. The full version of this Policy is available online on Horowhenua District Council's website (<https://www.horowhenua.govt.nz/Council/Documents/Local-Bylaws-Policies>) or it is available upon request from the Council's Civic building in Levin.

Financial Statements

Ngā Tauākī Ahumoni

- Balancing of the Operating Budgets
- Funding Impact Statement
- Financial Statements
- Reserve Funds
- Benchmark Disclosure Statements

Balancing of the Operating Budget

Legislative Context

In accordance with Section 100(1) of the Local Government Act (LGA) 2002, Council must ensure that each year's projected operating revenues are set at a level sufficient to meet that year's projected operating expenses.

However, Section 100(2) of the LGA allows Council to resolve that it is financially prudent to set projected operating revenues at levels less than what would be required to meet projected operating costs, having regard to the following:

- a) The estimated expenses of achieving and maintaining the predicted levels of service provision set out in this LTP, including the estimated expenses of maintaining the service capacity and integrity of assets throughout their useful life;
- b) The projected revenue available to fund those expenses;
- c) The equitable allocation of responsibility for funding the provision of and maintenance of assets throughout their useful life; and
- d) The funding and financial policies adopted under Section 102 of the LGA.

Balancing the budget for this LTPA period

For the period of this Long Term Plan (LTP), Council will be achieving a surplus in all years with the exception of 23/24, and 24/25. Council considers that in the long term, operating revenues should be set at levels to cover all operating costs, as this is a necessary condition for prudent financial management.

However, Council may fund some operating costs using debt instead of rates. This could increase debt and subsequently interest costs on that debt as discussed in the Financial Strategy

Funding Impact Statement

Revenue and Financing Sources Generally

The following revenue mechanisms will be used in 2021/22 and throughout the term of this Long Term Plan (LTP):

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

Funding Mechanisms

The following funding mechanisms will be used in 2021/22 and throughout the term of this LTP:

- Financial contributions and development 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.

Definition of Separately Used or Inhabited Parts (SUIP)

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

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

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

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

For clarity, Separately Used or Inhabited Parts include:

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

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

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

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

(such as a single house in conjunction with a farm, a motel, or a dairy).

Rates for the 20 Years Ending 30 June 2041

General Information

Rating period: The rates described in this section are for the financial years 1 July 2021 to 30 June 2041.

Goods and Services Tax (GST): The rates described below include Goods and Services Tax (GST). The revenues required are net of GST.

Rating information database: The information held to determine the liability for rates in 2023/24 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 2022 which form the basis of rating in 2023/24 and the categories and factors for the various relevant rates described below in respect of particular rating units.

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 2022. These values have formed the basis of rating from 1 July 2023.

The General rates levied on LV are set differentially, so as to maintain the incidence of the rates between the categories of property.

The Farming differential applies to those rating units identified as Arable, Dairy, Forestry (except protected forestry), Horticultural, Pastoral, Specialist Livestock, The Farming Category also applies to rating units located outside the urban boundaries, as defined in the Urban Rating Area maps available in the Council Offices, identified as vacant and bare lifestyle and residential properties using the "Property Category" codes from Appendix F of the Rating Valuation Rules 2008, promulgated by the Valuer-General. This category has a differential factor of 0.50.

District Wide - all rating units other than those in the Farming category. This category also includes all rating units in rural areas other than those in the Farming differential. This category has a differential factor of 1.

Council is not setting a Uniform Annual General Charge (under Section 15 of the Local Government (Rating) Act 2002 (LG(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).

Targeted Rates for Roding

This rate funds all Roding (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 Roding rate is set using Capital Value (CV) which is assessed every three years. These were last assessed in 2022, and it is those values that will form the basis of rating from 1 July 2023.

This rate is set District wide.

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.

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.

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.

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

Targeted Rates for Solid Waste Disposal

This rate funds the Solid Waste Group of Activities including the provision of the Landfill, Waste Transfer Stations, waste minimisation initiatives, and recycling facilities.

This rate is set differentially as a fixed charge of a uniform amount on the basis of the number of SUIPs of each rating unit using the urban and rural differential categories. Urban rating units pay a differential of 80% for the solid waste costs. Urban rating units are defined as those rating units within the towns of Levin, Foxton, Shannon, Tokomaru, Foxton Beach, Waitārere Beach, Hōkio Beach, Ōhau, Waikawa Beach and Manakau as shown on the maps

available defining those areas for district planning 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.

Targeted Rates for Water Supply

This rate funds the cost of operating, maintaining and improving the supply of reticulated drinkable water to various Communities within the District.

This rate is set differentially as a fixed charge of a uniform amount. Council also charges for metered supplies.

Connected Differential

Council sets a fixed charge rate on all rating units for which connection to a reticulated drinkable water supply is available. This does not include Moutoa, Waikawa, or Kuku schemes, which are not drinkable supplies. A reticulated potable water supply is available to a rating unit if a lateral/s exists for the purpose of delivering water from the trunk main to the rating unit, and there is a connection from the land within the rating unit to that lateral/s or trunk main.

Liability for the rate will be assessed on whichever is the greater of:

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

The Foxton Beach charge is reduced by an allowance to account for the universal metering of Foxton Beach.

Availability Differential

A fixed charge rate on any rating unit not connected to, but within 100 metres of a trunk main for a reticulated drinkable water supply that is available to the rating unit. A reticulated drinkable water supply is available to a rating unit if a lateral/s exists for the purpose of delivering water from the trunk main to the rating unit or, if no lateral exists, if Council will allow the rating unit to be connected. This rate is set at 50% of the fixed charge for a connected rating unit.

Water by meter

In all schemes (except Foxton Beach), the additional fees for metered supplies are subject to an allowance of 91 cubic metres (m³) per quarter. A charge per m³ will be made for water consumed in excess of 91m³ 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 m³ of water consumed in excess of 91m³ per quarter on any rating unit connected to the Shannon untreated bore water supply, where a meter is used to measure consumption on the network during the period, will be half that charged for treated water.

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

Step 1 – A charge per m3 for the first 50m3 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 m3 for the second 50m3 of water consumed per quarter in excess of 50 m3 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 m3 for the balance of water consumed per quarter in excess of 100m3 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.

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.

Rating Mechanisms

		GST Incl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl
	Rating Basis	Rate in the \$	AP 20/21 \$000	Yr 1 21/22 \$000	AP 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000
General Rate												
Rural Differential	Land Value		2,590									
Farming Differential	Land Value	0.00116300		2,748	2,712	2,482	2,590	2,538	2,641	2,947	3,086	3,167
District Wide Differential	Land Value	0.00232600	7,770	8,889	8,753	11,449	11,948	11,709	12,186	13,595	14,240	14,612
Total General Rate			10,359	11,637	11,465	13,931	14,538	14,247	14,827	16,542	17,326	17,779
Roading Rate												
Business Use Differential	Capital Value		1,269									
District Wide Other Differential	Capital Value		2,357									
District Wide	Capital Value	0.00036209		3,011	4,049	4,512	5,049	5,218	5,233	5,451	5,248	5,251
Total Roothing Rate			3,627	3,011	4,049	4,512	5,049	5,218	5,233	5,451	5,248	5,251
Stormwater Rate												
Stormwater Rate	Capital Value	0.00026194	1,386	1,656	2,092	1,816	2,553	3,317	3,911	4,014	4,701	5,066
Library and Community Centre Rate	SUIP	323.31	4,517	4,596	4,569	5,456	5,430	5,646	5,740	5,897	6,128	6,224
Representation and Community Leadership Rate	SUIP	343.10	3,564	4,051	4,566	5,791	5,398	5,585	5,938	5,934	6,092	6,399
Aquatic Centre Rate District Wide	SUIP	165.37	2,056	2,244	2,407	2,791	3,068	3,204	3,253	3,383	3,545	3,691
Solid Waste Rate												
Rural Differential	SUIP	119.14	246	443	573	547	660	754	843	928	1,013	1,032
Urban Differential	SUIP	178.11	986	1,771	2,293	2,188	2,638	3,013	3,371	3,710	4,049	4,126
Total Solid Waste Rate			1,232	2,214	2,866	2,735	3,298	3,767	4,214	4,638	5,062	5,158

GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	
Yr 10 30/31 \$000	Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	
											General Rate
											Rural Differential
3,262	3,330	3,407	3,504	3,619	3,737	3,862	3,974	4,084	4,207	4,339	Farming Differential
15,050	15,363	15,719	16,167	16,698	17,243	17,820	18,333	18,843	19,410	20,021	District Wide Differential
18,312	18,693	19,126	19,671	20,317	20,980	21,682	22,307	22,927	23,617	24,360	Total General Rate
											Roading Rate
											Business Use Differential
											District Wide Other Differential
5,369	5,248	5,260	5,386	5,380	5,452	5,832	5,600	5,690	6,101	5,873	District Wide
5,369	5,248	5,260	5,386	5,380	5,452	5,832	5,600	5,690	6,101	5,873	Total Roothing Rate
5,136	5,128	5,473	4,875	4,668	4,827	4,332	4,919	5,010	4,645	5,564	Stormwater Rate
6,325	6,531	6,588	7,099	7,314	7,353	7,491	7,808	7,774	7,937	8,307	Library and Community Centre Rate
6,382	6,526	6,828	6,897	7,111	7,497	7,555	7,779	8,176	8,222	8,446	Representation and Community Leadership Rate
3,991	4,093	4,164	4,284	4,405	4,492	4,627	4,868	4,903	5,103	5,382	Aquatic Centre Rate District Wide
											Solid Waste Rate
1,049	1,063	1,081	765	787	809	830	851	872	892	913	Rural Differential
4,197	4,252	4,324	3,058	3,146	3,235	3,321	3,403	3,486	3,569	3,653	Urban Differential
5,246	5,315	5,405	3,823	3,933	4,044	4,151	4,254	4,358	4,461	4,566	Total Solid Waste Rate

Rating Mechanisms (continued)

		GST Incl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl
	Rating Basis	Rate in the \$	AP 20/21 \$000	LTP 21/22 \$000	AP 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000
Water Supply District Wide Connected (excl Foxton Beach)	Refer Note 1	467.22	4,523	5,059	5,475	4,696	5,848	7,409	9,972	12,469	14,566	15,739
Water Supply District Wide Availability	Rating Unit	233.61	65	79	85	76	95	121	162	203	237	256
Foxton Beach Connected	Refer Note 1	341.92	449	475	519	413	514	651	876	1,095	1,279	1,382
Total Water Supply Rate			5,037	5,613	6,079	5,185	6,457	8,181	11,010	13,767	16,082	17,377

GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	
Yr 10 30/31 \$000	Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	
16,443	17,608	18,229	17,654	18,447	18,136	17,342	19,753	17,560	17,175	20,059	Water Supply District Wide Connected (excl Foxton Beach)
268	287	297	287	300	295	282	322	286	280	327	Water Supply District Wide Availability
1,444	1,547	1,601	1,551	1,620	1,593	1,523	1,735	1,542	1,509	1,762	Foxton Beach Connected
18,155	19,441	20,128	19,492	20,367	20,024	19,149	21,810	19,388	18,963	22,148	Total Water Supply Rate

		GST Incl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl
	Rating Basis	Rate in the \$	AP 20/21 \$000	LTP 21/22 \$000	AP 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000
Wastewater District Wide Connected	Refer Note 1	628.31	6,225	6,747	7,616	7,363	8,659	11,269	13,614	16,466	18,171	18,517
Wastewater District Wide Availability	Rating Unit	314.15	97	107	121	131	154	200	242	293	323	329
Total Wastewater Rate			6,323	6,854	7,737	7,494	8,813	11,469	13,856	16,759	18,494	18,846
Total Rates Required			38,101	41,875	45,830	49,713	54,602	60,635	67,983	76,384	82,678	85,791
Penalties			390	390	400	410	409	409	409	409	409	409
Rates Remissions			(370)	(370)	(379)	(340)	(388)	(388)	(388)	(388)	(388)	(388)
Water - by - meter rates			1,564	1,552	1,378	1,647	1,647	1,647	1,647	1,647	1,647	1,647
Total Rates income			39,684	43,447	47,229	51,430	56,270	62,303	69,652	78,053	84,346	87,460
Rate Income Increase				9.91%	8.70%	8.9%	9.4%	10.7%	11.8%	12.1%	8.1%	3.7%
Horowhenua portion of the Statutory Fixed Charge Cap of 30%			25.56%	25.08%	24.44%	27%	25%	23%	21%	19%	19%	19%
% of Fixed Charge based targeted Rates			57.30%	58.88%	59.76%	57%	58%	61%	63%	65%	66%	66%
Rating Base												
Total Rates GST inclusive			43,816	48,157	54,288	59,145	64,711	71,648	80,100	89,761	96,998	100,579
Rateable Rating Units			18,007	18,425	18,192	18,631	19,058	19,517	19,964	20,485	20,991	21,527
Average rates			2,433	2,614	2,984	3,170	3,394	3,670	4,011	4,381	4,620	4,671
Total number of rating units LGA Schedule 10 Part 1 Clause 15A			18,197	18,615	18,204	18,744	19,174	19,636	20,085	20,610	21,119	21,658

Rating Mechanisms (continued)

GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	
Yr 10 30/31 \$000	Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	
19,117	20,481	20,242	20,722	22,605	21,555	21,165	23,247	19,278	19,103	21,321	Wastewater District Wide Connected
340	364	360	368	402	383	376	413	343	339	379	Wastewater District Wide Availability
19,457	20,845	20,602	21,090	23,007	21,938	21,541	23,660	19,621	19,442	21,700	Total Wastewater Rate
88,371	91,822	93,573	92,616	96,503	96,607	96,360	103,006	97,846	98,492	106,347	Total Rates Required
409	409	409	409	409	409	409	409	409	409	409	Penalties
(388)	(388)	(388)	(388)	(388)	(388)	(388)	(388)	(388)	(388)	(388)	Rates Remissions
1,647	1,647	1,647	1,647	1,647	1,647	1,647	1,647	1,647	1,647	1,647	Water - by - meter rates
90,040	93,490	95,241	94,285	98,171	98,276	98,028	104,674	99,515	100,160	108,015	Total Rates income
1.0%	3.9%	1.9%	-1.0%	4.2%	0.1%	-0.3%	6.9%	-5.0%	0.7%	8.0%	Rate Income Increase
											Horowhenua portion of the Statutory Fixed Charge Cap of 30%
19%	18%	18%	19%	19%	20%	20%	20%	21%	21%	20%	% of Fixed Charge based targeted Rates
66%	67%	67%	66%	67%	67%	66%	67%	65%	64%	65%	
											Rating Base
103,546	107,514	109,527	108,428	112,897	113,017	112,733	120,375	114,442	115,184	124,218	Total Rates GST inclusive
22,093	22,669	23,257	23,890	24,579	25,257	25,981	26,768	27,602	28,452	29,331	Rateable Rating Units
4,686	4,742	4,708	4,538	4,592	4,474	4,338	4,496	4,145	4,048	4,234	Average rates
											Total number of rating units LGA Schedule 10 Part 1 Clause 15A
22,228	22,807	23,399	24,035	24,728	25,410	26,139	26,931	27,770	28,625	29,510	

Rating Mechanisms (continued)

		GST Incl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl
	Rating Basis	Rate in the \$	AP 20/21 \$000	LTP 21/22 \$000	AP 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000
Water by Meter rates												
District wide except Foxton Beach	Cubic Meter	2.50	1,384	1,372	1,118	1,456	1,456	1,456	1,456	1,456	1,456	1,456
Foxton Beach - Step 1 (First 50m3 of water consumed per quarter)	Cubic Meter	1.07	180	180	170	171	171	171	171	171	171	171
Foxton Beach - Step 2 (Second 50m3 of water consumed per quarter in excess of 50m3)	Cubic Meter	2.14	-	-	16	16	16	16	16	16	16	16
Foxton Beach - Step 3 (Balance of water consumed per quarter in excess of 100m3)	Cubic Meter	3.21	-	-	4	4	4	4	4	4	4	4
Total Water by meter rates			1,564	1,552	1,378	1,647	1,647	1,647	1,647	1,647	1,647	1,647

Rating Mechanisms (continued)

GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	GST Excl	
Yr 10 32031 \$000	Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	
											Water by Meter rates
1,456	1,456	1,456	1,456	1,456	1,456	1,456	1,456	1,456	1,456	1,456	District wide except Foxton Beach
171	171	171	171	171	171	171	171	171	171	171	Foxton Beach - Step 1 (First 50m3 of water consumed per quarter)
16	16	16	16	16	16	16	16	16	16	16	Foxton Beach - Step 2 (Second 50m3 of water consumed per quarter in excess of 50m3)
4	4	4	4	4	4	4	4	4	4	4	Foxton Beach - Step 3 (Balance of water consumed per quarter in excess of 100m3)
1,647	1,647	1,647	1,647	1,647	1,647	1,647	1,647	1,647	1,647	1,647	Total Water by meter rates

Note 1: Liability for the rate will be assessed on whichever in the greater of: (a) each rating unit, or (b) the number of SUiPs of each rating unit, or (c) the number of connections of each rating unit

Forecast Funding Impact Statement (Whole of Council)

	AP 20/21 \$000	Yr 1 21/22 \$000	AP 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Sources of Operating Funding											
General rates, uniform annual general charges, rates penalties	10,379	11,657	11,486	14,001	14,558	14,268	14,849	16,562	17,347	17,800	18,333
Targeted rates	29,305	31,790	35,741	37,430	41,712	48,036	54,804	61,491	66,999	69,661	71,707
Subsidies and grants for operating purposes	2,104	2,101	2,120	2,682	1,971	2,031	2,084	2,127	2,163	2,074	2,097
Fees and charges	4,551	4,721	3,693	3,629	3,641	3,742	3,839	3,926	4,007	4,082	4,152
Interest and dividends from investments	206	200	211	5	6	6	6	6	6	7	7
Local authorities fuel tax, fines, infringement fees, and other receipts	3,191	4,749	4,662	4,423	4,567	4,685	4,801	4,903	5,000	5,091	5,178
Total Operating Funding (A)	49,736	55,218	57,913	62,170	66,455	72,768	80,383	89,015	95,522	98,715	101,474
Applications of Operating Funding											
Payments to staff and suppliers	39,663	45,003	48,240	54,078	51,797	52,391	54,082	54,688	56,059	57,079	57,893
Finance costs	3,202	2,964	3,467	5,082	6,764	7,896	8,884	9,542	10,060	10,610	10,973
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	42,865	47,967	51,707	59,160	58,561	60,287	62,966	64,230	66,119	67,689	68,866
Surplus (deficit) of operating funding (A-B)	6,871	7,251	6,206	3,010	7,894	12,481	17,417	24,785	29,403	31,026	32,608
Sources of capital funding											
Subsidies and grants for capital expenditure	10,676	15,135	16,605	9,033	7,064	8,076	6,527	6,113	6,459	9,467	10,358
Development and financial contributions	-	2,744	1,461	1,461	4,456	4,591	4,717	4,831	4,936	5,033	5,123
Increase (decrease) in debt	9,325	20,022	12,586	11,869	25,352	24,992	18,896	10,375	12,610	11,840	4,295
Gross proceeds from sale of assets	5,000	2,056	4,180	11,874	5,067	1,083	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	25,001	39,957	34,832	34,237	41,939	38,742	30,140	21,319	24,005	26,340	19,776

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	
										Sources of Operating Funding
18,714	19,147	19,692	20,339	21,001	21,703	22,327	22,948	23,637	24,381	General rates, uniform annual general charges, rates penalties
74,777	76,095	74,594	77,833	77,275	76,326	82,347	76,567	76,523	83,634	Targeted rates
2,115	2,130	2,211	2,291	2,372	2,452	2,533	2,614	2,694	2,775	Subsidies and grants for operating purposes
4,218	4,283	6,357	6,584	6,812	7,039	7,266	7,493	7,720	7,948	Fees and charges
7	7	7	7	8	8	8	8	9	9	Interest and dividends from investments
5,260	5,341	5,529	5,716	5,903	6,090	6,278	6,465	6,652	6,840	Local authorities fuel tax, fines, infringement fees, and other receipts
105,091	107,003	108,390	112,770	113,371	113,618	120,759	116,095	117,235	125,587	Total Operating Funding (A)
										Applications of Operating Funding
58,780	59,949	62,089	64,095	65,787	67,721	68,938	71,258	72,892	74,694	Payments to staff and suppliers
11,078	11,180	11,361	11,560	11,430	10,971	10,355	9,756	9,427	8,872	Finance costs
-	-	-	-	-	-	-	-	-	-	Other operating funding applications
69,858	71,129	73,450	75,655	77,217	78,692	79,293	81,014	82,319	83,566	Total applications of operating funding (B)
35,233	35,874	34,940	37,115	36,154	34,926	41,466	35,081	34,916	42,021	Surplus (deficit) of operating funding (A-B)
										Sources of capital funding
7,126	7,490	7,975	8,629	9,165	9,891	10,390	11,083	11,612	12,363	Subsidies and grants for capital expenditure
5,209	5,289	5,507	4,170	4,337	4,503	4,670	4,837	5,003	5,170	Development and financial contributions
403	4,108	3,943	4,895	(10,683)	(9,703)	(17,691)	(8,919)	(5,684)	(18,986)	Increase (decrease) in debt
-	-	-	-	-	-	-	-	-	-	Gross proceeds from sale of assets
-	-	-	-	-	-	-	-	-	-	Lump sum contributions
-	-	-	-	-	-	-	-	-	-	Other dedicated capital funding
12,738	16,887	17,425	17,694	2,819	4,691	(2,631)	7,001	10,931	(1,453)	Total sources of capital funding (C)

Forecast Funding Impact Statement (continued)

	AP 20/21 \$000	Yr 1 21/22 \$000	AP 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Applications of capital funding											
Capital Expenditure											
- to meet additional demand	2,000	18,042	10,349	8,607	18,704	24,619	22,151	13,505	10,770	10,015	10,383
- to improve the level of service	16,182	18,659	7,005	4,264	4,944	5,927	4,769	5,040	4,878	7,249	4,701
- to replace existing assets	12,425	18,838	17,646	22,116	26,473	22,071	22,078	28,111	38,468	40,892	38,347
Increase (decrease) in reserves	1,265	(8,331)	6,038	(1,011)	(1,227)	(2,644)	(2,386)	(1,071)	(1,339)	(1,382)	(1,262)
Increase (decrease) of investments	-	-	-	3,271	939	1,250	945	519	631	592	215
Total applications of capital funding (D)	31,872	47,208	41,038	37,247	49,833	51,223	47,557	46,104	53,408	57,366	52,384
Surplus (deficit) of capital funding (C-D)	(6,871)	(7,251)	(6,206)	(3,010)	(7,894)	(12,481)	(17,417)	(24,785)	(29,403)	(31,026)	(32,608)
Funding Balance ((A-B) +(C-D))	-	-	-	-	-	-	-	-	-	-	-
Depreciation	14,848	14,722	17,196	17,879	19,355	20,809	20,631	21,920	23,147	22,388	23,287

