

Rangitikei District Council

2018-2028

Draft Long-Term Plan

Adopted by Council on 29 March 2018 as underlying information for the Consultation Document.

Revised draft 29 March 2018

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Revised draft - 29 March 2018

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Section 1: Introduction

Message from His Worship the Mayor

Message to come – see Consultation Document

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Audit Opinion

To come

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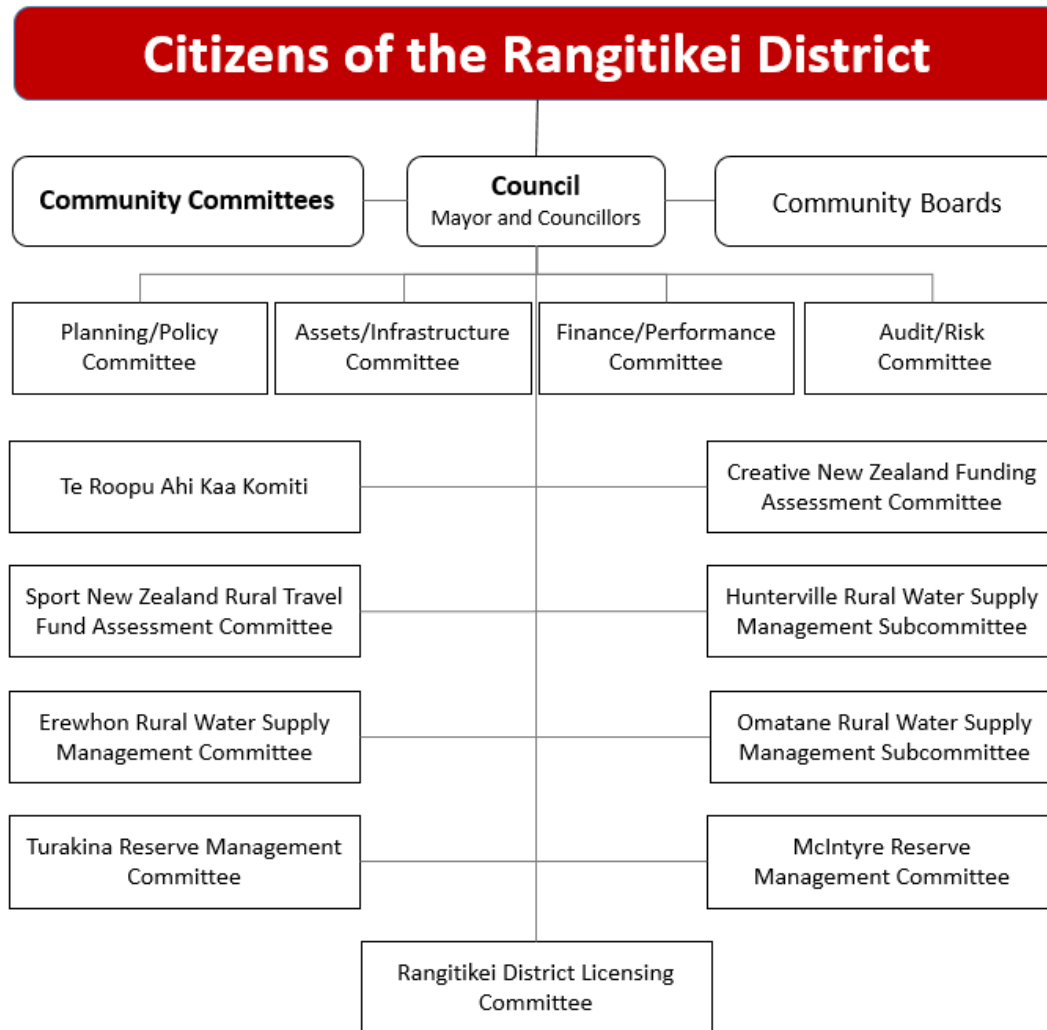


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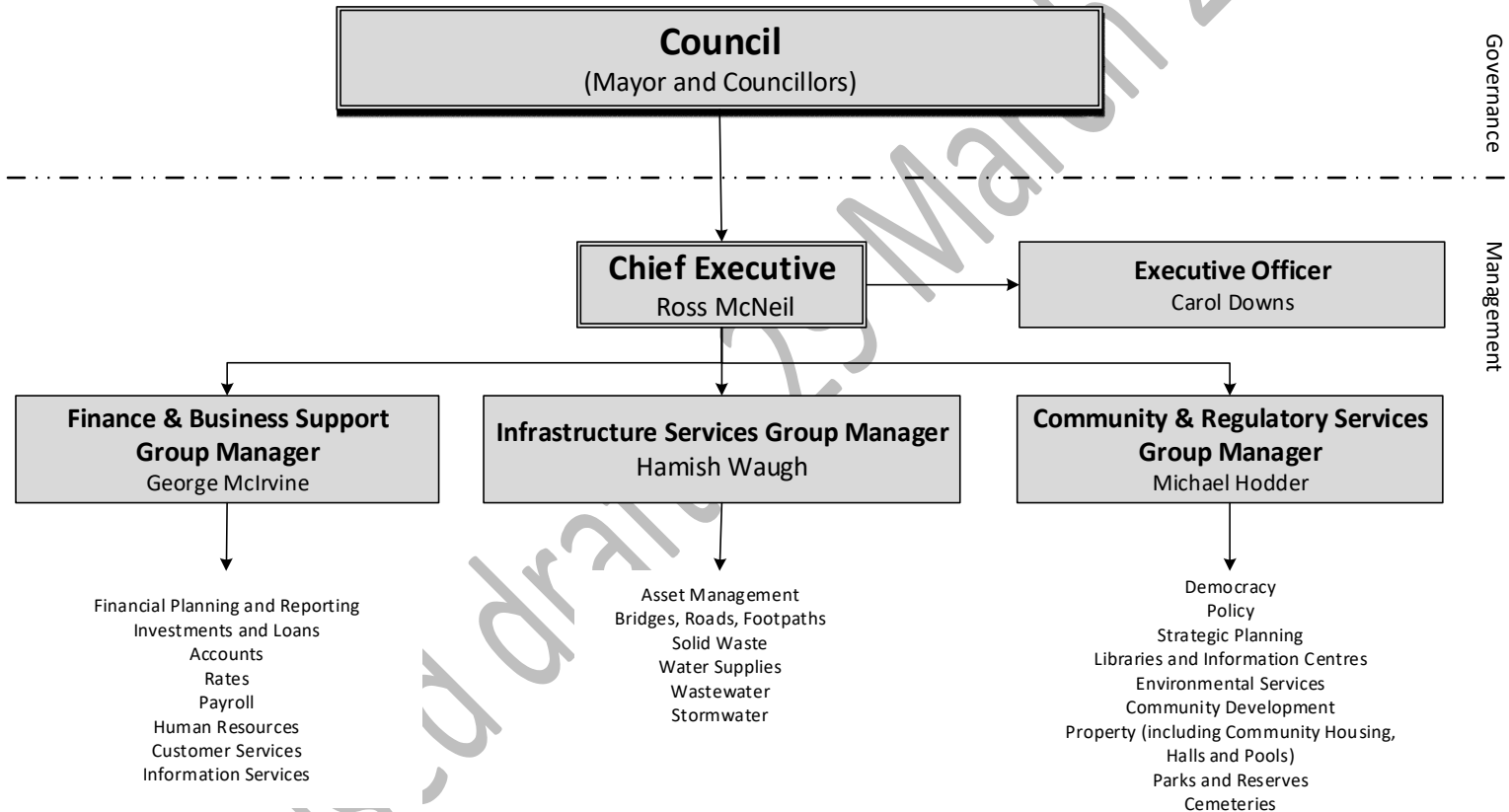
Council Structure



REV.

Management Structure

Citizens of the Rangitikei District



Revised draft

Manawatu-Wanganui LASS Limited

A Council Controlled Organisation (CCO) in the Manawatu-Wanganui region is delivering efficiencies, stronger governance and cost savings for the participating councils.

The CCO (MW LASS) brings together Horizons Regional Council and Horowhenua, Manawatu, Rangitikei, Ruapehu, Tararua and Whanganui District Councils, was established in 2008 to investigate, develop and deliver shared back office services.

To date there has been one call on share capital and is now trading. Rangitikei District Council owns one seventh or 14% of this company and has a \$1,000 share capital.

The company is considered to be a Council Controlled Organisation under the Local Government Act 2002, but the member councils have resolved that it is exempt for the purposes of section 6(4)(i)¹ of that Act for each year since 2010/11 through to 30 June 2019².

¹ Exempted organisations Section 7:

(3) A local authority may, after having taken account of the matters specified in subsection (5), exempt a small organisation that is not a council-controlled trading organisation, for the purposes of [section 6\(4\)\(i\)](#).

(4) An exemption must be granted by resolution of the local authority.

(5) The matters are—

(a) the nature and scope of the activities provided by the organisation; and

(b) the costs and benefits, if an exemption is granted, to the local authority, the council-controlled organisation, and the community.

² 16/RDC/230

What is the Long-Term Plan?

Each local authority is required to have a long-term plan and to review it every three years. The Long Term Plan sets out what Council plans to do over the next ten years - 2018 to 2028. The first three years are discussed in detail, and the following seven are an outline.

Key Issues

Council's vision for the Rangitikei District is to make it a place that we all want to call home. Home speaks of warmth, vibrancy and relationship. It means security and the enjoyment of core services. Homes are built with careful, efficient design and planning within a workable budget. To make sure the District is the best home it can be over the next 10 years Council will ensure the costs of our core services are affordable and provide value for money, while considering ways to make projects environmentally sustainable.

Our town centre developments continue to be a priority. These developments are driven both by upcoming requirements for earthquake-prone buildings, but also by the desire to ensure vibrant sustainable communities. The Bulls Community Centre - (auditorium (hall), library/learning hub, visitor information/promotion area, community meeting rooms, a designated youth area and toilets (with 24/7 access) and the regional bus centre), will begin construction from mid-2018 (subject to funding), with completion planned by December 2019. The development of the Cobbler/Davenport/Abraham & Williams buildings in Marton will follow. Preliminary concepts have been prepared, with investigations and subsequent design work likely to take two to three years, so any redevelopment of these properties is unlikely to occur before 2020. There are many options Council has available for the development of the site, the community's views will be sought in the early design stages of the project. Additionally, Council remains committed to developing an improved civic facility on the Town Hall site. Consultation and preliminary design is planned over the next three years.

Council's core programme of infrastructure renewals and replacements continues. Two key projects are Marton and Bulls wastewater treatments plants. Increasing environmental standards mean that upgrades to the facilities will be required. Council is currently investigating the most cost-effective solution for these upgrades, including the option of piping Marton's wastewater to Bulls and then having a combined discharge to land. Upgrading wastewater treatment in Ratana – again to discharge to land – is also planned. Mangaweka's wastewater will also be considered during the next five years.

Increasing environmental standards may also mean that stormwater discharges over time are likely to be required to meet specific requirements. This may increase costs by requiring treatment prior to discharges to streams/rivers. Additionally Council has decided to end the ambiguity over private drains in urban areas and to implement a programme for dealing with problematic stormwater flows in our towns and villages. All Council's reticulated urban drinking water supplies are chlorinated. However, at this time the Government has yet to announce its decisions following completion of Havelock North Drinking Water Inquiry, in particular whether it will require treatment of rural water supplies intended as stock water only but known to be used by some households.

Our roading network is also ageing and was not built to carry the heavy vehicles we have today. Council has adopted a 'fix as you go' approach to roads that may be impacted by increased heavy traffic activities like forestry for a short time. This means that, for a road which is normally used by a small number of vehicles, any potholes or issues will be fixed at the time the defect occurs, rather than strengthen the road (at considerable cost) before the forestry operations start. The next most significant bridge due for replacement is the Mangaweka Bridge on Ruahine Road.

Section 1: Introduction

All of this of course costs money and the bulk of money to provide these core services and facilities comes from rates. Council will need to borrow for its major projects, a fair approach, so the costs are spread over a long period and thus met by all who benefit from them. While our rates increases are likely to average around 5% in the coming years, the affordability of the building and infrastructure projects is a concern. Council will be advocating strongly to Government to increase its funding support for these projects to ensure their viability.

Home. Like we said, it takes careful planning within an affordable budget. Over the next ten years Council is committed to making Rangitikei home for all.

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Community Outcomes

Community outcomes are the outcomes that a local authority aims to achieve in meeting the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions. Council has nine community outcomes which are described below.

- 1 **Infrastructural service levels** - Ensuring services meet appropriate standards and are affordable.
- 2 **Economic development** - Facilitating growth through infrastructure investment, an enabling regulatory framework and collaboration.
- 3 **Future-looking community facilities** - Ensuring community facilities are future-fit and appropriately managed.
- 4 **Earthquake-prone buildings** - Reducing the people-risk from Council-owned earthquake-prone buildings and providing a leadership/support role for other earthquake-prone buildings.
- 5 **Communication/engagement and collaboration** - Ensuring communities are well-informed and engaged in decision-making, and productive partnerships are established/maintained.
- 6 **Rates level/affordability/value** - Ensuring rate levels are prudent and value to ratepayers demonstrated.
- 7 **Environment/climate change** - Responsiveness to expectations from the community and Government for more sustainable use of resources, a reduced carbon footprint, and planning for projected impacts in weather and sea-level changes.
- 8 **Regulatory performance** – Implementing an enabling regulatory framework which is explicit on whether (and how) Council will exercise any statutory discretion available to it.
- 9 **Community resilience** - Advocating for, working in partnership and supporting groups which are concerned with the well-being of the District's communities.

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Section 2: Financial and Infrastructure Strategy

Introduction

This is a combined strategy as permitted under section 101B(5) of the Local Government Act 2002.

Infrastructure accounts for over 80% of Council's operating expenditure and virtually all of Council's capital expenditure. The strategy outlines:

- the key infrastructural service issues the Rangitikei community must address over the next 30 years;
- the main options for dealing with those issues;
- the cost and service delivery implications for residents and businesses of those options, including the impact of increased debt; and
- the Council's current preferred scenario for infrastructure provision.

Factors of critical importance in the strategy are:

- the projected changes in population in different parts of the District
- the adequacy of government funding assistance for roads
- the conditions governing resource consents for water, wastewater and (potentially) stormwater;
- Government's decisions on the findings from the Havelock North inquiry into potable water supplies;
- the affordability of maintaining current urban reticulation and treatment systems (and the ability to secure government financial assistance);
- the affordability of new fit-for-purpose civic/community centres in Bulls, Marton and Taihape to replace earthquake-prone and outmoded facilities;
- the capacity (within the organisation and of contractors) to deliver the proposed capital programme within the projected times;
- knowledge of the condition and performance of the assets; and
- the sustainable level of debt.

Rangitikei District Council must deliver a large range of infrastructure projects while being financially sustainable for its communities. This involves a balancing act of continuing to deliver infrastructural services, while keeping them affordable by getting the best value, ensuring equity between current and future generations, fairly sharing the costs of delivering the services across different users and maintaining a strong balance sheet that can take climatic and financial shocks, which means ensuring it does not have too much debt.

Council's key financial strategy in managing its infrastructure assets is "low borrowing and funding depreciation". This acknowledges that some borrowing is important to ensure intergenerational equity, however, that excessive borrowing restricts the potential for future development projects.

The Strategy is split into three key sections:

Vision and Context

This section outlines Council's vision for the next 30 years, and provides contextual information about demographic, economic and political changes which will affect Council's delivery of services.

How Council will manage its assets

This section provides an overview of how Council will manage its assets including – levels of service, renewal/replacement of assets, responses to growth/decline in demand, maintaining and improving public health and environmental outcomes, resilience of assets and affordability and balance. Finally the section identifies key issues and assumptions for managing Council's assets, with a proposed response for managing the issue provided.

The most likely scenario

This section provides a description of the most likely scenario for Rangitikei in 2048. It provides details of the assumptions the scenario is based on, a specific description by activity group and an overview of specific projects. It goes onto provide an explanation of the costs and significant decisions about capital expenditure for the most likely scenario and how this scenario is proposed to be funded.

Vision and Context

Council's vision is for 'A Thriving District'. To make this vision a reality, Council has set nine community outcomes:

- 10 Infrastructural service levels - Ensuring services meet appropriate standards and are affordable
- 11 Economic development - Facilitating growth through infrastructure investment, an enabling regulatory framework and collaboration
- 12 Future-looking community facilities - Ensuring community facilities are future-fit and appropriately managed
- 13 Earthquake-prone buildings - Reducing the people-risk from Council-owned earthquake-prone buildings and providing a leadership/support role for other earthquake-prone buildings
- 14 Communication/engagement and collaboration - Ensuring communities are well-informed and engaged in decision-making, and productive partnerships are established/maintained
- 15 Rates level/affordability/value - Ensuring rate levels are prudent and value to ratepayers demonstrated

- 16 Environment/climate change - Responsiveness to expectations from the community and Government for more sustainable use of resources, a reduced carbon footprint, and planning for projected impacts in weather and sea-level changes
- 17 Regulatory performance – Implementing an enabling regulatory framework which is explicit on whether (and how) Council will exercise any statutory discretion available to it.
- 18 Community resilience - Advocating for, working in partnership and supporting groups which are concerned with the well-being of the District's communities

To support this vision, the Long term Plan contains a capital programme totalling \$175 million over ten years to renew or create new assets and operating expenditure of \$201 million,³ as follows:

- Roothing network – 796 km of sealed and 429 km of unsealed – valued (as at 30 June 2017) at \$320 million, with an estimated replacement cost of \$322 million: capital expenditure: \$74.2 million; operating expenditure: \$75.5 million
- Water supplies – : 6 urban (potable) treatment and reticulation systems and 4 rural (non-potable) reticulation systems – valued (as at 30 June 2017) at \$53 million, with an estimated replacement cost of \$97 million; capital expenditure: \$27.1 million; operating expenditure: \$44.3 million
- Wastewater (i.e. sewage and the treatment and disposal of sewerage) – : 7 reticulated systems – valued (as at 30 June 2017) at \$29 million, with an estimated replacement cost of \$50 million: capital expenditure: \$32.7 million; operating expenditure: \$26.1 million
- Stormwater – : valued (as at 30 June 2017) at \$16 million; and an estimated replacement cost of \$27 million: capital expenditure: \$13.7 million; operating expenditure: \$6.3 million
- Community and leisure assets – including 3 libraries, 3 swimming pools, 7 urban halls, 15 rural halls, 9 toilets and restrooms, 10 parks and reserves, 72 community housing units – : valued (as at 30 June 2017) at \$14 million: capital expenditure: \$26.8 million; operating expenditure: \$48.5 million

During the following 20 years (i.e. from 1 July 2028 to 30 June 2048) the estimated capital expenditure for these assets is \$xx million and the estimated operating expenditure is \$xx million.⁴

District Topography

The Rangitikei District comprises 4,500 square kilometres of mainly rural land. It is a diverse District, ranging from the sand plains on the south coast to the magnificent hill country of the upper Rangitikei. The sand plains extend inland from the coast to Bulls, where the Santoft Forest is a key feature. The area has a range of soil types and been developed for a wide range of agricultural activities including dry stock farming, cropping, horticulture and dairying.

The District also has a number of plains and terraces throughout the lower half which comprise of mostly Class 1 and 2 soils. These versatile soils are used for a wide variety of primary production purposes including; cropping, drystock farming, market gardening, horticulture and dairying.

³ Graphed for each year on pp.xx/tables yy.

⁴ Graphed, on a five-yearly basis, on pp xx/tables yy.

The undulating to rolling hill country you encounter as you head north has a mix of soil types, which support a range of cropping, pastoral farming and forestry activities. For the steeper hill country, further north, soils are often prone to slipping and erosion and are largely grazed by drystock.

The most northern reaches of the District include approximately half of the windswept and remote Kaimanawa Ranges. These mountain land areas are largely undeveloped for primary production activities, although the Manuka honey industry is growing and support important indigenous forests, tussock land and wetlands.

There are a number of significant rivers within the District, particularly the Rangitikei, Whangaehu, Turakina, Hautapu and Kawhatau. These rivers have helped to shape the topography of the District, with valleys, gorges, terraces and flood plains. The most iconic river in the District is the Rangitikei River, which is one of New Zealand's longest rivers – originating in the Kaimanawa Ranges and flowing out to the Tasman Sea. The River is a gravel bed river, which is surrounded by papa cliffs through the middle reaches. Water quality for the Rangitikei River is good, especially in the northern areas, where it supports a world-class trout fishery.

District Economy

GDP

Overall, the Rangitikei economy (as measured by GDP) has not grown apace with the rest of New Zealand. Since 2001, the growth in GDP has been 1.65% compared to 2.5% for New Zealand as a whole. However, this growth has not been consistent, with highs between 2005 and 2007 and particular declines in 2008, 2009 and 2011 (Figure X). However, since 2012, the District has experienced varying levels of growth in GDP each year. The primary sector to the Rangitikei economy⁵ dominates providing almost 30.4% of the District's GDP.

⁵ The primary sector extracts or harvests products from the earth and includes agriculture, forestry, fishing, and mining.

The secondary sector produces manufactured and other processed goods and includes manufacturing, electricity, gas and water, and construction.

The tertiary sector includes all service industries that are not knowledge intensive, such as retail trade, and food and accommodation services.

The quaternary sector includes knowledge intensive service industries. Knowledge-intensive industries are industries that satisfy two basic criteria: At least 25 per cent of the workforce must be qualified to degree level and at least 30 per cent of the workforce must be employed in professional, managerial, as well as scientific and technical occupations. Other includes owner occupied property operation and unallocated activity. An agribusiness earns most or all of its revenues from agriculture and includes the primary sector, excluding mining, processing and manufacturing and/or the packaging and distribution of products

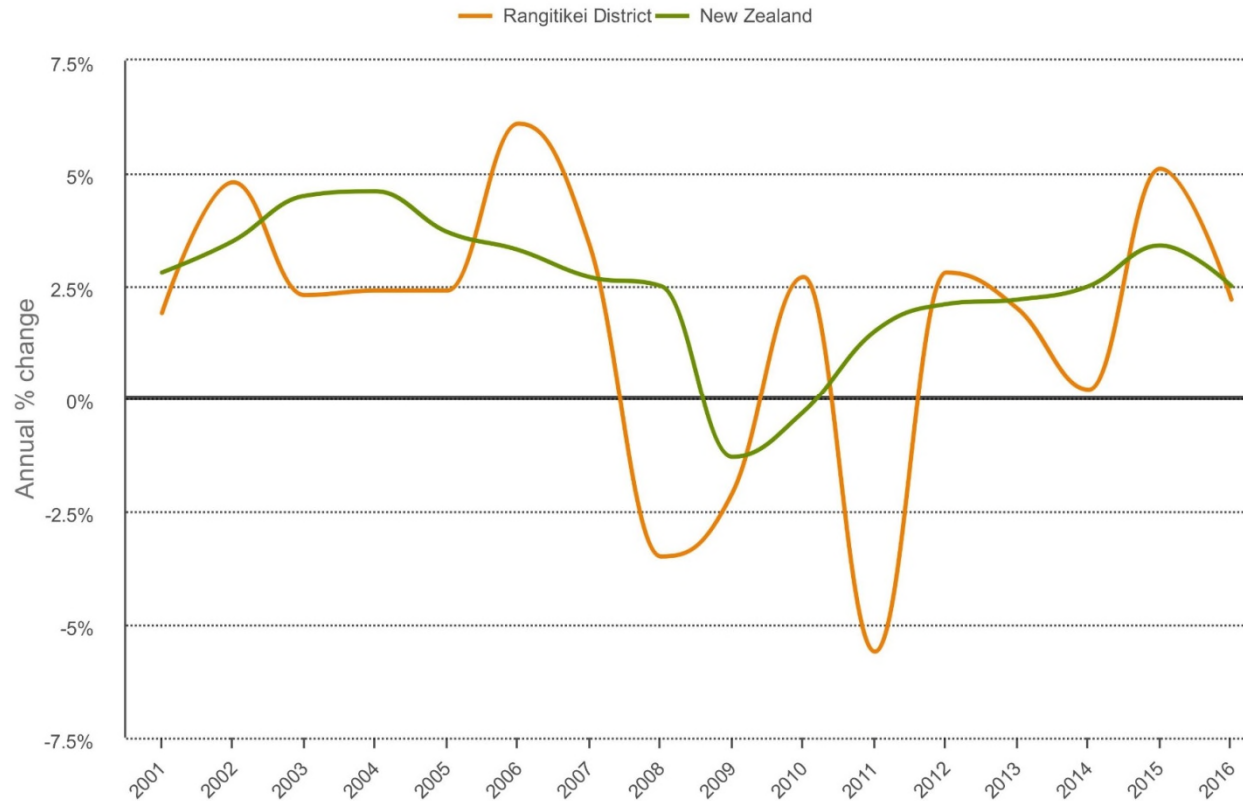


Figure X. GDP Growth for the Rangitikei District compared with New Zealand (Source: Infometrics).

Growth initiatives

The Rangitikei District has been involved in the Central Government initiative to enhance productivity of regional New Zealand. This initiative led to the creation of the Regional Growth Study (2015) and associated Manawatu-Whanganui Economic Action Plan (2016), as well as Te Pae Tawhiti – Manawatu-Whanganui Maori Economic Development Strategy. The Regional Growth Study and Action Plan are being implemented through Accelerate 25.

The Regional Growth Study and subsequent Action Plan identified six key growth areas for the Rangitikei –

Tourism and visitor services - to work in conjunction with Ruapehu and Whanganui districts to extend mountain biking trails throughout the area and create a joint tourism marketing approach for the wider range of outdoor and cultural tourism operations.

Sheep and beef farming and processing - there are opportunities to improve on-farm productivity and to increase value-added processing.

Land use intensification - by maximising the productive use of high quality (class 1 and 2 soils) for dairying and arable/horticultural uses.

Manuka honey – to maximise currently underused hill country for Manuka honey production.

Fresh vegetables – there is opportunity to increase fresh vegetable production for export by undertaking a joint effort of growers to focus on particular export markets.

Poultry and grain processing – for the expansion of the industry for supply to China and other Asian countries.

Te Pae Tawhiti builds on the Regional Growth Study and Action Plan by providing a specific focus on the Maori economy in the Manawatu-Whanganui Region. The key focus is on economic growth that will contribute to gains for whanau, communities, marae, and future generations. Te Pae Tawhiti contains 10 priorities – ahuhenua (land utilisation), kaimoana (river and seafood), maho tapoi (tourism), miere (honey), te ngahere (forestry and plant based products), pakihi matahiko (Maori digital enterprise), te piringa whanau (whanau cooperatives), whai ohanga (entrepreneurship and innovation), orange kaumatua (older maori vitality), hanga whare (housing).

Forestry harvesting

A key change in the District's economy will be the harvesting of large scale forests which were established during the 1990s. This will result in peak harvest from 2027 – 2029. From 2018 to 2047 40% of the district tonnage occurs within the Parewanui / Santoft Road area. From 2027 to 2032 50% of district tonnage occurs on 3 roads within the Hunterville forest area (Turakina Valley Road, West Road and Watershed Road)⁶.

Expected changes in land use

Council expects there to be a number of changes in land use over the coming 30 years. There is likely to be some residential expansion around the urban fringe to accommodate the moderate population growth expected. However, this residential growth is unlikely to affect more than 50 hectares of land currently used for primary production purposes which is minor when considering the scale of rural land in the District. Council's infrastructure is unlikely to be affected as it was constructed for larger populations than are projected for the next 30 years.

There are also likely to be changes in land use in the rural sector. The Regional Growth Study seeks to encourage land intensification and change from sheep and beef farming to higher value land uses such as Manuka, dairying, vegetable production and other horticultural/cropping activities. Additionally, Council has been supporting the feasibility of expanding rural water supplies to enable increased intensification of land uses. These changes in land use are unlikely to have a significant impact on Council's infrastructure. The most significant change could be altered use of rural roads; however, the change in vehicle movements is likely to be minor.

An increase in forestry planting could also occur as a result of Central Government's proposal to plant 100 million new trees per year. The impact of land use changes for forestry have the potential to affect the roading network once sites are mature and ready to be harvested. However, the needs of forestry properties and the impact on the roading network can be planned well in advance.

⁶ Further comments on the approach taken to manage this issue are on page XXX

Climate change could also have an impact on land use. Climate is already significantly varied throughout the District, but it is likely that some areas will become dryer and some wetter which will impact the type of agricultural land uses. Drought is likely to become more frequent and intense. However, it is unlikely that the extent of changes will be so significant that they have an impact on Council's infrastructure.