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	
										Applications of capital funding
										Capital expenditure
15,084	22,177	16,911	15,707	10,418	10,535	10,929	11,408	11,773	8,835	- to meet additional demand
7,202	8,693	7,588	8,163	5,886	5,926	6,122	6,611	7,036	5,908	- to improve the level of service
26,966	23,343	29,496	32,762	24,692	25,399	24,258	26,778	30,009	29,064	- to replace existing assets
(1,301)	(1,657)	(1,827)	(2,068)	(1,489)	(1,758)	(1,589)	(2,269)	(2,687)	(2,290)	Increase (decrease) in reserves
20	205	197	245	-	-	-	-	-	-	Increase (decrease) of investments
47,971	52,761	52,365	54,809	38,973	39,617	38,835	42,082	45,847	40,568	Total applications of capital funding (D)
(35,233)	(35,874)	(34,940)	(37,115)	(36,154)	(34,926)	(41,466)	(35,081)	(34,916)	(42,021)	Surplus (deficit) of capital funding (C-D)
-	-	-	-	-	-	-	-	-	-	Funding Balance ((A-B) +(C-D))
24,491	23,956	24,700	26,438	25,486	26,653	28,969	26,788	28,059	30,517	Depreciation

Indicative Rates on Select Properties - GST inclusive

Locality	Land Value \$	Capital Value \$	2022/23	Indicative rates 2023/24							
			Total Rates \$	General \$	Roading \$	Library \$	Rep & Gov \$	Aquatics \$	Solid Waste \$	Stormwater \$	Water \$
Hōkio Beach	190,000	290,000	1,544	442	105	323	343	165	178	76	-
Waikawa Beach	390,000	670,000	2,073	907	243	323	343	165	178	175	-
Waikawa Beach	500,000	740,000	2,261	1,163	268	323	343	165	178	194	-
ōhau	480,000	930,000	2,744	1,116	337	323	343	165	178	244	467
Manakau	500,000	950,000	2,456	1,163	344	323	343	165	178	249	-
Waitārere Beach	295,000	510,000	2,386	686	185	323	343	165	178	134	-
Waitārere Beach	360,000	560,000	2,540	837	203	323	343	165	178	147	-
Waitārere Beach	720,000	890,000	4,859	1,675	322	647	686	331	356	233	-
Foxton Beach	290,000	500,000	2,723	675	181	323	343	165	178	131	326
Foxton Beach	420,000	530,000	2,996	977	192	323	343	165	178	139	326
Foxton Beach	690,000	1,070,000	3,892	1,605	387	323	343	165	178	280	326
Foxton Beach	290,000	580,000	2,780	675	210	323	343	165	178	152	326
Tokomaru	250,000	520,000	2,729	582	188	323	343	165	178	136	467
Tokomaru	340,000	590,000	2,876	791	214	323	343	165	178	155	467
Vacant lifestyle	390,000	395,000	1,288	454	143	323	343	165	119	-	-
Rural	980,000	1,950,000	2,778	1,140	706	323	343	165	119	-	-
Rural	6,640,000	7,810,000	13,382	7,722	2,828	323	343	165	119	-	-
Rural Comm/Indust	1,000,000	2,510,000	4,315	2,326	909	323	343	165	119	-	467
Rural	850,000	3,400,000	4,260	1,977	1,231	323	343	165	119	-	-
Rural	4,640,000	4,925,000	8,627	5,396	1,783	323	343	165	119	-	-
Rural	4,190,000	4,318,000	7,804	4,873	1,564	323	343	165	119	-	-

Sewer \$	Indicative Total \$	Increase		Land Value \$	Capital Value \$	Locality
		Total \$	Total %			
-	1,633	89	5.7%	190,000	290,000	Hōkio Beach
-	2,335	262	12.7%	390,000	670,000	Waikawa Beach
-	2,635	374	16.5%	500,000	740,000	Waikawa Beach
-	3,174	430	15.7%	480,000	930,000	Ohau
-	2,766	310	12.6%	500,000	950,000	Manakau
628	2,643	257	10.8%	295,000	510,000	Waitārere Beach
628	2,825	285	11.2%	360,000	560,000	Waitārere Beach
1,257	5,507	648	13.3%	720,000	890,000	Waitārere Beach
628	2,951	228	8.4%	290,000	500,000	Foxtton Beach
628	3,272	276	9.2%	420,000	530,000	Foxtton Beach
628	4,237	345	8.9%	690,000	1,070,000	Foxtton Beach
628	3,001	221	7.9%	290,000	580,000	Foxtton Beach
628	3,011	283	10.4%	250,000	520,000	Tokomaru
628	3,264	388	13.5%	340,000	590,000	Tokomaru
-	1,548	260	20.2%	390,000	395,000	Vacant lifestyle
-	2,797	19	0.7%	980,000	1,950,000	Rural
-	11,501	(1,881)	-14.1%	6,640,000	7,810,000	Rural
628	5,281	967	22.4%	1,000,000	2,510,000	Rural Comm/Indust
-	4,159	(101)	-2.4%	850,000	3,400,000	Rural
-	8,131	(496)	-5.7%	4,640,000	4,925,000	Rural
-	7,387	(416)	-5.3%	4,190,000	4,318,000	Rural

Indicative Rates on Select Properties - GST inclusive (continued)

Locality	Land Value \$	Capital Value \$	2022/23	Indicative rates 2023/24							
			Total Rates \$	General \$	Roading \$	Library \$	Rep & Gov \$	Aquatics \$	Solid Waste \$	Stormwater \$	Water \$
Lifestyle	450,000	740,000	1,874	1,047	268	323	343	165	119	-	-
Lifestyle	660,000	1,095,000	2,911	1,535	396	323	343	165	119	-	467
Lifestyle	540,000	1,675,000	2,672	1,256	607	323	343	165	119	-	467
Utility	0	25,170,000	10,819	-	9,114	323	343	165	119	-	-
Levin - business	150,000	150,000	1,768	349	54	323	343	165	178	39	234
Levin	460,000	750,000	3,158	1,070	272	323	343	165	178	196	467
Levin 2 Dwlg	265,000	510,000	4,940	616	185	647	686	331	356	134	934
Levin	330,000	540,000	2,995	768	196	323	343	165	178	141	467
Levin	340,000	540,000	3,012	791	196	323	343	165	178	141	467
Levin	250,000	450,000	2,622	582	163	323	343	165	178	118	467
Levin - business	440,000	690,000	12,022	1,023	250	1,617	1,716	827	891	181	2,336
Levin - business	290,000	550,000	3,371	675	199	323	343	165	178	144	467
Foxton	150,000	305,000	2,437	349	110	323	343	165	178	80	467
Foxton	235,000	570,000	2,703	547	206	323	343	165	178	149	467
Foxton	525,000	625,000	3,083	1,221	226	323	343	165	178	164	467
Shannon	225,000	380,000	2,539	523	138	323	343	165	178	100	467
Shannon	340,000	485,000	2,729	791	176	323	343	165	178	127	467
Shannon	250,000	520,000	2,786	582	188	323	343	165	178	136	467

Sewer \$	Indicativ e Total \$	Increase		Land Value \$	Capital Value \$	Locality
		Total \$	Total %			
-	2,266	392	20.9%	450,000	740,000	Lifestyle
-	3,350	439	15.1%	660,000	1,095,000	Lifestyle
-	3,281	609	22.8%	540,000	1,675,000	Lifestyle
-	10,065	(755)	-7.0%	0	25,170,000	Utility
314	2,000	232	13.1%	150,000	150,000	Levin - business
628	3,643	486	15.4%	460,000	750,000	Levin
1,257	5,146	205	4.2%	265,000	510,000	Levin 2 Dwlg
628	3,210	215	7.2%	330,000	540,000	Levin
628	3,233	222	7.4%	340,000	540,000	Levin
628	2,968	346	13.2%	250,000	450,000	Levin
3,142	11,981	(41)	-0.3%	440,000	690,000	Levin - business
628	3,123	(248)	-7.4%	290,000	550,000	Levin - business
628	2,645	208	8.5%	150,000	305,000	Foxtan
628	3,008	304	11.3%	235,000	570,000	Foxtan
628	3,717	633	20.5%	525,000	625,000	Foxtan
628	2,866	327	12.9%	225,000	380,000	Shannon
628	3,199	470	17.2%	340,000	485,000	Shannon
628	3,011	225	8.1%	250,000	520,000	Shannon

Financial Statements

The Financial Statements include:

- **Forecast Statement for Comprehensive Revenue and Expense**
- **Forecast Statement of Changes in Equity**
- **Forecast Statement of Financial Position**
- **Forecast Cashflow Statement**
- **Forecast Funding Impact Statement**
- **Capital Expenditure**
- **Reconciliation between Forecast Funding Impact Statement and the Forecast Statement of Comprehensive Income**

Forecast Statement for Comprehensive Revenue and Expense

	AP 20/21 \$000	Yr 1 21/22 \$000	AP 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Revenue											
Rates Revenue	39,684	43,447	47,227	51,430	56,270	62,303	69,652	78,053	84,346	87,460	90,040
Grants & Subsidies	12,780	17,235	18,725	11,715	9,035	10,107	8,611	8,240	8,622	11,541	12,455
Finance Revenue	200	200	205	-	-	-	-	-	-	-	-
Fees and Charges	4,551	4,721	3,693	3,629	3,641	3,742	3,839	3,926	4,007	4,082	4,152
Other Revenue	3,197	4,749	4,718	4,428	4,573	4,691	4,807	4,909	5,006	5,098	5,185
Gain Disposal of Assets	-	17	33	28	13	13	13	13	13	13	13
Investment (Gains)/Losses	-	2,744	1,461	1,461	4,456	4,591	4,717	4,831	4,936	5,033	5,123
Development Contributions	-	-	-	-	-	1,053	1,053	-	-	-	-
Vested Assets	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	60,412	73,113	76,062	72,691	77,988	86,500	92,692	99,972	106,930	113,227	116,968
Expenditure											
Employee Benefit Expenses	15,771	18,169	20,095	21,370	22,290	22,758	23,227	23,693	24,160	24,835	25,157
Finance Costs	3,202	2,964	3,467	5,082	6,764	7,896	8,884	9,542	10,060	10,610	10,973
Depreciation & Amortisation	14,848	14,722	17,196	17,879	19,355	20,809	20,631	21,920	23,147	22,388	23,287
Loss Disposal of Assets	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	23,892	26,832	28,306	32,916	29,718	29,853	31,084	31,232	32,146	32,500	33,002
Total Expenditure	57,713	62,687	69,064	77,247	78,127	81,316	83,826	86,387	89,513	90,333	92,419
Surplus/(deficit)	2,699	10,426	6,998	(4,556)	(139)	5,184	8,866	13,585	17,417	22,894	24,549
Other Comprehensive Revenue											
Gain/(loss) on property revaluation	5,472	3,700	37,357	29,105	42,791	2,784	32,779	44,949	2,660	31,617	37,692
Total Other Comprehensive Revenue	5,472	3,700	37,357	29,105	42,791	2,784	32,779	44,949	2,660	31,617	37,692
Total Comprehensive Revenue and Expenditure	8,171	14,126	44,355	24,548	42,652	7,968	41,645	58,534	20,076	54,511	62,241

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	
										Revenue
93,490	95,241	94,285	98,171	98,276	98,028	104,674	99,515	100,160	108,015	Rates Revenue
9,241	9,620	10,186	10,920	11,537	12,343	12,923	13,697	14,306	15,138	Grants & Subsidies
-	-	-	-	-	-	-	-	-	-	Finance Revenue
4,218	4,283	6,357	6,584	6,812	7,039	7,266	7,493	7,720	7,948	Fees and Charges
5,267	5,348	5,536	5,723	5,911	6,098	6,286	6,473	6,661	6,849	Other Revenue
13	13	13	13	13	13	13	13	13	13	Gain Disposal of Assets
5,209	5,289	5,507	4,170	4,337	4,503	4,670	4,837	5,003	5,170	Investment (Gains)/Losses
-	-	-	-	-	-	-	-	-	-	Development Contributions
-	-	-	-	-	-	-	-	-	-	Vested Assets
117,438	119,794	121,884	125,581	126,886	128,024	135,832	132,028	133,863	143,133	Total Revenue
										Expenditure
25,559	26,025	26,492	26,966	27,441	27,916	28,390	28,865	29,339	29,814	Employee Benefit Expenses
11,078	11,180	11,361	11,560	11,430	10,971	10,355	9,756	9,427	8,872	Finance Costs
24,491	23,956	24,700	26,438	25,486	26,653	28,969	26,788	28,059	30,517	Depreciation & Amortisation
-	-	-	-	-	-	-	-	-	-	Loss Disposal of Assets
33,478	34,190	35,876	37,421	38,652	40,126	40,883	42,744	43,918	45,262	Other Expenses
94,606	95,351	98,429	102,385	103,009	105,666	108,597	108,153	110,743	114,465	Total Expenditure
22,832	24,443	23,455	23,196	23,877	22,358	27,235	23,875	23,120	28,668	Surplus/(deficit)
										Other Comprehensive Revenue
2,722	21,433	48,515	3,474	93,722	78,286	3,178	115,319	84,357	4,082	Gain/(loss) on property revaluation
2,722	21,433	48,515	3,474	93,722	78,286	3,178	115,319	84,357	4,082	Total Other Comprehensive Revenue
25,553	45,876	71,971	26,670	117,599	100,644	30,413	139,194	107,477	32,750	Total Comprehensive Revenue and Expenditure

Forecast Statement of Changes in Equity

	AP 20/21 \$000	Yr 1 21/22 \$000	AP 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Equity balance at 1 July	469,543	581,914	625,100	691,555	716,103	758,755	766,723	808,369	866,902	886,979	941,490
Total comprehensive revenue and expenditure for the year	8,171	14,126	44,355	24,548	42,652	7,968	41,645	58,534	20,076	54,511	62,241
Equity Balance 30 June	477,714	596,040	669,455	716,103	758,755	766,723	808,369	866,902	886,979	941,490	1,003,731
Components of Equity											
Retained Earnings at 1 July	254,433	250,903	262,934	291,673	287,117	286,527	291,241	299,616	312,686	329,566	351,898
Net Surplus/(Deficit)	2,699	10,426	5,004	(4,556)	(139)	5,184	8,866	13,585	17,417	22,894	24,549
Transfers to / (from) reserves	-	73	-	-	(450)	(471)	(492)	(514)	(537)	(561)	(587)
Retained earnings 30 June	257,132	261,402	267,488	287,117	286,527	291,241	299,616	312,686	329,566	351,898	375,861
Revaluation Reserves at 1 July	205,059	320,960	352,516	389,873	418,978	461,769	464,553	497,332	542,281	544,940	576,558
Revaluation Gains	5,472	3,700	37,357	29,105	42,791	2,784	32,779	44,949	2,660	31,617	37,692
Revaluation Reserves 30 June	210,531	324,660	389,873	418,978	461,769	464,553	497,332	542,281	544,940	576,558	614,250
Council Created Reserves at 1 July	9,650	10,051	9,650	10,009	10,009	10,459	10,930	11,422	11,936	12,473	13,034
Transfers to / (from) reserves	401	(73)	2,444	-	450	471	492	514	537	561	587
Council created Reserves 30 June	10,051	9,978	12,094	10,009	10,459	10,930	11,422	11,936	12,473	13,034	13,621
Equity balance at 30 June	477,714	596,040	669,455	716,103	758,755	766,723	808,369	866,902	886,979	941,490	1,003,731

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	
1,003,731	1,029,284	1,075,160	1,147,130	1,173,801	1,291,400	1,392,044	1,422,457	1,561,651	1,669,127	Equity balance at 1 July
25,553	45,876	71,971	26,670	117,599	100,644	30,413	139,194	107,477	32,750	Total comprehensive revenue and expenditure for the year
1,029,284	1,075,160	1,147,130	1,173,801	1,291,400	1,392,044	1,422,457	1,561,651	1,669,127	1,701,878	Equity Balance 30 June
										Components of Equity
375,861	398,079	421,881	444,667	467,163	490,309	511,904	538,340	561,381	583,629	Retained Earnings at 1 July
22,832	24,443	23,455	23,196	23,877	22,358	27,235	23,875	23,120	28,668	Net Surplus/(Deficit)
(613)	(641)	(669)	(699)	(731)	(764)	(798)	(834)	(872)	(911)	Transfers to / (from) reserves
398,079	421,881	444,667	467,163	490,309	511,904	538,340	561,381	583,629	611,387	Retained earnings 30 June
614,250	616,971	638,405	686,920	690,395	784,117	862,403	865,581	980,900	1,065,257	Revaluation Reserves at 1 July
2,722	21,433	48,515	3,474	93,722	78,286	3,178	115,319	84,357	4,082	Revaluation Gains
616,971	638,405	686,920	690,395	784,117	862,403	865,581	980,900	1,065,257	1,069,339	Revaluation Reserves 30 June
13,621	14,233	14,874	15,543	16,243	16,974	17,737	18,536	19,370	20,241	Council Created Reserves at 1 July
613	641	669	699	731	764	798	834	872	911	Transfers to / (from) reserves
14,233	14,874	15,543	16,243	16,974	17,737	18,536	19,370	20,241	21,152	Council created Reserves 30 June
1,029,284	1,075,160	1,147,130	1,173,801	1,291,400	1,392,044	1,422,457	1,561,651	1,669,127	1,701,878	Equity balance at 30 June

Forecast Statement of Financial Position

	AP 20/21 \$000	Yr 1 21/22 \$000	AP 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
ASSETS											
Current Assets											
Cash & Cash Equivalents	13,049	11,519	4,380	6,621	6,846	7,045	7,235	7,408	7,571	7,723	7,862
Debtors & Other Receivables	6,766	6,340	7,587	4,958	5,127	5,276	5,418	5,548	5,670	5,784	5,888
Non-current assets held for sale	-	4,293	350	-	-	-	-	-	-	-	-
Other Financial Assets	5,360	5,360	1,091	3,749	4,383	5,007	5,480	5,739	6,054	6,350	6,458
Total Current Assets	25,175	27,512	13,408	15,328	16,356	17,328	18,133	18,696	19,296	19,857	20,207
Non-Current Assets											
Forestry Assets	942	1,107	1,301	1,110	1,125	1,141	1,157	1,173	1,189	1,205	1,221
Intangible Assets	811	970	1,211	2,258	1,861	1,815	1,818	1,821	1,852	1,853	1,829
Investment Property	-	-	-	1,078	1,146	1,146	1,146	1,232	1,232	1,232	1,309
Other Financial Assets	1,805	1,926	2,034	2,647	2,953	3,577	4,050	4,309	4,624	4,920	5,028
Operational Assets	49,908	44,414	60,992	77,824	69,773	68,470	65,587	68,718	66,998	67,030	66,954
Infrastructural Assets	481,592	601,858	660,129	726,889	797,979	841,685	902,707	965,058	999,547	1,063,893	1,130,553
Restricted Assets	51,466	71,132	75,022	64,491	69,021	58,535	60,147	63,115	62,516	64,036	63,855
Total Non-Current Assets	586,524	721,407	800,689	876,297	943,858	976,369	1,036,612	1,105,426	1,137,958	1,204,170	1,270,749
Total Assets	611,699	748,919	814,097	891,625	960,213	993,697	1,054,744	1,124,122	1,157,255	1,224,027	1,290,957

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	
										ASSETS
										Current Assets
7,996	8,123	8,489	8,871	9,270	9,687	10,123	10,579	11,055	11,552	Cash & Cash Equivalents
5,988	6,084	6,357	6,643	6,942	7,255	7,581	7,922	8,279	8,652	Debtors & Other Receivables
-	-	-	-	-	-	-	-	-	-	Non-current assets held for sale
6,468	6,571	6,669	6,792	6,524	6,282	5,840	5,617	5,475	5,000	Other Financial Assets
20,451	20,778	21,516	22,306	22,737	23,224	23,544	24,118	24,808	25,204	Total Current Assets
										Non-Current Assets
1,237	1,253	1,269	1,284	1,300	1,316	1,332	1,348	1,364	1,380	Forestry Assets
1,831	1,863	1,838	1,873	1,849	1,888	1,859	1,864	1,904	1,913	Intangible Assets
1,309	1,309	1,414	1,414	1,414	1,592	1,592	1,592	1,793	1,793	Investment Property
5,038	5,141	5,239	5,361	5,094	4,852	4,410	4,187	4,044	3,570	Other Financial Assets
65,983	64,365	68,595	68,833	65,755	72,216	70,130	68,771	78,466	74,914	Operational Assets
1,158,848	1,211,347	1,279,320	1,311,442	1,422,640	1,501,283	1,518,605	1,650,967	1,736,798	1,756,480	Infrastructural Assets
62,599	61,597	65,305	64,518	64,171	70,588	69,313	69,365	76,029	74,973	Restricted Assets
1,296,845	1,346,875	1,422,980	1,454,725	1,562,223	1,653,735	1,667,240	1,798,094	1,900,398	1,915,023	Total Non-Current Assets
1,317,296	1,367,652	1,444,496	1,477,031	1,584,960	1,676,959	1,690,785	1,822,211	1,925,207	1,940,226	TOTAL ASSETS

Forecast Statement of Financial Position (continued)

	AP 20/21 \$000	Yr 1 21/22 \$000	AP 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
LIABILITIES											
Current Liabilities											
Payables and Deferred Revenue	9,643	13,721	15,948	15,469	15,995	16,459	16,903	17,309	17,689	18,043	18,368
Employee Benefit Liabilities	899	1,060	1,422	1,593	1,641	1,690	1,741	1,793	1,847	1,903	1,960
Provisions	30	30	30	1,614	1,614	1,614	1,614	1,614	1,614	1,614	1,614
Borrowings and Other Financial Liabilities	24,000	10,000	21,000	22,493	26,296	30,044	32,879	34,435	36,327	38,103	38,747
Other Financial Liabilities	378	3,615	702	175	175	175	175	175	175	175	175
Total Current Liabilities	34,950	28,426	39,102	41,344	45,720	49,982	53,312	55,326	57,652	59,837	60,863
Non-Current Liabilities											
Employee Benefit Liabilities	167	207	256	340	350	361	371	383	394	406	418
Provisions	4,811	6,425	5,542	6,379	6,379	6,379	6,379	6,379	6,379	6,379	6,379
Borrowings and Other Financial Liabilities	92,062	117,821	98,463	127,459	149,008	170,252	186,313	195,132	205,850	215,914	219,565
Other Financial Liabilities	1,995	-	1,279	-	-	-	-	-	-	-	-
Total Non-Current Liabilities	99,035	124,453	105,540	134,178	155,737	176,991	193,064	201,894	212,623	222,699	226,362
TOTAL LIABILITIES	133,985	152,879	144,642	175,522	201,458	226,974	246,375	257,220	270,276	282,537	287,226
NET ASSETS	477,714	596,040	669,455	716,103	758,755	766,723	808,369	866,902	886,979	941,490	1,003,731
EQUITY											
Retained Earnings	257,132	261,402	267,488	287,117	286,527	291,241	299,616	312,686	329,566	351,898	375,861
Revaluation Reserves	210,531	324,660	389,873	418,978	461,769	464,553	497,332	542,281	544,940	576,558	614,250
Other Reserves	10,051	9,978	12,094	10,009	10,459	10,930	11,422	11,936	12,473	13,034	13,621
TOTAL EQUITY	477,714	596,040	669,455	716,103	758,755	766,723	808,369	866,902	886,979	941,490	1,003,731

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	
										LIABILITIES
										Current Liabilities
18,680	18,979	19,833	20,726	21,658	22,633	23,651	24,716	25,828	26,990	Payables and Deferred Revenue
2,018	2,079	2,141	2,206	2,272	2,340	2,410	2,482	2,557	2,634	Employee Benefit Liabilities
1,614	1,614	1,614	1,614	1,614	1,614	1,614	1,614	1,614	1,614	Provisions
38,807	39,423	40,015	40,749	39,147	37,691	35,038	33,700	32,847	29,999	Borrowings and Other Financial Liabilities
175	175	175	175	175	175	175	175	175	175	Other Financial Liabilities
61,295	62,271	63,778	65,469	64,866	64,453	62,888	62,687	63,021	61,412	Total Current Liabilities
										Non-Current Liabilities
431	443	457	471	485	499	514	530	545	562	Employee Benefit Liabilities
6,379	6,379	6,379	6,379	6,379	6,379	6,379	6,379	6,379	6,379	Provisions
219,908	223,400	226,751	230,912	221,831	213,584	198,546	190,965	186,134	169,996	Borrowings and Other Financial Liabilities
-	-	-	-	-	-	-	-	-	-	Other Financial Liabilities
226,717	230,222	233,587	237,761	228,695	220,462	205,440	197,874	193,058	176,937	Total Non-Current Liabilities
288,012	292,493	297,365	303,231	293,561	284,915	268,328	260,561	256,079	238,349	TOTAL LIABILITIES
1,029,284	1,075,160	1,147,130	1,173,801	1,291,400	1,392,044	1,422,457	1,561,651	1,669,127	1,701,878	NET ASSETS
										EQUITY
398,079	421,881	444,667	467,163	490,309	511,904	538,340	561,381	583,629	611,387	Retained Earnings
616,971	638,405	686,920	690,395	784,117	862,403	865,581	980,900	1,065,257	1,069,339	Revaluation Reserves
14,233	14,874	15,543	16,243	16,974	17,737	18,536	19,370	20,241	21,152	Other Reserves
1,029,284	1,075,160	1,147,130	1,173,801	1,291,400	1,392,044	1,422,457	1,561,651	1,669,127	1,701,878	TOTAL EQUITY

Forecast Cashflow Statement

	AP 20/21 \$000	Yr 1 21/22 \$000	AP 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Cashflow from Operating Activities											
Cash was provided from:											
Revenue from Rates	39,684	43,447	47,227	51,430	56,270	62,303	69,652	78,053	84,346	87,460	90,040
Interest Received	200	200	205	-	-	-	-	-	-	-	-
Other Revenue	20,528	29,450	29,047	21,233	21,705	23,131	21,974	21,906	22,571	25,754	26,915
	60,412	73,097	76,479	72,663	77,975	85,434	91,626	99,959	106,917	113,214	116,955
Cash was disbursed to:											
Payments Staff & Suppliers	39,663	45,003	48,240	53,964	50,345	49,547	51,505	53,444	54,557	55,545	56,492
Interest Paid	3,202	2,964	3,467	5,082	6,764	7,896	8,884	9,542	10,060	10,610	10,973
	42,865	47,967	51,707	59,046	57,109	57,443	60,389	62,986	64,617	66,155	67,465
Net Cashflow from Operating Activity	17,547	25,130	24,772	13,617	20,866	27,991	31,237	36,973	42,300	47,059	49,490
Cashflow from Investing Activities											
Cash was provided from:											
Proceeds from Sale of Assets	5,000	2,056	4,180	11,874	5,067	1,083	-	-	-	-	-
	5,000	2,056	4,180	11,874	5,067	1,083	-	-	-	-	-
Cash was disbursed to:											
Purchase of Assets	30,607	47,208	35,000	34,987	50,121	52,617	48,998	46,656	54,116	58,156	53,431
Purchase of Investments	-	-	-	3,271	939	1,250	945	519	631	592	215
	30,607	47,208	35,000	38,258	51,060	53,867	49,943	47,175	54,747	58,748	53,646
Net Cashflow from Investing Activity	(25,607)	(45,152)	(30,820)	(26,384)	(45,993)	(52,784)	(49,943)	(47,175)	(54,747)	(58,748)	(53,646)

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	
										Cashflow from Operating Activities
										Cash was provided from:
93,490	95,241	94,285	98,171	98,276	98,028	104,674	99,515	100,160	108,015	Revenue from Rates
-	-	-	-	-	-	-	-	-	-	Interest Received
23,935	24,540	27,586	27,397	28,597	29,983	31,145	32,500	33,690	35,105	Other Revenue
117,425	119,781	121,871	125,568	126,873	128,011	135,819	132,015	133,850	143,120	
										Cash was disbursed to:
57,344	58,163	59,895	61,644	63,365	65,060	66,028	68,088	69,444	70,958	Payments Staff & Suppliers
11,078	11,180	11,361	11,560	11,430	10,971	10,355	9,756	9,427	8,872	Interest Paid
68,422	69,343	71,256	73,204	74,795	76,031	76,383	77,844	78,871	79,830	
49,003	50,438	50,615	52,364	52,078	51,980	59,436	54,171	54,979	63,290	Net Cashflow from Operating Activity
										Cashflow from Investing Activities
										Cash was provided from:
-	-	-	-	-	-	-	-	-	-	Proceeds from Sale of Assets
-	-	-	-	-	-	-	-	-	-	
										Cash was disbursed to:
49,252	54,213	53,995	56,632	40,996	41,860	41,309	44,797	48,818	43,807	Purchase of Assets
20	205	197	245	-	-	-	-	-	-	Purchase of Investments
49,272	54,418	54,192	56,877	40,996	41,860	41,309	44,797	48,818	43,807	
(49,272)	(54,418)	(54,192)	(56,877)	(40,996)	(41,860)	(41,309)	(44,797)	(48,818)	(43,807)	Net Cashflow from Investing Activity

Forecast Cashflow Statement (continued)

	AP 20/21 \$000	Yr 1 21/22 \$000	AP 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Cashflow from Financing Activities											
Cash was provided from:											
Borrowings Raised	23,325	65,022	18,356	32,869	47,845	51,288	48,940	43,254	47,045	48,167	42,398
	23,325	65,022	18,356	32,869	47,845	51,288	48,940	43,254	47,045	48,167	42,398
Cash was disbursed to:											
Repayment of Borrowings	14,000	45,000	10,000	21,000	22,493	26,296	30,044	32,879	34,435	36,327	38,103
	14,000	45,000	10,000	21,000	22,493	26,296	30,044	32,879	34,435	36,327	38,103
Net Cashflow from Financing Activity	9,325	20,022	8,356	11,869	25,352	24,992	18,896	10,375	12,610	11,840	4,295
Net Increase (Decrease) in Cash Held	1,265	-	2,308	(898)	225	199	190	173	164	151	139
Add Opening Cash bought forward	11,784	11,519	2,072	7,519	6,621	6,846	7,045	7,235	7,408	7,572	7,723
Closing Cash Balance	13,049	11,519	4,380	6,621	6,846	7,045	7,235	7,408	7,572	7,723	7,862
Closing Balance made up of Cash and Cash Equivalents	13,049	11,519	4,380	6,621	6,846	7,045	7,235	7,408	7,571	7,723	7,862

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	
										Cashflow from Financing Activities
										Cash was provided from:
39,150	42,915	43,366	44,910	30,066	29,444	20,000	26,119	28,016	13,861	Borrowings raised
39,150	42,915	43,366	44,910	30,066	29,444	20,000	26,119	28,016	13,861	
										Cash was disbursed to:
38,747	38,807	39,423	40,015	40,749	39,147	37,691	35,038	33,700	32,847	Repayment of Borrowings
38,747	38,807	39,423	40,015	40,749	39,147	37,691	35,038	33,700	32,847	
403	4,108	3,943	4,895	(10,683)	(9,703)	(17,691)	(8,919)	(5,684)	(18,986)	Net Cashflow from Financing Activity
134	128	366	382	399	417	436	455	477	497	Net Increase (Decrease) in Cash Held
7,862	7,996	8,123	8,489	8,871	9,270	9,687	10,123	10,578	11,055	Add Opening Cash bought forward
7,996	8,123	8,489	8,871	9,270	9,687	10,123	10,578	11,055	11,552	Closing Cash Balance
7,996	8,123	8,489	8,871	9,270	9,687	10,123	10,579	11,055	11,552	Closing Balance made up of Cash and Cash Equivalents

Reconciliation between Forecast Funding Impact Statement and the Forecast Statement of Comprehensive Revenue and Expense

	AP 20/21 \$000	Yr 1 21/22 \$000	AP 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Revenue											
Prospective Statement of Comprehensive Revenue and Expense	60,412	73,113	76,062	72,691	77,988	86,500	92,692	99,972	106,930	113,227	116,968
Summary Funding Impact Statement											
Total Operating Funding	49,736	55,218	57,963	62,170	66,455	72,768	80,383	89,015	95,522	98,715	101,474
Add Sources of Capital Funding											
Sources of capital funding	10,676	15,134	16,605	9,033	7,063	8,075	6,527	6,113	6,458	9,466	10,357
Development Contributions	-	2,744	1,461	1,461	4,456	4,591	4,717	4,831	4,936	5,033	5,123
Investment (Gains)/Losses	-	17	33	28	13	13	13	13	13	13	13
Vested Assets	-	-	-	-	-	-	-	-	-	-	-
Gain Disposal of Assets	-	-	-	-	-	1,053	1,053	-	-	-	-
Total Revenue	60,412	73,113	76,062	72,692	77,987	86,500	92,693	99,972	106,929	113,227	116,967
Expenditure											
Prospective Statement of Comprehensive Revenue and Expense											
Operating Expenditure	57,713	62,687	69,064	77,247	78,127	81,316	83,826	86,387	89,513	90,333	92,419
Summary Funding Impact Statement											
Total applications of operating funding	42,865	47,965	51,707	59,160	58,561	60,287	62,966	64,230	66,119	67,689	68,866
Add Provision Aftercare	-	-	161	152	153	160	167	174	182	189	197
Add Employee Benefit Movement	-	-	-	56	58	60	62	63	65	67	69
Add Depreciation and Amortisation Expense	14,848	14,722	17,196	17,879	19,355	20,809	20,631	21,920	23,147	22,388	23,287
Total Expenditure	57,713	62,687	69,064	77,247	78,127	81,316	83,826	86,387	89,513	90,333	92,419

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	
										Revenue
117,438	119,794	121,884	125,581	126,886	128,024	135,832	132,028	133,863	143,133	Prospective Statement of Comprehensive Revenue and Expense
										Summary Funding Impact Statement
105,091	107,003	108,390	112,770	113,371	113,618	120,759	116,095	117,235	125,587	Total Operating Funding
										Add Sources of Capital Funding
7,126	7,489	7,974	8,629	9,164	9,891	10,389	11,083	11,612	12,362	Sources of capital funding
5,209	5,289	5,507	4,170	4,337	4,503	4,670	4,837	5,003	5,170	Development Contributions
13	13	13	13	13	13	13	13	13	13	Investment (Gains)/Losses
-	-	-	-	-	-	-	-	-	-	Vested Assets
-	-	-	-	-	-	-	-	-	-	Gain Disposal of Assets
117,439	119,794	121,884	125,582	126,885	128,025	135,831	132,028	133,863	143,132	Total Revenue
										Expenditure
										Prospective Statement of Comprehensive Revenue and Expense
94,606	95,351	98,429	102,385	103,009	105,666	108,597	108,153	110,743	114,465	Operating Expenditure
										Summary Funding Impact Statement
69,858	71,129	73,450	75,655	77,217	78,692	79,293	81,014	82,319	83,566	Total applications of operating funding
186	193	203	214	226	238	250	263	275	289	Add Provision Aftercare
71	73	76	78	80	83	85	88	90	93	Add Employee Benefit Movement
24,491	23,956	24,700	26,438	25,486	26,653	28,969	26,788	28,059	30,517	Add Depreciation and Amortisation Expense
94,606	95,351	98,429	102,385	103,009	105,666	108,597	108,153	110,743	114,465	Total Expenditure

Capital Expenditure

Summary of Capital Projects by Primary Type of Activity	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Regulatory Services											
To meet additional demand	-	-	-	-	514	-	-	-	-	-	-
To improve the level of service	-	80	34	-	-	-	-	-	-	-	-
To replace existing assets	36	4	45	-	-	-	65	66	28	-	-
Community Facilities	-	-	-	-	-	-	-	-	-	-	-
To meet additional demand	-	-	-	171	-	-	1,360	1,393	1,458	1,428	1,444
To improve the level of service	76	1,706	2,891	500	-	-	13	-	95	-	-
To replace existing assets	938	997	819	2,905	1,484	806	878	1,094	866	2,287	1,199
Land Transport	-	-	-	-	-	-	-	-	-	-	-
To meet additional demand	-	4,960	2,603	2,222	292	311	330	348	366	383	430
To improve the level of service	6,954	6,820	3,203	735	1,376	1,464	1,553	1,638	1,722	1,806	2,051
To replace existing assets	3,624	3,540	3,770	8,251	19,792	12,042	9,376	8,603	9,098	14,031	15,285
Property	-	-	-	-	-	-	-	-	-	-	-
To meet additional demand	-	-	-	-	-	-	-	-	-	-	-
To improve the level of service	200	1,500	-	1,500	-	-	-	-	-	-	-
To replace existing assets	588	1,999	3,040	4,709	767	1,741	419	529	886	1,155	185
Stormwater	-	-	-	-	-	-	-	-	-	-	-
To meet additional demand	469	2,006	3,024	3,768	7,216	2,202	2,499	631	656	659	682
To improve the level of service	1,241	3,115	1,426	1,546	1,448	626	644	660	676	690	703
To replace existing assets	98	156	257	206	490	221	135	97	141	102	147
Solid Waste	-	-	-	-	-	-	-	-	-	-	-
To meet additional demand	-	42	40	42	42	44	43	45	46	47	49
To improve the level of service	577	335	375	410	421	116	119	121	124	126	128
To replace existing assets	153	227	75	680	85	87	75	77	78	80	81

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Summary of Capital Projects by Primary Type of Activity
										Regulatory Services
-	-	-	-	-	-	-	-	-	-	To meet additional demand
-	-	-	-	-	-	-	-	-	-	To improve the level of service
30	72	75	32	-	-	35	87	90	42	To replace existing assets
										Community Facilities
1,467	1,529	1,520	1,762	1,618	1,677	1,791	1,764	1,813	1,861	To meet additional demand
50	-	-	-	3	16	-	-	115	-	To improve the level of service
739	868	1,165	1,578	1,085	1,395	969	1,993	2,790	2,390	To replace existing assets
										Land Transport
456	475	511	548	587	628	666	704	744	786	To meet additional demand
2,149	2,239	2,405	2,580	2,764	2,958	3,133	3,314	3,502	3,697	To improve the level of service
9,797	10,317	10,963	11,884	12,599	13,622	14,283	15,263	15,962	17,026	To replace existing assets
										Property
-	-	-	-	-	-	-	-	-	-	To meet additional demand
-	-	-	-	-	-	-	-	-	-	To improve the level of service
558	853	1,456	1,707	1,945	1,268	1,291	853	1,034	576	To replace existing assets
										Stormwater
684	707	725	767	785	827	844	1,140	1,165	1,218	To meet additional demand
716	728	759	791	822	853	884	1,168	1,207	1,247	To improve the level of service
106	152	112	165	121	178	130	247	198	264	To replace existing assets
										Solid Waste
50	51	54	56	58	61	63	66	68	71	To meet additional demand
130	132	137	142	146	-	-	-	-	-	To improve the level of service
82	84	86	89	92	27	27	28	29	30	To replace existing assets

Capital Expenditure (continued)

Summary of Capital Projects by Primary Type of Activity	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Water Supply											
To meet additional demand	874	1,420	3,077	2,799	4,381	16,530	17,125	2,210	1,695	2,150	1,978
To improve the level of service	56	517	188	-	-	-	-	-	-	9	72
To replace existing assets	2,616	3,899	3,644	7,476	7,259	10,790	6,140	4,261	9,887	6,555	6,916
Wastewater											
To meet additional demand	657	7,306	7,691	5,919	11,609	16,953	3,930	4,202	2,655	1,877	2,103
To improve the level of service	2,717	2,465	1,592	1,227	2,606	5,616	2,756	516	132	77	160
To replace existing assets	3,486	5,491	4,242	8,885	2,773	4,893	8,165	5,962	9,265	7,989	6,109
Community Support											
To meet additional demand	-	-	-	-	-	-	-	-	-	-	-
To improve the level of service	6	47	-	-	-	-	6	13	-	6	-
To replace existing assets	-	28	10	26	2	8	12	25	10	10	5
Community Infrastructure											
To meet additional demand	-	607	410	261	3,488	374	1,837	1,782	1,905	1,749	1,754
To improve the level of service	4,079	1,303	919	1,031	1,178	789	616	876	1,063	3,123	565
To replace existing assets	653	1,882	1,437	2,743	5,821	1,702	1,180	1,178	767	978	1,081
Representation and Community Leadership											
To meet additional demand	-	-	-	-	-	-	-	-	-	-	-
To improve the level of service	-	500	500	2,875	-	-	-	-	-	-	-
To replace existing assets	-	-	-	-	-	-	-	-	-	-	-

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Summary of Capital Projects by Primary Type of Activity
										Water Supply
4,011	5,098	5,309	3,634	3,595	3,731	3,836	3,971	4,106	740	To meet additional demand
947	1,144	1,189	1,362	1,290	1,339	1,357	1,405	1,453	-	To improve the level of service
6,272	2,626	2,632	2,952	2,882	2,987	3,001	3,103	3,205	3,307	To replace existing assets
-	-	-	-	-	-	-	-	-	-	Wastewater
3,883	8,841	4,118	4,415	1,511	1,568	1,626	1,683	1,740	1,797	To meet additional demand
1,171	2,414	1,242	1,252	81	84	87	91	94	97	To improve the level of service
2,925	3,476	6,930	7,095	3,649	3,789	2,873	2,975	3,080	3,184	To replace existing assets
-	-	-	-	-	-	-	-	-	-	Community Support
-	-	-	-	-	-	-	-	-	-	To meet additional demand
-	7	15	-	-	-	-	38	18	-	To improve the level of service
17	11	34	2	11	14	21	12	25	6	To replace existing assets
-	-	-	-	-	-	-	-	-	-	Community Infrastructure
1,777	1,794	1,856	2,029	1,980	2,043	2,103	2,080	2,137	2,362	To meet additional demand
579	409	424	552	457	474	488	419	431	642	To improve the level of service
730	798	852	1,266	1,447	1,372	1,213	1,922	2,805	1,845	To replace existing assets
-	-	-	-	-	-	-	-	-	-	Representation and Community Leadership
-	-	-	-	-	-	-	-	-	-	To meet additional demand
-	-	-	-	-	-	-	-	-	-	To improve the level of service
-	-	-	-	-	-	-	-	-	-	To replace existing assets

Capital Expenditure (continued)

Summary of Capital Projects by Primary Type of Activity	AP 20/21 \$000	Yr 1 21/22 \$000	Yr 2 22/23 \$000	Yr 3 23/24 \$000	Yr 4 24/25 \$000	Yr 5 25/26 \$000	Yr 6 26/27 \$000	Yr 7 27/28 \$000	Yr 8 28/29 \$000	Yr 9 29/30 \$000	Yr 10 30/31 \$000
Treasury and Support											
To meet additional demand	-	-	-6,496	-	-	-	-	-	-	-	-
To improve the level of service	278	272	- 4,123	572	175	129	132	135	165	166	142
To replace existing assets	232	616	307	251	545	265	590	193	334	606	163
Total Capital Projects	30,606	55,539	35,000	61,708	73,913	77,825	59,997	36,655	44,116	48,155	43,431
Make up of above Projects by type:											
To meet additional demand	2,002	18,042	10,349	15,180	27,583	36,413	27,124	10,610	8,780	8,292	8,440
To improve the level of service	16,182	18,659	7,005	10,396	7,290	8,767	5,839	3,959	3,977	6,002	3,821
To replace existing assets	12,425	18,838	17,646	36,132	39,039	32,644	27,034	22,086	31,360	33,860	31,170
Total Capital Projects	30,606	55,539	35,000	61,708	73,913	77,825	59,997	36,655	44,116	48,155	43,431

Yr 11 31/32 \$000	Yr 12 32/33 \$000	Yr 13 33/34 \$000	Yr 14 34/35 \$000	Yr 15 35/36 \$000	Yr 16 36/37 \$000	Yr 17 37/38 \$000	Yr 18 38/39 \$000	Yr 19 39/40 \$000	Yr 20 40/41 \$000	Summary of Capital Projects by Primary Type of Activity
										Treasury and Support
-	-	-	-	-	-	-	-	-	-	To meet additional demand
145	152	187	162	202	173	178	217	226	-	To improve the level of service
783	273	785	186	749	413	293	792	394	642	To replace existing assets
40,252	45,251	45,542	47,008	40,479	41,494	41,193	45,336	48,430	43,829	Total Capital Projects
										Make up of above Projects by type:
12,327	18,495	14,092	13,211	10,134	10,535	10,929	11,408	11,773	8,835	To meet additional demand
5,886	7,225	6,358	6,841	5,765	5,897	6,127	6,651	7,045	5,682	To improve the level of service
22,039	19,530	25,091	26,956	24,580	25,063	24,137	27,277	29,612	29,312	To replace existing assets
40,252	45,251	45,542	47,008	40,479	41,494	41,193	45,336	48,430	43,829	Total Capital Projects

Reserve Funds

Reserves are held to ensure that funds received for a particular purpose are used for that purpose and any surplus created is managed in accordance with the reason for which the reserve was established. Surpluses held in reserves are credited with interest. Council holds 14 reserves, with four being restricted reserves. Restricted reserves are reserves that have rules set by legal obligation that restrict the use that Council may put the funds towards. The remaining Council created reserves are discretionary reserves which the Council has established for the fair and

transparent use of monies. Reserve balances are not separately held in cash and the funds are managed as part of the Council's treasury management.