Expected changes in population

The latest information Council has access to from Statistics New Zealand is from the 2013 Census. The next census information is not due to be released until 2018. The District's population has historically been declining, from 16,750 in 1996 to a low of 14,550 in 2013. However, recent population growth, (based on population estimates) shows consistently greater increases in population year on year since 2013 to a high of 1.3% in 2017 (Figure X).

The most up to date population projections are those from the 2013 census which extend to 2043 – low medium and high scenarios are provided for the District as a whole⁷ (Figure X). Additionally, projections from both the medium and high scenarios are provided for each ward (Figure X). When compared with the estimated population (Figure X), the District is progressing in-between the medium and high projections. For the high scenario, but 2043 the District's population would have reached a stable peak of 15,900 residents. This is 900 more residents than the District is estimated to have in 2017. For the medium scenario, by 2043 the District's population would have slightly reduced to 13,550 residents. This is a reduction of 1,450 residents. Nevertheless, in both scenarios the populations remain smaller than 1996 levels so will not impact on the capacity or performance of Council's assets (or the capital and operating expenditure projections).

The population projections for the wards show that, for the high growth scenario, all wards are predicted to grow slowly, resulting in populations which are relatively stable over time. For the medium growth scenario, all wards are either predicted to either experience small growth for the first 10 years and then stabilise, or experience small growth for the first 10 years and then reduce slowly until 2043. For either scenario the populations remain relatively stable, with the difference of these two scenarios relatively insignificant⁸ and is not enough to create issues for the District's infrastructure assets. However, population in particular locations may prove insufficient to renew existing water or wastewater assets, depending on the cost of negotiating and implementing new compliance requirements and the availability of government financial assistance.

⁷ Last updated February 2017

⁸ Turakina – 240 – difference; Marton – 920 difference; Bulls – 470 difference; Hunterville – 220 difference; Taihape – 650 difference

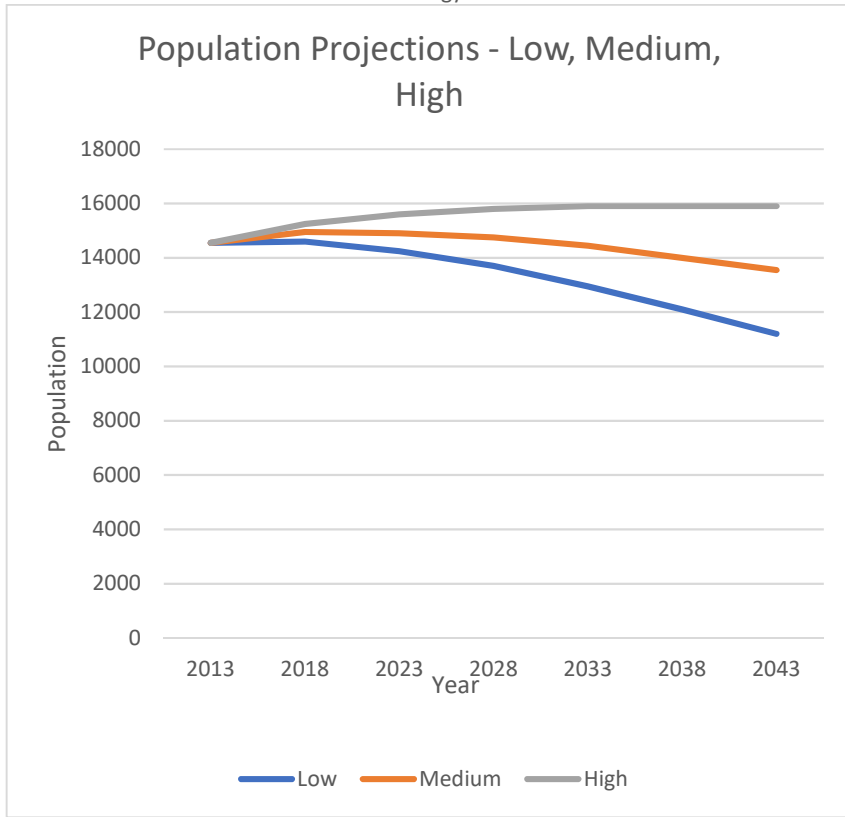


Figure X. Population Projections – Rangitikei District (Source: Statistics New Zealand)

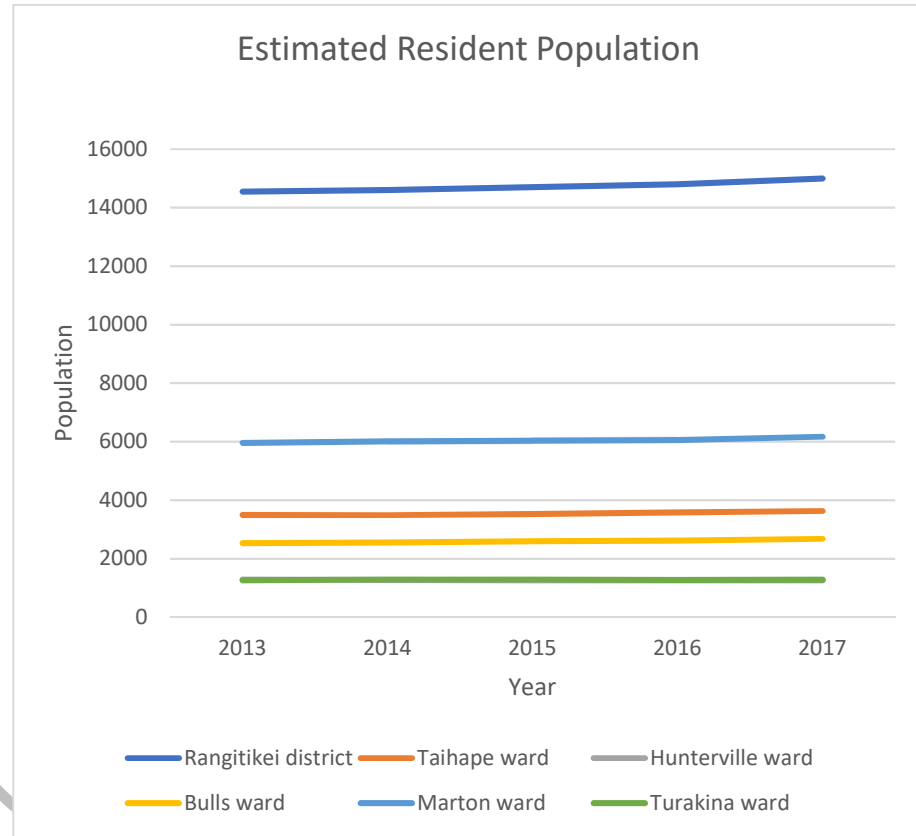


Figure X. Estimated Resident population – by Ward (Source: Statistics NZ)

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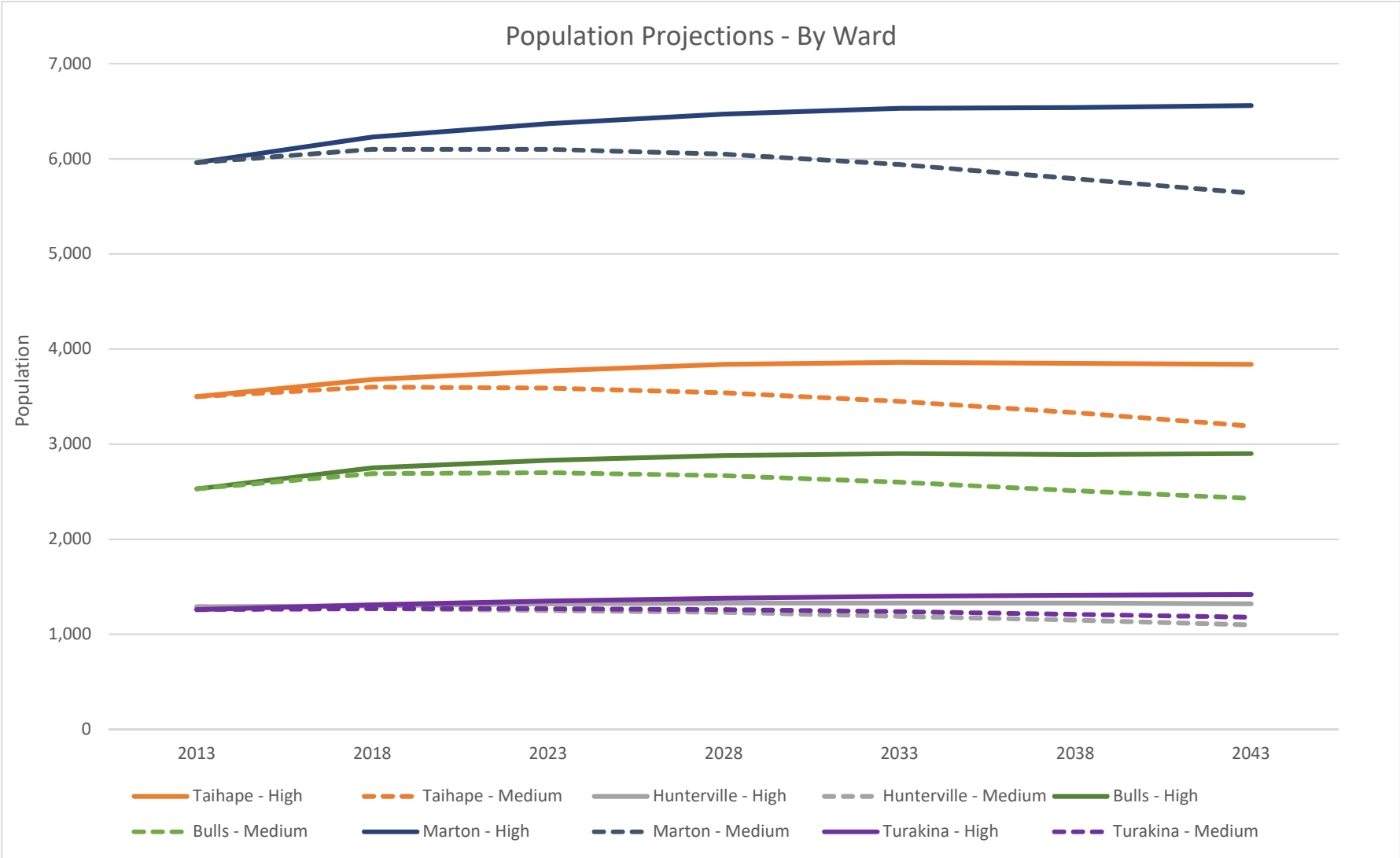


Figure X. Population Projections – Ward – High and Medium (Source: Statistics New Zealand)

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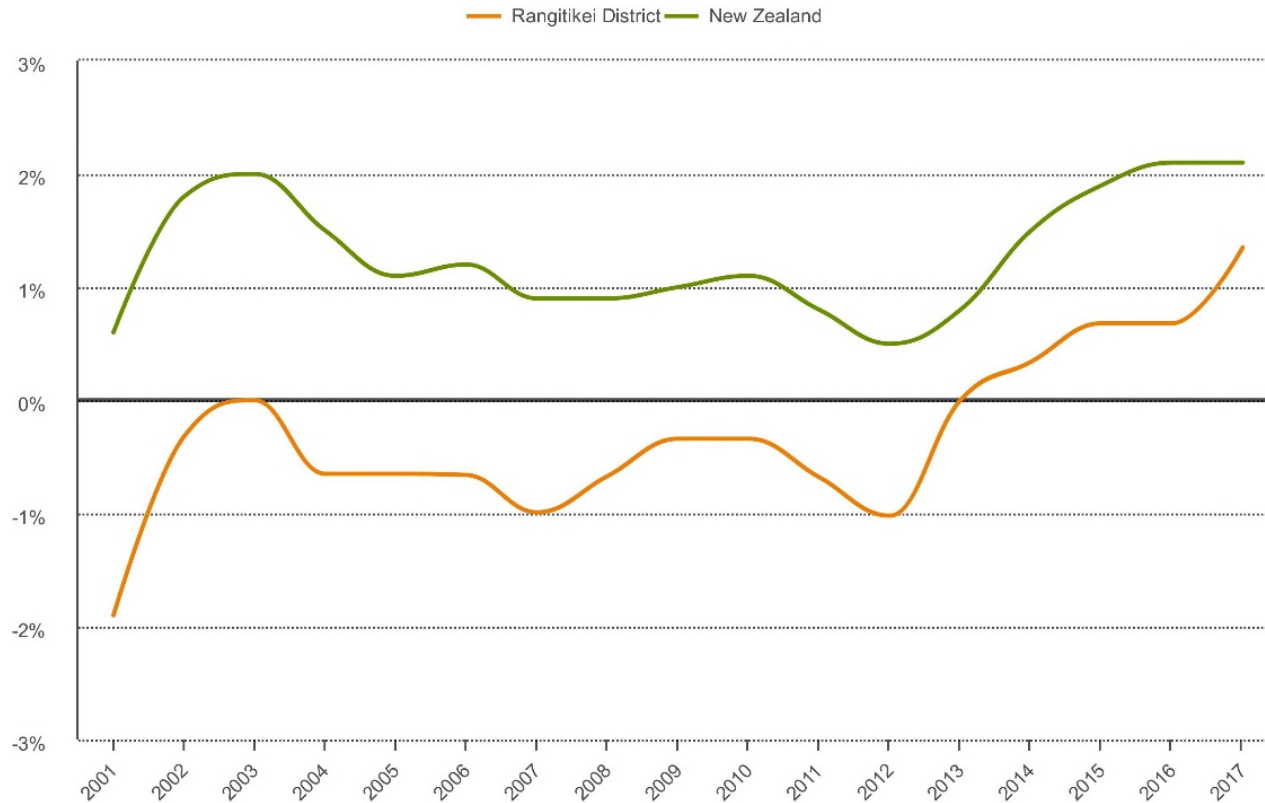


Figure X. Population growth (Source: Infometrics).

Information from the 2013 census showed that the greatest out-migration from the District is to Manawatu (507), Palmerston North (426), Whanganui (399), Auckland (195) and Wellington (90). The greatest in-migration to the District was from Manawatu (291), Whanganui (285), Palmerston North (267), Auckland (204), Ruapehu (117), Horowhenua (102), Tararua (84) and Wellington (81). Given housing affordability issues which have arisen since 2013 in larger centres, it is likely that there could be an increased in-migration from larger centres such as Auckland in the 2018 census.

The Rangitikei District, like much of New Zealand, also has an ageing population. **Figure X** shows the number of people 65 years and older steadily increasing, while those younger are steadily decreasing⁹.

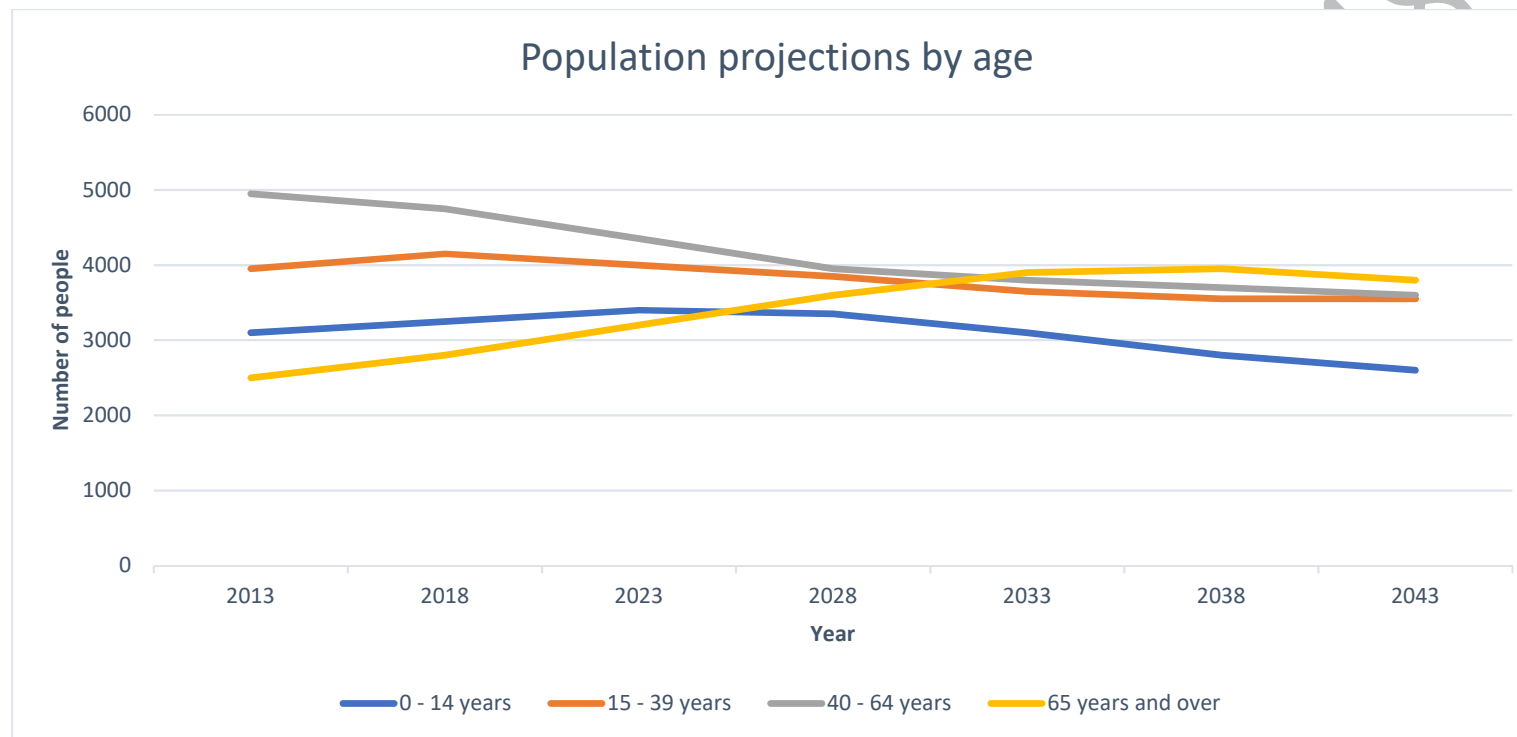


Figure X. Population growth (by age) (source data: Statistics New Zealand)

Other significant factors

Havelock North Inquiry

During 2017 an inquiry into the Havelock North water supply contamination incident was held. The inquiry was conducted in two stages. Stage 1 focused on assessing the cause of the outbreak and the conduct of those responsible for providing safe drinking water. Stage 2 looked at lessons learned and recommendations to be

⁹ The impact on infrastructure is discussed on pages XX

implemented for reducing the likelihood of such an outbreak occurring again. The stage 2 report (released December 2017) has the potential to be the most significant for this Council. The most significant recommendations relevant to Council are outlined below with a comment on their likely effect on Council:

- Publicise principles of drinking water safety – Council will ensure it is operating in accordance with principles of drinking water safety.
- Abolish the Secure Classification System – will not affect Council as it does not have any water sources with such a classification.
- Encourage/mandate universal treatment – will not affect Council as all drinking water supplies are currently treated.
- Establish a drinking water regulator – will not significantly affect Council as drinking water supplies are already monitored and assessed.
- Establish a licencing and qualifications system – will affect the cost of providing drinking water through increased regulation, licencing and training for staff.
- Amend the Resource Management Act to recognise drinking water source protection – could have an impact on future consent applications where Council discharges waste water upstream from a drinking water take.
- Establishment of joint working groups – will have a minor impact on Council via staff time to participate.

The major uncertainty about costs for Council is whether there will be new requirements on rural (non-potable) water supply schemes on the assumption that some properties connected to such schemes use the water as a domestic supply despite it being untreated and messaging from Council that it is not intended for human consumption.

Increasing protection of water bodies from contaminants

In the past, waste water has been discharged into water bodies, specifically for the Rangitikei District, the local rivers. However, increasing emphasis on improving water quality and cultural considerations are pushing these discharges towards a land based system. Specifically, the National Policy Statement for Freshwater was amended in 2017 as a method of meeting the Government's target of making 90 percent of New Zealand's rivers and lakes swimmable by 2040. The requirements include new standards for managing the level of nutrients (nitrogen and phosphorus) which enter waterways. Additionally, the Horizons One Plan (Policy 5-11) specifically requires that direct discharges to water are, at a minimum amended so that they at least pass through a system prior to entering a water body that addresses the potential impact on the water quality. The current trend to ensure compliance is to irrigate treated effluent to land. These requirements are significant for Council, as all of Council's discharge consents are directly to water.

Earthquake-prone Buildings

A new system for managing earthquake-prone buildings came into effect on 1 July 2017. This system requires the strengthening or demolition of specified earthquake-prone buildings in prescribed timeframes. Council is in the high risk zone so has timeframes of 5 years to be assessed as to whether its buildings are potentially earthquake prone and then 15 years for remedial works to be completed.¹⁰

¹⁰ Further detail is provided on page xx

Asbestos

Council must also meet the legislative requirements on managing asbestos in its buildings. The current policy position (until more detailed inspections are undertaken) adopted by Council is that all its buildings may contain asbestos. Priorities are being established for the inspections. A budget provision of \$75,000 is included for 2018/19.

How Council will manage its assets

This section will provide an outline of how Council will manage its assets in relation to the following factors:

- Renewal or replacement of assets
- Response to growth/decline in demand
- Allowing for planned increases or decreases in levels of service
- Resilience
- Affordability and balance
- Levels of service

Further to this, key issues and assumptions for managing Council's assets will be identified and a proposed response for managing the issue provided.

Renewal or replacement of assets

There are two inter-related decisions which Council needs to make about its investment in infrastructure.

- When should renewals take place and does this *replacement* mean *like for like* or are there other factors which come into play?
- When should new infrastructure be *added* and when should existing infrastructure be *abandoned*?

For the first question, the timing of decisions to renew is dependent upon:

- Performance – which relates to the ability of the asset to provide the required level of service to the customer, and
- Condition - which relates to the structural integrity of an asset

Council will approach the renewal, addition or depletion of infrastructure based primarily on performance. Performance will in part be a function of asset condition – and therefore it is important that information about asset condition is robust. However, the following factors will significantly contribute to infrastructure investment decisions.

- changing demand for services;

- rising public health and environmental outcomes;
- resilience; and
- Affordability.

Response to growth/decline for demand for services

Growing economy

Reliable transport routes are essential to support increasing agricultural productivity. At present, there are a number of conversions to dairying in the Santoft sand country (associated with substantial investments in extracting groundwater) which mean increasing traffic on the roads in this area. Nevertheless, the characteristics of this part of the network mean that no improvement is necessary. However, the drive to increased agricultural productivity may lead to improvements in the more remote parts of the roading network, potentially extending into (and contributing to) the opening up of the land-locked Maori land in the northern part of the District. Council would expect the capital costs of such projects to be funded by Government and/or neighbouring properties which will receive particular benefit from the extensions to the network.

A similar perspective applies to any expansion to the number of properties connected to rural water supply schemes. Making better use of the District's water reserves for agricultural purposes is the intended outcome of the current Strategic Water Resources project, co-funded by the Ministry for Primary Industries. This is particularly the case for the Hunterville scheme, which currently provides stockwater to 1670 farms over 61,000 ha. This scheme has become increasingly expensive (because of electricity costs) and the reticulation will need replacement within the next five-ten years. While that is provided for in the financial forecasts, such a programme will not address the inadequacies of electricity costs and irrigation capacity. Funding from Council is most likely to be regarded as a loan, so that the subscribers to the scheme would receive the benefit of the lower borrowing rate available to Council. Long-term funding implications for Council are a future decision. Council will invest \$200,000 each year for the next ten years for further research and support for local economic development strategies which is likely to include the District's water resources. The extent of a capital contribution from Council, if any, is unknown, so is not included in the financial projections. Additionally, any new water takes would be subject to gaining resource consent.

Further to the agriculture related economic development initiatives, other areas are a focus for economic development – tourism, local business development.

Dedicated cycleways may become more prevalent in the District, as part of a national strategy or regional tourism initiatives, but this has yet to be considered formally by the Council. The impact of increased cycleways will be an increase in the number of tourists visiting the area, however, the number of tourist is unlikely to create significant adverse effects on Council's infrastructure which would require funding. Additionally, it is unlikely that Council would provide significant capital funding, so no provision is included in the financial estimates.

A major prompt for the town centre development projects in Bulls, Marton, and Taihape is to provide town centres which are attractive places both to live and visit. Given the strain on small town businesses, Council providing a civic heart of the main centres creates an environment which can contribute to a greater number of residents and visitors visiting the towns.

Allowing for planned increases or decreases in levels of service

In general, Council aims to continue the present levels of service across all groups of activities. Changes to the timing of key projects or the scope of other projects may occur, but these will be managed to ensure there are no unplanned reductions to the levels of service enjoyed by our communities.¹¹ Areas where levels of service have changed are in the following activities:

- Economic Development – increased level of service to support local business growth and stronger promotion and an increased level of service with the development of the Town Centres in Bulls, Marton and Taihape.
- Community and Leisure – Community Housing – potential increase in level of service as units are upgraded and amalgamated -
- Stormwater – potential increase with Council management of private drains and a programme of addressing stormwater ‘hot spots’.
- Sewerage and the treatment and disposal of sewage – there may be potential decrease in level of service for a small number of properties where population is declining.
- Rubbish and recycling – there may be an increase in levels of service for recycling if the kerbside delivery option is strongly supported during submissions.

For the purposes of this Strategy it is assumed that the population will remain relatively static (or increase slightly) and that dispersal throughout the District will remain broadly as it is. However, where there is a projected reduction in population (and in the number of households) this means a diminishing number of properties connected to Council’s water, wastewater and stormwater systems. For the District’s smaller towns, this shrinkage may make such systems too expensive, particularly for wastewater with likely increased consent conditions to increase environmental outcomes. So, shrinkage of the area being served and possible closure is likely to be the result, depending on the comparative costs of alternatives. Council acknowledges concerns about this result and makes its projections on the basis that the current levels of service will be retained – even though this may mean a greater call on all ratepayers. If government financial support is forthcoming this ‘public good’ component of rates could be reduced.

The increasingly aging population may impact on the Council’s community and leisure assets because of changing use (less active, more passive recreation). For example Council currently owns very few improvements on its parks and reserves. The majority of the facilities on Council-owned recreational land are code specific club rooms or hard surfaces. Over the course of thirty years, Council intends to divest itself of any remaining facilities on reserve land and to encourage community groups, particularly multi-sport user groups to manage their own facilities, as many of them already do. Council intends to ensure one specialised sports field for every major sporting code within the Rangitikei District. This may mean that there is an increase in operating grants and subsidies to manage these facilities on behalf of the community but little asset development is envisaged. Council will continue to support the provision of play grounds and skate parks but will look increasingly for partnerships with the community to renew or refurbish these facilities. Parks with low use may be leased rather than sold.

By contrast, although Council does not envisage any expansion of the current portfolio of community housing (although it may change resulting from disposal of existing units and creation of new units), it is open to the possibility that it may be a viable long-term with a specialist provider.

An aging population is creating demands for improvement to footpaths so that they are more suitable for users of mobility scooters.

¹¹ More detail on the various activities is presented on pages xx.

Maintaining and improving public and environmental outcomes

The main area in which this is likely to affect the Council is in the discharge of waste water. Currently, all of Council's waste water treatment plants discharge to a water body. Of particular significance is Policy 5-11 in the Regional Policy Statement which requires all renewal of consents for discharge of human sewage after 2020 to (at a minimum) "pass through an alternative system that mitigates the adverse effects on the mauri of the receiving water body".¹²

In addition, during the next thirty years there is very likely to be consents required for stormwater discharges (which Council is not currently required to have) and water takes from rivers will probably be reduced (and certainly more strictly enforced). This will reflect the view of Horizons Regional Council how Rangitikei District Council is to comply with the National Policy Statement on Freshwater Management under the Resource Management Act.

The table in [Appendix 2](#) shows the expiry dates for Council's current consents from Horizons Regional Council.

Resilience of assets

Climate change

The Ministry for the Environment suggests that local councils should plan for a sea level rise of between 0.5m and 0.8m for periods up until 2090. This may impact on the District's seaside settlements, at Koitiata and Scotts Ferry. Horizons has already evaluated the likely risk at Koitiata, where the risk can be managed by controlling the movement of the mouth of the Turakina River. Inundations from the sea will be sporadic and not deep.