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

	Activity	AP Forecast Opening Balance 1 July 2022	Deposits for the period of the AP	Withdrawals for the period of the AP	Forecast Closing Balance 30 June 2024
		\$000	\$000	\$000	\$000
Restricted Reserves – Purpose of the Fund					
Foxton Beach Freeholding Fund Accumulated cash reserves from the Foxton Beach Endowment land sales under the separate Act gifting the land for the benefit of Foxton and Foxton Beach community projects.	Endowment Property	5,784	548	-	6,332
Reserve Land Reserve To hold funds derived from the sale of surplus reserve land to be spent on the future development of reserves under the Reserve Act.	Community Facilities and Services Activity	192	11	-	203
Wairarawa Stream Walkway To hold funding derived for the purpose of upgrading the walkway to be spent on the upgrade.	Community Facilities and Services Activity	56	4	-	60
Road Upgrade Reserve To fund transport network improvements as approved by the Council, from the accumulated funds of the former Horowhenua County Council subdivision contributions to roading.	Land Transport/ Roads and Footpaths Activity	812	49	-	861

	Activity	AP Forecast Opening Balance 1 July 2022	Deposits for the period of the AP	Withdrawals for the period of the AP	Forecast Closing Balance 30 June 2024
		\$000	\$000	\$000	\$000
Council created Reserves – Purpose of the Fund					
Financial and Capital contributions for Roading To fund transport network improvements, from the accumulated funds from financial and capital contributions under the District Plan prior to Development Contributions regime.	Land Transport/ Roads and Footpaths Activity	89	6	-	95
Financial and Capital contributions for Water Supplies To fund water supply improvement projects, from the accumulated funds from financial and capital contributions under the District Plan prior to Development Contributions regime.	Water Supply Activity	590	36	-	626
Financial and Capital contributions for Wastewater Schemes To fund Wastewater Scheme improvement projects, from the accumulated funds from financial and capital contributions under the District Plan prior to Development Contributions regime.	Wastewater Activity	146		29	117

	Activity	AP Forecast Opening Balance 1 July 2022	Deposits for the period of the AP	Withdrawals for the period of the AP	Forecast Closing Balance 30 June 2024
		\$000	\$000	\$000	\$000
Financial and Capital contributions for Parks and Reserves 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.	Community Facilities and Services Activity	680	42	-	722
Election Fund To smooth the rating impact of election costs and fund any by-election	Representation and Governance Activity	25	1	-	26
Hockey Turf Replacement Fund To fund the replacement of the water turf at Donnelly Park on behalf of the Turf Trust.	Community Facilities and Services Activity	313	112	278	147
Shannon Rail Station Set aside from grants to preserve the historic Shannon Railway Station.	Properties Activity	27	1	-	28
Esplanade Fund To provide a fund to construct or provide for possible public access ways to esplanade reserves created under the Resource Management Act.	Community Facilities and Services Activity	138	8	-	146
Capital Projects Fund To provide funds for strategic capital projects with the last \$250,000 as a disaster relief working capital fund.	All Activities	900	54	-	954

	Activity	AP Forecast Opening Balance 1 July 2022	Deposits for the period of the AP	Withdrawals for the period of the AP	Forecast Closing Balance 30 June 2024
		\$000	\$000	\$000	\$000
Foxton Citizens Fund To provide a fund for awards in recognition of community service in Foxton.	Community Support Activity	4	-	-	4
Total		9,756	872	307	10,659

Benchmarks Disclosure Statement

What is the purpose of this statement?

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

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

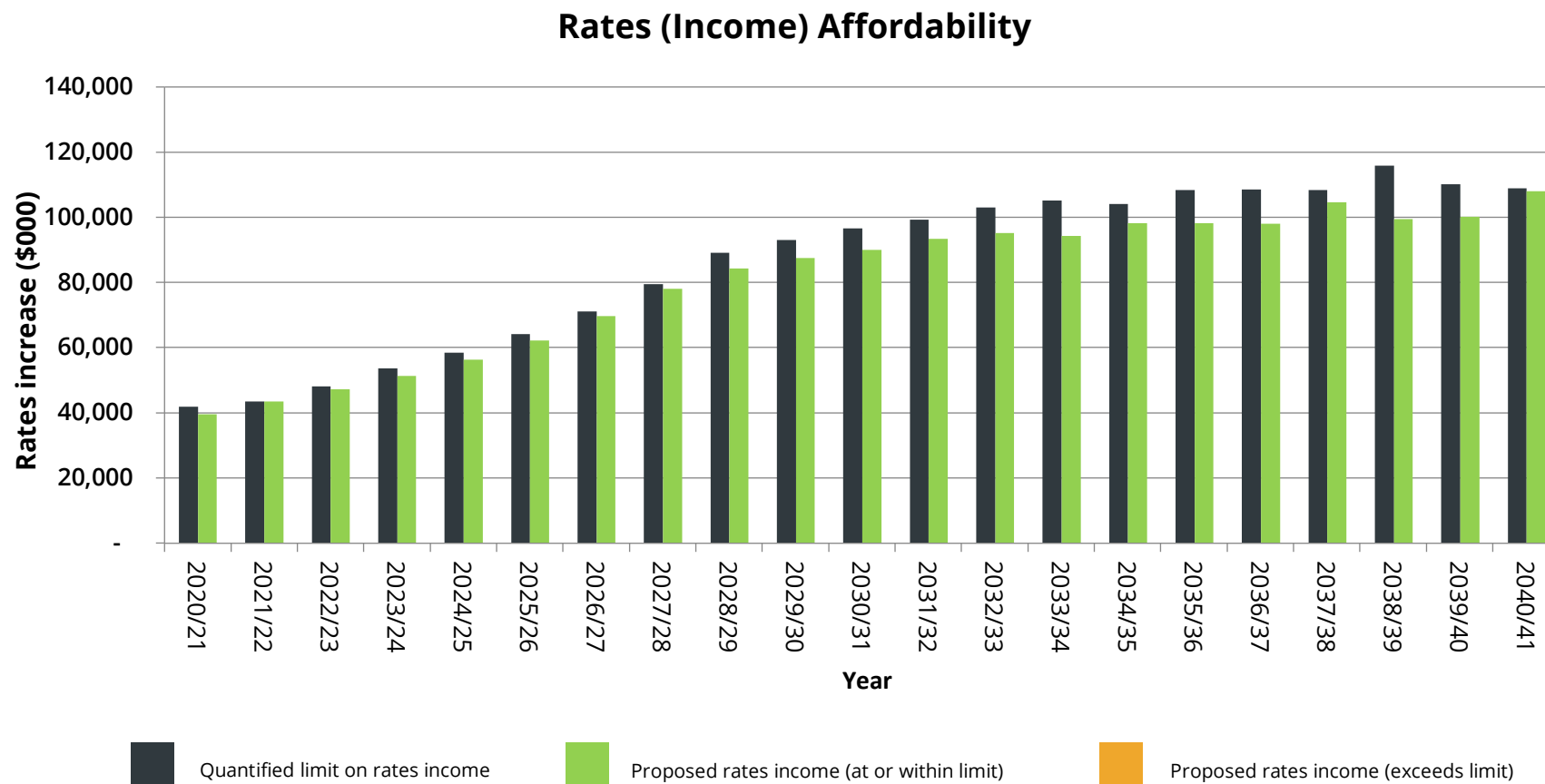
Rates affordability benchmark

The Council meets the rates affordability benchmark if -

- Its planned rates increases equal or are less than each quantified limit on rates increases.

Rates (increases) affordability

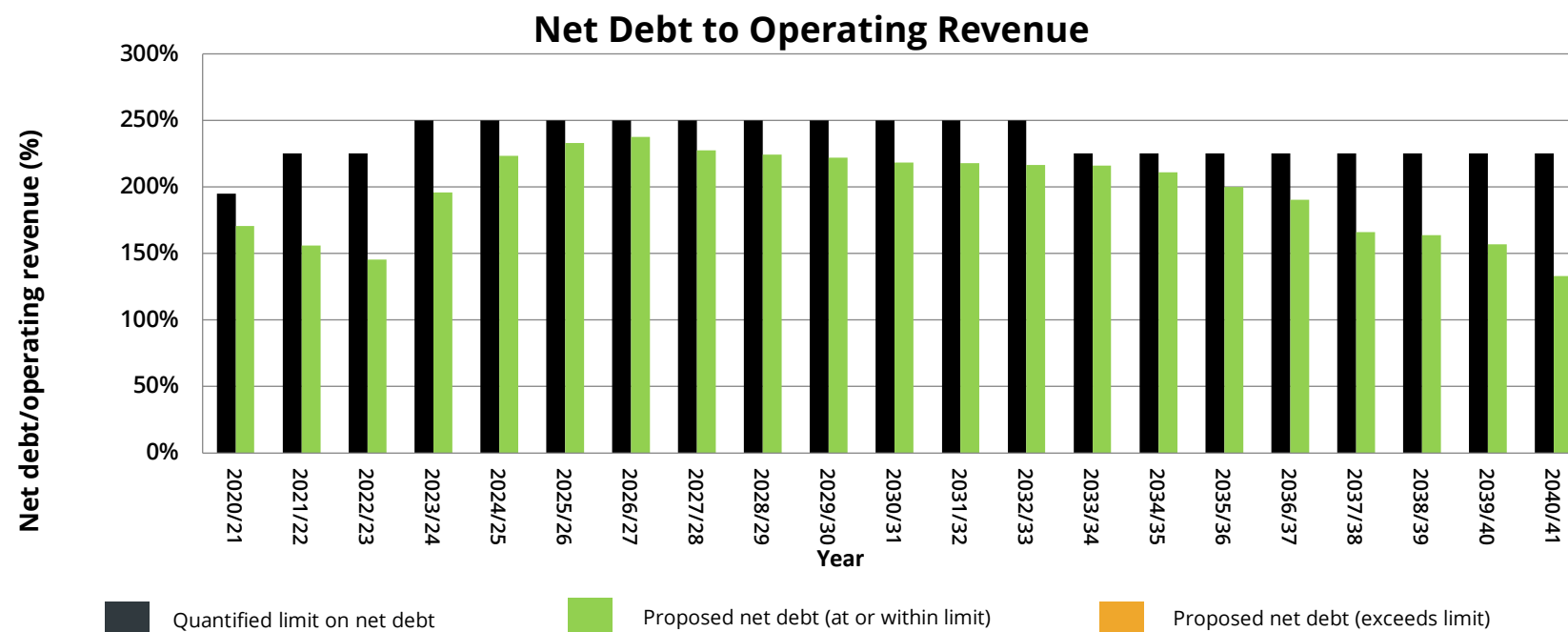
The following graph compares the Council's planned rates increases with a quantified limit on rates increases contained the financial strategy included in this long-term plan. The quantified limit is LGCI + 2%.



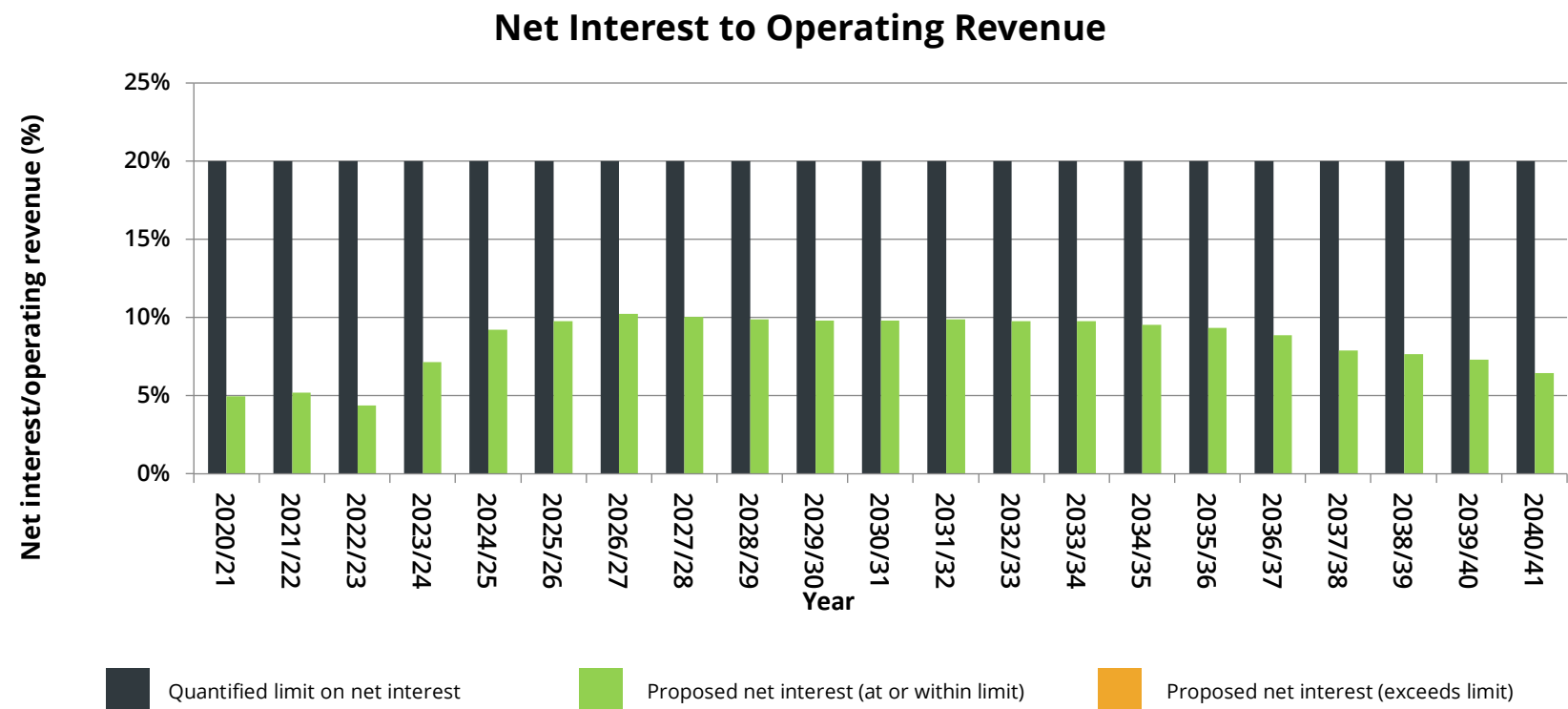
Debt affordability benchmark

The Council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing. The following graphs compare the Council's planned debt with a quantified limit on borrowing contained in the Financial Strategy included in this Long-Term Plan. The quantified limits are:

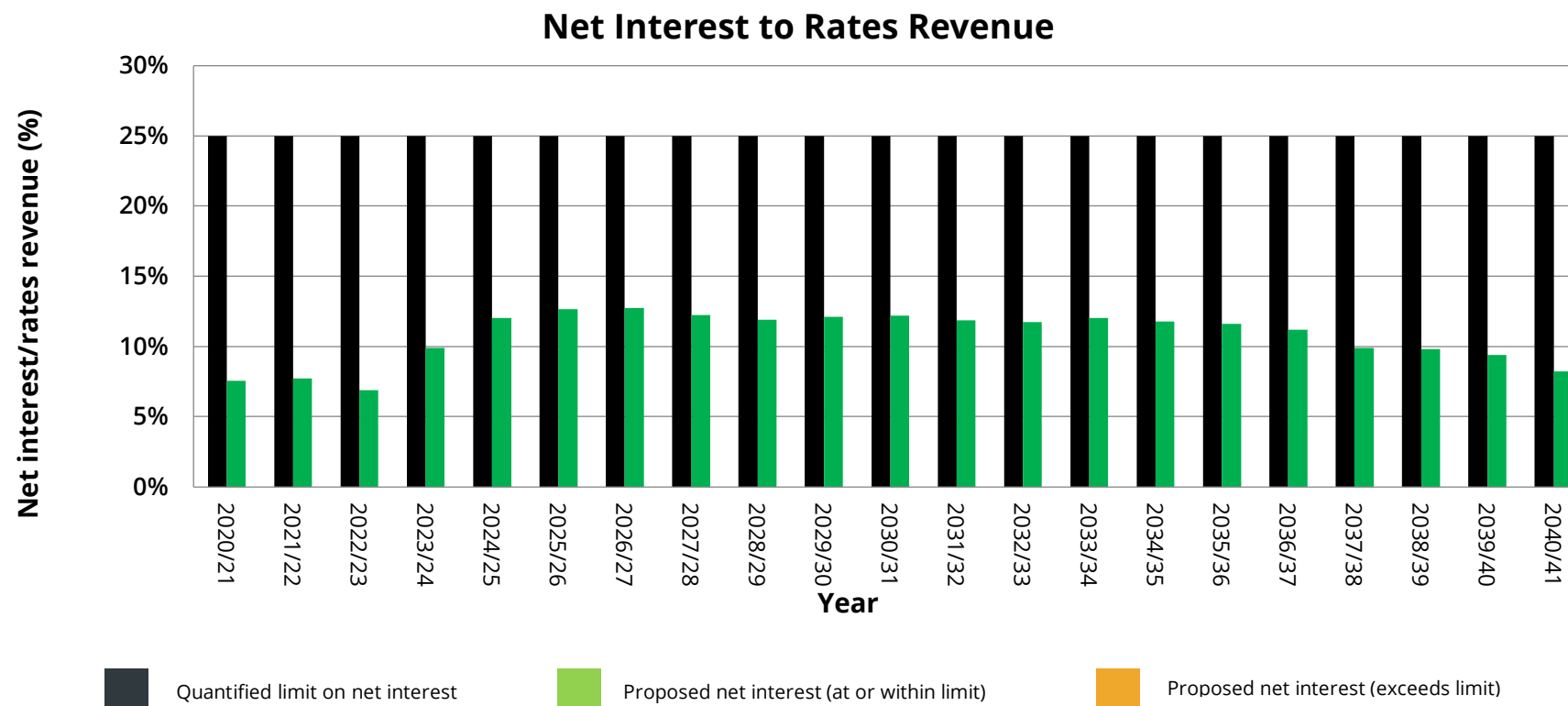
- Net debt does not exceed 250% of operating revenue.
- Net annual interest costs do not exceed 20% of the total annual operating revenue.
- Net annual interest costs do not exceed 25% of the total annual rates revenue.



Debt affordability benchmark



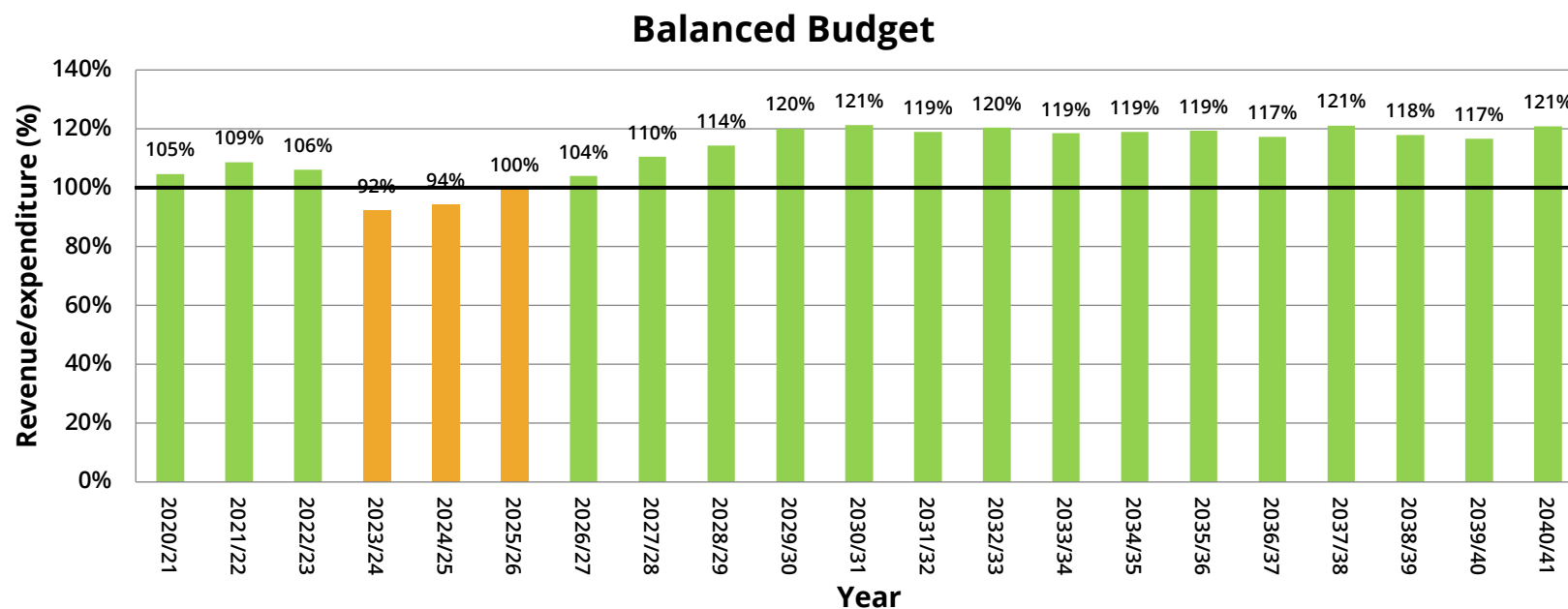
Debt affordability benchmark



Balanced budget benchmark

The following graph displays the Council's planned revenue (excluding development contributions, vested assets, financial contributions, gains on derivative financial instruments, and revaluations of property, plant, or equipment) as a proportion of its planned operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment).