Climate change is likely to also result in more extreme storm and drought events. This requires Council to consider the capacity of urban storm water drainage system. In addition, more frequent droughts may affect the security of water supply to Taihape and Hunterville, which depend on river flow. Greater storage capacity is a potential remedy. Because of the impact such events can have on the roading network, there may be sections where improvement is regarded as providing greater certainty of resilience in extreme weather conditions. Council's approach to addressing this risk is to put at least \$0.5 million into the roading reserve each year (funded from rates), until it reaches a total of \$3.5 million.¹³ Further to this consideration is being given to a debt facility to fund emergencies where the response would exceed reserves.

The nature of Council infrastructure assets (roads, underground pipes, buildings for public congregation) means that they all offer lifelines in an emergency situation and yet are all potentially vulnerable to major disruption in such an event. The increasing frequency and severity of these events challenges any assumption that immediate support through insurance or central government emergency payments is available to ensure business continuity at a local level. In addition, Council needs to plan for the "what happens when" scenario rather than "what happens if".

¹² The preferred discharge is to land.

¹³ The exception is 2019/20, with the expected construction costs of the new Mangaweka Bridge.

Earthquake resilience

The 2010 and 2011 Christchurch earthquakes, and more recently the 2016 Kaikoura earthquake, together with climate change have brought massive changes in the way that central and local government throughout New Zealand think about managing the risk of major such disasters and ensuring continuity of essential services and recovery to business as usual as soon as possible.

Almost all of the Council's public buildings do not meet 33% of current earthquake standards and upgrading, while possible, is expensive and does not in itself deliver fit-for-purpose facilities. Council is looking to develop three multi-purpose facilities in Bulls, Marton and Taihape within the first ten years of the thirty year period. In all three towns, consideration of the expense of earthquake strengthening the existing facilities is likely to be a key factor that will affect these developments. Water and wastewater treatment plants and reservoirs are also subject to these requirements. Assessments for most have already been undertaken and works planned.

Part of the Council's reticulation renewals programme will involve using different construction methods and materials to provide greater earthquake resilience in pipelines. Council does not consider this risk is so great that it should bring forward its renewals programme. Instead it will address resilience at the time pipes are replaced.

Upgraded bridge structures are also influenced by this consideration.

In addition to these factors, upgrades are sometimes undertaken because it is the more cost-effective option over time for maintaining the performance of the asset. This is significant in managing the Council's water, wastewater and stormwater reticulation systems.

Affordability and balance

A recurring theme throughout this Strategy is balance. Generally each choice that Council faces will provide options where benefits can be maximized through increased funding. Generally each choice has options where funding can be minimized but the costs will be born in terms of reduced functionality or greater liability or risk. Council attempts to strike the balance to secure greatest value for its ratepayers whilst minimizing risk. In some instances, Council has little option but to invest as required to meet statutory or legal requirements. Examples of this are:

- The balance between adequately addressing current infrastructure needs for renewal and replacement whilst ensuring the "headroom" in debt levels is available to meet the demands of a total disaster scenario
- The balance between maximizing the external funding through the FAR for maintaining and renewing local roads and the requirement for the local share to be found from local ratepayers
- The balance between addressing the challenge of structural ageing of the population for the next 30-50 years against ongoing inward migration of families and younger age groups for jobs and lifestyle

Levels of service

Roading

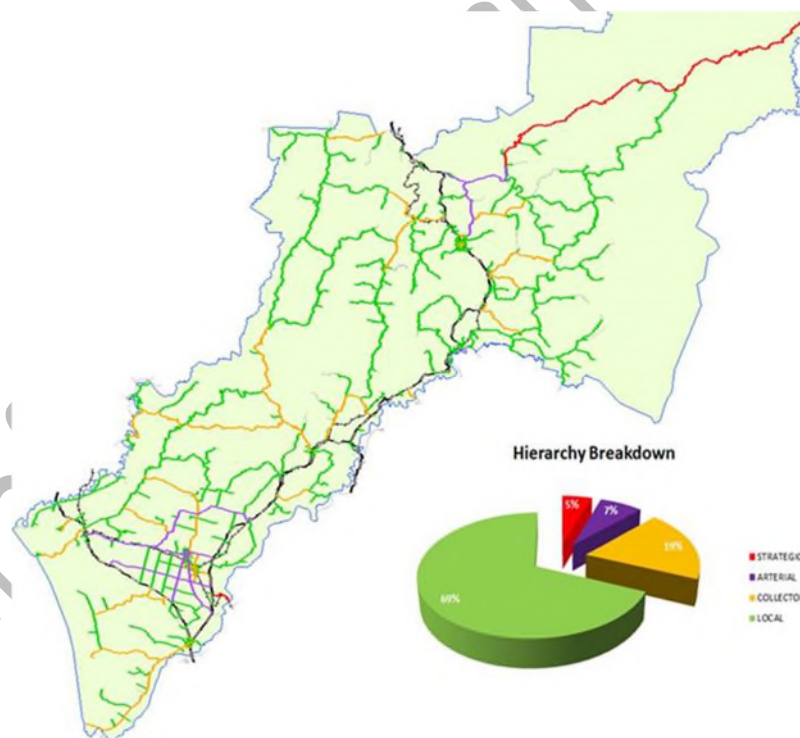
Our roading network is the Council's most valuable asset. However, like many of our assets, it is aging and was not built to carry the heavy vehicles that use it today. The rural nature of our District means we have a large roading network for the size of our population.

Our intention is to reseal roads, on average, every 14 years and the current level of service by resealing or repairing 60-65 km of year. Maintaining our roading network to this level means that Council spends over a third of its rates on roading. Council is continuing to invest in our roading network to ensure products and out of our District for national and international markets. Council continues to advocate that the Government deem the Taihape-Road a state highway, which would reduce an ongoing financial District ratepayers.

One Network Road Classification

The New Zealand Transport Agency has introduced a nationally road classification system - the "One Network Road Classification" (ONRC). This system will determine the levels of which NZTA will fund across all local networks. It measures performance over six areas – efficiency, safety, resilience, travel time reliability and accessibility. This means that there will be maintenance treatments for some of the District's low-volume roads. However, while the funding envelope approved by NZTA for 2018-21 is at the same level as in 2015-18, there is a recognition that there are improvements (e.g. to bridge entrances) which need to be

In order to get the most out of this funding envelope, Council has adopted a 'fix as you go' approach to roads that may be impacted by increased heavy traffic activities like forestry for a short time. This means that, for a road which is normally used by a small number of vehicles, any potholes or issues will be fixed at the time the defect occurs, rather than strengthen the road (at considerable cost) before the forestry operations start.



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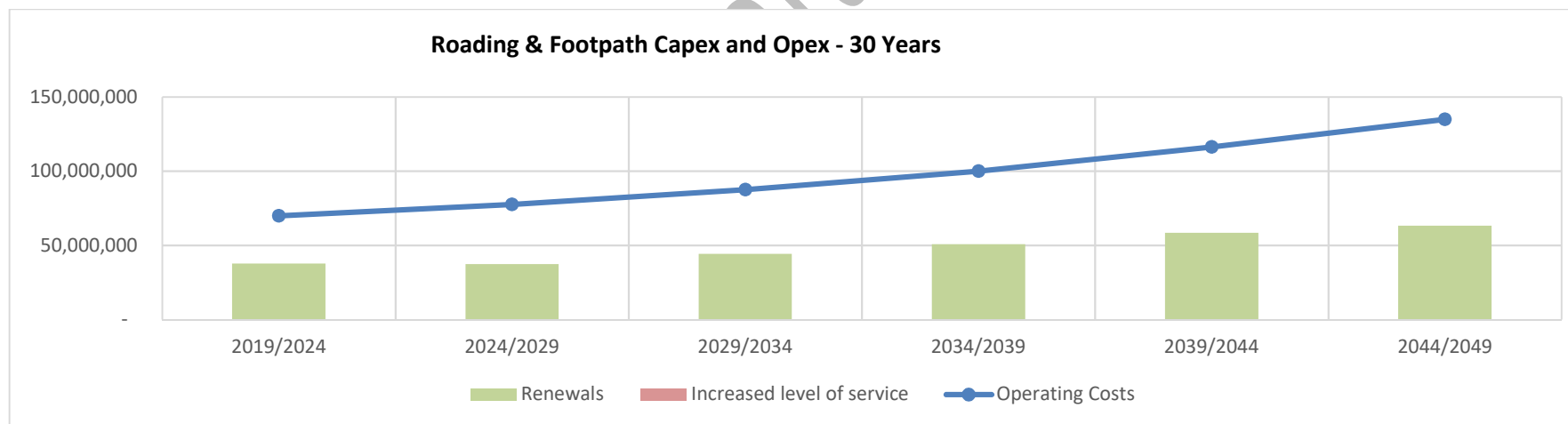
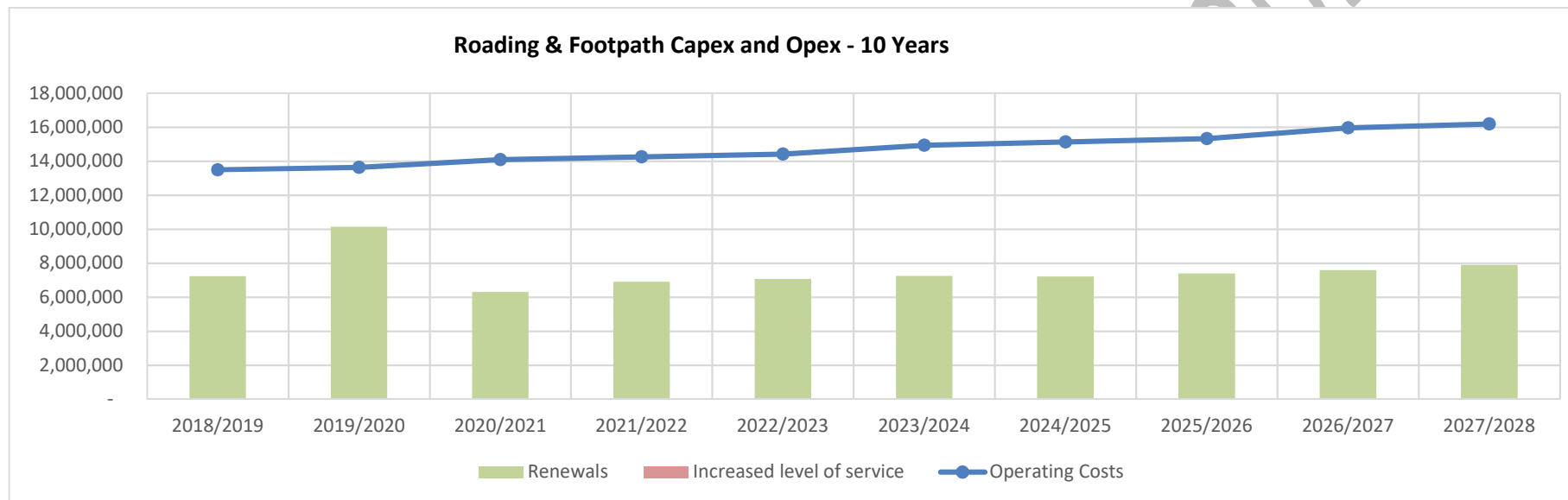
consistent service

amenity, be changes roads. 2018-21 is are safety achieved.

adopted a

Where the current level of service in Rangitikei is higher than that determined in the classification, Council will need to fund the difference if it wishes to maintain current levels of service. Council would consult on this. Roadside drainage is critical in handling the bigger and more frequent storm events. In addition, Council needs to have capacity to fund its local share if there are storm events which result in substantial damage to the network: 100% subsidy from NZTA is very unlikely.

The graphs below show the indicative estimate of the projected capital and operating expenditure associated with the management of roading assets



Aging Bridges

Rangitikei has a number of bridges that were built from the early 1900s and are nearing the end of their useful lives. Council's asset management plan identifies when bridges are due for replacement. This doesn't necessarily mean all bridges will be replaced but it does trigger specific requirements for inspections and options to extend the remaining life, either by replacing components or more regular general maintenance. During 2017, Council approved a more rigorous bridge inspection programme. This is likely to accelerate remedial work – already evident in the Otara Bridge. Many of the older bridges will have increased maintenance to enable them to cope with the heavier loads they now carry.

The next most significant bridge due for replacement is the Mangaweka Bridge on Ruahine Road in 2018. This is a boundary bridge with Manawatu District and the costs will be shared with the Manawatu District Council. Costs will not be known until the detailed business case (now being prepared) has been accepted by NZTA. Our share of the replacement cost was previously estimated as \$2 million.

Financial assistance from Government is not guaranteed for bridge replacements unless a business case can be justified. The economic criteria currently applied to bridge replacements favour very high traffic volume roads.

3 Waters

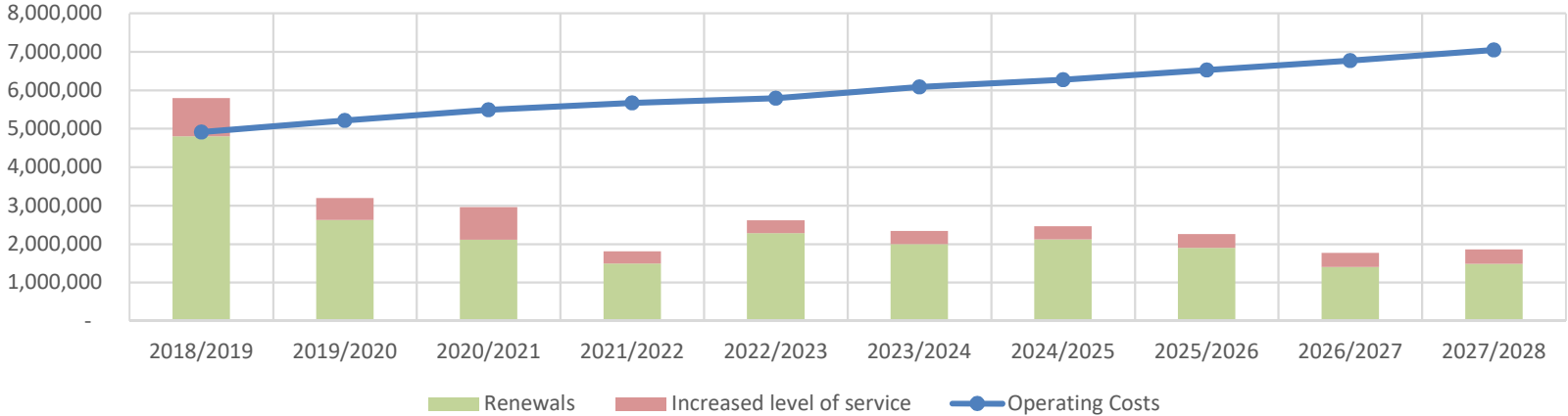
Changes in compliance requirements... for drinking water

The New Zealand Drinking Water Standards require our urban water supplies to comply with the protozoal standards. This means we have needed to improve the level of treatment above bacteriological compliance. Decisions taken by the Government from the Havelock North drinking water inquiry will probably mean national standards of treatment for all potable supplies and, possibly, different mechanisms to manage potable supplies. However, in Rangitikei, all potable supplies are chlorinated irrespective of source.

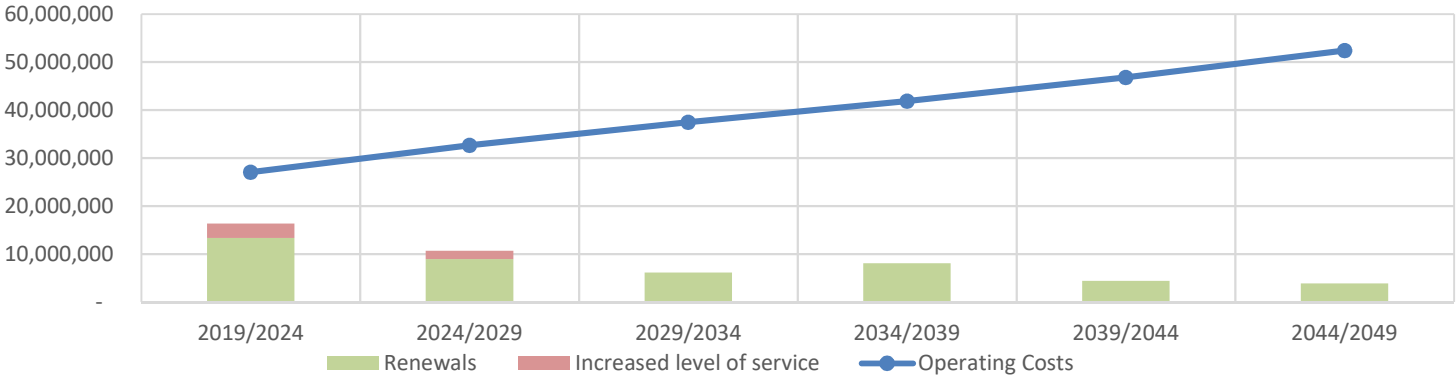
For the past three years all councils have had to measure the loss of water from urban reticulation schemes, which has resulted in a stronger focus on detecting (and resolving) the cause(s) for such losses. Whether there will be pressure from the Government to have all potable supplies metered is unknown.

The graphs below show the indicative estimate of the projected capital and operating expenditure associated with the management of water supply assets

Water Supply Capex and Opex - 10 Years



Water Supply Capex and Opex - 30 Years



Changes in compliance requirements... for wastewater

Discharges from our wastewater treatment plants are controlled through resource consents from Horizons Regional Council. The requirements of the Horizons “One Plan” and the National Policy Statement for Freshwater mean higher and more consistent standards for wastewater treatment. Council is supportive of these increasingly stringent requirements because we know how important water quality is for the health of the rivers in our District. We are planning ahead for the upgrades to our wastewater treatment plants that will be required when we renew our resource consents. This is likely to include increased land based discharge.

In Ratana, an expansion of the treatment plant is planned to meet requirements of the new residential subdivision. In addition, a grant was obtained from the Ministry for the Environment Freshwater Improvement Fund to cover the costs of having the plant discharge entirely to land. This means the discharge into Lake Waipu will cease.

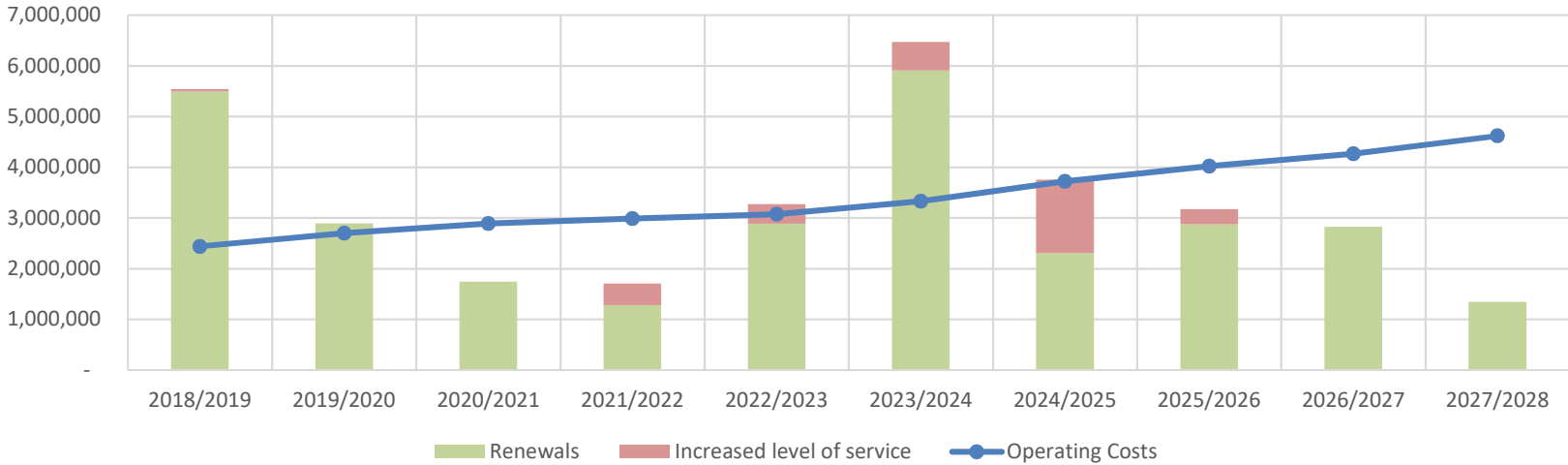
For Marton, where the current consent expires in 2019, options to end discharge to the Tutaenui Stream have been examined. The indicative business case analysis finds that piping to Bulls, with a discharge to land from there, will be the most cost-effective solution and require one consent, itself a saving in cost and time for both Rangitikei and Horizons. Securing a combined plant will require considerable planning and would need an interim consent for a few years from Horizons for the current discharges from both towns. This includes the estimated cost of the consent application. A provision of \$3.021 million has been included in 2018/19 to demonstrate Council’s commitment to improving the discharge from Marton¹⁴. However, Council has yet to confirm the combined plant option; any such decision will take into account the analysis of soil types of land (and its availability to purchase or lease) near both plants and consideration of other treatment processes which result from a higher quality discharge. This could mean considerable variances to anticipated timing or costs, either of which being a trigger for further public consultation.

One of the implications of changing populations, higher compliance costs and tighter resource consent conditions, is the potential shrinkage of reticulated water and wastewater systems in smaller settlements (i.e. servicing fewer than 200 people). This creates uncertainty about providing services to small communities which currently lack them. Council will be advocating strongly to the Government for funding assistance in upgrading and extending these schemes, in line with the assistance provided to create them.

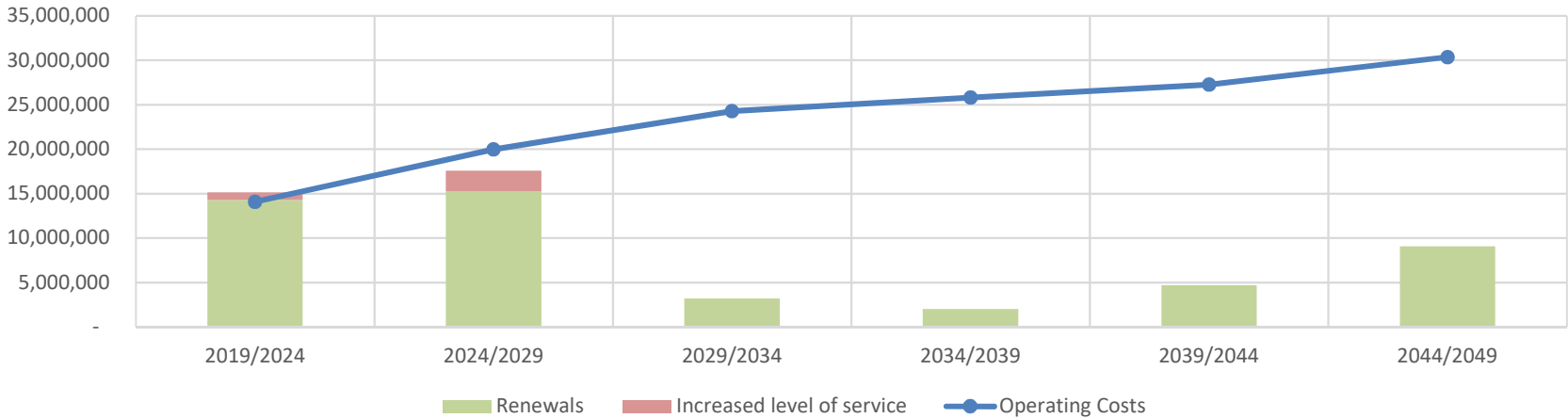
The graphs below show the indicative estimate of the projected capital and operating expenditure associated with the management of wastewater assets

¹⁴ Sequencing has yet to be determined for a combined plant. For example, installing a pipe to transport Marton’s treated wastewater to Bulls and using its present discharge arrangements would immediately end all discharge into the Tutaenui Stream. Developing the land-based discharge arrangements from Bulls would be the second stage, together with any modifications to the treatment plant if it was considered more cost-effective to close the Marton plant and send untreated wastewater from Marton to Bulls for treatment there.

Sewerage Capex and Opex - 10 Years



Sewerage Capex and Opex - 30 Years

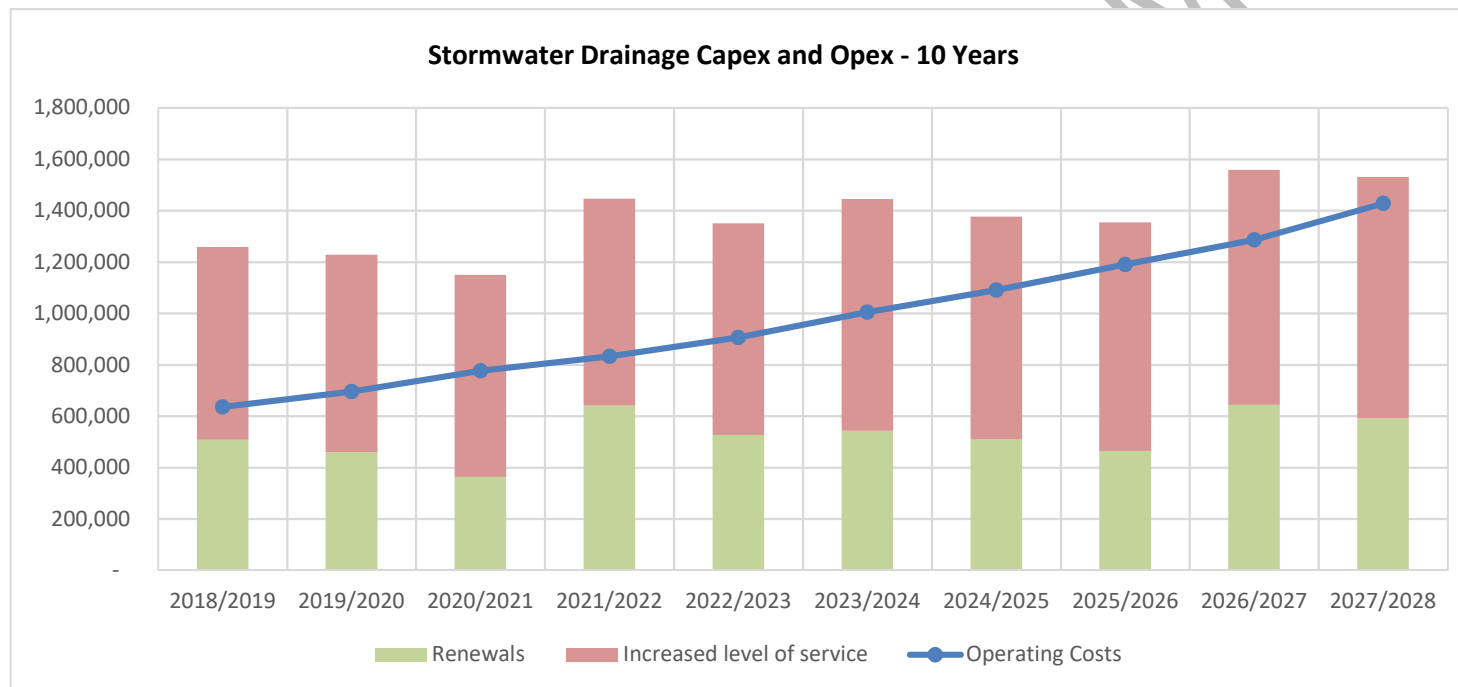


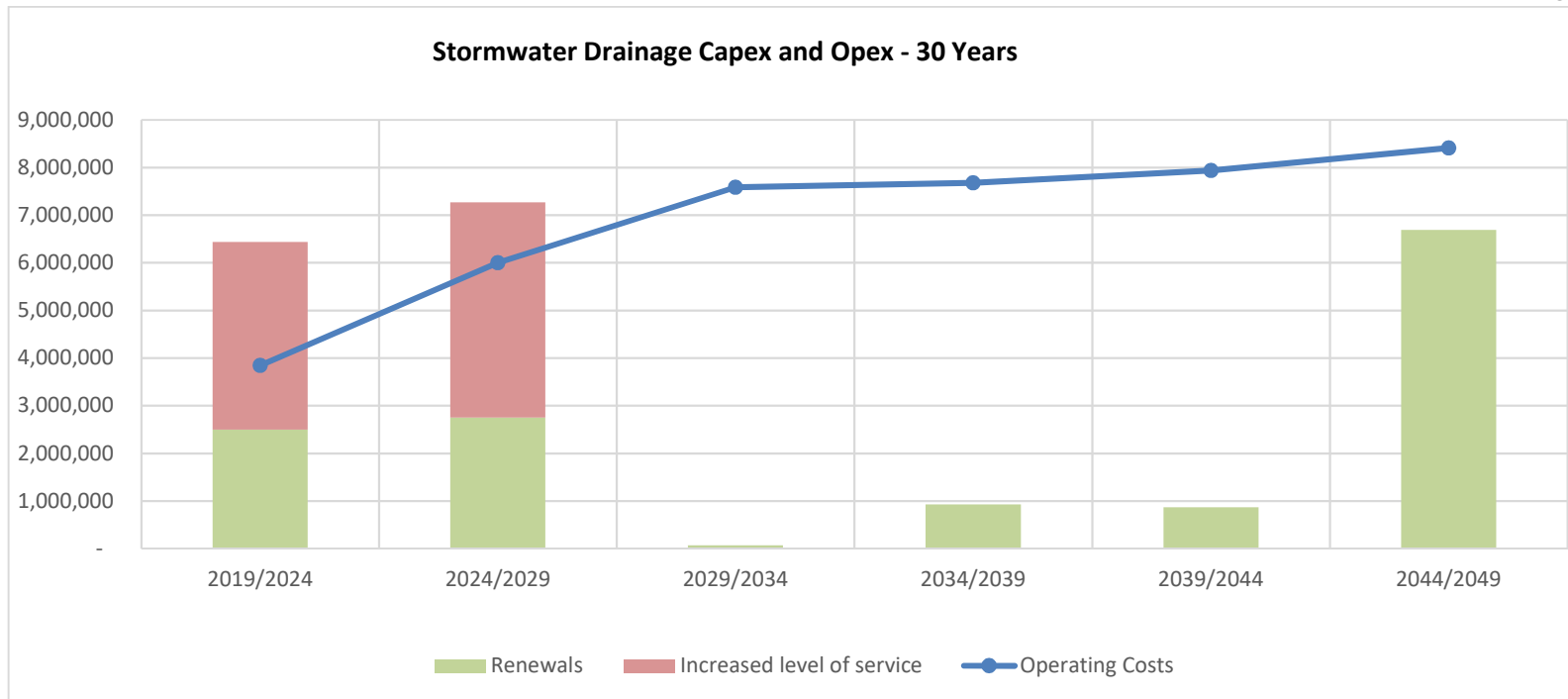
Changes in compliance requirements... for stormwater

The National Policy Statement for Freshwater will also apply to stormwater run-off. This is an area which Council is currently not subject to any resource consent requirements. However, Horizons Regional Council advises they intend to introduce consent requirements for stormwater discharges. Council is generally supportive of this because of the potential damage that stormwater runoff can do to water quality in our streams and rivers. The first stormwater discharge consents that we will need to apply for and implement will be in Marton, with the timing determined by Horizons Regional Council.

In addition, Council has decided to end the ambiguity over private drains in urban areas and to implement a more vigorous programme for dealing with problematic stormwater flows in our towns and villages. Early instances of this will be in Marton and Scotts Ferry. There will be costs to legalise easements for what have previously been accepted as private drains.

The graphs below show the indicative estimate of the projected capital and operating expenditure associated with the management of stormwater assets





Changes in compliance requirements... for rural (non-potable) water schemes

In addition to the urban water supplies which Council manages, there are four rural water supplies within the Rangitikei District: Hunterville, Erewhon, Omatane and Putorino. We have reviewed the management of each of these with the relevant community sub-committees (although Hunterville has yet to be completed), to ensure the most appropriate management model is applied. We have ensured that all scheme members understand that the water supplied is untreated and thus not potable. In 2026 the resource consent for abstraction for the Erewhon scheme expires, and also the consents for surface water takes for the Omatane and Putorino schemes. Council will apply for new consents.

Community and Leisure facilities

The provision of multi-functional civic/community facilities in Bulls, Marton and Taihape remains highly significant during 2018-28.

Bulls

Tenders for constructing the Bulls community centre will be called in March. The facility is planned to be completed by December 2019 and fully operational early in 2020. It includes an auditorium, library/learning hub, visitor promotion area, community meeting rooms, a designated youth area and toilets (with 24/7 access).

Marton

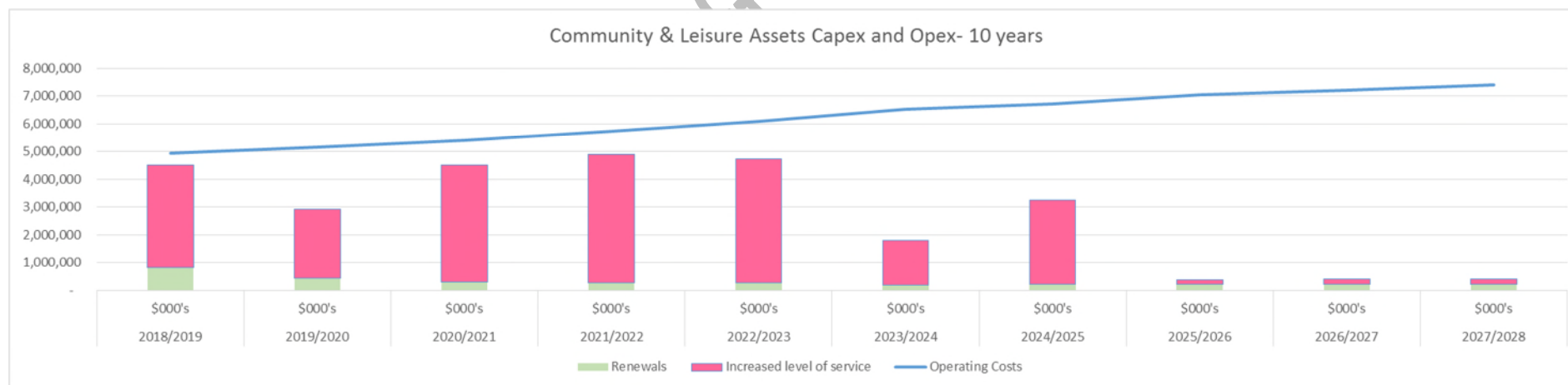
Outline concepts have been developed for the Cobbler/Davenport/Abraham & Williams Buildings taking into account different options from demolition of the site, through to strengthening of the existing buildings. Key consideration will be given to the implications of the buildings being identified heritage status in the Rangitikei District Plan. Council has commissioned costings for an upgrade of current buildings on the Marton Library site and the Marton Administration site so that they are fit for purpose as a reference point for the investigations on the Cobbler/Davenport/Abraham & Williams Buildings site. Those investigations and subsequent design work are likely to take two to three years.

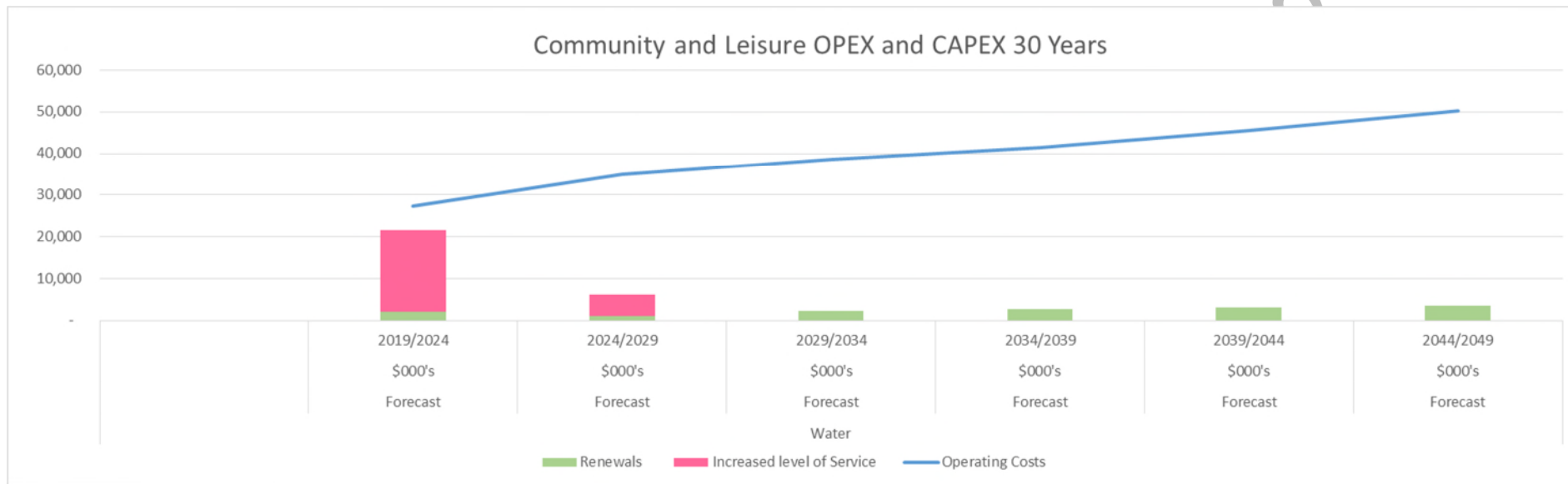
In addition, because those buildings are an integral and significant part of the Broadway CBD complex, Council intends to undertake a feasibility study on establishing the Marton Heritage Precinct as a collaborative initiative between private building owners and Council, provided external funding support is secured.

Taihape

Council remains committed to developing an improved civic facility on the Town Hall site. While the building is earthquake-prone, Council understands there is considerable support for retaining at least the front section (and rebuilding on the rest of the site). However, just as with Bulls, there will need to be detailed consideration of what functions this upgraded facility should meet, and that consultation and preliminary design is planned over the next three years. It will be influenced by what is included in the upgraded amenities on Taihape Memorial Park.

The graphs below show the indicative estimate of the projected capital and operating expenditure associated with the management of community and leisure assets





Other facilities

Council provides a range of other community and leisure facilities, including parks, swimming pools, community halls and community housing. Many of these assets are run down and underused. However, there are a number of other providers of these sorts of facilities in the District. Some local schools provide halls, pools and sports fields which are available for community use, and many community and church groups own buildings which are available for hire. Much of this infrastructure is also run down and under-used.

Our strategy, over the next 10 years, remains that of having fewer but better community facilities. To achieve this we propose continuing not undertaking any major renewal or refurbishment of existing facilities until we have reviewed the need for the facility and explored the potential to partner/collaborate with other stakeholders. We are open to the full range of ownership, maintenance and management models (including contributing towards facilities owned by other organisations that meet community needs) in order to give communities more cost-effective options. However, Council accepts that it must take a lead in these discussions with the community to achieve a solution.

The most likely scenario

The Strategy considers the most likely scenario for our significant infrastructure-related decisions over the next 30 years, including projects noted below for wastewater plant upgrades and civic (town) centre redevelopment in the next 10 years. It also covers projects beyond that timeframe - such as the Hunterville wastewater upgrades, for which the current consent expires in 2037.

The size of the District, the scattered nature of urban areas and the population changes mean there are some significant challenges for the Council to manage. These challenges include our ability to continue to deliver quality services that are affordable

Council has considered the most likely scenario for the Rangitikei in 2048. The features of the District include the following;

- Same number of people living in the District, but the population is likely to be distributed differently, with a slight decline in smaller settlements and an older population
- Each town will have varying demographics
- Higher agricultural productivity so an increasing District valuation (but in rural rather than urban areas)
- Town centres with a changing character due to the impact of the demolition of a number of earthquake-prone buildings
- Increased emphasis on environmental outcomes
- More Iwi managed enterprises and settlement
- Land-locked land 'unlocked'

Assumptions

Council has made a number of assumptions which underlie the proposed scenario. The most critical assumption is that national standards will increasingly specify the requirements for local infrastructure. The specific assumptions made by the Council (and the confidence in each of these and potential effects of uncertainty) for the useful lives of assets, growth or decline in demand for services, and increase or decrease in the level of service are provided below.

1 Useful lives of assets

Assumption	Confidence	Potential effects of uncertainty
Use of new materials in construction and maintenance of assets will reduce the reliability of data in asset management plans	Uncertain.	The characteristics of such materials are conjectural
The useful life of some significant assets will be longer than the ability or willingness of the community to afford	Fairly certain. This reflects the projected shrinkage of the District's population.	-

them		
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2 Growth or decline in demand for services

Assumption	Confidence	Potential effects of uncertainty
The increasing drive for improved agricultural productivity will maintain (f not increase) demand for high quality rural roads	Certain	
There will be increasing prioritisation on those assets serving the most people and/or the areas of greatest economic significance	Fairly certain.	This could lead to decline in service/handover of assets to community groups/individuals to manage
Increase in heavy vehicle usage will require proportionately more expenditure on arterial and connector roads	Fairly certain.	This trend may be less pronounced by greater use of rail for long-haul freight and/or more use of local transport services.
Increase in road safety hardware requirements	Certain. This reflects a current government priority which is likely to continue so long as road usage rises.	
Increased in demand for facilities for older people – passive exercise facilities, wider footpaths (including stopping bays) for scooters.	Certain. This reflects demographic projections for the District.	
Reduced demand for recreational facilities used by younger people	Fairly certain. This reflects the demographic projections for the District.	There might be a revival of interest in such pursuits, which would require Council to reconsider its approach.
Increased demand for community-based alternative services for water and wastewater	Fairly certain.	It depends on whether such low-tech solutions are able to demonstrate compliance with national and regional standards

3 Increase or decrease in the level of service

Assumption	Confidence	Potential effects of uncertainty
Smaller communities could lose reticulated water supplies and need to rely on individual storage systems	Fairly certain. Costs are likely to become increasingly prohibitive.	There will be issues of water safety and fire-fighting capacity to be assured.

Assumption	Confidence	Potential effects of uncertainty
Wastewater disposal requirements in terms of environmental impacts will become stricter.	Certain. Land-based discharge will be the basis for any new consents.	Increased costs – and also closer consideration of alternative systems.
There will be an increased level of service for major roads, a decrease for minor roads and no extension to the sealed roading network unless paid for by the affected parties	Fairly certain.	This will depend on the way the One Roding Network Classification is implemented and the funding associated with it
There will be improved smoothness for footpaths (and vehicle access across them)	Fairly certain.	This will depend on the cost of maintaining the roading network being achievable within projected budgets (and the new Funding Assistance Rate)
There will be an increased level of service for those community and leisure assets associated with the key civic service centre in major towns.	Fairly certain.	Finalised designs and funding have yet to be approved. Budget constraints may constrain the assumed increase in level of service.
There will be increasing community ownership/management of community and leisure assets	Certain.	

Specific projects

1 *Bulls wastewater upgrade associated with Marton wastewater upgrade (2017/18-2027/28)*

The **most likely scenario** is to upgrade the plant to deal with discharge from both towns. The projected cost for this is \$16.6 million¹⁵. The main aspects of the upgrade are to (a) install a pipe from Marton to Bulls (mainly along SH-1), (b) install a pipe from Bulls to land discharge to the west and (c) upgrade the Bulls treatment plant to handle the greater volume and (d) close the Marton treatment plant. However, Council has yet to consider a detailed business case with the alternative options costed.

The **principal alternative** is to maintain two separate treatment operations. In Bulls this would see a meandering wetland in place of the narrow ditch as the passage from the treatment plant to the Rangitikei River and (b) strengthen the pond bund top and corners so that it survives large flood events and continues to contain the pond after the flood waters have receded. It is unlikely that Sanson would join this system although Horizons Regional Council would prefer a combined discharge. If it did, any additional cost would be met by Manawatu District Council. There has been earlier consideration given to including the discharges from Riverlands and Ohakea Base, but both organisations have opted to manage their own. The Marton plant would be upgraded and discharge to land arranged locally.

¹⁵ This includes the consent application process, the upgrade and a provision for desludging.

2 Bulls civic centre development (2017/18 to 2019/20)

The **most likely scenario** is to build a new civic precinct incorporating a library, information centre and town hall as a multi-purpose facility. The project was originally timed for 2015/16 to 2016/17 but there have been delays in finalising the design and securing the budgeted external funding. It has a projected capital cost of \$5.19 million, but part of this will be offset by the sale of the present town hall and information centre sites, sale of other surplus properties in Bulls, contributions from the local community, and a lotteries grant. The projected Council contribution is \$3.05 million. The operating costs for the new complex are expected to be about two thirds of those currently incurred with the present separate facilities.

The **principal alternative** is to refurbish the existing library and extend to include the information centre and refurbish the town hall, which would bring both buildings up to 33% of earthquake standard. This option does not allow the flexibility from a single multi-purpose facility and is unable to benefit from associated joint venture. However, there would still be the potential to secure a lotteries grant and to sell the current information centre site.

The lower cost option is to leave the current facilities as they are. However, this leaves Council exposed to the risk (and cost) of mandatory earthquake strengthening both the library and the town hall, so may not be a real option at all. It is unlikely to find favour with the community, given the high interest in securing a more useful and appealing civic heart for the town. It would also mean that the investment in design of the new facilities would be lost.

3 Community housing upgrade (2017/18 to 2020/21)

The **most likely scenario** is to upgrade the housing units so that they are at an appropriate standard to attract tenants – and potentially to sell those where refurbishment is less feasible and erect new units. Partial funding of depreciation will be restored. Long-term, Council maintains an interest in finding a community-based organisation with greater expertise in operating such facilities. This is a significant decision, as community housing is one of Council's strategic assets, and would be subject to separate consultation. The total cost of the upgrade over three years is estimated at \$300,000.

The **principal alternative** would be to maintain the current arrangements. As depreciation would continue unfunded, only essential maintenance would be carried out. This may see a reduction in the very high occupancy rate with greater cost to ratepayers and would be less attractive to a community-based organisation.

4 Ratana wastewater upgrade (2018/19-2019/20)

The **most likely scenario** is to upgrade the plant so it can treat the nitrogen and phosphorus present in the wastewater. This work is expected to cost \$1.3 million. Government funding has been secured to cover the likely cost of purchasing land to end the discharge into Lake Waipu. This upgrade will be designed to cater for the additional wastewater flows from the proposed 60-lot subdivision in the settlement. There may be a need to increase capacity of sewer mains within the settlement.

The **principal alternative** would be to pump the discharge to Marton, 30 km distance. As there are no trade waste discharges in Ratana, the impact on the Marton plant would be minimal. However, the annual Ratana celebration in January sees a large influx of visitors so the amount of wastewater discharge during that time increases substantially

5 Marton civic centre development (2018/19 to 2022/23)

The **most likely scenario** is to move the Library and other Council services into a CBD development that will act as the catalyst to add to the town centre's vibrancy. The site has been purchased. Council envisages the project starting in 2018/19 and being completed the following year, but there are a number of variables which will affect

this. The projected total cost is \$12.6 million, but as no detailed design has been done the full cost of the project is not yet established, nor are the necessary external funds to make it viable. It will have a greater impact on capital funding and debt as the proposed Bulls civic/community centre.

The **principal alternative** is to refurbish and strengthen the existing library and administration building, including meeting IL4 requirements for the Emergency Operations Centre. This option does not allow the flexibility from a single multi-purpose facility that can stimulate regeneration of the CBD, not the opportunity to sell the current sites.

The lower cost option is to leave the current facilities as they are. However, this leaves Council exposed to the risk (and cost) of mandatory earthquake strengthening of the library and administration building. The costs of doing this would depend on whether it was to the minimum 34%NBS or higher and the extent to which the facilities were renovated to reflect present and future needs. It is unlikely to find favour with the community, given the high interest in securing a more useful and appealing civic heart for the town.

6 Taihape Memorial Park community facility (2018/19 to 2019/20)

The **most likely scenario** is to build a new facility, retain (and strengthen) the historic grandstand, and relocate the present toilets to the side of this structure.

The **principal alternative** is to leave the current facilities as they are. The facilities within the grandstand are outmoded and not well-located in terms of how the Park is used. Other substandard facilities would be as they are.

7 Taihape civic centre development (2021/22 to 2024/25)

The **most likely scenario** is to build a new civic centre development on the current site of the Town Hall. Whether that means the whole building will be earthquake strengthened and refurbished or part of the building strengthened and a new structure replacing the current auditorium or the Town Hall demolished and a new building erected. This draft Long Term Plan includes Council funding of \$4.0 million spread over two years from 2021/22 to help implement any agreed solutions. This will be further developed in the next Long Term Plan and is likely to have a similar impact on capital funding and debt to the Bulls civic/community centre.

The **principal alternative** is to leave the current facilities as they are. However, this leaves Council exposed to the risk (and cost) of mandatory earthquake strengthening the Town Hall, without being able to refurbish the building as a multi-purpose civic centre. It is unlikely to find favour with the community, given the high interest in securing a more useful and appealing civic heart for the town.

8 Mangaweka Bridge replacement (2018/19-2020/21)

The **most likely scenario** is to replace this bridge, built in 1899. It is a boundary bridge, so the cost is shared equally with Manawatu District Council. New Zealand Transport Agency funding has yet to be confirmed. A provision of \$4.9 million has been made. This may be associated with retaining the existing structure, allowing pedestrian and cycling use.

The alternative is to not to have a vehicle bridge crossing, even if it is retained for pedestrian and cycling use. Demolition is costly. This would impact considerably on local farmers – alternative routes add significant time and cost for them (and formed part of the business case to the New Zealand Transport Agency for a replacement bridge).

9 **Future-proofing the Hunterville Rural Water Supply Scheme – 2018/19-2027/28**

The **most likely scenario** is not to maintain the status quo – but the extent, configuration, and capability of a future scheme has yet to be determined. There is potential for the supply for the Hunterville township to be detached from the scheme and serviced by a separate bore: Ministry of Health funding has been approved to assist with this. Establishing a Tutaenui rural water supply scheme (the subject of a pre-feasibility study jointly funded with the Ministry of Primary Industries in 2016/17-2017/18) would also increase the amount of water available but this will require closer investigation. A budget provision of \$0.5 million has been made.

The **principal alternative** is to maintain the status quo – i.e. renew the current reticulation on a like-for-like basis, and continue with the current provision of treated drinking water to Hunterville town.

10 **Mangaweka wastewater upgrade (2022/23-2025/26)**

The **most likely scenario** is to replace the existing plant (commissioned in 2006) to meet new resource consent conditions and for Rangitikei ratepayers to bear the full cost. The estimated cost for this is \$2.9 million.

The **principal alternative** is for Council to work with the community, Horizons Regional Council and central government to find an affordable solution for the connected properties in Mangaweka. The cost would depend on the extent of upgrade work required and the viability of other options for safe disposal of human waste.

11 **Taihape wastewater upgrade (2024/25 to 2027/28)**

The **most likely scenario** is to upgrade the plant to meet new consent conditions and continue to service the whole urban area. This scenario is dependent on progress with stormwater renewals to reduce the extent of infiltration and inundation into the town's wastewater system. The notional estimated cost of this is \$2.6 million.

The **principal alternative** is to reduce the number of properties connected so that the network is smaller, more confined to the town centre, and thus handling a smaller quantity of effluent. This will depend on the extent of reduction in the number of properties utilising the network, the viability of other options and their comparative costs.

12 **Hunterville wastewater upgrade (2034/35 to 2035/36)**

The **most likely scenario** is to upgrade the plant to meet the new consent conditions. The notional estimated cost of this is \$4.1 million. However, Horizons regards the plant as functioning very well, so it is possible that an upgrade may not be required.

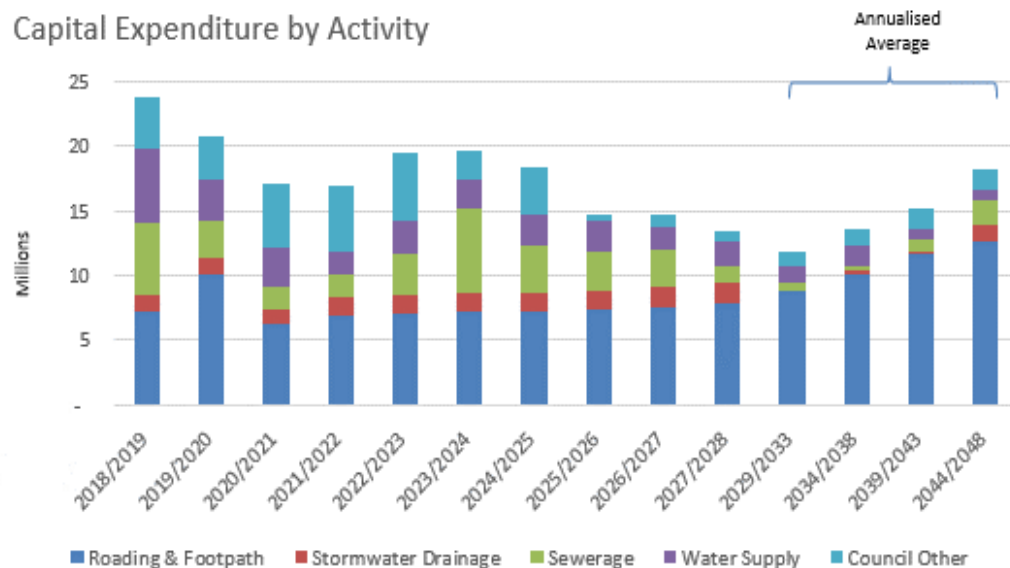
The **principal alternative** is to pump the town's sewerage 25 km to Marton for disposal through the wastewater plant there. At present, the only source of trade waste is from food outlets, service stations and garages – if that were still the case in 20 years' time, the impact on the Marton plant would be minimal. However, pumping to Bulls may not be feasible if that is what happens to Marton's wastewater.

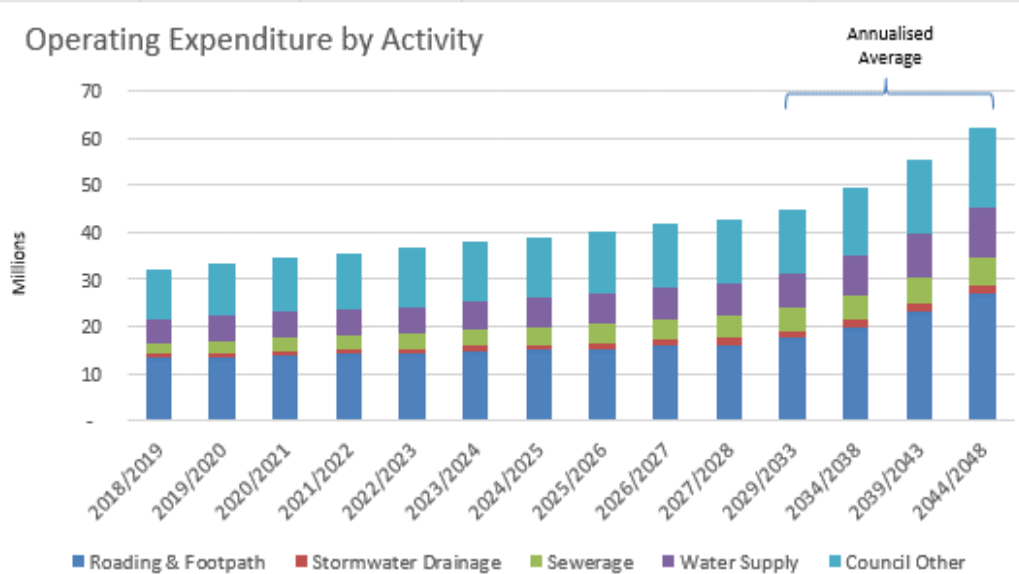
Costs and significant decisions about capital expenditure of the most likely scenario

The maintenance, renewal, and capital expenditure programme for Council’s core assets is based on the information in Council’s Asset/Activity Management Plans. This information is the best information available to Council about these assets. For some assets (e.g. underground pipes) the information around age, type, and quantity is reliable, however it is acknowledged that information around condition has some limitations. Where these limitations exist the information will be reviewed as new information becomes available. Updated information could result in changes to the costs or timing of planned expenditure. Confidence about the information about the main classes of infrastructure assets is described in [Appendix 1](#) at the end of this section.

Over the next 10 years the total investment across the District, for renewals and new capital work, is projected to be \$204 million. This level of investment is required to maintain core services and levels of service. The graphs below chart projected capital and operating expenditure over the next thirty years. years 11-30 are shown as five-year annual averages:

Capital Expenditure by Activity





Council is now a member of the Local Government Funding Agency which provides access to longer term loans at rates lower than that charged by commercial banks. Nevertheless, the projected programme means that borrowing will be necessary. Historically, the Council has had minimal or no debt for the past fifteen years.