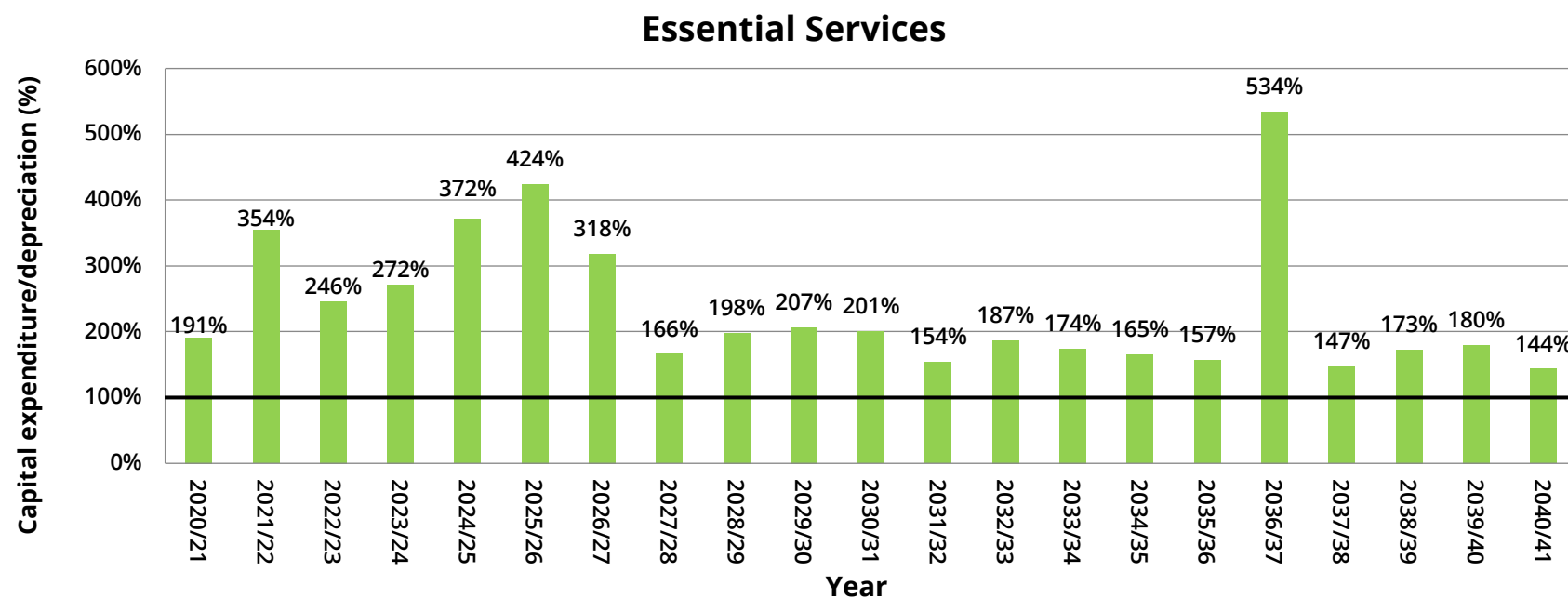
The Council meets the balanced budget benchmark if its planned revenue equals or is greater than its planned operating expenses.



Essential services benchmark

The following graph displays the Council's planned capital expenditure on network services as a proportion of expected depreciation on network services.

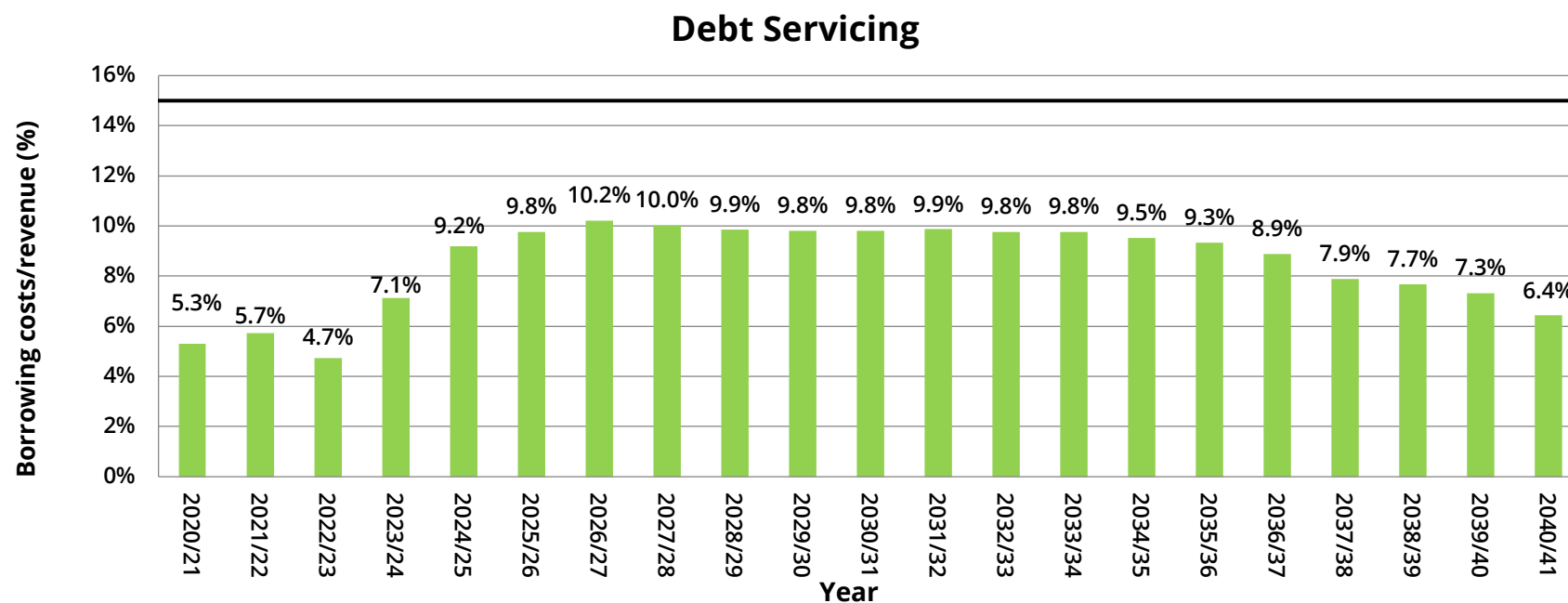
The Council meets the essential services benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services.



Debt servicing benchmark

The following graph displays the Council's planned borrowing costs as a proportion of planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment).

Because Statistics New Zealand projects that the Council's population will grow faster than the national population is projected to grow, it meets the debt servicing benchmark if its planned borrowing costs equal or are less than 15% of its planned revenue.



Significant Forecasting Assumptions

Ngā Matapae Tāpua

Significant Forecasting Assumptions

The table below identifies the Significant Forecasting Assumptions that Council has made for this Long Term Plan Amendment (LTPA) and the risks and the level of uncertainty associated with each assumption as well as the potential effects/impact of this uncertainty.

In this LTPA, the assumptions for Interest Costs, Inflation and the Levin Landfill have been updated from the original LTP 2021-2041.

- | | |
|--|--|
| 1. Population Growth | 15. Asset Revaluations |
| 2. Demographics | 16. Ōtaki to North of Levin Expressway |
| 3. Household Growth | 17. External Funding / Revenue |
| 4. Household Occupancy | 18. Natural Hazards – Response and Recovery |
| 5. Legislative Changes | 19. Sources of Funds for Replacement of Significant Assets |
| 6. Three Waters Review | 20. Interest Costs |
| 7. Pandemics (COVID19) | 21. Funding Asset Renewals |
| 8. Climate Change | 22. Local Government Funding Agency |
| 9. Property | 23. Investment Revenue |
| 10. Waka Kotahi NZTA Subsidy (Funding Assistance Rate) | 24. Inflation |
| 11. Activity Management Plans | 25. Levin Landfill |
| 12. Useful Lives of Assets | 26. Infrastructure Funding |
| 13. Resource Consent Requirements | 27. Delivery of the Capital Expenditure Programme |
| 14. Availability of Contractors | 28. Depreciation |

Population Growth

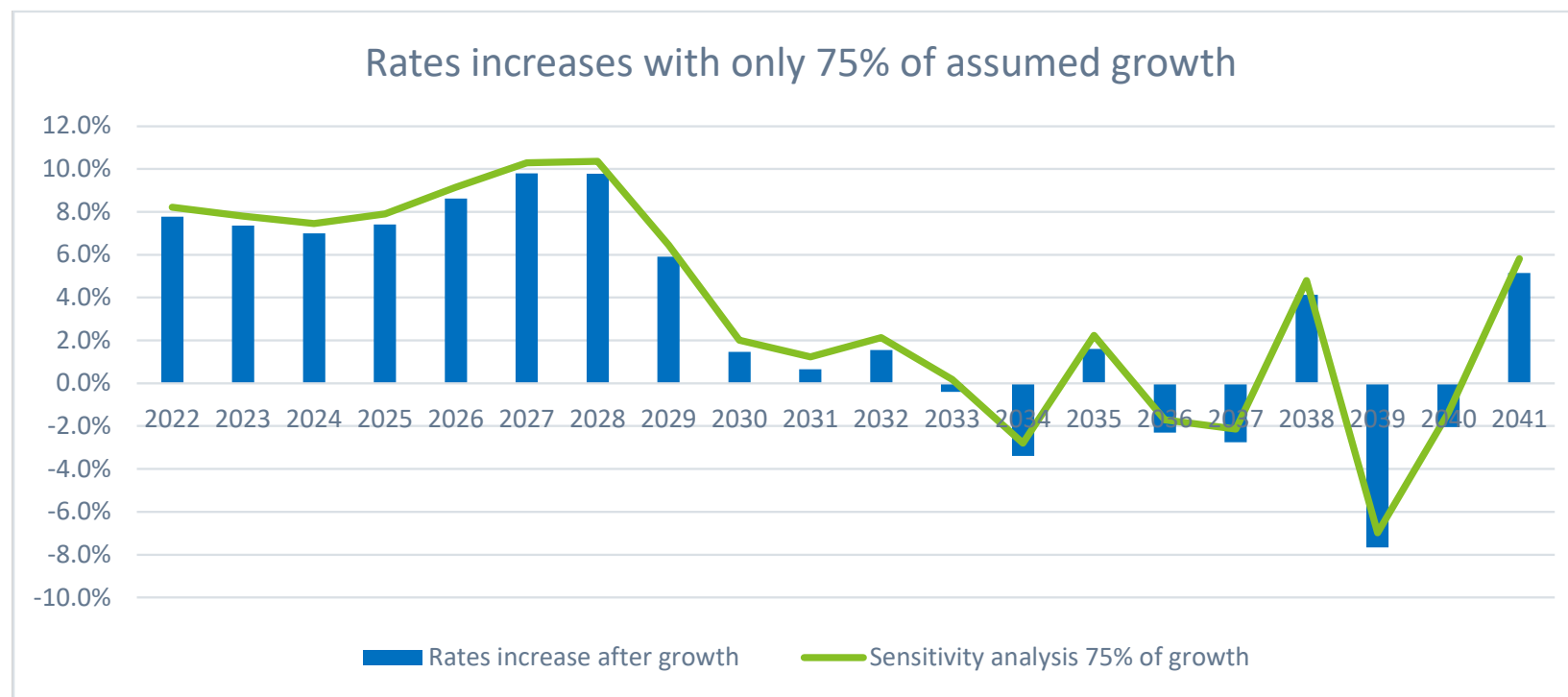
Assumption	Population growth is assumed at an average rate of 2.6% per year between 2021 and 2031 and 2.9% per year between 2031 and 2041.																																																					
Detailed Forecasts	<p>Council has adopted the 95th percentile from the Horowhenua Socio-Economic Projections, prepared by Sense Partners. The 95th percentile projections identify the annual average population growth rate will be:</p> <p>2.6% per annum until 2031 2.9% per annum until 2041</p> <p>By June 2041 Horowhenua will have: A total population of 62,716. An increase of 26,008 people between June 2021 and June 2041.</p> <p>The socio-economic projections used have factored in the impact of the COVID-19 pandemic that may influence population growth, such as border closures and an economic shock.</p> <table> <tr> <th>19/20</th><th>20/21</th><th>Yr 1 21/22</th><th>Yr 2 22/23</th><th>Yr 3 23/24</th><th>Yr 4 24/25</th><th>Yr 5 25/26</th><th>Yr 6 26/27</th><th>Yr 7 27/28</th><th>Yr 8 28/29</th><th>Yr 0 29/30</th></tr> <tr> <td>35,887</td><td>36,708</td><td>37,532</td><td>38,431</td><td>39,360</td><td>40,368</td><td>41,444</td><td>42,621</td><td>43,810</td><td>44,968</td><td>46,202</td></tr> <tr> <th>Yr 10 30/31</th><th>Yr 11 31/32</th><th>Yr 12 32/33</th><th>Yr 13 33/34</th><th>Yr 14 34/35</th><th>Yr 15 35/36</th><th>Yr 16 36/37</th><th>Yr 17 37/38</th><th>Yr 18 38/39</th><th>Yr 19 39/40</th><th>Yr 20 40/41</th></tr> <tr> <td>47,355</td><td>48,562</td><td>49,905</td><td>51,246</td><td>52,792</td><td>54,362</td><td>55,674</td><td>57,481</td><td>59,010</td><td>60,772</td><td>62,716</td></tr> </table>										19/20	20/21	Yr 1 21/22	Yr 2 22/23	Yr 3 23/24	Yr 4 24/25	Yr 5 25/26	Yr 6 26/27	Yr 7 27/28	Yr 8 28/29	Yr 0 29/30	35,887	36,708	37,532	38,431	39,360	40,368	41,444	42,621	43,810	44,968	46,202	Yr 10 30/31	Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41	47,355	48,562	49,905	51,246	52,792	54,362	55,674	57,481	59,010	60,772	62,716
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47,355	48,562	49,905	51,246	52,792	54,362	55,674	57,481	59,010	60,772	62,716																																												
Risk	The population growth across the district occurs at a significantly different rate (much faster or slower) than assumed. The likelihood of this risk occurring is considered very likely. The rate of growth depends on many variables, most of which are outside of Council's control.																																																					
Level of Uncertainty	Moderate / High																																																					

Financial impact

If growth occurred at only 75% of what we are projecting, there would be the following impacts:

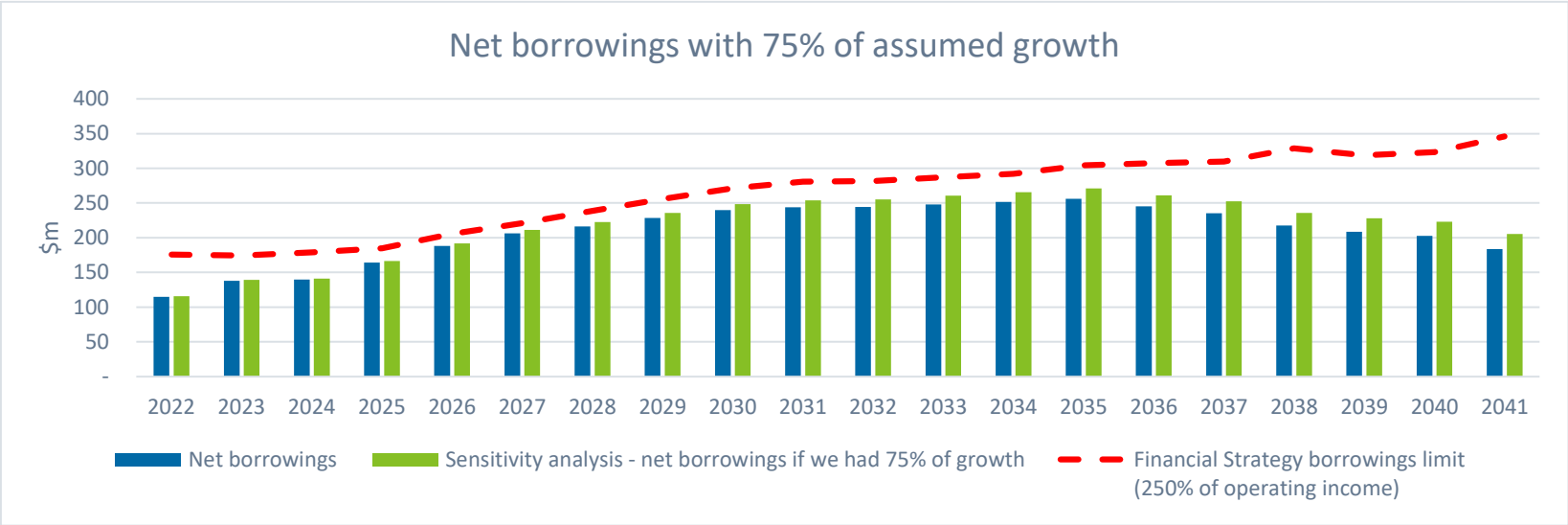
Rates

Because we set rates after growth, if growth is lower than expected, the rates increases for existing householders will be higher as there would be fewer households to share the increasing costs between.



Debt

If growth is lower than planned we would receive a lower level of contributions towards growth related expenditure. If this occurs then the Council would still be within its borrowings limit



Data Source

Sense Partners – Socio-Economic Projections Update Report May 2020
Horowhenua District Council

Demographics

Assumption	The majority of growth in the Horowhenua District's population will occur in the 15-39 years old range.																																																																																		
Detailed Forecasts	<p>This assumption is based on the 95th percentile from the Horowhenua Socio-Economic Projections, prepared by Sense Partners.</p> <p>By June 2041, the age profile of the Horowhenua population will be:</p> <ul style="list-style-type: none"> 0-14 years old: 20.43% 15-39 years old: 28.32% 40-64 years old: 28.93% 65 years old or over: 22.32% <p>Each age group will increase by the following number of people between June 2021 and June 2041:</p> <ul style="list-style-type: none"> 0-14 years old: 5,816 15-39 years old: 8,005 40-64 years old: 6,862 65 years old or over: 4,846 <p>The number of people in each age group each year is shown in the table below.</p> <table> <tr> <th>LTP Year</th><th>Financial Year</th><th>0-14 years</th><th>15-39 years</th><th>40-64 years</th><th>65+ years</th></tr> <tr> <td></td><td>19/20</td><td>6,746</td><td>9,329</td><td>11,269</td><td>8,981</td></tr> <tr> <td></td><td>20/21</td><td>7,014</td><td>9,329</td><td>11,269</td><td>8,981</td></tr> <tr> <td>Yr 1</td><td>21/22</td><td>7,014</td><td>9,786</td><td>11,309</td><td>9,176</td></tr> <tr> <td>Yr 2</td><td>22/23</td><td>7,513</td><td>10,536</td><td>11,550</td><td>9,509</td></tr> <tr> <td>Yr 3</td><td>23/24</td><td>7,777</td><td>10,874</td><td>11,629</td><td>9,752</td></tr> <tr> <td>Yr 4</td><td>24/25</td><td>8,036</td><td>11,208</td><td>11,756</td><td>9,975</td></tr> <tr> <td>Yr 5</td><td>25/26</td><td>8,363</td><td>11,550</td><td>11,892</td><td>10,231</td></tr> <tr> <td>Yr 6</td><td>26/27</td><td>8,676</td><td>11,906</td><td>12,041</td><td>10,497</td></tr> <tr> <td>Yr 7</td><td>27/28</td><td>9,015</td><td>12,208</td><td>12,249</td><td>10,771</td></tr> <tr> <td>Yr 8</td><td>28/29</td><td>9,378</td><td>12,511</td><td>12,467</td><td>11,027</td></tr> <tr> <td>Yr 9</td><td>29/30</td><td>9,708</td><td>12,824</td><td>12,776</td><td>11,250</td></tr> <tr> <td>Yr 10</td><td>30/31</td><td>10,023</td><td>13,122</td><td>13,111</td><td>11,500</td></tr> </table>					LTP Year	Financial Year	0-14 years	15-39 years	40-64 years	65+ years		19/20	6,746	9,329	11,269	8,981		20/21	7,014	9,329	11,269	8,981	Yr 1	21/22	7,014	9,786	11,309	9,176	Yr 2	22/23	7,513	10,536	11,550	9,509	Yr 3	23/24	7,777	10,874	11,629	9,752	Yr 4	24/25	8,036	11,208	11,756	9,975	Yr 5	25/26	8,363	11,550	11,892	10,231	Yr 6	26/27	8,676	11,906	12,041	10,497	Yr 7	27/28	9,015	12,208	12,249	10,771	Yr 8	28/29	9,378	12,511	12,467	11,027	Yr 9	29/30	9,708	12,824	12,776	11,250	Yr 10	30/31	10,023	13,122	13,111	11,500
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	LTP Year	Financial Year	0-14 years	15-39 years	40-64 years	65+ years
	Yr 11	31/32	10,302	13,415	13,520	11,723
	Yr 12	32/33	10,621	13,728	13,894	11,981
	Yr 13	33/34	10,994	14,059	14,303	12,245
	Yr 14	34/35	11,221	14,540	14,743	12,504
	Yr 15	35/36	11,444	15,016	15,203	12,759
	Yr 16	36/37	11,698	15,504	15,697	13,017
	Yr 17	37/38	11,920	16,076	16,243	13,271
	Yr 18	38/39	12,180	16,626	16,852	13,518
	Yr 19	39/40	12,536	17,166	17,500	13,781
	Yr 20	40/41	12,830	17,791	18,171	14,022
Risk	Population growth in different age groups is substantially different from what is assumed.					
Level of Uncertainty	Low - Moderate					
Financial impact	<p>If there is a greater increase in the younger age ranges there could be increased demand for facilities or services that are targeted to the needs of a younger population (e.g. playgrounds or aquatic facilities) and increased demand on Council's infrastructure (as younger demographics are more likely to have more people living in each house). A higher level of demand on infrastructure could result in Council needing to replace or upgrade assets faster than anticipated and this may mean a need to reprioritise spending, increase rates or increase debt.</p> <p>If there is a greater increase in the older ranges than anticipated then this could increase pressure for facilities or services that are targeted more specifically to the needs of an ageing population (e.g. a hydrotherapy pool or library services) which would mean that Council would either need to reprioritise funds from other projects, increase rates, or borrow to pay for these facilities or services.</p>					
Data Source	Sense Partners – Socio-Economic Projections Update Report May 2020					

Household Growth

Assumption

There will be an increase of 11,209 dwellings in the Horowhenua District between June 2021 and June 2041.

Detailed Forecasts

This assumption is based on the 95th percentile from the Horowhenua Socio-Economic Projections, prepared by Sense Partners.

The district is assumed to have 16,606 dwellings at June 2021. This figure is based on;

Census 2018: 15,804 dwellings,

Building consents issued for 2018/2019: 271

Building consents issued for 2019/2020: 266

Forecast¹ for 2020/2021: 265

It is assumed the Dwelling Occupancy Rate for the District will be approximately 90%. The dwelling occupancy rate for the 2018 Census was 85%. However, due to the District's rapid growth, an assumed increase in permanent residents at the coastal settlements and increased pressure on housing the number of dwellings occupied is anticipated to increase.

There will be an additional 11,209 dwellings required between June 2021 and June 2041 (a total of 27,815 dwellings). Of the total number of dwellings in the district by June 2041, there will be;

Occupied: 25,033

Unoccupied: 2,703

This growth will result in an average number of dwellings being constructed per year as follows:

2021 – 2031: 434

2031 – 2041: 686

¹ Based on the average of building consents issued for the past 3 years.

	The table below shows the forecasted number of dwellings (occupied and unoccupied) for the life of this LTP																																																																																								
	19/20	20/21	Yr 1 21/22	Yr 2 22/23	Yr 3 23/24	Yr 4 24/25	Yr 5 25/26	Yr 6 26/27	Yr 7 27/28	Yr 8 28/29	Yr 0 29/30																																																																														
	16,341	16,606	16,958	17,299	17,668	18,073	18,508	18,932	19,426	19,906	20,414																																																																														
	Yr 10 30/31	Yr 11 31/32	Yr 12 32/33	Yr 13 33/34	Yr 14 34/35	Yr 15 35/36	Yr 16 36/37	Yr 17 37/38	Yr 18 38/39	Yr 19 39/40	Yr 20 40/41																																																																														
	20,951	21,497	22,055	22,655	23,308	23,951	24,638	25,384	26,175	26,981	27,815																																																																														
	Where will the growth occur?																																																																																								
	Residential 85% of growth																																																																																								
	Rural 15% of growth																																																																																								
	<table><tr><th>Location</th><th>Residential (75%)</th><th>Greenbelt Residential (25%)</th><th>Combined (85%)</th><th>Number per year 2021 – 2031</th><th>Number per year 2031 – 2041</th></tr><tr><td>Levin</td><td>64.5%</td><td>37.5%</td><td>51.8%</td><td>213</td><td>337</td></tr><tr><td>Foxton Beach</td><td>10.0%</td><td>15.0%</td><td>10.0%</td><td>42</td><td>66</td></tr><tr><td>Foxton</td><td>5.5%</td><td>6.5%</td><td>7.5%</td><td>21</td><td>34</td></tr><tr><td>Waitārere</td><td>7.0%</td><td>8.0%</td><td>10.5%</td><td>27</td><td>42</td></tr><tr><td>Ōhau</td><td>2.0%</td><td>25.0%</td><td>7.6%</td><td>29</td><td>45</td></tr><tr><td>Waikawa</td><td>1.0%</td><td>2.0%</td><td>4.6%</td><td>5</td><td>7</td></tr><tr><td>Manakau</td><td>5.0%</td><td>5.0%</td><td>3.9%</td><td>18</td><td>29</td></tr><tr><td>Shannon</td><td>3.5%</td><td>0.0%</td><td>3.4%</td><td>10</td><td>15</td></tr><tr><td>Tokomaru</td><td>1.0%</td><td>1.0%</td><td>0.4%</td><td>4</td><td>6</td></tr><tr><td>Hōkio Beach</td><td>0.5%</td><td>0.0%</td><td>0.4%</td><td>1</td><td>2</td></tr><tr><td>Rural</td><td>15%</td><td></td><td></td><td>65</td><td>103</td></tr><tr><td>Total</td><td></td><td></td><td></td><td>434</td><td>686</td></tr></table>											Location	Residential (75%)	Greenbelt Residential (25%)	Combined (85%)	Number per year 2021 – 2031	Number per year 2031 – 2041	Levin	64.5%	37.5%	51.8%	213	337	Foxton Beach	10.0%	15.0%	10.0%	42	66	Foxton	5.5%	6.5%	7.5%	21	34	Waitārere	7.0%	8.0%	10.5%	27	42	Ōhau	2.0%	25.0%	7.6%	29	45	Waikawa	1.0%	2.0%	4.6%	5	7	Manakau	5.0%	5.0%	3.9%	18	29	Shannon	3.5%	0.0%	3.4%	10	15	Tokomaru	1.0%	1.0%	0.4%	4	6	Hōkio Beach	0.5%	0.0%	0.4%	1	2	Rural	15%			65	103	Total				434	686
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Risk	The future growth in the number of dwellings and the location of the new dwellings varies substantially (much higher/lower).																																																																																								
Level of Uncertainty	Moderate / High																																																																																								

Financial impact	<p><i>Lower level of growth</i></p> <p>A lower level of growth in the number of dwellings would result in higher rates increases, as the total rates income would be split across less properties. This would have a flow on effect of either increasing the cost of rates per ratepayer for the delivery of services, or Council would need to fund some services and/or planned projects through loans, or it would need to reprioritise some of the planned projects.</p> <p>The implication for rates and debt if population growth was only 75% of what is assumed is shown in the population growth assumption.</p> <p><i>Higher level of growth</i></p> <p>A higher level of growth would increase demand for services and could mean that services need replacing or upgrading earlier than anticipated, however, Council would have a larger rate base to collect rates from to fund the replacement/upgrade of services. Higher than anticipated growth in one part of the District could require upgrading and renewal projects to be prioritised over other parts of the District.</p>
Data Source	<p>Sense Partners – Socio-Economic Projections Update Report May 2020</p> <p>Horowhenua District Council</p> <p>Statistics New Zealand Census 2018</p>

Household Occupancy

Assumption	The average number of occupants per dwelling will be 2.5 over the life of the LTP.
Detailed Forecasts	<p>This assumption is based on the 95th percentile from the Horowhenua Socio-Economic Projections, prepared by Sense Partners.</p> <p>By 2041: 25,033 occupied dwellings x 2.5 people per house = 62,583*.</p> <p>*Note; this is 133 less people than the assumed population which is 62,716 due to rounding for the average number of people per dwelling.</p>
Risk	The average number of occupants per household varies substantially (significantly higher or lower) than assumed.
Level of Uncertainty	Low to Moderate
Financial impact	<p>A lower average number of occupants per dwelling could result in there being a reduction in the demand for services and facilities. This could mean that some of the planned upgrade or replacement of assets may be able to be delayed and this could result in a reduction in rates or Council borrowing. It could result in more land for housing being required to meet the housing needs of the anticipated population growth.</p> <p>A higher average number of occupants per dwelling would result in an increase in demand for services and could mean that services may need replacing or upgrading earlier than anticipated. Council may have to increase rates or borrowing more than assumed to fund the replacement and/or upgrade of these services and facilities. It could result in less land for housing being required to meet the housing needs of anticipated population growth.</p>
Data Source	Sense Partners – Socio-Economic Projections Update Report May 2020

5. Legislative Changes

Assumption	Changes in legislation will not significantly affect Council's finances or Levels of Service.
Detailed Forecasts	<p>There are a number of upcoming legislative changes that Council is aware of. These include:</p> <p><i>Resource Management Reform</i></p> <p>Current known changes incorporated into the Long Term Plan budgets include implementation of the National Planning Standards, National Policy Statement on Urban Development, the National Policy Statement for Indigenous Biodiversity and the National Policy Statement for Freshwater.</p> <p>Further national direction is anticipated (National Policy Statement on Highly Productive Soils), in addition to comprehensive review of the resource management system.</p> <p><i>Building (Building Products and Methods, Modular Components, and Other Matters) Amendment Bill</i></p> <p>May require changes to the Building Consent Authority's systems, policies, procedures and processes in relation to buildings constructed from modular components.</p> <p><i>Kāinga Ora – Urban Development Act 2020</i></p> <p>The Urban Development Act enables Kāinga Ora to initiate, facilitate or undertake urban development. They can request bylaw changes, request Council incorporates maps into planning processes, may transfer consenting functions for specific developments and can require Council to set targeted rates for specified development projects.</p> <p><i>Infrastructure Funding and Financing Act 2020</i></p> <p>To provide a funding and financing model for the provision of infrastructure and housing. The Act enables the imposition of a levy via an Order in Council to fund eligible costs related to eligible infrastructure.</p> <p><i>Local Government (Rating of Whenua Maori) Amendment Bill</i></p> <p>The Bill proposes to extend non-rateable categories of land.</p> <p><i>Burial and Cremation Act 1964 Review</i></p> <p>If proposed changes are progressed this could make Council responsible for managing monuments, imposing maintenance standards at cemeteries, requiring Council to maintain cemeteries where managers declare they are 'no longer in the cemetery business', requiring Council to prepare cemetery management plans, making</p>

	<p>Council responsible for managing disinterment's, and making Council responsible for agreeing to and overseeing crematoriums.</p> <p>Water Services Bill 2020</p> <p>Proposes to reform the drinking water regulatory system, with targeted reforms to improve the regulation and performance of wastewater and stormwater networks. The bill proposes requirements such as the duty to supply safe water, duty to provide sufficient drinking water, the requirements for water safety plans and the risk assessment and monitoring of source water.</p> <p>There could be further changes in legislation, currently unknown at this stage that could have an impact on Council's finances or levels of service. Council Officers will closely monitor future changes to legislation.</p> <p><i>Note: The assumption around the 3 Waters Review is provide separately.</i></p>
Risk	<p>Whilst we have a good understanding of the implications that the recent amendments to legislation are likely to have for Council in the near future, there is uncertainty about what amendments might be made in the future. This LTP covers a period of 20 years and with this comes less certainty as there could be changes in government or other contributing factors that result in amendments being made to legislation.</p> <p>Such amendments could require Council to implement legislative changes to its plans, bylaws, regulatory processes and/or infrastructure requirements. There is uncertainty around the likely cost implications and timing to undertake such changes although there is high expectation that the implementation requirements would fall within the 20 year life of this LTP.</p>
Level of Uncertainty	Moderate
Financial impact	Changes in legislation may result in a requirement to increase Levels of Service, implement policy, and regulatory changes which may not have been foreseen or accurately budgeted for. Some changes could require additional funding from rates or an increase in fees and charges to implement the legislative changes as directed and within the required timeframes.
Data Source	Horowhenua District Council

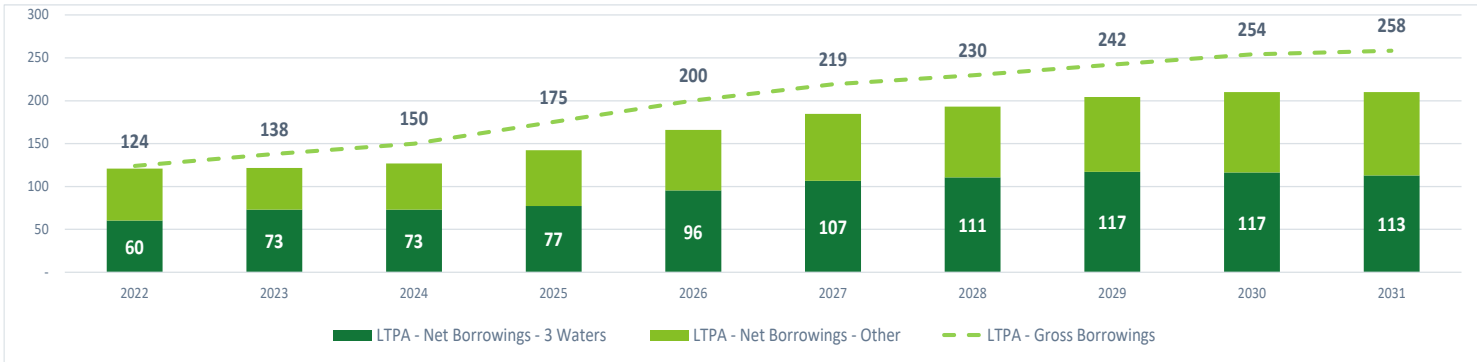
Three Waters Review

Assumption	Council will retain ownership and management of its three waters assets for the life of the Long Term Plan.
Detailed Forecasts	<p>The Three Waters Reform Programme has been developed by Central Government to transform the delivery of the three waters services across New Zealand. Most recently, this has seen the creation of Taumata Arowai, the new water services regulator. The Government is proposing the creation of multi-regional entities to take over the delivery of the three waters functions from local government.</p> <p>The timeframes for the reform have been identified as follows:</p> <p>2021</p> <ul style="list-style-type: none"> • Sector and iwi/Māori engagement on options. • Cabinet makes decision on suite of reform proposals. • Public communication about proposals. • Councils make decisions about participation in the reforms (September – December). <p>2022</p> <ul style="list-style-type: none"> • Preparation for the formation of water services entities. <p>2023</p> <ul style="list-style-type: none"> • Preparation for operation of new water services entities
Risk	Large scale entities will be set up to take over the three waters assets for the Horowhenua District.
Level of Uncertainty	High
Financial impact	<p>If large scale entities are created that take over the three waters assets for the Horowhenua District, there will be significant impact on Council's finances, requiring an amendment to the LTP.</p> <p>Scenario 1 – transfer of 3 waters assets and debt to the multi-regional agency before 30 June 2026 (local body elections).</p>

Under this scenario Council would transfer its assets and debt to the multi-regional agency before 30 June 2024. Council would no longer fund this asset meaning significant changes to Council’s budgets for; capital and operational expenditure, debt servicing, overhead costs, employee expenses, equipment.

The effects of this change are outlined below:

- Total debt associated with 3 Waters June 2026: \$96m
- Total rates income associated with 3 Waters June 2026: \$ 24.6m
- Total expenditure associated with 3 Waters June 2026: \$20.6m
- Total value of 3 Waters Infrastructure Assets June 2025: \$370.6m



Data Source

Department of Internal Affairs
Horowhenua District Council

Pandemics (COVID-19)

Assumption	There will be no pandemics (including the current COVID-19 pandemic) requiring the implementation of Alert Level 2 to 4 restrictions for the purpose of the forecast budgets.
Detailed Forecasts	<p>There has been no assumed reduction in revenue or increases in expenses associated with the current COVID-19 pandemic or any future pandemics.</p> <p>The New Zealand response to the worldwide COVID-19 pandemic resulted in an Alert level system being introduced that has increasing levels of restrictions. Council's previous response to these restrictions is outlined below.</p> <p><i>In Alert Level 1</i></p> <p>All Council services are operational (rubbish and recycling, water supply, wastewater, stormwater, governance and decision-making, civil defence and emergency management, parks, reserves, cemeteries, playgrounds, public toilets, library services, swimming pools, community centres, animal control, planning, regulatory licensing and compliance, building consents, noise control, roading, parking, strategic planning, finance and information management).</p> <p><i>In Alert Level 2</i></p> <p>All Council services are operational (rubbish and recycling, water supply, wastewater, stormwater, governance and decision-making, civil defence and emergency management, parks, reserves, cemeteries, playgrounds, public toilets, library services, swimming pools, community centres, animal control, planning, regulatory licensing and compliance, building consents, noise control, roading, parking, strategic planning, finance and information management).</p> <p>Maximum 100 people at one time at council facilities to maintain safe distancing.</p> <p>Some restrictions in place to ensure safe distancing and contact tracing.</p> <p>Increased cleaning is in place.</p> <p><i>In Alert Level 3</i></p> <p>All customer service and contact centres are closed to walk-ins, service operating remotely.</p> <p>The following services are operational, although may be occurring remotely; kerbside rubbish and recycling collection, waste transfer stations open, but not accepting recycling, water supply, wastewater and stormwater services, civil defence and emergency management, Council, Foxton Community Board and committees of</p>

Council meeting remotely, parks, reserves and cemeteries, noise control, roading services, information management, strategic planning, community development, finance, online library services, planning consents, regulatory, licencing and compliance, building consents,
The following are closed; playgrounds, sports grounds and most public toilets, Aquatic Centres, parking services, community halls.

In Alert Level 4

All customer service and contact centres are closed to walk-ins, service operating remotely.

The following services are operational, although may be occurring remotely; kerbside rubbish collection, water supply, wastewater and stormwater, civil defence and emergency management, parks reserves and cemeteries, litter bins, online library services, animal control, processing planning consents and building consents, noise control, roading services, finance, community development, strategic planning, information management.

The following services are closed; kerbside recycling collection, waste transfer stations, playgrounds, public toilets, mowing and general maintenance, Aquatic Centres, building inspections, planning site visits.

Data from infometrics shows that Horowhenua's economy is showing clear signs of bounce back after the lockdown induced slump in the June 2020 quarter. There is a provisional estimate of GDP growth of 1.5% in the September 2020 quarter, compared with the same quarter in 2019.

Over the 12 months to September 2020, GDP declined by 1.1%, compared to a decline of 3.3% nationally.

Growth in consumer spending shows evidence of economic recovery. Spending in the September quarter was up 6.3% compared to the same quarter in 2019.

Horowhenua has benefitted from Wellington commuters spending more time working from home and spending more locally.

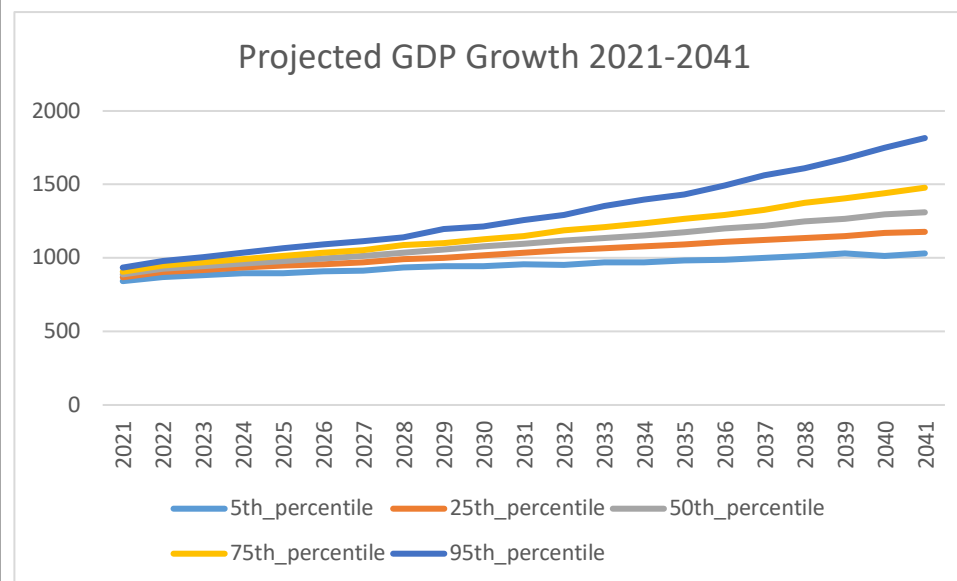
The Horowhenua housing market is under pressures, with the average house value for the 12 months to September 2020 increasing to \$432,851, up 17% compared to the previous 12 months. More than 250 houses were sold in Horowhenua in the September quarter, which is the highest level since 2016. Although the number of residential building consents issued in Horowhenua dropped below 50 in the September quarter (compared

to a quarterly average of about 70 over the past three years) it is anticipated the number will rise again due to rocketing house values.

Non-residential building consents are running at a level nearly double the 10-year average.

Horowhenua's agriculture and food processing sectors are a key source of strength in the district. The district's dairy farmers are expected to reap \$120m this coming season, down slightly from \$127m last season.

Sense Partners has projected slow GDP growth for the district over the next 20 years as shown by the figure below.



Risk	If New Zealand increases its alert level, Council may incur additional costs or lose potential revenue. Decisions made by the Government such as the decision through Waka Kotahi NZTA to provide an extension for vehicle registrations and Warrant of Fitness can impact on the revenue for Council.
Level of Uncertainty	High
Financial impact	It is anticipated that further Level 3 & 4 Alert level restrictions would have a minimal financial impact for Council. The financial impact in 2020 was approximately \$200,000 to \$300,000 from a decrease in revenue from public

	facing activities - Aquatics, Libraries, Resource Planning, Parking and Community Centres. There was no effect on rates revenue collection, assets valuations, and treasury management. Some subsidised capital roading projects were delayed.
Data Source	Horowhenua District Council Infometrics

Climate Change

Assumption	<p>It is assumed that climate change will occur in line with the atmospheric projections based on simulations undertaken for the International Panel on Climate Change's (IPCC) 5th Assessment. Climate change will affect the Horowhenua District in a range of ways, including by an increase in temperature, change in annual precipitation patterns and rising sea levels.</p> <p>It is assumed there will not be significant impacts to Council's activities or the community as a result of climate change.</p>
Detailed Forecasts	<p>The National Institute of Water and Atmospheric Research (NIWA) has predicted the following changes in temperature, precipitation (rainfall) and sea level rise using the Intergovernmental Panel on Climate Change (IPCC)'s 5th Assessment.</p> <p>Representative Concentration Pathways (RCPs) have been developed by the IPCC to represent different climate change mitigation scenarios, from a low emissions, effective mitigation scenario (RCP2.6) through to a high scenario (RCP8.5). An additional scenario is provided for sea level rise based on the 83rd percentile of RCP8.5 (upper end of the likely range) to cover the possibility of polar ice sheet instabilities not factored into the IPCC projections.</p> <p>Temperatures in the Manawatū-Whanganui Region could increase by an annual mean of between 0.7°C (RCP 2.6) and 1.1°C (RCP 8.5) at 2040 (2031-2050 average);</p> <p>Projected changes in precipitation for 2040 (2031-2050 average relative to 1986-2005 average):</p>

The annual change for Foxton, Levin, Shannon and the Tararua Ranges is between 1% (RCP 2.6) and 2% (RCP 8.5).

Projected changes in precipitation vary seasonally (and between RCPs 2.6 and 8.5, and between Levin, Foxton and Shannon) with slight decreases projected for summer (-1% to 0%), autumn (1% to 0%) and spring (1% to 2%), and an increase projected for winter (4% to 7%).

Projected changes in precipitation vary seasonally (and between RCPs 2.6 and 8.5) for the Tararua Ranges with slight decreases projected for summer (-2% to 0%), autumn (2% to 1%) and spring (0% and 2%), and an increase projected for winter (3% to 6%).

Extreme rainfall intensity events are likely to increase.

Short duration rare events increase in intensity by ~14% per degree of warming for a 1 hour, 1 in 100 year event. By 2041 sea level rise (relative to 1986-2005) for New Zealand is projected to be under 0.3 metres. The approximate years when specific sea level rise increments (metres above 1986-2005 baseline) could be reached for New Zealand are provided in the table below up to a 1.0m metre sea level rise.