Our debt limits are defined in the Treasury Management Policy. These are:

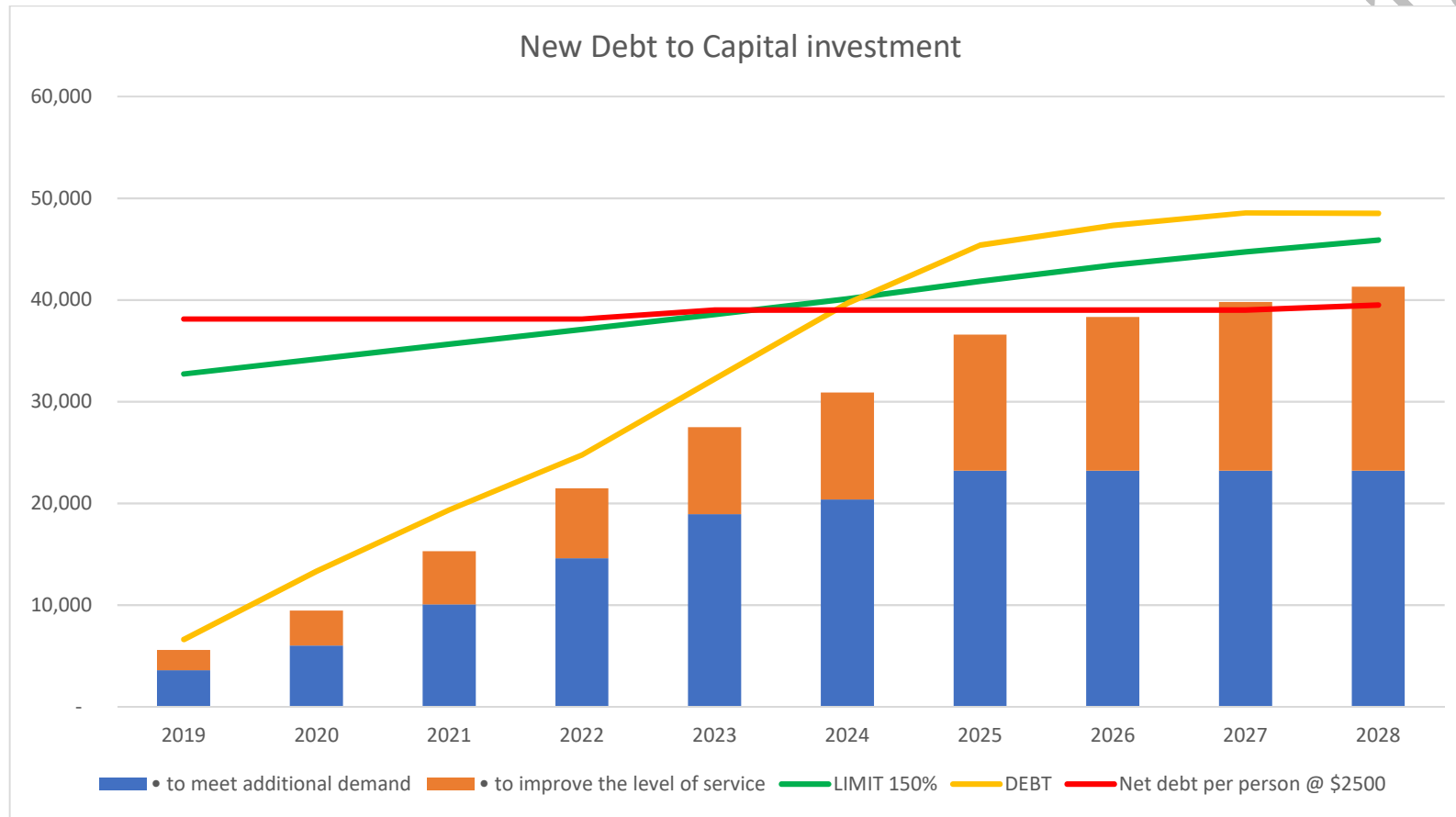
- Total interest expense on net external debt will not exceed 15% of total rates income or 10% of total revenue
- The ratio of net external debt to annual rates income will not exceed 150%
- Net external debt will not exceed \$2,500 per capita.

Note:

- Total Revenue is defined as cash earnings from rates, government capital grants and subsidies, user charges, interest, dividends, financial and other revenue and excludes nongovernment capital contributions (e.g. developer contributions and vested assets).
- Net external debt is defined as total external debt less unencumbered cash/cash equivalents.
- The liquidity ratio is defined as external term debt plus committed bank facilities, plus unencumbered cash/cash equivalents divided by current external debt.
- Net interest on external debt is defined as the amount equal to all interest and financing costs (on external debt) less interest income for the relevant period.

The graph below shows that the limit of debt as a percentage of rates income is breached after 2025. However, as evident in the succeeding graph, debt per capita (the most sensitive benchmark) is breached after 2023. This is why Council will be advocating strongly to the new government for financial assistance for the 3 waters.

The following graph analyses the components of capital investment and charts the total against debt as well as Council’s self-imposed limits on debt.



The Benchmark disclosure statement on page xxx provides further analysis.

Explanation for deficits (unbalanced budget)

See Appendix 3.

Funding of the most likely scenario?

Revenue and financing policy

This policy sets out how activities will be funded and to what level. Council has made a detailed assessment on its revenue and financing policy, which is being consulted on separately.

We propose the following minor changes to the current approach to setting rates:

- Continuing the district-wide contribution for the operating costs of water and wastewater as a targeted rate, on a uniform basis, with no contribution from the General rate, but stormwater is funded from the General rate.
- Making minor adjustments to the use of the Uniform Annual General Charge (UAGC) and the General rate to fund specified activities to show where the benefits from these activities are received, while ensuring a fair allocation of rates. Community leadership and community & leisure assets activities are funded 50% from the General rate and 50% from the UAGC.
- Funding capital projects will continue to be determined on a case-by-case basis. This is significant for projects such as developments in the main towns, and any extension to reticulated water, wastewater and stormwater networks in the District.

Rates

We know it's important to keep rates affordable. Our commitment is to cap any increases in expenditure to a level our community can afford, while still providing services and activities the community want and enjoy. We will continue to fund (through depreciation) future replacement of our critical assets, such as roads, and water and wastewater networks.

While rates will increase due to inflation, we will continue to look for more efficient ways of delivering services and running Council operations. The impact of depreciation and the need to fund new important infrastructure projects means that increases in expenditure will exceed the level of inflation. In order to keep rates affordable, we want to limit annual rate increases at an average 2% above the inflation rate. For the first three years we have applied the same rate increase as in the 2015-25 Long Term Plan. For Year 4 onwards, the rate increase is the Local Government Cost Index plus 2%. This means rate increases will, on average, be capped at a maximum 5% per year over the next 10 years. To achieve this we have looked closely at the timing and scale of major expenditure, such as water and wastewater treatment plant upgrades, and how these projects will be funded.

The quantified limits are as follows:

2018-19.....	4.61%	2023-24.....	4.30%
2019-20.....	4.75%	2024-25.....	4.40%
2020-21.....	4.90%	2025-26.....	4.50%

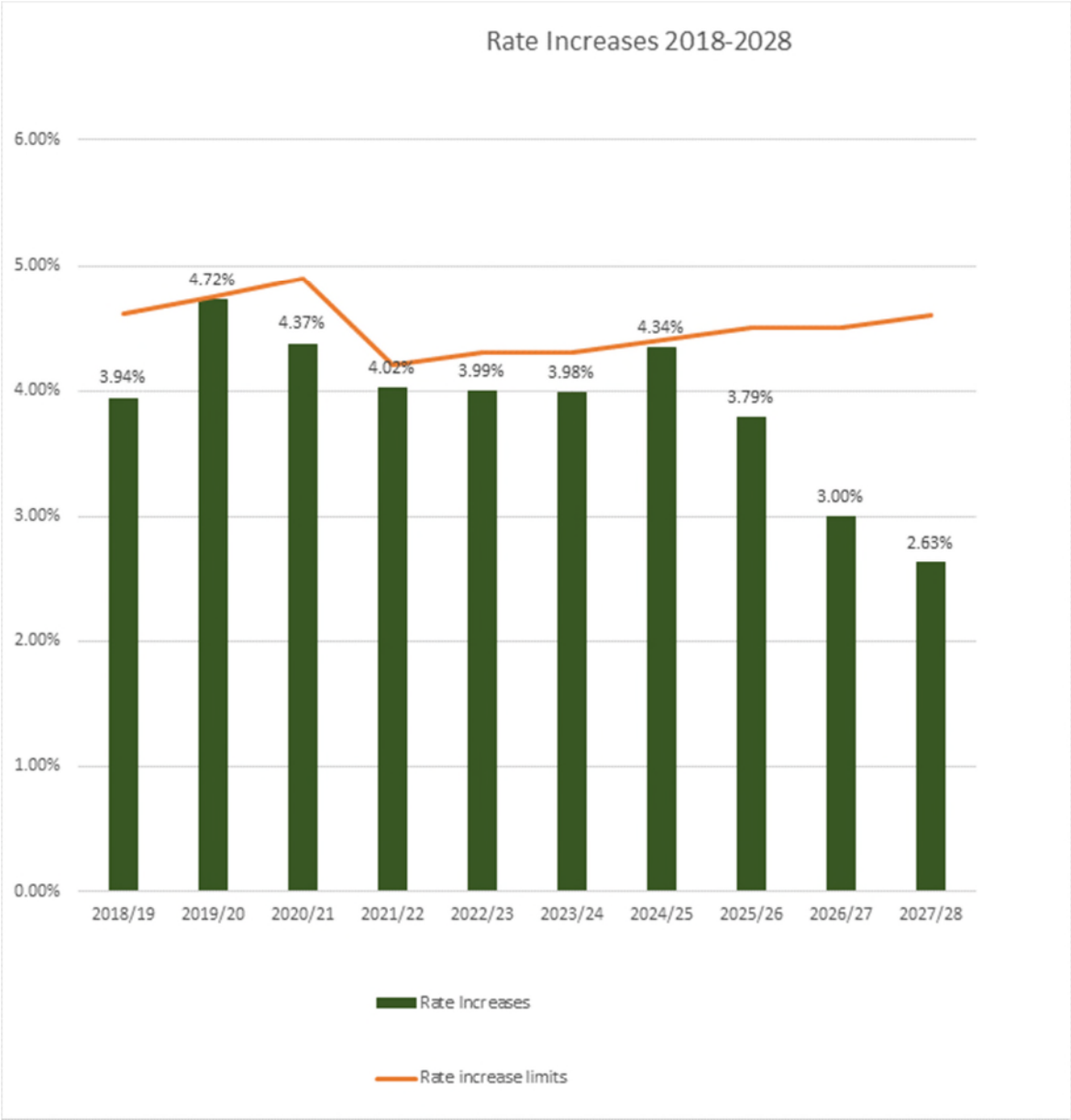
Section 2: Financial and Infrastructure Strategy

2021-22.....	4.20%
2022-23.....	4.30%

2026-27.....	4.50%
2027-28.....	4.60%

The following graph shows the relationship between forecast rates and rate increases:

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Draft March 2018

Actual rate levels for each property will vary, depending on whether a property is connected to a Council water supply or wastewater scheme, the capital value of a property and whether that property’s value changes relative to other properties. The three-yearly revaluation of properties doesn’t change the amount of rates Council

needs to run its business, but can result in changes to rating levels. Where a property's rating value falls relative to other properties, then a reduction in rates is possible. However, where a property's value rises relative to other properties, then a higher than average rates increase is likely for that property.

Council faces increasing costs in a number of areas. For example, the cost of depreciation increases as the extent and value of our assets increase. In addition, the costs of some of the equipment, materials and services we use increase faster than the general rate of inflation.

Council is forecasting rate increases lower than total expenditure increases by using alternative funding sources, depreciation and reserves, and improving our efficiency.

Non-rates income sources

Fees, charges, grants and subsidies are very important sources of income for Council, and maximising these mean that rates can be kept at lower levels.

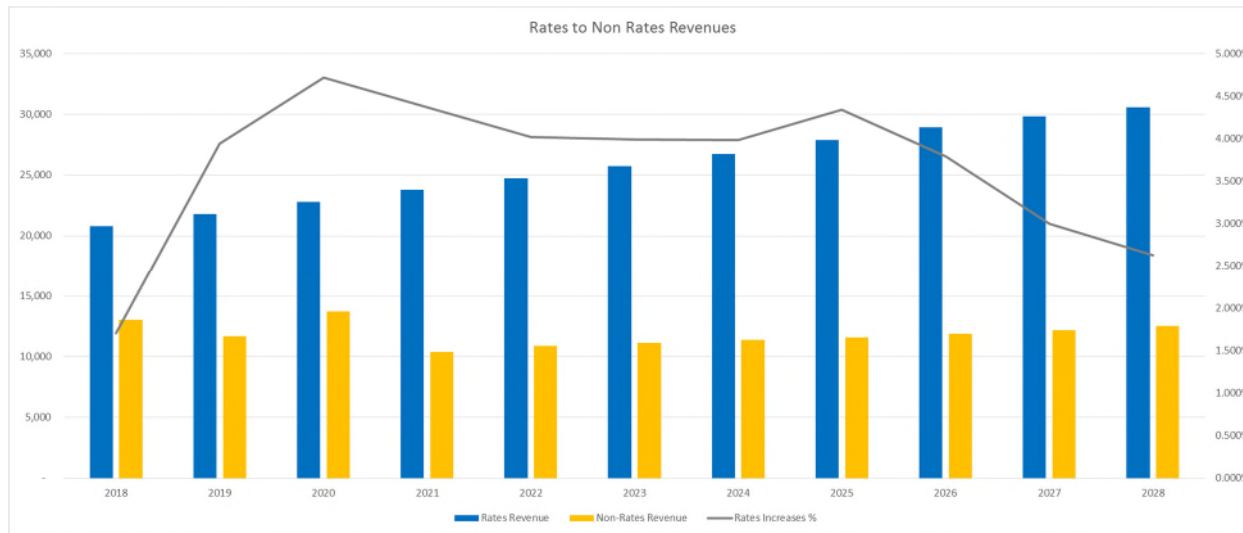
The most significant non-rates income for Council is the roading subsidy from the New Zealand Transport Agency (NZTA). In 2016/17 this amounted to \$11.19 million.

Council seeks external funding assistance for its community well-being activity and in partnership with other community organisations, obtained \$61,000 in 2016/17 for this work.

Other external funding is sought for capital projects, such as the refurbishment of community and leisure facilities or the provision of water supplies in our smaller communities. In recent years Council has been successful in securing significant funding grants for this work from local/regional trusts and government agencies. Recent examples of this are the grant from the Ministry of Health for upgrading the town water supply at Hunterville, the grant from the Ministry for the Environment for ending the discharge of Ratana's wastewater to Lake Waipu and the Lottery Community Facilities Fund for the construction of a new community facility in Bulls.

Fees and charges are another source of income. These are charged when individuals or groups have exclusive use of Council facilities, use a specific service (such as an interment or dumping rubbish at a transfer station) or require Council to act in a licensing or regulating role, such as building consents and liquor licences. In 2017/18 the forecast revenue from fees and charges is \$2.093 million, nearly 10% of the forecast rates revenue.

The following graph shows Council's funding sources and proposed rates increases:



Depreciation

Rangitikei District Council funds its depreciation for most of its assets particularly infrastructure. The exceptions are for roading (due to Government funding over 50%), Community Housing and Swimming Pools (where Council is considering fully funding this over the life of the LTP) and the Rural Water Schemes, where the participants pay for all the maintenance. Council is of a view that community assets such as Halls and Libraries will always involve a contribution from fund raising and will look to fund only 50% of this depreciation in the future. Council is also looking to more closely match the life of these assets to their depreciation cycle, which will require a change in accounting policies. This has the effect of more closely matching the use of the assets to those that use it and pay for it.

However, the dollars collected in nominal terms on the historical cost of the asset do not cover the full cost of replacing assets, due to inflation and increased compliance and other costs for renewals and new capital infrastructure. Where depreciation reserves are insufficient, the required work is loan funded.

How far a rates dollar goes today...

The services and activities provided by Council are paid for by rates, spread across both urban and rural rating areas, and other income. Rates currently cover 64% of our expenditure, with the remaining coming from other sources, such as user fees/charges and subsidies. The following graphic shows, in 2017/18, how each \$1 of rates is spent, and the funding split between the urban and rural ratepayers, for each key activity/service.

Incorporate diagram from Consultation Document

Securities

Council's policy on the giving of securities is set out in the Treasury Management Policy:

Council's external borrowings and interest rate management instruments will generally be secured by way of a charge over rates and rates revenue offered through a Debenture Trust Deed. Under a Debenture Trust Deed, Council's borrowing is secured by a floating charge over all Council rates levied under the Local Government Rating Act. The security offered by Council ranks equally or pari passu with other lenders. From time to time, and with Council approval, security may be offered by providing a charge over one or more of Council's assets. Any internal borrowing will be on an unsecured basis. Physical assets will be charged only where there is a direct relationship between the debt and the purchase or construction of the asset, which it funds (e.g. project finance) and Council considers a charge over physical assets to be appropriate.

Any pledging of physical assets must comply with the terms and conditions contained within the Debenture Trust Deed.

Council's objectives for holding and managing financial investments and equity securities are set out in the Treasury Management Policy.

The Council's general policy on investments is that:

- the Council may hold financial, property, forestry, and equity investments if there are strategic, commercial, economic or other valid reasons (e.g. where it is the most appropriate way to administer a Council function);
- the Council will keep under review its approach to all major investments and the credit rating of approved financial institutions; and
- the Council will review its policies on holding investments at least once every three years.

Appendix 1

Data confidence

In projecting future costs for its infrastructure, Council needs to have regard for the reliability of the information it has on its assets. The maintenance, renewal, and capital expenditure programme for Council's core assets is based on the information in Council's Asset/Activity Management Plans. This is the best information available to Council about these assets. Information about asset condition has some limitations, as noted in the following pages. Where these limitations exist, the information will be reviewed as new information becomes available. Updated information could result in changes to the costs or timing of planned expenditure.

The Asset/Activity Management Plans for Roading and the 3 Waters contain more detail on this topic.

Roading

The RAMM databases are Council's prime asset register for the network. It is routinely updated, random samples of newly collected RAMM data are QA field checked, and the databases are also continually checked during the course of their use and any anomalies are corrected when identified.

All information held in the databases is reliable. Some data fields are incomplete, but this relates to information that is unknown or cannot be readily assessed, e.g. historical information relating to construction dates, old pavement subsurface formation details etc. This would very expensive to obtain, i.e. by on site testing. This limits information that can be generated in some instances.

The confidence asset data is in the range 'A-B'.

A Highly reliable B Reliable

Asset Class	Data confidence rating	Forecast confidence rating	Method of completing the rating assessment
Roading – carriageways and bridges	Highly reliable	Highly reliable	NZ Guidelines for Infrastructure Assessment
Roading – all other components	Reliable	Highly reliable	NZ Guidelines for Infrastructure Assessment

Chapter 6 in the Roading Activity Management Plan (pp. 151-162) discuss condition monitoring, which is done every two years. However, more attention is given to underlying defects (as evident in the more detailed graphs preceding this section, such as rutting, and also differentiating between the various classes of roads). This is a reflection that Rangitikei District is a low volume network where condition does not change much in a year: NZTA is satisfied with the frequency of condition monitoring.

Water, wastewater and stormwater

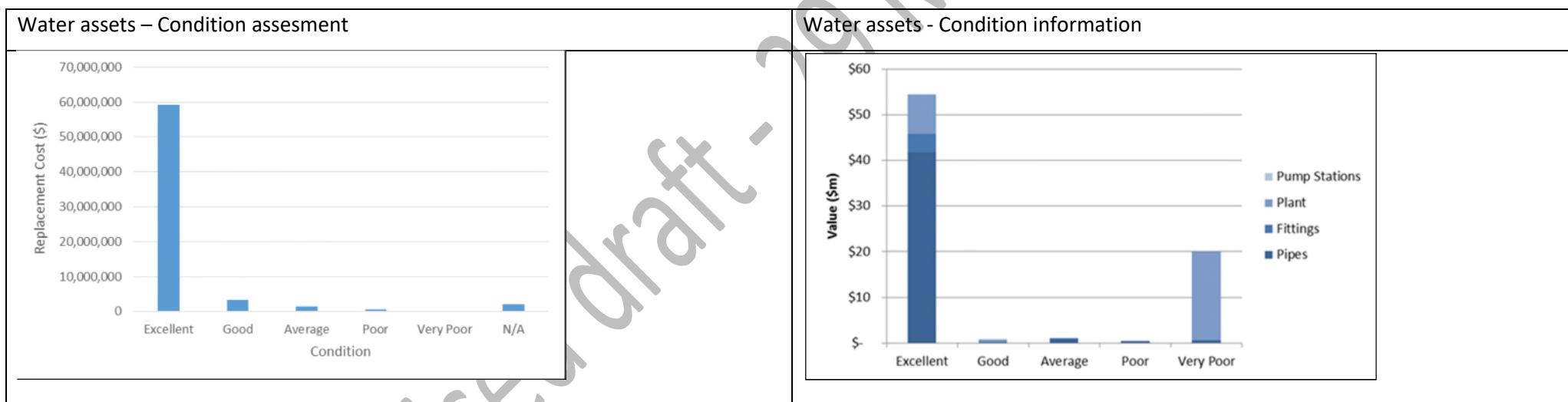
Council owns assets that in some cases are more than 100 years old, so a considerable portion of the infrastructure was created by the former Rangitikei County Council, Taihape Borough Council and Marton Borough Council.

Many of the District’s water, wastewater and stormwater assets are buried, meaning they cannot be easily inspected or, in some cases, even found. Historic records are held, and modern asset information systems ensure we are constantly improving the data we have. But there are still gaps in information for certain areas or assets.

During the period 1998-1999, Council undertook a programme to digitise records on our infrastructure assets. GPS locations of known assets were recorded. This began the process of electronic record-keeping for our assets. There still remain cabinets of historic, hard copy plans that have been digitised through Archives Central.

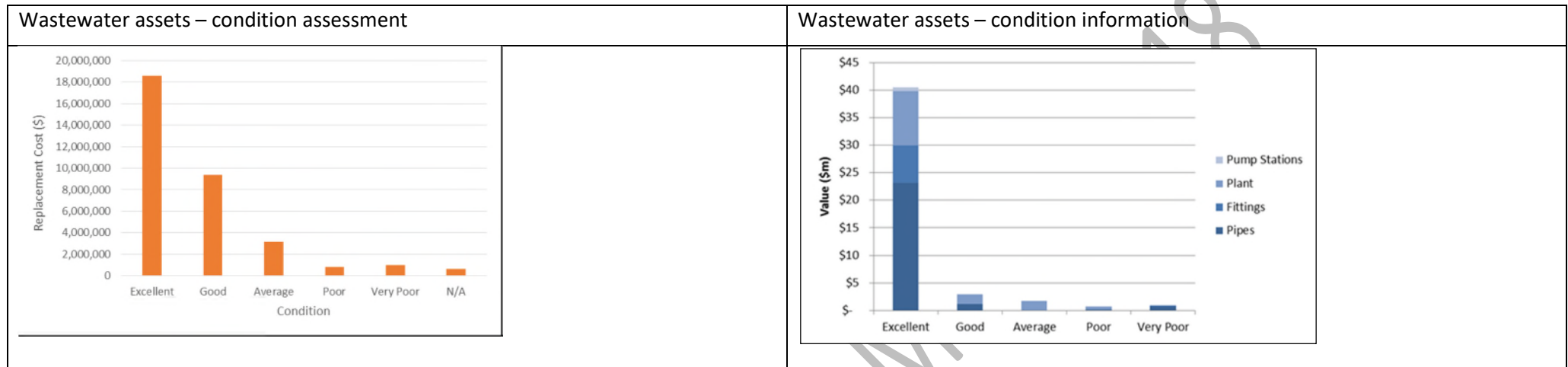
Figure A contrasts the asset condition recorded in 2017 with the confidence levels on the asset information held on our water assets in 2014 (an analysis not repeated in this way in 2017). While most of the condition (and information about condition) is graded “Excellent”, there is a significant amount of assets for which information has been graded “Very Poor”.

Figure A: Asset condition and Data confidence – Water



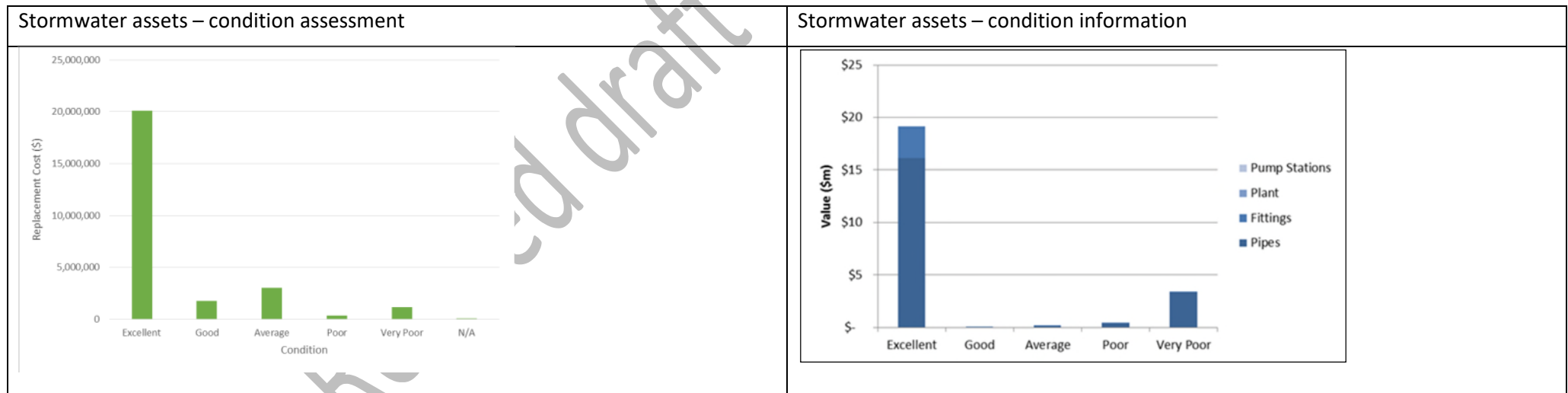
Condition assessment (2017) and confidence gradings for information on wastewater assets (2014) are given in Figure B. As can be seen, most wastewater asset information is reliable and has been graded “Excellent”. However, there are some assets for which the information was considered in 2014 as less reliable. MWH consultants carried out componentisation work on wastewater treatment plants in recent years, so most data on those assets is reliable.

Figure B: Asset condition and Data Confidence – Wastewater



Condition assessment (2017) and confidence gradings for information on stormwater assets (2014) are given in Figure C. Similar to water, the confidence in asset information for stormwater is mostly “Excellent”, but with a significant amount (mainly pipes) graded “Very Poor”.

Figure C: Data Confidence – Stormwater



The 3 Waters asset management plan provides a general overview on condition (page 43) and overall condition assessments for water (page 47+), wastewater (page 77+) and stormwater (page 107+), and a similar analysis for each plant/system. We want to move to a programme of targeted condition assessments, but will not aim to inspect the entire water supply, wastewater or stormwater network, even over a period of years. Condition assessment programme is based on criticality, performance and age, with the objective to create a robust renewal programme.

Actual condition varies considerably. For example, in Bulls much of the water reticulation is copper or galvanised iron, which has deteriorated and contributes to leakage. Taihape's water reticulation is in very poor condition and best addressed by replacement of section rather than piecemeal repairs.

Community and Leisure Assets

The District's community and leisure asset base has developed over many generations to service a community with twice the current population and with very different lifestyle and community needs to today. Much of it is run-down and under-used. The previous two Long Term Plans have signalled that rationalisation needs to occur: however, this step needs to be taken over a period of time and in close consultation with local communities. Given this intention to reduce the portfolio of assets, it is not effective or efficient to undertake an extensive data collection and inputting process for assets which are immediately identified as not necessary to the future needs of the Rangitikei communities and no longer part of the asset management process. Asset information for this group of assets is generally compiled on a site basis, rather than identifying each item at that site. No formal assessment of data confidence has been undertaken.