Sea Level Rise (metres)	Year achieved for RCP8.5 (83%ile)	Year achieved for RCP8.5 (median)	Year achieved for RCP4.5 (median)	Year achieved for RCP2.6 (median)
0.3	2045	2050	2060	2070
0.4	2055	2065	2075	2090
0.5	2060	2075	2090	2110
0.6	2070	2085	2110	2130
0.7	2075	2090	2125	2155
0.8	2085	2100	2140	2175
0.9	2090	2110	2155	2200
1.0	2100	2115	2170	>2200

While climate change is not anticipated to have a significant impact on our district, Council is planning a number of projects in the three waters activities to increase our resilience to natural hazards and a changing climate including:

	<p>Improving resilience in the water network \$0.5-\$1 million per annum.</p> <p>Taking into account potential impacts from climate change when planning or future water storage options for Levin's wider project is \$18.3 million over the 30 year period (note: this cost is largely to increase capacity to supply a growing population).</p> <p>Improving resilience in the wastewater networks and wastewater treatment plants approximately \$0.2 million per annum.</p> <p>Implementing a programme of stormwater improvements in accordance with catchment management plans approximately \$200,000 per annum.</p> <p>Increased investment in active transport \$1 million per year for cycling and \$350,000 for walking, but only a \$40,000 per year increase to Council share due to co-funding by Waka Kotahi (note: this cost is largely driven by a low level of community use and satisfaction with the active transport infrastructure, rather than as a direct result of climate change).</p> <p><i>For further information on the challenge and our response to climate change see Council's Infrastructure Strategy.</i></p>
Risk	<p>Climate change occurs at a different rate to what has been projected with greater or lesser implications for the Manawatū-Whanganui Region and the Horowhenua District.</p>

Property

Assumption	<p>Council will continue the programme of disposing of 'non-core' property, where possible, by 2028.</p> <p>Earthquake-prone properties will be strengthened, or demolished where required unless identified for disposal as non-core assets.</p> <p>Property retained by Council for the delivery of core property activities, will be maintained in a fit for purpose condition.</p>
Detailed Forecasts	<p>Property portfolio will continue to be assessed as core/non-core and readied for sale as necessary.</p> <p>Where property is to be disposed of, Council will aim to achieve the best price possible given the specific set of circumstances.</p>
Risk	<p>Council disposes of more or less property than assumed above, or fails to achieve the appropriate sale prices given the specific set of circumstances, resulting in debt levels that are higher or lower than forecast. The likelihood of these risks occurring is considered unlikely*.</p>
Level of Uncertainty	<p>Moderate</p>
Financial impact	<p>If Council disposes of less property than forecast, or if it does not receive the expected income from sales given the specific set of circumstances, then debt and interest will be higher than forecast, and Council may need to rely on other funding sources to progress Council priorities that may otherwise have been funded through income generated by property sales. If sales do not occur as assumed then there may be ongoing operational and maintenance costs incurred that have not been budgeted.</p> <p>If Council disposes of more property than forecast, or if it receives higher income from sales than expected given the specific set of circumstances, then debt and interest will be lower than forecast, and Council may have greater capacity to progress Council priorities that may otherwise have been funded through debt funding or other sources.</p> <p>If Council does not dispose of its non-core property then it will need to borrow additional money to maintain them in a state 'fit for purpose'.</p>
Data Source	<p>Horowhenua District Council</p>

Waka Kotahi NZTA Subsidy (Funding Assistance Rate)

Assumption	<p>It is assumed that the roading Funding Assistance Rate (FAR) that Council receives from Waka Kotahi NZ Transport Agency (NZTA) will be:</p> <ul style="list-style-type: none"> • 2021/22: 62% • 2022/23: 61% • 2023/24: 60%
Detailed Forecasts	<p>Council received a subsidy of 62% (recalculated figure) of qualifying land transport activities from 1 July 2018 to 30 June 2021 in accordance with the 2018-2021 National Land Transport Programme (NLTP). Council also assumes that the updated Land Transport work programme will be approved by NZTA.</p>
Risk	<p>That NZTA revise the FAR subsidy when they review the National Land Transport Programme. The FAR is set every three years by NZTA as part of the National Land Transport Programme. The risk of a changed FAR rate increases over time.</p>
Level of Uncertainty	<p>2021/22 to 2023/24 – Low 2025/26 to 2040/41 – Moderate</p>
Financial impact	<p>If NZTA does not approve the requested subsidy in any one year, then Council will have to either increase the funds available for non-subsidised road works that would result in an increase in rates or an increase in borrowing to what Council has initially projected. Alternatively Council would have to reduce the amount of road works that it had intended to undertake.</p> <p>If the FAR was increased there would be a positive financial impact on Council. If the FAR rate was reduced, there would be a negative financial impact on Council. Council would need to decide whether to increase the local share funding to retain the planned level of capital works, or reduce the capital works programme. An increase in the budget would be funded from either a rates increase and/or from increased borrowing.</p>
Data Source	<p>Waka Kotahi NZ Transport Agency Horowhenua District Council</p>

Activity Management Plans

Assumption	The timing and cost of capital projects and operating costs are undertaken in accordance with the Activity Management Plans for Water, Wastewater, Stormwater, Land Transport (Roads and Footpaths), Solid Waste, Community Infrastructure, Property and Community Facilities.
Detailed Forecasts	<p>Forecasts for Capital and Operational expenditure in Wastewater, Water, Stormwater, Roading, Solid Waste, Community Infrastructure, Property and Community Facilities Activities are based on information in the Activity Management Plans.</p> <p>The Asset Management Plans are based on the best information currently available to Council. Council's information on the condition of its underground assets is continually improving and as this information improves Council will have a better understanding of what assets require renewal and replacement and by when.</p>
Risk	That assets need to be managed differently than outlined in the Activity Management Plans, particularly regarding renewals.
Level of Uncertainty	Moderate
Financial impact	<p>Activity Managers perform due diligence while finalising/identifying assets for renewals by performing condition assessments, assess asset performance and also consider the risk of asset failure.</p> <p>Increased certainty on the condition of underground assets may result in changes to planned replacement programmes and changes to funding requirements.</p>
Data Source	<p>Water, Wastewater, Stormwater data is from IPS/Geographical Information System (GIS) based registers (Horowhenua District Council).</p> <p>Roading data and some Stormwater data are from the Road Assessment and Maintenance Management (RAMM) system (Horowhenua District Council).</p> <p>Solid Waste, Community Infrastructure, Property and Community Facilities data is in spreadsheet registers and in SPM Assets (Horowhenua District Council).</p>

Useful Lives of Assets

Assumption	Assets will last as long as estimated in Council's Asset Management Plans and Infrastructure Strategy. The estimated useful lives are shown in the Statement of Accounting Policies.
Detailed Forecasts	<p>Asset lives are based on the National Asset Management Steering Group "Valuation and Depreciation Guidelines" 2002 and have been used in Council's Asset Management Plans and Asset Valuation report.</p> <p>Remaining useful lives are adjusted based on condition assessments.</p> <p>The useful lives of assets adopted are industry best practices and condition assessments are performed to identify assets for renewal.</p> <p>Council has estimated the useful lives of its assets on the best information available to it currently. As Council's information improves over time, these estimates will become more certain.</p>
Risk	That assets deteriorate at a faster or slower rate than anticipated.
Level of Uncertainty	Low
Financial impact	<p>If assets deteriorated faster than anticipated unbudgeted expenditure may be required, which could result in an increase in borrowing, use of Council reserves, or an increase in rates.</p> <p>If assets take longer to deteriorate than anticipated Council would have more time to set aside funds for the replacement of assets and would therefore borrow less when assets eventually did require replacement.</p> <p>Changes in timing around the requirement to replace assets could also result in the cost of replacing an asset changing (i.e. being more or less expensive than anticipated). In this situation, Council would either need additional funding sources if the cost of the project had increased or Council could borrow less if replacement costs had decreased.</p>
Data Source	<p>National Asset Management Steering Group "Valuation and Depreciation Guidelines" (2002).</p> <p>Horowhenua District Council – Activity/Asset Management Plans.</p>

Resource Consent Requirements

Assumption	Council will obtain any resource consents that are required to ensure that Water, Wastewater, Stormwater and Solid Waste Activities (and any other activity) can continue to operate. The consents we apply for are granted within assumed project timeframes and within anticipated expenditure.
Detailed Forecasts	Expenditure estimates for resource consents have been prepared based on experience with and observations of trends of previous resource consent processes and standards with contingency funds included. These costs have been built into the overall costs of each specific project.
Risk	It may cost more than anticipated to obtain the required resource consents, or conditions that are imposed on the consents may be more stringent than expected requiring a higher level of ongoing monitoring that incur higher ongoing costs associated with maintaining the consent. The time taken to obtain a resource consent could be longer than anticipated and delay the implementation or construction of the project associated with the consent. There could also be a change in consenting processes/requirements that we are unable to account for at this time.
Level of Uncertainty	Moderate
Financial impact	<p>If the cost to obtain the required resource consents is more than anticipated and/or if the consent conditions imposed are more onerous on Council (particularly conditions with ongoing costs such as monitoring) than anticipated, and/or the legal processes involved with the consent are more protracted, the overall cost of the project may be higher than budgeted. The additional funding requirements would be met from borrowing, rates, user fees and charges, or other sources.</p> <p>If the consent process takes longer than anticipated then the costs for the implementation of the project may need to be carried forward to later years than specified in the Long Term Plan, particularly if the assumed construction season is missed.</p> <p>If projects that are delayed due to resource consent requirements seek to improve levels of service, these levels of service improvements will be delayed.</p>
Data Source	Horowhenua District Council

Availability of Contractors

Assumption	It is assumed there is sufficient capacity within the professional services and contractor market to undertake the capital programme.
Detailed Forecasts	There is a high level of forecasted capital expenditure occurring in the region, including from local government, central government and as a result of strong demand in the housing sector and central government's focus on enabling infrastructure. This may put pressure on the contractor market to deliver the capital programme.
Risk	That there is insufficient capacity within the professional services and contractor market to deliver the capital programme, which may create project delays or increase costs.
Level of Uncertainty	Moderate
Financial impact	If projects are delayed this will have an impact on the capital expenditure programme. If costs are increased Council will need to consider deferring or altering projects, or look for additional funding sources from borrowing, external funding sources, rates, or other sources.
Data Source	Horowhenua District Council

Asset Revaluations

Assumption	Council is assuming that the impact of the periodic revaluation of assets will be in line with the assumed rates of inflation relevant to local government goods and services and cost fluctuations relevant to each infrastructure sector.
Detailed Forecasts	<p>Asset revaluations take place as follows:</p> <ul style="list-style-type: none"> • Roading: Every 2 years starting 2022/23 • 3 Waters: Every 2 years starting 2021/22 • Land & Buildings: Every 3 years starting 2022/23 <p>This is done in accordance with the accounting standards applicable to each class of asset. Infrastructure asset valuations are based on Council's own recent contract prices where relevant work has been undertaken, and compared with unit rates from other Council's in HDC's peer group and region. Inflation adjustments have been made to reflect changes to construction cost indices applicable to each activity.</p>
Risk	Asset valuations could be higher or lower than assumed. Key impacts on the valuation of infrastructure assets are oil prices and regional economic activity within each relevant sector.
Level of Uncertainty	Low
Financial impact	<p>Increases in valuations would require a higher level of depreciation funding as the cost of renewals would increase. To fund a higher level of depreciation Council would either need to reduce spending in other areas or increase rates.</p> <p>A change in asset valuation would also impact on the long term renewals expenditure projections.</p> <p>Decreases in valuations would require less in depreciation funding as cost of renewals would decrease.</p>
Data Source	Horowhenua District Council

Ōtaki to North of Levin Expressway

Assumption	<p>The development of the Ōtaki to North of Levin Expressway will occur as scheduled and the relevant sections of existing State Highways 1 and 57 will be revoked.</p> <p>Currently we have not assumed an amount for the assets being vested to Council this will be completed when more information is available.</p>
Detailed Forecasts	<p>Waka Kotahi NZ Transport Agency (NZTA) have confirmed their intention to construct a new four lane expressway (approx. 24km in length) from Ōtaki to North of Levin. This project is part of the Wellington Northern Corridor project which is making improvements State Highway 1 from Wellington airport to north of Levin. In October 2019, NZTA committed to developing the detailed business case and lodging the notice of requirement to designate the new route for the Expressway. NZTA have indicated construction of the road will begin in 2025 and be completed in 2029.</p> <p>Once the proposed Expressway is constructed by NZTA the existing sections of State Highways 1 and 57 which are bypassed by the new road, will be revoked and vested to Council.</p>
Risk	<p>The Ōtaki to North of Levin Expressway may be delayed due to unforeseen implementation issues, resulting in the revocation of the existing State Highways to be also delayed.</p> <p>That it may cost more or less than anticipated to maintain the existing state highway sections once it is revoked and vested in Council.</p>
Level of Uncertainty	<p>Low</p> <p>Moderate</p>
Financial impact	<p>If the sections of the existing State Highway 1 and 57 are revoked, Council will be required to manage the asset. Council's budgets include provision for the ongoing management of this asset.</p>
Data Source	<p>Horowhenua District Council</p> <p>Waka Kotahi NZ Transport Agency</p>

External Funding / Revenue

Assumption	That external funding will be secured for the following projects: The Waitārere Beach Surf Life Saving Club: \$1,000,000 contribution from the Levin Waitārere Surf Life Saving Club.
Detailed Forecasts	Waitārere Beach Surf Life Saving Club It is assumed external funding will be sourced through the Levin Waitārere Surf Life Saving Club. They have already started fundraising for the project and anticipate contributing to the project.
Risk	Waitārere Beach Surf Life Saving Club The Surf Club is unable to raise the \$1,000,000 indicated.
Level of Uncertainty	Waitārere Beach Surf Life Saving Club: Low.
Financial impact	Waitārere Beach Surf Life Saving Club If the Surf Club is unable to raise the \$1,000,000 Council will need to decide whether to fund this portion of the project (and the funding mechanism) or re-scope the project to reduce costs.
Data Source	Horowhenua District Council

Natural Hazards – Response and Recovery

Assumption	Council has the capacity to borrow any funds it may require to respond to, and recover from, natural hazard events should they occur during the 20 year period covered by this LTP.
Detailed Forecasts	<p>The Horowhenua District is susceptible to a range of natural hazards including flooding and river erosion, coastal erosion, extreme wind events, and inundation (e.g. storm surges and tsunamis), land instability (e.g. slips, slumps and runoff), seismic activity (e.g. ground rupture, shaking and liquefaction) and volcanic activity.</p> <p>Council must have the capacity to borrow funds to respond to a natural hazard event quickly and to be able to provide necessary relief. Council retained its A+ credit rating from Standard and Poors in August 2020. Council's debt limit of 225% (under the LGFA limit of 300% initially, decreasing to 280% from 2025/26) provides Council with an adequate buffer to respond and recover from natural hazard events if necessary.</p> <p>Council does not have any reserve funds to cover the impact of unexpected natural disasters and therefore, would have to use any borrowings capacity between its 225% limit and the LGFA limit.</p>
Risk	There is risk that a natural hazard event, or series of events, could occur and that cost of recovering from the damage caused would be greater than the funds that are available to Council if it was to stay within its current debt limit. Some natural hazards are more likely to occur than others in the Horowhenua District. However, there is a relatively high level of uncertainty around when or what type of natural hazard event may occur.
Level of Uncertainty	Low to Moderate
Financial impact	<p>If Council required more funds to recover from a natural hazard event than what would be available to Council if it was to stay within its current debt limit, then Council would have to borrow funds at a higher interest rate. This could potentially result in Council having to increase rates or reprioritise its work programme to cover the cost of servicing loans.</p> <p>It is noted that the Waka Kotahi - NZ Transport Agency (NZTA) provides funding for emergency works required to be done on roads as a result of damage caused by qualifying (natural hazard) events. The NZTA provides assistance at Council's normal Funding Assistance Rate (FAR) for cumulative claims for the costs of emergency works up to 10% of Council's approved maintenance programme for the year. For the portion of cumulative claims of the total costs of emergency works that exceed 10% of Council's approved maintenance programme for the year, the NZTA will provide funding at the normal FAR plus an additional 20%.</p>
Data Source	<p>Horowhenua District Council</p> <p>Waka Kotahi NZ Transport Agency</p>

Sources of Funds for Replacement of Significant Assets

Assumption	It is assumed that funding for the replacement of significant assets will be in accordance with Council's Revenue and Financing Policy, and Financial and Infrastructure Strategies.
Detailed Forecasts	<p>Funding sources used to finance capital expenditure (i.e. replacement of significant assets) are as per the Revenue and Financing Policy (in order of hierarchy):</p> <p>Third party sources: These are sources that relieve the burden on ratepayers generally. These include development contributions, any government subsidies for water and wastewater schemes and third party donations.</p> <p>Asset Sales: In the first instance sales will be applied to the activity to which the asset is attributed to.</p> <p>Rates: This reflects a prudent tendency on Council's part to ensure that special purpose reserves are only utilised on a selective basis on relatively significant works in the context of long term planning, rather than on minor works over a shorter term, and a prudent reluctance to increase loan indebtedness unless necessary.</p> <p>Reserves: In particular, funds that may be held for larger capital works in specific activities. An example includes water, wastewater, roading and property works financed from the Foxton Beach Freeholding Fund.</p> <p>Borrowing: This reflects a prudent reluctance to increase loan indebtedness unless necessary. Although it is the last option considered, the LTP provides for substantial new borrowing to achieve an element of intergenerational equity in the financing of a range of major capital expenditure works.</p> <p><i>Note: loan funding is also used for infrastructural asset renewals where the rate generated reserves are inadequate due to the level of renewals in any one year.</i></p>
Risk	That there are insufficient funds available for the replacement of significant assets.
Level of Uncertainty	Moderate
Financial impact	If the assumed funding sources were not available and a significant asset needed to be replaced then Council would either have to borrow funds and incur higher than usual interest on this loan or defer other planned works that are of lower priority and use the funds that were initially allocated to them to replace the significant asset.
Data Source	Horowhenua District Council – Revenue and Financing Policy

Interest Costs

Assumption	Council is assuming for the 20 year period of this LTP that the interest rate for new borrowing will be between 2.75% and 4% for the life of the LTP.																																																										
Detailed Forecasts	The table below identifies the assumed interest costs over the 20 year life of this LTP.																																																										
	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31																																																	
	2.75%	3.00%	3.75%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%																																																	
	2031/32	2032/33	2033/34	2034/35	2035/36	2036/37	2037/38	2038/39	2039/40	2040/41																																																	
	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%																																																	
Risk	Interest rates can vary subject to market conditions and could fluctuate beyond what is anticipated, however, the estimates are considered a conservative projection.																																																										
Level of Uncertainty	Moderate.																																																										
Financial impact	<p>As the assumption on interest costs is fundamental to the information underlying the LTP, the below scenarios have been provided. The scenarios outline the financial implications if the interest costs occur higher or lower than anticipated. Each scenario is modelled independently and is compared to the baseline figures from the Financial Strategy.</p> <p>Increase/Decrease in interest costs (1% higher or lower than assumed)</p> <table> <tr> <th></th><th>2021/22</th><th>2022/23</th><th>2023/24</th><th>2024/25</th><th>2025/26</th><th>2026/27</th><th>2028/28</th><th>2028/29</th><th>2029/30</th><th>2030/31</th><th>2031+</th></tr> <tr> <td>Proposed Rate Increase (after growth)</td><td>7.8%</td><td>7.4%</td><td>7.0%</td><td>7.4%</td><td>8.6%</td><td>9.8%</td><td>9.8%</td><td>5.9%</td><td>1.5%</td><td>0.6%</td><td>(0.60%) Average</td></tr> <tr> <td>1% higher interest</td><td>10.3%</td><td>10.3%</td><td>10.0%</td><td>10.6%</td><td>12.0%</td><td>13.2%</td><td>13.0%</td><td>8.9%</td><td>4.4%</td><td>3.6%</td><td>2.7%</td></tr> <tr> <td>1% lower interest</td><td>5.3%</td><td>4.5%</td><td>3.9%</td><td>4.2%</td><td>5.3%</td><td>6.4%</td><td>6.6%</td><td>2.9%</td><td>-1.5%</td><td>-2.3%</td><td>(3.47%)</td></tr> </table>												2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2028/28	2028/29	2029/30	2030/31	2031+	Proposed Rate Increase (after growth)	7.8%	7.4%	7.0%	7.4%	8.6%	9.8%	9.8%	5.9%	1.5%	0.6%	(0.60%) Average	1% higher interest	10.3%	10.3%	10.0%	10.6%	12.0%	13.2%	13.0%	8.9%	4.4%	3.6%	2.7%	1% lower interest	5.3%	4.5%	3.9%	4.2%	5.3%	6.4%	6.6%	2.9%	-1.5%	-2.3%	(3.47%)
	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2028/28	2028/29	2029/30	2030/31	2031+																																																
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Data Source	Horowhenua District Council Bancorp Treasury Services Limited																																																										

Funding Asset Renewals

Assumption	By 2026 the cost of future asset renewals will be fully funded by rates.
Detailed Forecasts	Rates increases in the first few years of the LTP to increase the proportion of rates funding of asset renewals.
Risk	To keep rates affordable, rates may be decreased through future Annual Plan or Long Term Plan processes.
Level of Uncertainty	Moderate
Financial impact	If the rates funding does not increase to the level required, then borrowings will increase. This may mean the need to re-prioritise the capital expenditure programme to ensure debt limits can be met.
Data Source	Horowhenua District Council

Local Government Funding Agency

Assumption	<p>The Local Government Funding Agency (LGFA) remains in existence and is Council's preferred source of debt funding.</p> <p>The deed guarantee obligations on default of any Council under the deed will not occur.</p> <p>The LGFA Covenants will not be breached.</p> <p>Refinancing of existing loans will be available on similar terms.</p>
Detailed Forecasts	<p>The LGFA is a Council-Controlled Organisation (CCO) that was established to raise debt on behalf of local authorities on terms that are more favourable to them than if they raised the debt directly.</p> <p>Council is a shareholder of the LGFA and each of the shareholders are party to a deed of guarantee, whereby the parties to the deed guarantee have obligations to the LGFA in the event of default.</p> <p>The LGFA sets Financial Covenants that Council has to comply with in order to be provided with favourable lending rates.</p>
Risk	<p>The risk of the LGFA failing is very low.</p> <p>The risk of Council breaching its LGFA Covenants is low.</p> <p>The risk that new borrowings cannot be accessed to fund future capital requirements is low.</p> <p>If there was a default by the LGFA, each guarantor would be liable to pay a proportion of the amount owing.</p> <p>The proportion to be paid by each guarantor is set in relation to each guarantor relative rates income. The risk of a local authority borrower defaulting is extremely low and highly unlikely especially given that all of the borrowings by a local authority from the LGFA are secured by rates.</p>
Level of Uncertainty	Low
Financial impact	<p>There is an extremely low likelihood of the event of default by a local authority borrower, the financial impact would be based on the value of the default and the shareholders in the scheme at the time.</p> <p>If new borrowings cannot be accessed to fund future capital requirements, then Council will need to reprioritise its capital expenditure programme and consider other sources of funding.</p>
Data Source	Horowhenua District Council

Investment Revenue

Assumption	Council is assuming that dividends will be zero (or immaterial) and that the rate of interest earned on all future investments for the life of this LTP will be 0.25% higher than then the interest rate.
Detailed Forecasts	Most of Council's interest revenue is tagged to special funds and is not a direct supplement to rating revenue or offset against rates requirements. The proposed utilisation of these special funds does not rely unduly on accumulations of interest earnings.
Risk	The assumed rate is in the range of rates experienced in recent and current prevailing economic environments. There is potential for interest earned to be higher or lower than estimated.
Level of Uncertainty	Low to Moderate
Financial impact	Lower interest rates on Council's investments would lead to lower revenue. However, investment revenue is not significant and as such there would be only a minimal financial impact for Council if these rates were lower than anticipated.
Data Source	Horowhenua District Council Bancorp Treasury Services Limited

Inflation

Assumption	Annual increases in inflation will be in accordance with the inflation adjusters ‘mid-scenario’ that have been provided by Business and Economic Research Ltd (BERL) and endorsed for use by the Society of Local Government Managers (SOLGM).					
Detailed Forecasts	BERL prepare scenarios for cost adjustors to be used by councils in their planning. They have provided three scenarios, which are consistent with the economic forecasts published by the Reserve Bank of New Zealand.					
	Mid-scenario – likely to be relevant to most regions. Areas with a high public sector employment and a growing, young population.					
	Stalled rebuild scenario – where GDP and employment grow more slowly. Areas with a high reliance on tourism and retail, or shrinking, aged, population.					
	Faster rebuild scenario – where GDP and employment grow more rapidly. Higher proportion of knowledge and agricultural employment.					
	The table below details the inflation adjustors that have been used for each category, they are based on the mid-scenario.					
	Adjustors: % per annum change					
	Years 1-10					
		Planning and Regulation	Roading	Transport	Community Activities	Water and Environmental
	Year ending June	% change (on year earlier)				
	2023	2.5	3	2.6	2.7	3.5
	2024	2.3	3.9	2.4	2.5	2.6
	2025	2.2	2.9	2.4	2.4	2.7
	2026	2.2	2.9	2.4	2.5	2.9
2027	2.2	2.9	2.4	2.4	2.8	
2028	2.2	2.9	2.4	2.5	3.2	
2029	2.2	2.9	2.4	2.6	3.3	
2030	2.2	2.9	2.4	2.6	3.4	
2031	2.2	2.59	2.4	2.4	3.1	

Detailed Forecasts	Years 11-20					
		Planning and Regulation	Roading	Transport	Community Activities	Water and Environmental
	Year ending	% change (on year earlier)				
	20 year average %pa	2.0	2.5	2.2	2.1	2.5
Risk	Actual inflation will be significantly different to assumed. 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.					
Level of Uncertainty	Moderate					
Financial impact	A lower inflation rate would mean lower rates income increase and total rates income. A higher inflation rate would mean a higher rates income increase and total rates income necessary to deliver the proposed work programme. Council would need to decide whether to increase rates, or reprioritise projects.					
Data Source	Local Government Cost Adjustor Forecasts Three Scenarios 2020: Business and Economic Research Limited (BERL).					