Appendix 2:

Schedule of expiring consents

	Water	Wastewater
Expired	Marton - discharge sludge – consent renewal in progress Mangaweka - river water take	Bulls - consent renewal in progress Ratana – consent renewal in progress
2019		Marton - discharge to water (and air)
2020	Taihape - river water take Ratana - abstraction bores (existing)	
2021		
2022	Bulls – abstraction bores	
2023		
2024		Mangaweka - discharge to Mangatera Stream Koitiata - discharge from oxidation ponds to land. Land use for the disposal area.
2025		
2026	Huntermville - dam	
2027	Marton - abstraction bore – Calico Line Erewhon - abstraction from stream and dam Omatane – abstraction from stream Putorino - abstraction from stream	Taihape - discharge into Hautapu River
2028		
2029		
2030		
2031		
2032	Marton abstraction Tutaenui bore	
2033		
2034	Ratana – abstraction bore (new)	

	Water	Wastewater
2035		
2036		
2037	Huntermville - river water take and disturb and divert	Huntermville - discharge to land, water and air. Land use for rock outfall.
2038		
2039		
2040		
2041		
2042		
2043		
2044		
2045		
2046		
2047		
2048		

Revised draft

Appendix 3

Explanation for deficits (unbalanced budget)

The Council's overall approach is to operate in a fiscally prudent and conservative manner. To achieve this we endeavour to keep rates increases at an affordable level; maintain a low level of debt and operate a lean cost structure.

In adopting the consultation document "Unfolding the Plan" for this Long Term Plan, Council was asked to resolve¹⁶ that it is financially prudent for the 2018-28 Long Term Plan to set projected operating expenses at a different level than that required by section 100(1) of the Local Government Act 2002 having had regard to the four factors specified in section 100(2) of that Act. Those four factors are:

- a. the estimated expenses of achieving and maintaining the predicted levels of service provision set out in the Long-Term Plan, including the estimated expenses associated with maintaining the service capacity and integrity of assets throughout their useful life; and
- b. the projected revenue available to fund the estimated expenses associated with maintaining the service capacity and integrity of assets throughout their useful life; and
- c. the equitable allocation of responsibility for funding the provision and maintenance of assets and facilities throughout their useful life; and
- d. the funding and financial policies adopted under section 102.

The Council does not fully fund the depreciation for all Council assets and, as a result, this Long Term Plan shows operating deficits of operating revenue to operating expenditure in 2020/21, 2021/22 and 2023/24.. This is driven by:

- the decision by Council to not replace some assets in the future (mainly old community buildings);
- the way Roothing and Community and Leisure Assets are funded –

63% of most of the maintenance and renewal costs of Roothing is funded by the New Zealand Transport Agency (NZTA) by way of a grant. This grant covers the majority of the depreciation funding required for our largest asset group. Deficits can occur in years in which subsidies on renewals are less than 63%, through depreciation. Council considers incurring a deficit in these years to be a prudent approach, because if we were to rate for the deficit we would be building up depreciation reserves that are unlikely to be used in the next thirty years given the One Network Road Classification. Council already has budgeted to build up reserves of \$1.5 million to meet unforeseen emergency repairs on the roading network.

- Council currently funds no depreciation on the rural water schemes, housing pools and real estate; and funds depreciation of 50% for parks, halls and public toilets for the following reasons:

¹⁶ Council, 29 March 2018: 18/RDC/091.

Rural water schemes: owner committees pay for renewals as they are required, therefore there is no need for Council to build up reserves and fund depreciation however one Water Scheme Committee has started to make a small provision for replacement of its plant similar to creating a depreciation reserves.

Housing and pools: Council considered that these assets would not be replaced and therefore depreciation did not need to be funded. Council has reviewed this and is make provision to raise the funding to 95% over the period of the 2018-28 Long Term Plan

Parks, halls and public toilets: Council is committed to the “fewer but better” concept in managing community facilities, and on that basis decided to fund half deprecation for these assets.

Revised draft - 29 March 2018

Section 3: Response to Submitters

To include following consultation.

Revised draft - 29 March 2018

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Section 4: Council Activities

Introduction

This section outlines the activities that Council will undertake over the coming ten years. These are presented as groups of activities:

- Community leadership
- Roading
- Water supply
- Sewerage and the treatment and disposal of sewage
- Stormwater drainage
- Community and leisure assets
- Rubbish and recycling
- Environmental and regulatory services
- Community well-being

Each section follows the same structure:

1 Overview of the group of activity

An overview of the strategic direction, rationale for the activity, identification of any negative effect of the activity and a description of the activities that make up that group of activities.

2 Major programmes

An overview of the major programmes in that group of activities, for each year for the first three years, then for the following seven years.

3 Funding Impact Statement

The funding impact statement identifies the sources and applications of operating funding for the activity.

Statement of Service Provision

The Statement of Service Provision for the intended levels of service is then provided. The Statement includes performance measures for each group of activity.

Community Leadership Group of Activities

To ensure a Council that is more engaged with and connected to its communities, that represents, and is representative of, its residents.

Rationale	This group of activities contributes to opportunities to participate in civic life and to have an impact over decisions which affect quality of life.
Significant negative effects on the local community	No significant negative effects have been identified for this group of activities
Contribution to community outcomes	Infrastructural service levels Communication/engagement and collaboration Rates level/affordability/value
Major aspect of the service for statement of service provision	<ol style="list-style-type: none"> 1 Completion of Annual Plan actions on time 2 Completion of capital programme. 3 Satisfaction 4 Value for money 5 Effectiveness of communication 6 Maori responsiveness framework 7 Engagement with sector excellence programmes

The Community Leadership group of activities is concerned with local democratic decision-making. It includes – strategic planning, elections, Council, community boards and committees and iwi liaison.

Strategic Planning

The strategic planning activity enables Council to make considered and balanced decisions. It covers the Long Term Plan, Annual Plan, Annual Report, policy development and review, bylaw development and review, and legal compliance.

Elections

Council ensures that local elections and by-elections for the Council and Community Boards are conducted in accordance with legal requirements. Council also adapts these processes when making appointments to the District's Community Committees.

Council is also required to review representation requirements once every 6 years. The last review was in 2012, so a review is due in 2018. This process provides assessment, and potential re-definition of Council's ward structure and community boards/committees and reserve management committees.

Council

The Mayor and Councillors are elected by the community to provide leadership, to make decisions which are in the best interests of the communities in the District and to communicate these effectively to the community. Council is an advocate for the District particularly to the Regional Council and Central Government. Through its Chief Executive (and staff appointed by that officer), Council has access to advice to help it make useful decisions and to then implement them. The Audit/Risk Committee oversees a risk management framework and an annual programme of work by the Internal Auditors. Council engaged with both CouncilMark and the Australasian LG Performance Excellence Programme to promote independent assessment of its performance and suggestions for improvement.

Community Boards and Community Committees

Community Boards and Community Committees provide a channel for local people to be directly involved with decisions affecting them. Community Boards are statutory bodies elected alongside the Council at triennial elections and their members are paid, as are the Mayor and Councillors. Community Committees are nominated from within the community (and if necessary an election is held at a public meeting) and membership is on a voluntary basis.

They are provided with a small annual discretionary grant to undertake local projects without further Council approval. Additionally, Council is trialling further delegations which include distribution of Council's Community Initiatives Fund, increased partnership with town development trusts and local parks programmes.

Iwi Liaison

Council consults with Māori on significant decisions and works with Māori to identify (and implement) opportunities for the District as a whole to develop. In the Rangitikei, the most obvious form for this consultation is the bi-monthly meetings of Te Roopu Ahi Kaa, a Komiti which has representation from all Iwi in the District (together with the unique Māori community at Ratana). The relationship is outlined in the Memorandum of Understanding –Tutohinga between the District Council, eleven Iwi and hapu groups that comprise Te Tangata Whenua O Rangitikei and the Ratana Community.

Council also works with Iwi and hapu in developing collaborative capacity building and has a small funding programme to support this. Council is in discussions with Te Roopu Ahi Kaa for the establishment of an iwi/Maori liaison officer. The role has two key deliverables - to support and develop Iwi/Maori capability and to assist in the development and relevance of Council policy.

Major Programmes

Year	Programmes
Year 1 (2018/19)	<p>Strategic Planning</p> <p>Annual Report 2017/18 Annual Plan 2019/20 Delivery of programme of policy and bylaw review</p> <p>Elections</p> <p>Representation review (for the 2019 elections completed)</p> <p>Council</p> <p>Preparation of order papers that ensure compliant decision-making Internal Audit programme Engagement with sector excellence programmes</p> <p>Iwi Liaison</p> <p>Te Roopu Ahi Kaa Strategic Plan – review</p>
Year 2 (2019/2020)	<p>Strategic Planning</p> <p>Annual Report 2018/19 Annual Plan 2020/21 Delivery of programme of policy and bylaw review</p> <p>Elections</p> <p>Preparation of the pre-election report (for the 2019 election) - optional Conduct of 2019 local election</p> <p>Council</p> <p>Induction of Council, Community Boards/Committees for the triennium 2019-21 Preparation of Local Governance Statement and update Elected Members Handbook Preparation of order papers that ensure compliant decision-making Internal Audit programme Engagement with sector excellence programme</p> <p>Iwi Liaison</p> <p>Te Roopu Ahi Kaa Strategic Plan – implementing actions Confirmation of Te Roopu Ahi Kaa membership for the 2019-21 triennium</p>

Year	Programmes
Year 3 (2020/2021)	<p>Strategic Planning Long Term Plan 2021/31 Annual Report 2019/20 Delivery of programme of policy and bylaw review</p> <p>Elections Representation Review (for the 2022 election) commenced</p> <p>Council Preparation of order papers that ensure compliant decision-making Internal Audit programme Engagement with sector excellence programmes</p> <p>Iwi Liaison Te Roopu Ahi Kaa Strategic Plan – implementing actions Review key outcomes from Maori community development programme for input into 2021-2031 LTP</p>
Years 4-10 (2021/2028)	<p>Strategic Planning Long Term Plan 2024/2034 Annual Reports Annual Plans Delivery of programme of policy and bylaw review</p> <p>Elections Conduct 2022 and 2025 elections Representation review – Year 6/7</p> <p>Council Preparation of order papers that ensure compliant decision-making Internal Audit programme Engagement with sector excellence programmes</p> <p>Iwi Liaison Te Roopu Ahi Kaa Strategic Plan – implementing actions</p>

Funding Impact Statement – Community Leadership

For the years ending 30 June 2018 to 2028

	Annual Plan 2017/2018 \$000's	Budget 2018/2019 \$000's	Forecast 2019/2020 \$000's	Forecast 2020/2021 \$000's	Forecast 2021/2022 \$000's	Forecast 2022/2023 \$000's	Forecast 2023/2024 \$000's	Forecast 2024/2025 \$000's	Forecast 2025/2026 \$000's	Forecast 2026/2027 \$000's	Forecast 2027/2028 \$000's
Sources of Operating Funding											
General rates, uniform annual general charges, rates penalties	967	1,290	1,397	1,342	1,369	1,485	1,428	1,458	1,585	1,527	1,565
Targeted rates	61	102	104	106	108	111	113	116	118	121	124
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-	-	-	-	-	-	-
Total Operating Funding (A)	1,028	1,392	1,501	1,448	1,477	1,596	1,541	1,574	1,703	1,648	1,689
Applications of Operating Funding											
Payments to staff and suppliers	1,068	811	911	849	868	975	906	930	1,046	979	1,004
Finance costs	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	156	578	587	598	609	620	632	643	656	669	684
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	1,224	1,389	1,498	1,447	1,477	1,595	1,538	1,573	1,702	1,648	1,688
Surplus (deficit) of operating funding (A-B)	(196)	3	3	1	-	1	3	1	1	-	1
Sources of capital funding											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
increase (decrease) in debt	-	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	-	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Applications of capital funding											
Capital expenditure											
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	-	-	-	-	-	-	-	-	-	-	-
- to replace existing assets	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in reserves	(197)	-	-	-	-	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	(197)	-	-	-	-	-	-	-	-	-	-
Surplus (deficit) of capital funding (C-D)	197	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Funding Balance ((A-B)+(C-D))	1	1	1	(1)	(2)	(1)	1	(1)	(1)	(2)	(1)

Roading Group of Activities

The maintenance of the current roading network as close to the current standard as possible within budget constraints

Rationale	The roading group of activities provides safe, convenient and orderly network for road users (including pedestrians, cyclists and mobility scooter users) to travel throughout the towns and wider District. This contributes to economic vitality of the District and to public safety.
Significant negative effects on the local community	Significant negative effects identified for this group of activities are road deaths, emissions to air from road transport and associated health impacts and traffic noise and vibration. These negative effects will be mitigated by undertaking crash reduction studies and undertaking safety improvements to the roading network, promotion alternative modes of transport such as walking and surface treatments to minimise noise.
Contribution to community outcomes	Infrastructural service levels
Major aspect of the service for statement of service provision	<ol style="list-style-type: none"> 1 The average quality of ride on a sealed local road network measured by smooth travel exposure 2 The percentage of the sealed road network that is resurfaced 3 The percentage of the unsealed road network which is re-metalled during the year 4 The percentage of footpaths within the District that fall within the level of service or service standard for the condition of footpaths 5 The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network expressed as a number 6 Residents perceptions of the provision and maintenance of footpaths, street-lighting and local roads (annual survey) 7 The percentage of customer service requests relating to roads and footpaths to which the territorial authority responds within the time frame specified in the long-term plan.

The Roothing group of activities consists of seven activities that contribute towards the community outcomes – pavements, drainage, structures, street lighting, traffic services, footpaths, environmental management.

Key issues for the roading group of activities are – maintenance, low resilience of the network, forestry harvest and safety. These issues will be addressed by:

- Delivering optimised maintenance programmes to improve the reliability and cost effectiveness of the road network.
- Improving resilience of the road network by identifying risks and implementing action plans to reduce the magnitude and impact of natural hazard events.
- Developing a strategy for road maintenance and rehabilitation to minimise the impact of forestry harvest on the roading network.
- Improving the safety of the road network through installing, upgrading or amending signage, removing roadside hazards, improving sightlines, traffic calming in schools, intersection upgrades, seal widening and safety barriers.

Pavements

The road network is made up of 1,225km of roads; 796km are sealed with 429km unsealed. The purpose of each road pavement is to provide an element of the network that is:

- Appropriate and suitable for the effective and efficient movement of the vehicles and people using it,
- Has a suitable all weather surface that is appropriate to its location and function in terms of skid resistance, noise reduction and smoothness; and

Drainage

Council manages a total of 1,195km of open storm water channel and approximately 131km of constructed kerb and channel completely constructed from concrete and 4660 culverts. The purpose of drainage assets is to:

- Contain and then convey surface water away from the carriageway keeping the road surface and sub-surface dry to minimise water damage (water logged pavements deteriorate rapidly so good drainage is necessary to minimise premature pavement failure and the associated maintenance costs).

Structures

Bridges

Council maintains a total of 267 bridges including 106 large culverts. Bridges vary from high standard concrete structures to very low standard wooden deck structures. Some have weight and speed restrictions on them. There are eight bridges that straddle the District's boundaries. Three are state highway bridges and the Council has no responsibility for them. Responsibility for the other six bridges is shared either Manawatu District Council, Whanganui District Council or Hastings District Council. The purpose of road bridges is to:

- Provide continuous all weather access over rivers, streams and uneven terrain, and grade separation over railway lines and other roads.

Retaining walls

Differing methods of design and construction are adopted for new retaining walls depending on the requirements for the site. The purpose of a retaining wall is to:

- Provide structural support and lateral restraint to the carriageway.
- Provide structural support to land adjacent/above the carriageway, preventing material slipping down and blocking the drainage channel or road.

Street Lighting

The broad use of the term "street light" when referring to the asset includes the following three main components:

- Pole, this can be a utility network owned pole or a standalone street light pole

- Bracket, the steel arm mounted to the pole to support the luminaire, in the case of steel standalone poles the bracket is an integral part of the pole but it is still identified as a separate component.
- Luminaire, lighting unit which comprises of control gear and lamp

The purpose of street lighting is to:

- Ensure the council's street lighting and amenity installation continues to operate safely, efficiently and effectively over its economic life with minimum failures and outages.

Traffic Services

Traffic Services assets consist of road signs, site rails, pavement markings, traffic islands and road edge markers. Council manages 4,222 road signs and edge marker posts, 293km of road markings and 1,903 streetlights). The purpose of Traffic Services is to:

- Aid the safe and orderly movement of traffic and indicate road use restrictions or other information. A good standard of signs and markings can contribute significantly to a safer road network.

Footpaths

Council manages a total of 88km of footpaths throughout the District. The type of surface used is dependent on life cycle cost considerations, pedestrian volumes and the amenity value of the location e.g. shopping and commercial areas. The purpose of footpaths is to:

- Maintain footpaths to provide the safe passage of users in an affordable manner which enables the most affordable lifecycle costs.

Environmental Management

Environmental management consists of stock crossing/droving, cattle stops, fords, litter detritus and street cleaning, vegetation control and roadside berms. The purpose of environmental management is to:

- Manage the activities within the environmental management area in a sustainable and affordable manner that protects the roading network.

Major Programmes

Year	Programmes	
Year 1 (2018/19)	<p>Pavements</p> <p>Resilience improvements</p> <p><i>Rehabilitation:</i></p> <ul style="list-style-type: none"> • Mangahoe Road • Parewanui Road/Ferry Road • Spooners Hill Road • Taihape Napier Road 2 • Pukepapa Road – (reserve project) <p><i>Seal widening:</i></p> <ul style="list-style-type: none"> • Makirikiri Road • Mangatipona/Kauangaroa/Okirae Road intersection • Ruanui Road 	<p>Bridges</p> <p><i>Replacement</i></p> <ul style="list-style-type: none"> • Mangaweka Bridge • Te Kapua Bridge <p><i>Strengthening</i></p> <ul style="list-style-type: none"> • Kakariki Bridge • Moawhango Bridge • Otara Road Bridge <p>Street Lighting</p> <p>Accelerated renewal programme of LED carriageway lighting</p>
Year 2 (2019/2020)	<p>Pavements</p> <p>Resilience improvements</p> <p><i>Rehabilitation</i></p> <ul style="list-style-type: none"> • Bryces Line • Turakina Valley Road 1 • Skerman Street • Taihape Napier Road 2 • Pukepapa Road (reserve project) <p><i>Seal widening</i></p> <ul style="list-style-type: none"> • Tennant Road • Kie Kie Road • Murimotu Road 	<p>Bridges</p> <p><i>Replacement</i></p> <ul style="list-style-type: none"> • Mangaweka Bridge <p><i>Strengthening</i></p> <ul style="list-style-type: none"> • Kakariki Bridge • Moawhango Bridge • Toe Toe Bridge • Otara Road Bridge <p>Street Lighting</p> <p>Accelerated renewal programme of LED carriageway lighting</p>

Year	Programmes	
Year 3 (2020/2021)	<p>Pavements</p> <ul style="list-style-type: none"> Resilience improvements <p><i>Rehabilitation</i></p> <ul style="list-style-type: none"> Morris Street Tutaenui Road Pukepapa Road (reserve project) <p><i>Seal widening</i></p> <ul style="list-style-type: none"> Pukepapa Road Kakariki Road Murimotu Road <p><i>Seal widening and geometric improvements</i></p> <ul style="list-style-type: none"> Toe Toe Road Taihape-Napier Road 	<p>Bridges</p> <p><i>Strengthening</i></p> <ul style="list-style-type: none"> Toe Toe Bridge Blundell's Bridge Otara Road Bridge <p>Street Lighting</p> <p>Accelerated renewal programme of LED carriageway lighting</p>
Years 4-10 (2021/2028)	<p>Pavements</p> <ul style="list-style-type: none"> Ongoing rehabilitation and seal widening projects <p>Bridges</p> <ul style="list-style-type: none"> Ongoing strengthening work assessed on a case by case basis 	

Funding Impact Statement - Roading

For the years ending 30 June 2018 to 2028

	Annual Plan 2017/2018 \$000's	Budget 2018/2019 \$000's	Forecast 2019/2020 \$000's	Forecast 2020/2021 \$000's	Forecast 2021/2022 \$000's	Forecast 2022/2023 \$000's	Forecast 2023/2024 \$000's	Forecast 2024/2025 \$000's	Forecast 2025/2026 \$000's	Forecast 2026/2027 \$000's	Forecast 2027/2028 \$000's
Sources of Operating Funding											
General rates, uniform annual general charges, rates penalties	-	145	152	168	172	176	180	185	190	195	200
Targeted rates	6,748	6,508	6,574	6,788	6,861	6,939	7,189	7,276	7,374	7,672	7,785
Subsidies and grants for operating purposes	3,337	3,337	3,410	3,485	3,565	3,651	3,739	3,832	3,932	4,038	4,151
Fees and charges	30	30	31	31	32	33	33	34	35	36	37
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	115	115	118	120	123	126	129	132	136	139	143
Total Operating Funding (A)	10,230	10,135	10,285	10,592	10,753	10,925	11,270	11,459	11,667	12,080	12,316
Applications of Operating Funding											
Payments to staff and suppliers	6,157	5,937	6,068	6,203	6,346	6,498	6,652	6,820	6,997	7,188	7,388
Finance costs	118	101	99	97	97	97	101	102	108	107	116
Internal charges and overheads applied	475	770	784	798	813	828	844	861	879	899	919
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	6,750	6,808	6,951	7,098	7,256	7,423	7,597	7,783	7,984	8,194	8,423
Surplus (deficit) of operating funding (A-B)	3,480	3,327	3,334	3,494	3,497	3,502	3,673	3,676	3,683	3,886	3,893
Sources of capital funding											
Subsidies and grants for capital expenditure	4,824	4,465	6,322	3,915	4,254	4,356	4,460	4,483	4,600	4,724	4,867
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
increase (decrease) in debt	(165)	(55)	(31)	(51)	(44)	(36)	(39)	(31)	(24)	(28)	(19)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	4,659	4,410	6,291	3,864	4,210	4,320	4,421	4,452	4,576	4,696	4,848
Applications of capital funding											
Capital expenditure											
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	1,608	-	-	-	-	-	-	-	-	-	-
- to replace existing assets	5,679	7,222	10,137	6,304	6,905	7,070	7,240	7,207	7,395	7,594	7,896
Increase (decrease) in reserves	851	514	(514)	1,055	804	751	853	921	863	990	845
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	8,138	7,736	9,623	7,359	7,709	7,821	8,093	8,128	8,258	8,584	8,741
Surplus (deficit) of capital funding (C-D)	(3,479)	(3,326)	(3,332)	(3,495)	(3,499)	(3,501)	(3,672)	(3,676)	(3,682)	(3,888)	(3,893)
Funding Balance ((A-B)+(C-D))	1	1	2	(1)	(2)	1	1	-	1	(2)	-

Water Supply Group of Activities

Improving public health through the provision of water that meets New Zealand Drinking Water Standards; and fostering development in the District by meeting the requirements for commercial premises or major industries

Rationale	<p>The Urban Water Supply activity ensures public health and safety through the provision of water that meets the Drinking Water Standards for New Zealand (DWSNZ). The Urban Water Supply activity can also support economic development in the District by enabling increased economic activity where supply is available.</p> <p>The Rural Water Supply activity supports economic development in the District by enabling increased economic activity where supply is available.</p>
Significant negative effects on the local community	<p>This activity can result in the following potential significant effects on the local community:</p> <ul style="list-style-type: none"> Human health effects as a result of the malfunction of utility installations, such as water treatment plants, insufficient flow or pressure, poor water quality to the extent that health issues arise from consumption
Contribution to community outcomes	<p>Infrastructural service levels Environment/climate change Economic development</p>
Major aspect of the service for statement of service provision	<ol style="list-style-type: none"> The extent to which the Council's drinking water supply complies with: <ul style="list-style-type: none"> Part 4 of the drinking water standards (bacteria compliance criteria) Part 5 of the drinking water standards (protozoa compliance criteria) Compliance with resource consents (urban and rural) Number of unplanned water supply disruptions affecting multiple properties The percentage of real water loss from the Council's networked urban reticulation system The average consumption of drinking water per day per resident within the District Where the Council attends a call-out in response to a fault or unplanned interruption to its networked reticulation system (urban and rural), the following median times are measured: <ul style="list-style-type: none"> attendance for urgent call-outs: from the time that the Council receives notification to the time that service personnel reach the site, and resolution of urgent call-outs from the time that the Council receives notification to the time that service personnel confirm resolution of the fault of interruption attendance for non-urgent call-outs: from the time that the Council receives notification to the time that service personnel reach the site, and resolution of non-urgent call-outs from the time that the Council receives notification to the time that service personnel confirm resolution of the fault of interruption The total number of complaints (expressed per 1000 connections to the reticulated networks) received by the Council about <ul style="list-style-type: none"> drinking water clarity

	<ul style="list-style-type: none"> • drinking water taste • drinking water pressure or flow • continuity of supply, and • The Council's response to any of these issues <p>8 Random flow checks at the different supplies</p>
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Urban Water Supplies

Urban drinking water supplies are provided to meet the domestic, commercial and fire-fighting requirements in the following urban communities of the Rangitikei - Bulls, Marton, Taihape, Hunterville, Mangaweka and Ratana. This activity includes maintaining Council's water treatment plants and water storage facilities, maintaining and repairing Council's reticulation network system and monitoring and managing the demand for water to ensure compliance with the New Zealand Drinking Water Standards.

Rural Water Supplies

The activity administers Rural Water Supplies on behalf of the appropriate committees in Hunterville, Erewhon, Omatane, and, to a lesser extent, Putorino.

Major Programmes

Year	Programmes
Year 1 (2018/19)	Bulls State Highway 1 – renewal of mains Taihape (Hautapu River) – resource consent renewal Hunterville Water Supply upgrade Water Reticulation Renewals – District-wide <ul style="list-style-type: none"> • Erewhon • Taihape Falling Main • Taihape Kokako Street • Taihape Takahe Street • Taihape Wren Street • Taihape Lark/Swan Street • Mangaweka Rising Main • Marton Tutaenui Rd Trunk Main (Survey and Design) • Marton Wellington Road 200m

Year	Programmes
Year 2 (2019/2020)	Broadway, Marton Trunk Main – extension of 300mm main between Signal Street and 146 Broadway Marton – Tutaenui Rd Trunk Main Renewal – Stage 2 Water Treatment Plant Seismic Improvements (Years 2-10) Water Reticulation Renewals – District-wide <ul style="list-style-type: none"> • Taihape Mataroa Road • Marton Tutaenui Trunk Main • Erewhon
Year 3 (2020/2021)	Bulls – resource consent renewal Calico Line UV Installation Marton – Tutaenui Rd Trunk Main Renewal – Stage 3 Water Reticulation Renewals – District-wide <ul style="list-style-type: none"> • Taihape Falling Main • Marton Bond Street • Erewhon
Years 4-10 (2021/2028)	Water Reticulation Renewals – District-wide

Revised draft - 29 March 2018

Funding Impact Statement – Water supply

For the years ending 30 June 2018 to 2028

	Annual Plan 2017/2018 \$000's	Budget 2018/2019 \$000's	Forecast 2019/2020 \$000's	Forecast 2020/2021 \$000's	Forecast 2021/2022 \$000's	Forecast 2022/2023 \$000's	Forecast 2023/2024 \$000's	Forecast 2024/2025 \$000's	Forecast 2025/2026 \$000's	Forecast 2026/2027 \$000's	Forecast 2027/2028 \$000's
Sources of Operating Funding											
General rates, uniform annual general charges, rates penalties	103	-	-	-	-	-	-	-	-	-	-
Targeted rates	4,774	4,604	4,897	5,147	5,329	5,455	5,730	5,917	6,167	6,392	6,669
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-	-	-	-	-	-	-
Total Operating Funding (A)	4,877	4,604	4,897	5,147	5,329	5,455	5,730	5,917	6,167	6,392	6,669
Applications of Operating Funding											
Payments to staff and suppliers	2,225	2,033	2,084	2,134	2,186	2,238	2,292	2,354	2,414	2,481	2,549
Finance costs	726	528	751	851	955	1,007	1,143	1,246	1,409	1,468	1,649
Internal charges and overheads applied	649	963	982	999	1,017	1,036	1,056	1,077	1,100	1,123	1,149
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	3,600	3,524	3,817	3,984	4,158	4,281	4,491	4,677	4,923	5,072	5,347
Surplus (deficit) of operating funding (A-B)	1,277	1,080	1,080	1,163	1,171	1,174	1,239	1,240	1,244	1,320	1,322
Sources of capital funding											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
increase (decrease) in debt	3,661	4,716	2,118	1,791	638	1,438	1,098	1,223	1,013	447	538
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	3,661	4,716	2,118	1,791	638	1,438	1,098	1,223	1,013	447	538
Applications of capital funding											
Capital expenditure											
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	75	997	570	844	322	330	338	347	356	366	376
- to replace existing assets	5,642	4,797	2,627	2,110	1,488	2,283	1,997	2,117	1,900	1,402	1,486
Increase (decrease) in reserves	(781)	-	-	-	-	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	4,936	5,794	3,197	2,954	1,810	2,613	2,335	2,464	2,256	1,768	1,862
Surplus (deficit) of capital funding (C-D)	(1,275)	(1,078)	(1,079)	(1,163)	(1,172)	(1,175)	(1,237)	(1,241)	(1,243)	(1,321)	(1,324)
Funding Balance ((A-B)+(C-D))	2	2	1	-	(1)	(1)	2	(1)	1	(1)	(2)

Sewerage and the Treatment and Disposal of Sewage Group of Activities

To provide and manage waste water systems to protect public health and the environment

Rationale	This activity contributes to the personal and public health and safety and to sustaining the natural environment
Significant negative effects on the local community	No significant negative effects have been identified for this group of activities, provided that discharges are in accordance with resource consents
Contribution to community outcomes	Infrastructural service levels Environment/climate change
Major aspect of the service for statement of service provision	<ol style="list-style-type: none"> 1 Compliance with the Council's resource consents for discharge from its sewerage system measured by the number of: <ul style="list-style-type: none"> • abatement notices • infringement notices • enforcement orders, and • convictions 2 Routine compliance monitoring of discharge consents 3 Number of dry weather overflows from each network (response/ resolution time) 4 The number of dry weather sewerage overflows from the Council's sewerage system, expressed per 1000 sewerage connections to that sewerage system 5 Where the Council attends to sewerage overflows resulting from a blockage or other fault in the Council's sewerage system, the following median times are measured <ul style="list-style-type: none"> • attendance time: from the time that the Council receives notification to the time that service personnel reach the site, and • resolution time: from the time that the Council receives notification to the time that service personnel confirm resolution of the fault of interruption 6 The total number of complaints received by the Council about any of the following: <ul style="list-style-type: none"> • sewage odour • sewerage system faults • sewerage system blockages, and • the Council's response to issues with its sewerage systems

Wastewater Collection, Treatment and Disposal

This activity provides for the process of collecting wastewater and treating it to an acceptable standard for discharge into the environment. It includes wastewater from domestic, commercial and industry. Wastewater treatment systems are maintained in Taihape, Mangaweka, Hunterville, Marton, Koitiata, Ratana and Bulls. A key aspect of this activity is gaining and complying with resource consents for the discharge of treated wastewater from the wastewater treatment plants throughout the District. Compliance with statutory obligations under the Local Government Act 2002, Health Act 1956 and Resource Management Act 1991 is also important.

Major Programmes

Year	Programmes
Year 1 (2018/19)	Marton and Bulls Combined Wastewater Scheme Rātana Wastewater Treatment Plant Upgrade Taihape – Papakai Rd Wastewater Pump Station Upgrade Wastewater Reticulation Renewals – District-wide <ul style="list-style-type: none"> • Bulls High Street • Infiltration reduction through relining programme
Year 2 (2019/2020)	Marton and Bulls Combined Wastewater Scheme Taihape WWTP Desludging Wastewater Reticulation Renewals – District-wide <ul style="list-style-type: none"> • Infiltration reduction through relining programme
Year 3 (2020/2021)	Marton and Bulls Combined Wastewater Scheme Wastewater Reticulation Renewals – District-wide <ul style="list-style-type: none"> • Infiltration reduction through relining programme
Years 4-10 (2021/2028)	Marton and Bulls Combined Wastewater Scheme Koitiata Wastewater Treatment Plant resource consent Mangaweka Wastewater Treatment Plant resource consent Years 5-6 Mangaweka Wastewater Treatment Plant Upgrade Years 7-8 Taihape Wastewater Discharge Consent Renewal Years 7-8 Taihape Wastewater Treatment Plant Upgrade Years 9-10 Wastewater Reticulation Renewals – District-wide Years 4 - 10

Funding Impact Statement – Sewerage and the Treatment and Disposal of Sewage

For the years ending 30 June 2018 to 2028

	Annual Plan 2017/2018 \$000's	Budget 2018/2019 \$000's	Forecast 2019/2020 \$000's	Forecast 2020/2021 \$000's	Forecast 2021/2022 \$000's	Forecast 2022/2023 \$000's	Forecast 2023/2024 \$000's	Forecast 2024/2025 \$000's	Forecast 2025/2026 \$000's	Forecast 2026/2027 \$000's	Forecast 2027/2028 \$000's
Sources of Operating Funding											
General rates, uniform annual general charges, rates penalties	-	-	-	-	-	-	-	-	-	-	-
Targeted rates	2,140	2,240	2,498	2,681	3,028	2,742	2,935	3,724	3,644	3,754	3,867
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	200	200	205	210	215	220	225	231	237	244	251
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-	-	-	-	-	-	-
Total Operating Funding (A)	2,340	2,440	2,703	2,891	3,243	2,962	3,160	3,955	3,881	3,998	4,118
Applications of Operating Funding											
Payments to staff and suppliers	1,190	1,120	1,148	1,177	1,205	1,234	1,263	1,298	1,330	1,368	1,405
Finance costs	195	237	464	567	626	672	849	1,197	1,442	1,587	1,892
Internal charges and overheads applied	226	365	372	379	386	393	400	409	417	426	436
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	1,611	1,722	1,984	2,123	2,217	2,299	2,512	2,904	3,189	3,381	3,733
Surplus (deficit) of operating funding (A-B)	729	718	719	768	1,026	663	648	1,051	692	617	385
Sources of capital funding											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
increase (decrease) in debt	6,438	4,820	2,175	969	679	2,603	5,819	2,698	2,479	2,203	958
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	6,438	4,820	2,175	969	679	2,603	5,819	2,698	2,479	2,203	958
Applications of capital funding											
Capital expenditure											
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	4,746	50	-	-	430	385	564	1,446	297	-	-
- to replace existing assets	2,578	5,487	2,892	1,739	1,277	2,882	5,903	2,305	2,875	2,821	1,343
Increase (decrease) in reserves	(157)	-	-	-	-	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	7,167	5,537	2,892	1,739	1,707	3,267	6,467	3,751	3,172	2,821	1,343
Surplus (deficit) of capital funding (C-D)	(729)	(717)	(717)	(770)	(1,028)	(664)	(648)	(1,053)	(693)	(618)	(385)
Funding Balance ((A-B)+(C-D))	-	1	2	(2)	(2)	(1)	-	(2)	(1)	(1)	-

Stormwater Drainage Group of Activities

To manage the stormwater network to enable the efficient and effective disposal of stormwater in an affordable manner

Rationale	The activity primarily protects people and property from damages cause by flooding.
Significant negative effects on the local community	<p>Significant negative effects as a result of this activity have the potential to occur as follows:</p> <ul style="list-style-type: none"> • Flooding of properties. There will be times when rainfall exceeds the design of the stormwater system resulting in flooding. Ongoing improvements of the stormwater network are planned to address this issue. Council will manage stormwater throughout urban areas once stormwater reaches a Council-owned asset. This will ensure cohesive maintenance programme and reduce risks of stormwater flooding.
Contribution to community outcomes	<p>Infrastructural service levels</p> <p>Environment/climate change</p>
Major aspect of the service for statement of service provision (including mandatory measures)	<ol style="list-style-type: none"> 1 Compliance with the Council's resource consents for discharge from its stormwater system measured by the number of <ul style="list-style-type: none"> • abatement notices • infringement notices • enforcement orders, and • convictions 2 The number of flooding event that occurred in the District. For each flooding event the number of habitable floors affected (expressed per 1,000 properties connected to the Council's stormwater system). 3 The number of complaints received by the Council about the performance of its stormwater system, expressed per 1,000 properties connected to the Council's stormwater system 4 The median response time to attend a flooding event, measured from the time that the Council receives notification to the time that service personnel reach the site.

Stormwater Drainage

The activity provides a collection and disposal system for surface and, in some instances, sub-surface water through the following urban communities - Bulls, Marton, Taihape, Hunterville, Mangaweka and Ratana. There are also stormwater assets on a smaller scale in communities such as Utiku, Koitiata, and Scotts Ferry.

In addition to the assets owned for the stormwater activity, the roading activity owns assets for drainage of roads, and Horizons Regional Council has an extensive network of detention dams which aim to prevent flooding.

Major Programmes

Year	Programmes
Year 1 (2018/19)	Stormwater Reticulation Renewals and improvements – District-wide <ul style="list-style-type: none"> • Paradise Walkway • Marton Wilson Place • Taihape
Year 2 (2019/2020)	Stormwater Reticulation Renewals and improvements – District-wide <ul style="list-style-type: none"> • Taihape
Year 3 (2020/2021)	Stormwater Reticulation Renewals and improvements – District-wide <ul style="list-style-type: none"> • Taihape
Years 4-10 (2021/2028)	Stormwater Reticulation Renewals and improvements – District-wide – Years 4 - 10

Revised draft - 29 March 2018

Funding Impact Statement – Stormwater

For the years ending 30 June 2018 to 2028

	Annual Plan 2017/2018 \$000's	Budget 2018/2019 \$000's	Forecast 2019/2020 \$000's	Forecast 2020/2021 \$000's	Forecast 2021/2022 \$000's	Forecast 2022/2023 \$000's	Forecast 2023/2024 \$000's	Forecast 2024/2025 \$000's	Forecast 2025/2026 \$000's	Forecast 2026/2027 \$000's	Forecast 2027/2028 \$000's
Sources of Operating Funding											
General rates, uniform annual general charges, rates penalties	-	-	-	-	-	-	-	-	-	-	-
Targeted rates	552	634	694	774	831	904	1,002	1,088	1,188	1,284	1,425
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	2	2	2	2	3	3	3	3	3	3	3
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-	-	-	-	-	-	-
Total Operating Funding (A)	554	636	696	776	834	907	1,005	1,091	1,191	1,287	1,428
Applications of Operating Funding											
Payments to staff and suppliers	227	204	209	216	221	226	230	238	243	251	257
Finance costs	(51)	25	71	115	156	214	280	349	433	489	613
Internal charges and overheads applied	64	113	115	118	120	122	124	127	130	133	136
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	240	342	395	449	497	562	634	714	806	873	1,006
Surplus (deficit) of operating funding (A-B)	314	294	301	327	337	345	371	377	385	414	422
Sources of capital funding											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
increase (decrease) in debt	(44)	965	928	820	1,108	1,006	1,074	999	969	1,142	1,108
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	(44)	965	928	820	1,108	1,006	1,074	999	969	1,142	1,108
Applications of capital funding											
Capital expenditure											
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	470	750	769	786	805	825	902	867	890	914	939
- to replace existing assets	179	508	460	363	641	526	543	510	464	644	592
Increase (decrease) in reserves	(380)	-	-	-	-	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	269	1,258	1,229	1,149	1,446	1,351	1,445	1,377	1,354	1,558	1,531
Surplus (deficit) of capital funding (C-D)	(313)	(293)	(301)	(329)	(338)	(345)	(371)	(378)	(385)	(416)	(423)
Funding Balance ((A-B)+(C-D))	1	1	-	(2)	(1)	-	-	(1)	-	(2)	(1)

Community and Leisure Assets Group of Activities

Providing community facilities that cater for our communities social, recreational and cultural needs.

Rationale	This group of activities provides opportunities for recreational, leisure and cultural pursuits and for social participation and cohesion.
Significant negative effects on the local community	No significant negative effects have been identified for this group of activities
Contribution to community outcomes	<p>Infrastructural service levels</p> <p>Future-looking community facilities</p> <p>Communication/engagement and collaboration</p>
Major aspect of the service for statement of service provision	<p>1 Progressive improvement based on Annual Resident Survey.</p> <ul style="list-style-type: none"> • Public libraries • Public swimming pools • Sports fields and parks • Public toilets • Community buildings • Camping grounds <p>2 Compliance with relevant standards</p> <ul style="list-style-type: none"> • Swim centres • Community housing • Public toilets • Parks <p>3 Number of users of libraries</p> <p>4 Number of users of pools</p> <p>5 Occupancy of community housing</p>

Rangitikei District Council is the main provider of Community and Leisure Assets in the District, however, other facilities such as halls, pools, and sports fields are provided by schools and other community groups.

Some Council owned buildings are leased to other groups. Council remains responsible for these buildings and so they are covered by this group of activities. Some properties contain leases allowing sports clubs and organisations to operate buildings on Council land. These buildings and other lessee improvements are not covered by this Plan.

Parks and Reserves

Council has a network of open spaces, including parks, playgrounds, gardens, trees and reserves that provide a wide range of leisure and recreation opportunities for the community. Since 1 August 2015 when Council took the management of its parks and reserves back in-house and has been working to improve the levels of service with the intention that the parks and reserves become a hub for community well-being. Moving forward, Council intends on maintaining parks and reserves based on Council's Recreational and Reserve Management Plans and the New Zealand Recreation Association Categories and Levels of Service guideline which will ensure the District's parks are developed and maintained to an increasing standard.

This activity involves maintaining parks and sports grounds to ensure provision of quality, safe spaces for recreation and leisure, managing parks and sports grounds bookings, fees and charges and liaising with ground staff to ensure facilities are ready for use, liaising with user groups and undertaking development projects. Key projects include:

- Redevelopment of the Marton B and C Dams. This site was logged in early 2018 and requires a detailed development plan to ensure regeneration requirements can be met. A development plan has been prepared and will be implemented to include a wider scope of environmental enhancement, regeneration and an annual work programme. The funds from the logging are being re-invested into the site.
- Creating a development plan and implementing it for Memorial Park, Taihape will also be a key focus over the coming to create recreational opportunities and linkages between Memorial Park and Papakai Scenic Reserve Taihape. The plan will focus on passive recreation opportunities within these areas.
- Community-led redevelopment of the playground at Memorial Hall, Marton to create a fit-for-purpose modern facility for the town to enjoy.

Community Buildings

Council's key focus is to develop multi-purpose buildings in Bulls, Marton and Taihape. These buildings will have a range of functions – learning and information hubs, service centres, meeting spaces, youth space, and space for social agencies. The multi-purpose buildings will enable Council to provide fit-for-purpose buildings, facilities and services for the local communities, while increasing efficiency for the staffing of the site. Existing buildings will be disposed of, and earthquake-prone building strengthening requirements will be addressed.

The project for Bulls is the most advanced, with design work almost complete. The key issue for moving this project forward is funding. The project is intended to be funded through a mix of Council funding, community fundraising and external grants. However, there have been issues achieving the target for community fundraising and external grants which has delayed the project.

The project for Marton has begun the project planning stage, while the project for Taihape will begin in Year 5 of the Long Term Plan.

Rural Halls

Council owns eight rural halls throughout the District which are managed by voluntary community management committees. The halls service the local communities and are used for a range of local events. The halls are in the process of being made fit-for-purpose due to the support of an external grant by Dudding Trust.

Swimming Pools

Three Swim Centre's in the District are available for public recreation. The facilities in Marton and Taihape are owned by Council, but operated under contract. The facility in Hunterville is community owned, and Council supports the pool through an annual operating grant. The Swim Centre in Marton is open every year for a swim season that runs from the end of September through to the end of April and provides a full size heated indoor 50 meter pool, as well as, and a learners pool. The Marton Swim Centre also offers swimming lessons. The Swim Centre in Taihape is open every year for a swim season that runs from November through to the end of March. The facility contains a heated indoor 25 metre pool, a learner pool and a toddler pool. The Hunterville facility is also open during the summer swim season and provides an unheated outdoor pool.

Libraries

Libraries provide the residents and visitors to the District easy access to information and leisure through a balanced collection of books, materials, and technologies. They are welcoming, safe places that serve the communities educational, leisure and cultural needs, as well as providing a space for social connectedness. This activity provides fully staffed libraries in Bulls, Marton and Taihape, as well as, voluntary libraries in Mangaweka and Hunterville. The proposed community centre in Bulls will increase this service from 5 to 7 days, to align with the Taihape library. Additionally a survey of library use in Marton are being undertaken to better understand the potential demand for a 7 day per week service in Marton.

The Libraries do not charge for issues, over-due books or internet usage. There is expected to be a growth in the range of electronic format resources that will be available through the libraries. Opportunities for the libraries will be through collaboration partnerships with other libraries and agencies and organisations, using technology to provide more services and maximise resources.

Community Housing

Council owns and manages 72 community housing units for older people in Taihape, Marton, Bulls and Ratana. The units are mainly small one bedroom flats suited to single people, with a few double sized flats which provide for couples. The units, while historically experiencing occupancy issues, now have high occupancy. Council is committed in the short term to implement an integrated approach to the delivery of an effective and efficient capital renewal programme. This could include reconfiguration of units to improve functionality, and improve warmth and energy efficiency. It may also include the sale and purchase of property and new builds.

Public Toilets

Council provides, maintains and leases a network of public toilets throughout the District which serve both the local community and visitors. An increased number of visitors to the District, as well as, the increasing standard of Council's parks has consequently increased the demand for toilets in these areas. Community demand for public toilets remains high, and Council will seek to leverage off external funding sources wherever possible.

Cemeteries

Rangitikei District Council has direct management of the following cemeteries throughout the District - Taihape, Mangaweka, Hunterville, Marton (Mount View), Bulls (Clifton), Turakina, Ohingaiti and Ratana. The Ratana community maintains the cemetery as part of its overall maintenance contract for the Township, with the other cemeteries maintained by the Parks Team. Other than ongoing maintenance, there are a number of upcoming projects – the possibility of an eco-burial in Taihape, the extension of a parking area in Taihape, the development of a 100-year extension at Mt View and major tree work as a result of past under-management.

Property

Council owns a number of properties which it uses to support and as part of Council business, or leases out to third parties. Council is in the process of identifying which of these properties are surplus to requirements, and will sell. Campgrounds are Council property that has increasing use and demand from visitors. Campgrounds are provided in Dudding Lake, Koitiata, Scotts Ferry and Mangaweka.

Major Programmes

Year	Programmes	
Year 1 (2018/19)	<p>Parks</p> <ul style="list-style-type: none"> • Parks Upgrade Partnership Fund • Marton B & C Dams – implement the management plan for the B & C Dams • Memorial Hall Playground – community-led upgrade/redevelopment • Memorial Park Taihape – develop and implement a plan to maximise recreational opportunities <p>Community buildings</p> <ul style="list-style-type: none"> • Bulls Community Centre – construction • Marton Civic Centre Development – planning <p>Community housing</p> <ul style="list-style-type: none"> • Refurbishment of housing stock <p>Public toilets</p> <ul style="list-style-type: none"> • Marton – 24/7 toilets installed 	<p>Swimming pools</p> <ul style="list-style-type: none"> • Taihape – re-painting of the pain pool and addition of covers • Marton – re-painting • Section 17A review (because of expiry of current contracts in September 2019) <p>Cemeteries</p> <ul style="list-style-type: none"> • Ratana - hard surface roadway • Mt View – roadway extension Stage I

Year	Programmes	
Year 2 (2019/2020)	<p>Parks</p> <ul style="list-style-type: none"> • Parks Upgrade Partnership Fund • Marton B & C Dams – implement the management plan for the B & C Dams • Memorial Hall Playground – community-led upgrade/redevelopment • Memorial Park Taihape – develop and implement a plan to maximise recreational opportunities <p>Community housing</p> <ul style="list-style-type: none"> • Refurbishment of housing stock <p>Cemeteries</p> <ul style="list-style-type: none"> • Taihape – new carpark 	<p>Community buildings</p> <ul style="list-style-type: none"> • Bulls Community Centre – construction • Marton Civic Centre Development – planning • Memorial Hall - repainting • Swimming pools • Taihape – re-roofing • Marton – new boilers
Year 3 (2020/2021)	<p>Parks</p> <ul style="list-style-type: none"> • Parks Upgrade Partnership Fund • Marton B and C Dams – implement the management plan for the B and C Dams • Memorial Hall Playground – community-led upgrade/redevelopment • Memorial Park Taihape – develop and implement a plan to maximise recreational opportunities • Street Tree Planting - Taihape 	<p>Community buildings</p> <ul style="list-style-type: none"> • Marton Civic Centre Development – construction <p>Swimming pools</p> <ul style="list-style-type: none"> • Taihape – space heating <p>Community housing</p> <ul style="list-style-type: none"> • Refurbishment of housing stock <p>Property</p> <ul style="list-style-type: none"> • Mangaweka - ablution block
Years 4-10 (2021/2028)	<p>Parks</p> <ul style="list-style-type: none"> • Parks Upgrade Partnership Fund • Marton B and C Dams – implement the management plan for the B and C Dams • Memorial Park Taihape – develop and implement a plan to maximise recreational opportunities (Years 4 & 5) • Street Tree Planting – Taihape (Years 4 and 5) 	<p>Community buildings</p> <p>Taihape Community Centre - Planning</p>

Funding Impact Statement – Community and Leisure Assets

For the years ending 30 June 2018 to 2028

	Annual Plan 2017/2018 \$000's	Budget 2018/2019 \$000's	Forecast 2019/2020 \$000's	Forecast 2020/2021 \$000's	Forecast 2021/2022 \$000's	Forecast 2022/2023 \$000's	Forecast 2023/2024 \$000's	Forecast 2024/2025 \$000's	Forecast 2025/2026 \$000's	Forecast 2026/2027 \$000's	Forecast 2027/2028 \$000's
Sources of Operating Funding											
General rates, uniform annual general charges, rates	3,518	3,933	4,132	4,354	4,698	5,064	5,496	5,678	6,007	6,151	6,351
Targeted rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	106	191	195	199	203	208	212	217	223	228	234
Fees and charges	473	489	498	509	520	531	543	556	569	583	598
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees,	-	-	-	-	-	-	-	-	-	-	-
Total Operating Funding (A)	4,097	4,613	4,825	5,062	5,421	5,803	6,251	6,451	6,799	6,962	7,183
Applications of Operating Funding											
Payments to staff and suppliers	3,079	2,185	2,230	2,280	2,329	2,381	2,434	2,493	2,553	2,618	2,686
Finance costs	17	59	142	209	405	620	856	930	1,139	1,112	1,194
Internal charges and overheads applied	439	1,620	1,648	1,677	1,708	1,739	1,773	1,807	1,845	1,883	1,925
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	3,535	3,864	4,020	4,166	4,442	4,740	5,063	5,230	5,537	5,613	5,805
Surplus (deficit) of operating funding (A-B)	562	749	805	896	979	1,063	1,188	1,221	1,262	1,349	1,378
Sources of capital funding											
Subsidies and grants for capital expenditure	2,106	1,031	1,052	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
increase (decrease) in debt	2,331	1,683	1,282	3,929	4,117	3,712	666	2,301	(592)	(650)	(664)
Gross proceeds from sale of assets	1,065	1,065	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	5,502	3,779	2,334	3,929	4,117	3,712	666	2,301	(592)	(650)	(664)
Applications of capital funding											
Capital expenditure											
- to meet additional demand	-	3,513	2,405	4,046	4,519	4,347	1,445	2,843	-	-	-
- to improve the level of service	6,804	190	102	177	106	109	178	182	186	191	196
- to replace existing assets	439	827	429	292	277	283	195	222	204	209	215
Increase (decrease) in reserves	(1,180)	48	305	312	195	37	37	276	280	300	305
Increase (decrease) of investments	-	(50)	(102)	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	6,063	4,528	3,139	4,827	5,097	4,776	1,855	3,523	670	700	716
Surplus (deficit) of capital funding (C-D)	(561)	(749)	(805)	(898)	(980)	(1,064)	(1,189)	(1,222)	(1,262)	(1,350)	(1,380)
Funding Balance ((A-B)+(C-D))	1	-	-	(2)	(1)	(1)	(1)	(1)	-	(1)	(2)

Rubbish and Recycling Group of Activities

To provide sustainable waste management practices that protect public health and the environment for present and future generations.

Rationale	Well managed disposal of waste protects the environment from harm and so sustains the natural environment
Significant negative effects on the local community	There are potentially significant negative effects to community well-being as a result of this activity: <ul style="list-style-type: none"> • People on fixed incomes may find it difficult to meet rising disposal costs. This could result in an increase in fly-tipping.
Contribution to community outcomes	Infrastructural service levels Environment/climate change Future-looking community facilities
Major aspect of the service for statement of service provision	1 Waste to landfill (tonnage) 2 Waste diverted from landfill (tonnage and percentage of total waste)

The rubbish and recycling group of activities is focused on the appropriate disposal of refuse in the District. Under the Waste Minimisation Act 2008, Council has a Waste Management and Minimisation Plan which encourages effective and efficient waste management and minimisation.

Waste Management

This activity includes provision of waste transfer stations across the District to enable residents to dispose of their waste in a safe and convenient manner. Waste transfer stations are maintained under contract at Bulls, Marton, Ratana, Taihape, Hunterville and Mangaweka. Private industry collects kerbside rubbish bags in all major towns throughout the District. Rubbish bags are purchased from supermarkets and dairies. This activity also includes actively monitoring four closed landfills in Crofton, Bulls, Ratana and Hunterville for compliance with current closed landfill consents.

Waste Minimisation

This activity covers the provision of services to encourage the community to reduce waste. Currently, Council offers a range of waste minimisation initiatives/facilities, mainly through recycling on paper, plastics, glass and green waste at its waste transfer stations (although not all waste transfer stations offer all recycling services). In addition, Council funds a small education programme – schools may choose to participate in the Zero Waste initiative, or a broader sustainability programme through Enviroschools.

Major Programmes

Year	Project
Year 1 (2018/19)	Green waste acceptance – Ratana and Hunterville Section 17A review (because of expiry of current contract, November 2019)
Year 2 (2019/20)	<i>No major projects</i>
Year 3 (2020/2021)	<i>No major projects</i>
Years 4-10 (2021/2028)	Waste Management and Minimisation Plan review (Year 5)

Revised draft - 29 March 2019

Funding Impact Statement – Rubbish and recycling

For the years ending 30 June 2018 to 2028

	Annual Plan	Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Sources of Operating Funding											
General rates, uniform annual general charges, rates penalties	110	131	133	136	139	142	145	148	152	155	159
Targeted rates	525	617	1,079	1,108	1,130	1,154	1,181	1,207	1,234	1,265	1,291
Subsidies and grants for operating purposes	47	-	-	-	-	-	-	-	-	-	-
Fees and charges	393	504	514	525	536	548	560	573	587	601	617
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-	-	-	-	-	-	-
Total Operating Funding (A)	1,075	1,252	1,726	1,769	1,805	1,844	1,886	1,928	1,973	2,021	2,067
Applications of Operating Funding											
Payments to staff and suppliers	1,060	1,092	1,558	1,593	1,626	1,662	1,698	1,739	1,780	1,825	1,872
Finance costs	(33)	1	3	5	5	4	4	4	5	4	4
Internal charges and overheads applied	62	120	123	125	127	130	133	135	138	141	145
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	1,089	1,213	1,684	1,723	1,758	1,796	1,835	1,878	1,923	1,970	2,021
Surplus (deficit) of operating funding (A-B)	(14)	39	42	46	47	48	51	50	50	51	46
Sources of capital funding											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	(1)	411	27	(8)	(8)	(7)	(7)	(7)	(7)	(7)	(7)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	(1)	411	27	(8)	(8)	(7)	(7)	(7)	(7)	(7)	(7)
Applications of capital funding											
Capital expenditure											
- to meet additional demand	30	60	33	-	-	-	-	-	-	-	-
- to improve the level of service	-	354	-	-	-	-	-	-	-	-	-
- to replace existing assets	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in reserves	(45)	35	35	40	40	41	43	43	43	46	41
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	(15)	449	68	40	40	41	43	43	43	46	41
Surplus (deficit) of capital funding (C-D)	14	(38)	(41)	(48)	(48)	(48)	(50)	(50)	(50)	(53)	(48)
Funding Balance ((A-B)+(C-D))	-	1	1	(2)	(1)	-	1	-	-	(2)	(2)

Environmental and Regulatory Services Group of Activities

The provision of a legally compliant service as part of Council's role in protecting public safety throughout the District.