Levin Landfill

Assumption	The Landfill will be closed in June 2023 as part of the Long Term Plan Amendment
Detailed Forecasts	<p>The Levin Landfill gained resource consent in 2002 for 35 years. The consent was reviewed by Horizons Regional Council in 2015. This review was appealed to the Environment Court. As a result of this process a Landfill Agreement was signed with the parties subject to the appeal that identifies the Chief Executive will recommend to Council a closure date for the Levin Landfill of 31 December 2025 at the latest. However, the Agreement recognises the decision to close the landfill will be made by Council.</p> <p>Significant technical work is being undertaken to understand the implications of different closure dates on the wellbeing of the community (social, environmental, economic and cultural), and the logistics of landfill contract management. This technical work will be completed in late 2021 to form the basis of community consultation prior to Council making a final decision.</p> <p>The current resource consent is held until 2037 but the Council assumes that the Landfill will be full by 2031/32. Therefore Council will need to undertake significant work in the first 10 years of the LTP, to ensure a replacement landfill is available to service the district when the current landfill, is full.</p> <p>As of 31 October 2021, the Levin Landfill stopped accepting all waste while the decision on the future of the Levin Landfill was being made. The Landfill has not opened since this date.</p> <p><i>Note: If Council decides to close the landfill after 31 December 2025, the parties may resume their appeal.</i></p>
Risk	That Council does not make a decision on the future of the Levin Landfill.
Level of Uncertainty	Low
Financial impact	Investigations are being completed into different closure options to inform a Council decision. The financial impact of early closure of the landfill will be available for community consultation which will occur prior to Council making a decision.
Data Source	Horowhenua District Council

Delivery of the Capital Expenditure Programme

Assumption	It is assumed that 85% of the budgeted capital programme will be completed each year, with the remaining 15% completed in the following year. The full capital programme is listed in the capital reports for clarity. This is effectively 100% each year.
Detailed Forecasts	<p>The proposed capital expenditure programme is an average of \$47M per year over the 20 year period. This is an increase compared with the previous capital project delivery of approximately \$20M to \$25M per year in the past few years. The increase in the capital expenditure programme is a result of a number of factors, and often as a result of significant, one-off projects, but notably the increase in capital expenditure requirements is associated with meeting the needs of a rapidly growing population.</p> <p>Council has put in place the following to achieve 85% of the capital expenditure programme:</p> <p>Creation of the Infrastructure Development Team to deliver major capital expenditure projects (alongside the Infrastructure Operations team that largely focuses on renewals and levels of service improvements). This gives Council two group managers and two teams focused on delivering the infrastructure capital works programme. The development of the Infrastructure Development Team has provided increased internal capacity and capability.</p> <p>Long Term Procurement Plan – This will outline a three year work programme to ensure contractors and suppliers are resourced to implement the capital programme. Opportunities with neighbouring councils are being explored to gain efficiencies in procurement and project management in the clustering of contracts.</p> <p>Assuming 85% of the capital programme will be completed each year reduces the assumed level of borrowing by approximately \$4m to \$5m per year.</p>
Risk	<p>That the capital programme is completed above the 85% assumption, requiring extra borrowing.</p> <p>That less than 85% of the capital programme will be completed, meaning capital projects are delayed.</p> <p>As we have assumed it will be 100% over 2 years it will be a matter of timing rather than total spend.</p>
Level of Uncertainty	High
Financial impact	<p>If 100% of the capital programme is completed each year, borrowing will be increased borrowing by approximately \$4 to \$5m. This will impact on Council being able to meet its debt limits.</p> <p>If less than 85% of the capital programme is completed each year, this will decrease borrowing, but has the potential to increase reactive maintenance costs (due to breakage) and increase project costs due to inflation. Delays in one year, have the potential to create a cascade effect on subsequent years unless the source of the delay is addressed.</p>
Data Source	Horowhenua District Council

Depreciation

Assumption	That depreciation based on asset lives for each activity is identified below.
Detailed Forecasts	<p>The useful lives identified are used to calculate depreciation and are based on activity. The average percentage basis has been used to calculate future depreciation on planned asset purchases.</p> <ul style="list-style-type: none"> • Wastewater: 50 years • Water Supply (Tokomaru, Manakau, Ōhau, Waitārere Beach, Waikawa Beach, Hōkio Beach Beach, Foxton Beach,): 50 years • Water Supply (Foxton, Shannon, Levin): 70 years • Solid Waste Management: 20 years • Stormwater: 70 years • Land Transport (shared pathways, unsubsidised roading, footpaths): 70 years • Land Transport (subsidised roading): 40 years • Representation and Community Leadership: 15 years • Property (general): 80 years • Property (endowment): 50 years • Property (camp grounds): 20 years • Community Infrastructure (public toilets): 50 years • Community Infrastructure (Halls, Sportsgrounds, Reserves, Cemeteries, Urban Cleansing, Beautification): 20 years. • Community Facilities (Aquatic Centres): 20 years • Community Facilities (Libraries and Community Centres): 15 years • Planning & Regulatory: 15 years • Community Support: 15 years • Treasury & Support: 15 years
Risk	That the assets depreciate at a slower or faster rate than assumed.
Level of Uncertainty	Moderate
Financial impact	Underfunding of depreciation would result in increased borrowing requirements.

	<p>If the actual asset lives are shorter than budgeted, the Council would not collect enough depreciation funding and there is potential that the Council would not have the borrowings capacity to fund the asset renewals when they are needed.</p> <p>Overfunding of depreciation would result in higher rates collected and Council reduced borrowings.</p>
Data Source	Horowhenua District Council

Working with Māori

Te Mahi tahi me te Iwi Māori

Working with Māori

Te Kaunihera ā rohe o Horowhenua/Horowhenua District Council are committed to continually enhancing our relationships with Māori, recognising the unique position of tangata whenua in our district, and including taura here/mātāwaka – Māori who reside in Horowhenua who have links back to their own tribal lands. Council elected to have a Māori ward this year and this resulted in two seats.

Fostering development of Māori capacity

Council are dedicated to fostering the development of Māori capacity to contribute to the decision-making processes of the Council over the next 20 years. While it is a requirement in Schedule 10 of the Local Government Act (LGA) 2002, Council aims to extend beyond the adopted legislative framework, to build and maintain strong and meaningful relationships with the Māori community.

Māori relationships

- Council currently has Memorandum of Partnerships with:
 - Muaūpoko Tribal Authority,
 - Te iwi o Ngati Tukorehe Trust – representing Ngati Tukorehe, Te Mateawa, Ngāti Te Rangitawhia and Ngāti Kapu (Ngāti Raukawa)
 - Te Kotahitanga o Te Iwi o Ngāti Wehi (Ngāti Raukawa)
 - Rangitāne o Manawatū
 - Council does not have Memorandums of Partnership with Ngāti Apa or Te Runanga o Raukawa Inc. or with Ngāti Huia ki Matau, Ngāti Huia ki Poroutawhao and Ngāti Whakatere (Ngāti Raukawa). However, we recognise that they are a key relationship in the district.
- Council are working closely with Te Tumatakahuki - a collective of Ngāti Raukawa hapū representatives - Ngāti Huia ki Matau, Ngāti Huia ki Poroutawhao, Ngāti Rakau, Ngāti Te Au, Ngāti Turanga, Ngāti Whakatere, Ngāti Kikopiri, Ngāti Ngārongo, Ngāti Wehi Wehi, Ngāti Takihiku, Ngāti Hikitunga, and Ngāti Pareraukawa.
- Resourcing agreements with:
 - Muaūpoko Tribal Authority
 - Rangitāne o Manawatū
 - Te iwi o Ngāti Tukorehe

- Te Runanga o Raukawa Matariki – partnering with iwi to deliver a full programme of Matariki events.
- Ngā Mātāwaka ki Horowhenua Kapahaka – relationship with a youth kapahaka group who perform regularly for Council events.
- Matauranga Māori Scholarship – a partnership with Muaūpoko to provide a full scholarship for 5 Māori students to study at university in the area of engineering
- 3 Waters Marae upgrade – meeting with each Marae in Horowhenua to ascertain requirements, and working with each one to complete the work.

Horowhenua Iwi Landscape – Te Tiriti o Waitangi settlement status

Rangitāne o Manawatū

The Deed of Settlement between Rangitāne o Manawatū and the Crown was signed on 14 November 2015. The Deed of Settlement provides for twelve Statutory Acknowledgments, one of which is partly located within the district of Horowhenua. This is the Manawatū River and its tributaries. This means that for any work undertaken that may affect this area, appropriate engagement with Rangitāne o Manawatū is required.

Muaūpoko

Muaūpoko are currently pre-settlement

Ngāti Raukawa ki te Tonga

Ngāti Raukawa ki te Tonga are currently pre-settlement

Ngāti Apa

The Deed of Settlement between Ngāti Apa and the Crown was signed on 8 October 2008. It provides for eleven statutory acknowledgements, one of which is located in Horowhenua. This area is Omarupapako – Round Bush Scenic Reserve.

The Round Bush Scenic Reserve (the Reserve), known traditionally by Ngāti Apa (North Island) as Omarupapako, is of historical, cultural, spiritual and traditional significance to the iwi.

Omarupapako marks the southern extent of the Ngāti Apa (North Island) area of interest and is located approximately halfway between the Manawatū and Rangitikei Rivers, and slightly inland from the coast.

Capacity & capability building

Council acknowledges its own journey that is required to developing cultural competencies and knowledge, and it recognises that building competence in Te Ao Māori will better enable Council to foster development of Māori capacity to contribute to Council decision-making processes over the term of the Long Term Plan 2021-2041.

- Tūhono ki Te Ao Māori – A Māori cultural induction toolkit for staff which is an introduction to Te Ao Māori, created to support cultural development. The toolkit is supplemented with regular workshops.
- Te Tiriti o Waitangi training – Exploring the relevance and application of Te Tiriti. Sessions are run biannually.
- Cultural Competence training – Exploring notions of cultural competence, cultural safety and cultural intelligence. Sessions are run biannually.
- Te Karanga o te Tui waiata group – The group represents Council at various Council and community events.
- A Cultural Outcomes Advisor was appointed in March 2022 and is a welcome addition to the Cultural Outcomes Team.
- A calendar of commitment to Te Ao Māori – A pathway for Council staff and elected members
- Te Tumatakahuki Navigator – In partnership with Te Tumatakahuki, a role was created in January 2023. This role is significant for Council/Ngāti Raukawa relations.

What's in play

- Māori Engagement Framework
- Iwi led training
- Staff cultural induction training
- Te Reo Māori Policy
- Bilingual signage throughout Council buildings

Māori see people and the environment as closely interrelated – Ko au te taiao, ko te taiao ko au (I am the environment, the environment is me) – and share with Council a strong interest in maintaining and protecting the environment as well as developing the economic future of the area. Te Kaunihera ā rohe o Horowhenua is committed over the period covered by this LTP and beyond to continuing the process of consultation and engagement with Māori

Council Controlled Organisations

**Ngā Hinonga ka Whakahaerehia
e te Kaunihera**

Council Controlled Organisations

Council controlled organisations are described in the Local Government Act 2002 (section 6 (1)(b) as any organisation in which one or more local authorities control 50% or more of the voting rights or appoint 50% or more of the directors.

Council can, by resolution, exempt small CCOs that are not Council Controlled Trading Organisations from the requirements of CCOs.

Council has two exempt CCOs, these are;

- Manawatū-Whanganui Local Authority Shared Services Limited; and
- Shannon Community Development Trust.

As these CCO's have the status of being exempt there is no requirement for Council to disclose their performance targets and measures.

Manawatū-Whanganui Local Authority Shared Service Limited (MW LASS Ltd)

Nature and scope of activities

Formed in 2008, MW LASS Ltd is made up of seven councils from the Manawatū Whanganui region-Horizons Regional Council, Horowhenua, Manawatū, Rangitikei, Ruapehu, Tararua and Whanganui District Councils.

MW LASS Ltd provides for the Councils in this Region (excluding Palmerston North City Council) to work together on mutually beneficial joint projects to ensure consistent levels of service throughout the Region and to reduce the individual costs of delivering these services incurred by each Council.

The projects that have been developed through MW LASS Ltd to date include (but are not limited to):

- The Regional Archives Project (which included the construction, operation and recent system upgrade of Archives Central);
- Joint debt collection service;
- Shared valuation database system;
- Health and Safety Project;
- Insurance Broker Tender; and
- Aerial Photography (rural coverage).

Policies and Objectives on Ownership and Control

MW LASS Ltd is managed by its own Chief Executive and member councils are all represented by their Chief Executives on the Board of Directors. In accordance with the MWLASS each Council can opt in or out of a project if it doesn't meet the business need of that council.

Shannon Community Development Trust

Nature and scope of activities

The Shannon Community Development Trust was established in July 2012, and allocates funding assistance to the residents of the Shannon township for the purpose of Community Development including:

- educational activities including scholarships for educational purposes;
- the provision of training and equipment for the protection of the community;
- the provision of financial assistance for events recognising the involvement of community members; and
- the alleviation of hardship (in some circumstances).

Policies and Objectives on Ownership and Control

Council is responsible for the appointment of all Trustees, but does not control, either directly or indirectly, any votes at any Shannon Community Development Trust meeting. Horowhenua District Council provides secretarial support to the Shannon Community Development Trust for operational purposes.

Appendices

Āpitihanga

- Independent Auditor's Report
- Definitions and Interpretations

Independent Auditor's Report

To the readers of horowhenua district council's amended long-term plan

Independent Auditor's Report on Horowhenua District Council's Amended 2021-31 Long- Term Plan

I am the Auditor-General's appointed auditor for Horowhenua District Council (the Council). I use the staff and resources of Audit New Zealand to audit the information that the Council is required to have audited.

The Council adopted its 2021-31 long-term plan (the plan) on 30 June 2021.

- A long-term plan must contain a report from the auditor on:
- whether the plan gives effect to the purpose set out in section 93(6) of the Local Government Act 2002; and
- the quality of the information and assumptions underlying the forecast information in the plan.

We expressed an unmodified opinion on the plan in our report dated 30 June 2021. We also drew attention to uncertainty over three water reforms.

After adopting the 2021-31 long-term plan, the Council proposed amendments to upgrade or renew three waters infrastructure assets and how this is expected to affect debt, rates and service delivery. The Council also proposed to review its rating system, and to make decisions on the future of the Levin landfill.

After consulting on the proposed amendments, the Council decided to amend its plan for matters related to three waters and to keep the Levin landfill closed (and using the site for an alternative purpose

in future). It was also agreed to not make amendments to the rating system. The amended plan replaces the plan adopted on 30 June 2021.

The amended plan must contain a report from the auditor that either confirms or amends the previous audit report issued.

We considered the impact of the proposed amendments on our previous audit report. We completed our audit of the amendments on 28 June 2023 and our report is below.

Report amending our previous audit report of 30 June 2021

Our previous audit report on the plan adopted by the Council on 30 June 2021, is affected by the amendment to the plan as described below.

The unmodified opinion is no longer appropriate

Our previous unmodified audit opinion is no longer appropriate because the Council did not amend its assumptions for the upgrade or renewal of three waters infrastructure assets, based on the best information available as described below. These assumptions are therefore not reasonable or supportable and affect the credibility of the amended plan.

Assumption related to three waters reform

In July 2020 the Government announced the Three Waters Reform Programme. The Programme included a review of water service delivery. When the long-term plan was adopted on 30 June 2021 there was uncertainty over the effects of the reform on the Council because no decisions had been made. Therefore, the Council assumed that it would retain ownership of three waters assets and remain responsible for the service delivery of three waters services for the life of the plan. Since then, there have been a number of developments related to the Government's water services reforms on local authorities.

The Water Services Entities Act 2022 (the WSEA) was passed in December 2022 and established four water services entities to undertake responsibilities for three waters service delivery and infrastructure currently undertaken by local authorities. The Water Services Legislation Bill, currently before Parliament, will amend the WSEA to provide for the transfer of three waters related assets and liabilities to the water services entities.

On 13 April 2023, the Government announced its intention to increase the number of water services entities and to stagger their establishment dates, with all water services entities becoming operational between 1 July 2024 and 1 July 2026. On 16 June 2023, the Water Services Entities Amendment Bill was introduced to Parliament to amend the WSEA to give effect to these proposals. Until the Water Services Entities Amendment Bill is passed, the establishment date for the water services entities is 1 July 2024, or earlier by Order in Council.

The Council amended its plan by adding three waters assets to its capital works projects. However, the Council did not amend its assumption about ownership and responsibility for these assets, which not only affects assets and debt of the amended plan, but also revenue, depreciation and maintenance expenditure.

The effects of not amending these assumptions are pervasive and therefore warrant an adverse opinion on the amendments to the plan.

Adverse opinion

In our opinion, because of the significance of not amending the assumptions for the amendment, the amendments to the plan do not provide an effective basis for:

- long-term integrated decision-making or co-ordination of the Council's resources; and
- accountability of the Council to the community.

Our previous audit report remains appropriate for the parts of the amended plan that are not affected by the amendment.

Highlighting the uncertainty over three waters reform is no longer appropriate

Our previous audit report drew readers' attention to the uncertainty over three waters reform. The emphasis of matter is no longer appropriate because of the effect of the Water Services Entities Act 2022 on the amended plan and the adverse opinion we expressed.

As was the case for our opinion on the plan prior to it being amended, this report does not provide assurance that the forecasts in the amended plan will be achieved, because events do not always occur as expected and variations may be material. Nor does it guarantee complete accuracy of the information in the plan.

Basis of this report

Our audit focused only on the amendment and its effect on the plan. We did not repeat the audit that we carried out on the plan when it was originally adopted.

We carried out our work in accordance with the International Standard on Assurance Engagements (New Zealand) 3000 (Revised) Assurance Engagements Other Than Audits or Reviews of Historical Financial

Information. In meeting the requirements of this standard, we took into account particular elements of the Auditor-General's Auditing Standards and the International Standard on Assurance Engagements 3400 The Examination of Prospective Financial Information that were consistent with those requirements.

We did not evaluate the security and controls over the electronic publication of the amended plan.

Responsibilities of the Council and Auditor

The Council is responsible for:

- meeting all legal requirements affecting its procedures, decisions, consultation, disclosures and other actions relating to amending the plan;
- presenting forecast financial information in accordance with generally accepted accounting practice in New Zealand; and
- having systems and processes in place to enable the amended plan to be free from material misstatement.

We are responsible for reporting on whether the amendment to the plan affects our previous audit report on the plan as previously adopted. We do not express an opinion on the merits of the plan's policy content.

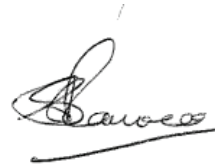
Independence and quality control

We have complied with the Auditor-General's:

- independence and other ethical requirements, which incorporate the requirements of Professional and Ethical Standard 1 International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board; and
- quality management requirements, which incorporate the requirements of Professional and Ethical Standard 3 Quality

Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements issued by the New Zealand Auditing and Assurance Standards Board.

Other than our work in carrying out all legally required external audits, we have no relationship with or interests in the Council.



Clint Ramoo

Audit New Zealand

On behalf of the Auditor-General, Wellington, New Zealand

Definitions and Interpretations

Advocate

Council acts as an advocate when it represents the views and interests of the community to a range of organisations, including Government agencies and the Regional Council.

Asset

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

Asset Management Plan (AMP)

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

Capital Expenditure

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

Capital Value

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

Community Outcomes

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

Council Controlled Organisation (CCO)

An organisation that manages facilities and/or provides services on behalf of the Horowhenua community, in which Council directly or indirectly controls more than 50% of either the votes or the appointments of directors or trustees.

Depreciation

The allocation of the cost of an asset over its estimated useful life.

District Plan

The plan prepared by Council under the Resource Management Act 1991 that manages potential adverse environmental effects of subdivisions and land use on the environment through objectives, policies, and rules.

Financial Year

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

Funding Impact Statement

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

Governance

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

Infrastructure

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

Land Value

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

Level of Service (LoS)

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

Liability

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

Long Term Plan (LTP)

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

Operating Costs

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

Performance Target

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

Projected Financial Statement

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

Rates

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

Renewal Expenditure

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

Revenue

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

Separately Used or Inhabited Part (SUIP)

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

Significance

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

Stormwater

Surface water that runs off properties and roads.

Sustainability

The use of natural, social and physical resources in such a way that takes care of our current needs while allowing for the ongoing use of those resources by future generations.

Targeted Rates

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

Uniform Annual General Charge (UAGC)

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

Wastewater

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

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