Rationale	Environmental and Regulatory services are often statutory and contribute to both personal and public health and safety. Council seeks to deliver an efficient service.
Significant negative effects on the local community	No significant negative effects have been identified for this group of activities
Contribution to community outcomes	Regulatory performance Economic development
Major aspect of the service for statement of service provision	<ol style="list-style-type: none"> 1 Timeliness of processing building consents, resource consents 2 Possession of relevant authorisations from central government 3 Timeliness of response to requests for service - animal control and environmental health

The Environmental and Regulatory Group of Activities is concerned with the regulatory functions of Council. It comprises the following separate activities – animal control, building control, planning control, other regulatory functions.

This group of activities operates in a reactive environment. This means that the workload is unpredictable and yet it is one that needs to be able to respond quickly to requests for services. There are often statutory deadlines to meet and much of the work is prescribed by legislation.

Rangitikei has taken a minimalistic approach to regulatory matters – to have a complaint-based enforcement strategy focused on issue resolution. There are a small number of exceptions where it is most cost effective to move straight to enforcement and not waste resources attempting reconciliation or accommodation.

Animal Control

This activity involves administering a range of legislation - the Dog Control Act 1996, Impounding Act 1955 regulations, Dog Control Policy, Control of Dogs Bylaw. The service operates 24 hours, 7 day a week, focusing on ensuring dogs are registered and controlled throughout the District, delivering dog owner education, impounding nuisance, surrendered or unregistered animals and wandering stock for collection by owners, rehoming or destruction, classifying the District's menacing and dangerous dogs and maintaining Council's National Dog database interface. The Rangitikei District provides the animal control service to Manawatu District Council.

Building Control

This activity involves processing building consent applications for compliance with the Building Act, issuing code compliance certificates, undertaking inspections during construction and providing advice and information. We also monitor swimming pool and spa pool fencing for compliance and specified systems in commercial and public

buildings. A key aspect of this service is maintaining accreditation as a Building Consent Authority which is assessed every two years. Council intends on implementing the GoShift initiative which will enable the processing of building consents online.

Planning Control

This activity involves implementing the Rangitikei District Plan by - processing resource consents, providing planning advice to all customers, ensuring information about the resource consent application process, are up to date and easily accessible via Council's website, providing input into the approval of liquor licenses and assessing building consents to ensure they meet the provisions of the District Plan.

The activity also involves conducting a review of the District Plan every 10 years, conducting a review of the state of the District's environment every five years, processing private plan change requests and notices of requirements for designations. A yearly requirement is to provide data on this activity for the Ministry of the Environment National Monitoring System.

Other Regulatory Functions

This activity seeks to keep residents, visitors and the environment safe by monitoring, mitigating and minimising potential harmful activities. This activity involves registered and licenced premises control, noise control, hazardous substances, litter, LIMs (Land Information Memoranda), bylaw enforcement, vermin, communicable diseases, control of amusement devices, abandoned vehicles and food control. It involves administering a range of legislation - Health Act 1956, Food Act 2014, Resource Management Act 1991, Amusement Devices Regulations 1978, the Hazardous Substances and New Organisms Act 1996, the Gambling Act 2003 and the Racing Act 2003.

Major Programmes

Year	Programmes
Year 1 (2018/19)	Review of Efficiency and Effectiveness of the Rangitikei District Plan Implementation of the GoShift initiative (i.e. electronic processing of building consents) Implementation of the Building (earthquake-prone buildings) Amendment Act
Year 2 (2019/2020)	Building Accreditation Reassessment Implementation of the Building (earthquake-prone buildings) Amendment Act
Year 3 (2020/2021)	<i>No major projects</i> Implementation of the Building (earthquake-prone buildings) Amendment Act
Years 4-10 (2021/2028)	District Plan Review Implementation of the Building (earthquake-prone buildings) Amendment Act

Funding Impact Statement – Environment and regulatory

For the years ending 30 June 2018 to 2028

	Annual Plan 2017/2018 \$000's	Budget 2018/2019 \$000's	Forecast 2019/2020 \$000's	Forecast 2020/2021 \$000's	Forecast 2021/2022 \$000's	Forecast 2022/2023 \$000's	Forecast 2023/2024 \$000's	Forecast 2024/2025 \$000's	Forecast 2025/2026 \$000's	Forecast 2026/2027 \$000's	Forecast 2027/2028 \$000's
Sources of Operating Funding											
General rates, uniform annual general charges, rates penalties	790	1,185	1,204	1,222	1,243	1,290	1,312	1,224	1,247	1,269	1,294
Targeted rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	950	671	686	700	715	732	748	766	785	805	826
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	6	305	312	319	326	333	341	349	358	367	377
Total Operating Funding (A)	1,746	2,161	2,202	2,241	2,284	2,355	2,401	2,339	2,390	2,441	2,497
Applications of Operating Funding											
Payments to staff and suppliers	1,256	405	414	424	434	443	452	464	475	489	501
Finance costs	(33)	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	477	1,755	1,786	1,818	1,851	1,912	1,949	1,876	1,914	1,954	1,997
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	1,700	2,160	2,200	2,242	2,285	2,355	2,401	2,340	2,389	2,443	2,498
Surplus (deficit) of operating funding (A-B)	46	1	2	(1)	(1)	-	-	(1)	1	(2)	(1)
Sources of capital funding											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
increase (decrease) in debt	-	-	-	-	-	-	-	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in reserves	45	-	-	-	-	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	45	-	-	-	-	-	-	-	-	-	-
Surplus (deficit) of capital funding (C-D)	(45)	-	-	-	-	-	-	-	-	-	-
Funding Balance ((A-B)+(C-D))	1	1	2	(1)	(1)	-	-	(1)	1	(2)	(1)

Community Well-being Group of Activities

To develop a culture of collaboration and partnership between agencies, organisations, communities and individuals to deliver community well-being to the District

Rationale	This group of activities is concerned with those activities where collaboration and partnerships can deliver more benefits than individual action alone.
Significant negative effects on the local community	No significant negative effects have been identified for this group of activities
Contribution to community outcomes	Economic Development Communication/Engagement and Collaboration Resilience
Major aspect of the service for statement of service provision	<ol style="list-style-type: none"> 1 Partners' views of how useful Council's initiatives and support has been 2 Rangitikei District's GDP growth compared to the average of similar districts economies 3 Rangitikei District's earnings data (salaries, wages, self-employed income) growth compared to the average of similar districts. 4 The number of visits and unique visits to Rangitikei.com 5 A greater proportion of young people living in the District are attending local schools 6 Partners' view of how useful Council's activity in youth space facilitation and advocacy has been. 7 Timing of self-assessment when the Emergency Operations Centre is activated and of continued civil defence training exercises.

The Community well-being group of activities includes – community partnerships, economic development and district promotion, youth development, information centres, and emergency management and rural fire.

Community Partnerships

Council seeks to create collaborative partnerships with key agencies and stakeholders in the District which add value to the contribution from Council and ratepayers. The collaboration will occur where Council sees the benefits of greater outcomes which could be achieved as a result of collaboration. This collaboration will be targeted and will involve partnerships, relationship development and joint projects. Key partnership activities include:

- The administration of grant schemes and support for the Council-appointed Assessment Committees, both those schemes funded by Council (Community Initiatives Fund and Events Sponsorship Scheme) and those funded by central government (Creative Communities Fund and Sport New Zealand's Rural Travel Fund).
- The ongoing support for memorandum of understanding agreements with local agencies/trusts in Bulls, Marton and Taihape.
- Joint support with other local authorities for regional facilities that provide benefits to the wider region.

Economic Development and District Promotion

Increasing economic growth is important for improving the quality of life for residents in the Rangitikei. New or expanding businesses often create employment opportunities for local residents and may encourage skilled workers into the District. Providing local employment for residents and increasing the number of residents in the District supports existing businesses and can lead to residential development which in turn provides for employment opportunities. Economic development can be supported by district promotion activities by building a reputation for the District that it is a good place to live, work and visit.

Council's role in economic development could make a substantial contribution to the District's economic success. However, engagement with stakeholders and effective collaboration with regional partners (such as CEDA, Whanganui & Partners, and Accelerate 25) and iwi/hapu is essential for cross-border and cross-sector growth. Specifically, Council will be involved in the following areas:

- To add following consultation.

To ensure Council effectively delivers these priorities an Economic Development Action Plan will be developed and regularly monitored.

Some of the economic development outcomes are complemented by its community partnership activity, specifically the Memorandum of Understanding with the partnering organisations in Marton, Bulls and Taihape.

Youth Development

Council acts as a necessary party in the provision of youth development and engagement within the District. Since 2017, Council has focused its efforts in a different approach for the delivery of youth services, emphasising the involvement of agencies and volunteers, with two part-time co-ordinators – one in Taihape and one in Marton. During the review it was noted that no external funding had been secured to supplement Council's funding, which led to the conclusion that the administration of Youth Development be centralised, youth spaces made more effective, and stronger engagement secured from volunteers, with the option for a single weekly event across the District. The appointment of a full-time youth co-ordinator is currently being considered.

The full-time youth co-ordinator's role will be to work in collaboration with partnering organisations and agencies, and that all programmes are to be practical in nature; setting out to contribute to both the retention and development of local youth. In-turn, the provision of such services requires Council to act as facilitators of the youth spaces (Marton, Bulls and Taihape) and advocates in support of youth issues. Youth spaces therefore have a mandate to facilitate a safe and relevant community space, to act as a gateway for skills and social development, to improve educational, training and employment access, and for improving access for youth related social services. This approach not only allows for the above, but also as a complimentary pathway into economic development; providing young talent pools with access to local recruiters.

Information Centres

Council provides information centres in Taihape, Marton and Bulls. The centres showcase the District, by providing a range of information on local attractions and events for visitors to the District and for residents. The changing face of the industry is resulting in a need for our visitor centres to investigate (and implement) other means of information delivery and communication technologies. There are opportunities for collaboration with other agencies and organisations e.g. Department of Conservation.

Emergency Management

The Rangitikei District Council is an active member of the Manawatu-Wanganui Civil Defence Emergency Management Group as required by the Civil Defence Emergency Management Act 2002. The Group is a consortium of the local authorities in this region with the vision to *“build a resilient and safer region with communities understanding and managing their hazards and risks”*. The Group maintains a Plan that considers all phases of emergency, reduction, readiness, response and recovery. A business plan is also managed by the Group with each of the member councils contributing to achieving the goals of the Group. The Group has adopted a philosophy of centralised coordination and local delivery and works closely with emergency service, welfare agencies and other strategic partners for effective and comprehensive emergency management. The group plan is supported by community response plans which detail specific responses for local communities in the event of an emergency.

Major Programmes

Year	Programmes
Year 1 (2018/19)	<p>Community partnerships</p> <ul style="list-style-type: none"> • Contract with local organisations to develop and deliver events, activities and projects to enliven the towns and District. • Contract with local organisations to provide a range of information, such as: <ul style="list-style-type: none"> • Up-to-date calendar of events, and • Community newsletters <p>Economic development and district promotion</p> <ul style="list-style-type: none"> • Management of Rangitikei.com • Development of Rangitikei Economic Development Strategy • Implementation of Economic Development Strategy <p>Youth development</p> <ul style="list-style-type: none"> • Youth Committee and networking meetings • Ongoing facilitation of the Youth Zones in Taihape, and Marton. <p>Emergency management</p> <ul style="list-style-type: none"> • Civil Defence – increasing the District’s resilience
Year 2 (2019/2020)	<p>Community partnerships</p> <ul style="list-style-type: none"> • Contract with local organisations to develop and deliver events, activities and projects to enliven the towns and District. • Contract with local organisations to provide a range of information, such as: <ul style="list-style-type: none"> • Up-to-date calendar of events, and • Community newsletters <p>Economic development and district promotion</p> <ul style="list-style-type: none"> • Management of Rangitikei.com

Year	Programmes
	<ul style="list-style-type: none"> • Implementation of Economic Development Strategy <p>Youth Development</p> <ul style="list-style-type: none"> • Youth Committee and networking meetings • Establishment of a Youth Zone in Bulls • Ongoing facilitation of the Youth Zones in Taihape, and Marton. <p>Emergency management</p> <ul style="list-style-type: none"> • Civil Defence – increasing the District’s resilience
Year 3 (2020/2021)	<p>Community partnerships</p> <ul style="list-style-type: none"> • Contract with local organisations to develop and deliver events, activities and projects to enliven the towns and District. <p>Economic development and district promotion</p> <ul style="list-style-type: none"> • Management of Rangitikei.com • Implementation of Economic Development Strategy <p>Youth Development</p> <ul style="list-style-type: none"> • Youth Committee and networking meetings • Ongoing facilitation of the Youth Zones in Bulls, Taihape, and Marton. <p>Emergency management</p> <ul style="list-style-type: none"> • Civil Defence – increasing the District’s resilience
Years 4-10 (2021/2028)	<p>Community partnerships</p> <ul style="list-style-type: none"> • Contract with local organisations to develop and deliver events, activities and projects to enliven the towns and District. • Contract with local organisations to provide a range of information, such as: <ul style="list-style-type: none"> • Up-to-date calendar of events, and • Community newsletters <p>Economic development and district promotion</p> <ul style="list-style-type: none"> • Management of Rangitikei.com • Implementation of Economic Development Strategy <p>Youth Development</p> <ul style="list-style-type: none"> • Youth Committee and networking meetings • Ongoing facilitation of the Youth Zones in Bulls, Taihape, and Marton. <p>Emergency management</p> <ul style="list-style-type: none"> • Civil Defence – increasing the District’s resilience

Funding Impact Statement – Community well-being

For the years ending 30 June 2018 to 2028

	Annual Plan 2017/2018 \$000's	Budget 2018/2019 \$000's	Forecast 2019/2020 \$000's	Forecast 2020/2021 \$000's	Forecast 2021/2022 \$000's	Forecast 2022/2023 \$000's	Forecast 2023/2024 \$000's	Forecast 2024/2025 \$000's	Forecast 2025/2026 \$000's	Forecast 2026/2027 \$000's	Forecast 2027/2028 \$000's
Sources of Operating Funding											
General rates, uniform annual general charges, rates penalties	1,198	1,502	1,532	1,562	1,594	1,627	1,662	1,698	1,737	1,778	1,821
Targeted rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	138	51	52	53	55	56	57	59	60	62	63
Fees and charges	45	13	13	14	14	14	15	15	15	16	16
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	32	32	33	34	34	35	36	37	38	39
Total Operating Funding (A)	1,381	1,598	1,629	1,662	1,697	1,731	1,769	1,808	1,849	1,894	1,939
Applications of Operating Funding											
Payments to staff and suppliers	1,184	946	966	990	1,011	1,034	1,056	1,083	1,109	1,140	1,170
Finance costs	1	1	1	1	1	1	1	1	1	1	1
Internal charges and overheads applied	183	648	659	670	682	695	708	721	735	751	767
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	1,368	1,595	1,626	1,661	1,694	1,730	1,765	1,805	1,845	1,892	1,938
Surplus (deficit) of operating funding (A-B)	13	3	3	1	3	1	4	3	4	2	1
Sources of capital funding											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
increase (decrease) in debt	(2)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	(2)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Applications of capital funding											
Capital expenditure											
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	-	-	-	-	-	-	-	-	-	-	-
- to replace existing assets	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in reserves	10	3	3	3	3	3	3	3	3	3	3
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	10	3	3	3	3	3	3	3	3	3	3
Surplus (deficit) of capital funding (C-D)	(12)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)
Funding Balance ((A-B)+(C-D))	1	(1)	(1)	(3)	(1)	(3)	-	(1)	-	(2)	(3)

Statement of Service Provision

The long-term plan must include, in relation to each group of activities of the Council, a statement of the intended levels of service provision. This statement must include performance measures. As in the 2015-25 Long-Term Plan, Council wants to focus on the “big picture”, whether in areas where it is intending to undertake major programmes, or in areas where the ratepayer expects to have a good, minimum standard of service on a day-to-day basis

The Government’s requirement for all councils to report on a set of performance measures for roading, water, wastewater, stormwater and flood protection was a significant change for the 2015-25 Long Term Plan. This recognises the large investment of ratepayer funds into these crucial facilities and the Government’s wish for itself – and the communities served by local government – to compare the way in which these services are provided, in particular the responsiveness to issues raised by the public and the wise use of resources. A number of these measures, particularly those assessing customer satisfaction (through the time to respond to faults) and compliance with resource consents were already part of Council’s performance framework.¹⁷

Three measures call for comment

- Measuring the loss of water from the networks, reflecting the Government’s concern that water resources are carefully managed, is not straightforward in the Rangitikei as most consumers are not metered. However, there is a specified sampling system which will give a reasonably reliable estimate (and thus point to areas where on-site analysis needs to be undertaken).
- Measuring the average consumption of drinking water per day per resident does not distinguish between different uses. Rangitikei’s consumption is likely to be higher than in urban districts because of the comparatively high incidence of industrial and agricultural use of supply. However, since such consumers are measured, it is feasible to provide a secondary measure which more accurately represents domestic consumption.
- Timeliness in responding to and resolving faults in the Council’s wastewater/sewerage system does not distinguish between urgent and non-urgent matters, as is the case in the mandatory measure for water

Inevitably, the mandatory measures must focus on aspects of managing infrastructure which every council does. This means some significant services unique to rural councils are omitted. To provide a more balanced perspective on its performance, Council is also measuring (and reporting on) the percentage of the unsealed road network which is re-metalled during the year and the way the rural water supply schemes are managed in terms of time to respond to and resolve unplanned interruptions. It has not proved feasible to measure water loss in rural schemes so that measure (included in the 2015-25 Long Term Plan) has been removed. In addition, the outcomes of ongoing monitoring of consent compliance with wastewater discharges are included: the mandatory measure is confined to formal action taken by Horizons Regional Council.

The performance framework used in the 2015-25 Long-Term Plan for non-infrastructure activities continues with minor exceptions. This means Council’s performance with previous years is clearly evident. Annual surveys of residents provide useful commentaries on the provision of facilities and services and will continue with these on the following basis:

- use an online response mechanism

¹⁷ The mandatory measures are asterisked in the following analysis.

- include both a satisfaction rating and a 'better/same/worse' score-card approach¹⁸
- use the electoral role to identify 4,000 potential respondents and alert them to the online survey by mail

The reporting allows for significant improvement in one year not to detract from further improvement in subsequent years by accepting a 10% improvement as the achievement threshold. Measuring use of staffed facilities (i.e. libraries and pools) by quantitative data will continue.

New measures are marked with #.

The CouncilMARK assessment published in October 2017, while acknowledging that Council has introduced some measures tailored to its specific circumstances, considered that the Council 'does not have a performance measurement framework that meet best practice in terms of having a good balance of quality, timeliness and value for money measures'. The mandatory measures require councils to consider both quality and timeliness, but do not address value for money – i.e. the balance between effectiveness and cost. Two possibilities are being investigated. The Annual Residents Survey already gains views on the importance of various aspects of services – e.g. outreach services in libraries compared with provision of online services or the purchase of printed books and magazines. Including the costs would allow residents to share their views on the respective value for money. This will be an aggregated measure under Community Leadership. The use of benchmarking data is also under consideration.

The CouncilMARK assessment specifically recommended introducing additional quality measures which would increase levels of confidence in the condition and location of its infrastructure assets. However, such measures are not being introduced at this time. Condition assessment of the roading network is done every two years – Rangitikei's is a low-volume network whose condition does not change much. It isn't feasible to undertake a regular condition assessment across the 3 waters assets; however, based on information in AssetFinda and staff knowledge, there are renewals/upgrades in particular network which are being targeted. This programme will be reflected in fewer faults and callouts.

As has been the case in earlier years, reporting of the statement of service provision in the Annual Report will be supplemented by internal management measures and other highlights noted in the monthly activity reports. Quarterly statements of service performance are provided to Council

¹⁸ Satisfaction ratings are aggregated in the Community Leadership group of activities.

Community Leadership Group of Activities

Level of Service	Measurements and Targets
Council's intended Level of Service is to:	<p>Make decisions that are robust, fair, timely, legally compliant and address critical issues, and that are communicated to the community and followed through</p> <p>Value for money</p>
Performance measure	On-time completion of, or substantially undertaken annual plan actions
<i>How we will measure/benchmark</i>	<p>Council records</p> <p>2016/17 results:</p> <ul style="list-style-type: none"> • Annual plan actions - 80% • Community Leadership - 77% • Roading - 95% • Water Supply - 45% • Wastewater - 38% • Stormwater - 61% • Community and Leisure Assets - 61% • Rubbish and Recycling - 94% • Environmental and Regulatory - 100% • Community Well-Being - 91%
<i>Year 1</i>	<p>90% - Annual plan actions</p> <p>83% - Each group of activities</p>
<i>Year 2</i>	<p>92% - Annual plan actions</p> <p>85% - Each group of activities</p>
<i>Year 3</i>	<p>94% - Annual plan actions</p> <p>88% - Each group of activities</p>
<i>Years 4-10</i>	By 2028, the capital and renewal works required for roading, network utilities and leisure and community assets have been achieved in an affordable and sustainable programme
Performance measure	Completion of capital programme
<i>How we will measure</i>	<p>Council records</p> <p>2016/17 results:</p> <p>Achievement of planned capital programme – 42%</p> <p>Roading – 85%</p>

Level of Service	Measurements and Targets
	Water – 25% Sewerage – 14% Stormwater – 14% Community and Leisure – 13%
<i>Year 1</i>	85% - planned capital programme 70% - All network utilities groups of activities
<i>Year 2</i>	85% - planned capital programme 70% - All network utilities groups of activities
<i>Year 3</i>	85% - planned capital programme 70% - All network utilities groups of activities
<i>Years 4-10</i>	By 2028, the capital and renewal works required for roading, network utilities and leisure and community assets have been achieved in an affordable and sustainable programme
Performance measure (new)	#Satisfaction
<i>How we will measure</i>	Annual Residents Survey 2016/17 results: Roading – 6% very satisfied, 30% neutral Water – 11% very satisfied, 19% neutral Wastewater – 15% very satisfied, 18% neutral Parks and sports fields – 12% very satisfied, 29% neutral Community buildings – 5% very satisfied 41% neutral Halls – 6% very satisfied, 37% neutral Pools – 15% very satisfied, 29% neutral Libraries – 23% very satisfied, 20% neutral. (Mean – 12% very satisfied, 28% neutral)
<i>Year 1</i>	Increase in percentage of ‘very satisfied’ and decrease in percentage of ‘neutral’ compared with the benchmark
<i>Year 2</i>	Increase in percentage of ‘very satisfied’ and decrease in percentage of ‘neutral’ compared with the benchmark
<i>Year 3</i>	Increase in percentage of ‘very satisfied’ and decrease in percentage of ‘neutral’ compared with the benchmark
<i>Years 4-10</i>	Increase in percentage of ‘very satisfied’ and decrease in percentage of ‘neutral’ compared with the benchmark
Performance measure (new)	#Value for money
<i>How we will measure</i>	Benchmarking with other councils

Level of Service	Measurements and Targets
	Supplementary question in annual residents survey
Year 1	To be defined
Year 2	
Year 3	
Years 4-10	
Performance measure (new)	#Effectiveness of communication
<i>How we will measure</i>	<p>Annual Residents Survey</p> <p>2016/17 results:</p> <ul style="list-style-type: none"> • Phone – 17% very satisfied, 36% neutral • Council website – 13% very satisfied, 35% neutral • Social media – 11% very satisfied, 57% neutral • Library/information centre – 14% very satisfied, 45% neutral • Rangitikei Line – 5% very satisfied, 71% neutral • Local newspapers – 14% very satisfied, 30% neutral • In person – 17% very satisfied, 42% neutral
Year 1	Increase in percentage of 'very satisfied' and decrease in percentage of 'neutral' compared with the benchmark
Year 2	Increase in percentage of 'very satisfied' and decrease in percentage of 'neutral' compared with the previous year
Year 3	Increase in percentage of 'very satisfied' and decrease in percentage of 'neutral' compared with the previous year
Years 4-10	Increase in percentage of 'very satisfied' and decrease in percentage of 'neutral' compared with the previous year
Performance measure (new)	#Maori responsiveness framework
<i>How we will measure</i>	<p>Satisfaction ratings from each member of Te Roopu Ahi Kaa about the effectiveness of the framework – annual survey in April.</p> <ul style="list-style-type: none"> • Governance and relationships • Culture and identity • Prosperity and well-being • Resources and infrastructure
Year 1	Improved satisfaction from the previous year
Year 2	Improved satisfaction from the previous year
Year 3	Improved satisfaction from the previous year

Level of Service	Measurements and Targets
<i>Years 4-10</i>	Improved satisfaction from the previous year
Performance measure (new)	#Engagement with sector excellence programmes
<i>How we will measure</i>	Results from surveys engaged in and improvement actions undertaken
<i>Year 1</i>	Improved survey ratings Percentage of suggested improvements completed or under action
<i>Year 2</i>	Improved survey ratings Percentage of suggested improvements completed or under action
<i>Year 3</i>	Improved survey ratings Percentage of suggested improvements completed or under action
<i>Years 4-10</i>	Improved survey ratings Percentage of suggested improvements completed or under action

Roading and Footpath Group of Activities

Council's intended Level of Service is to:	Provide a sustainable roading network which is maintained in accordance with each road's significance for local communications and the local economy, taking into account the one Roading Network Classification and funding subsidies
Performance measure (* mandatory)	*Road condition The average quality of ride on a sealed local road network measured by smooth travel exposure
<i>How we will measure</i>	The process defined in the Council's agreement with NZTA (NAASRA roughness counts) 2016/17 results: <ul style="list-style-type: none"> • 97%
<i>Year 1</i>	97%
<i>Year 2</i>	97%
<i>Year 3</i>	97%
<i>Years 4-10</i>	97% The One Network Road Classification may impact on this measure.
Performance measure (* mandatory)	*Road maintenance

	The percentage of the sealed road network that is resurfaced
<i>How we will measure</i>	Council and contractor records 2016/17 results: <ul style="list-style-type: none"> • Resealing - 57.16 km • Rehabilitation - 3.376 km The network has 796 km of sealed roads.
<i>Year 1</i>	8%
<i>Year 2</i>	8%
<i>Year 3</i>	8%
<i>Years 4-10</i>	8% The One Network Road Classification may impact on this measure
Performance measure	The percentage of the unsealed road network which is re-metalled during the year
<i>How we will measure</i>	Council and contractor records At least 75% of network re-metalled each year– 12,000m ³ 2016/17 results: <ul style="list-style-type: none"> • 73.7%
<i>Year 1</i>	At least 75%
<i>Year 2</i>	At least 75%
<i>Year 3</i>	At least 75%
<i>Years 4-10</i>	At least 75%
Performance measure (* mandatory)	*Footpaths The percentage of footpaths within the District that fall within the level of service or service standard for the condition of footpaths that is set out in the Council’s relevant document (such as its annual plan, activity management plan, asset management plan, annual works programme or long-term plan)
<i>How we will measure</i>	A five point grading system to rate footpath condition ¹⁹ based on visual inspections <ul style="list-style-type: none"> 8 Excellent 9 Good

¹⁹ Such as that developed by Opus International Consultants.

	<p>10 Fair 11 Poor 12 Very Poor</p> <p>Footpaths will be assessed in approximately 100 metre lengths.</p> <p>The sample of non-CBD footpaths will include 10 lengths in each of Bulls, Marton and Taihape, and 4 lengths in Mangaweka, Hunterville and Ratana.</p> <p>The assessments will normally be conducted in November and May of each year.</p> <p>2016/17 results:</p> <ul style="list-style-type: none"> 96.2% of all footpaths are grade 3 or higher
<i>Year 1</i>	<p>At least 80% of footpath lengths in CBD areas in Bulls, Marton, Hunterville and Taihape are at grade 3 or higher</p> <p>At least 75% of sampled footpaths lengths outside CBD areas are at grade 3 or higher</p> <p>At least 90% of sampled footpaths assessed at grade 5 are included in upgrade programme during the following two years.</p>
<i>Year 2</i>	<p>At least 80% of footpath lengths in CBD areas in Bulls, Marton, Hunterville and Taihape are at grade 3 or higher</p> <p>At least 75% of sampled footpaths lengths outside CBD areas are at grade 3 or higher</p> <p>At least 90% of sampled footpaths assessed at grade 5 are included in upgrade programme during the following two years.</p>
<i>Year 3</i>	<p>At least 80% of footpath lengths in CBD areas in Bulls, Marton, Hunterville and Taihape are at grade 3 or higher</p> <p>At least 75% of sampled footpaths lengths outside CBD areas are at grade 3 or higher</p> <p>At least 90% of sampled footpaths assessed at grade 5 are included in upgrade programme during the following two years.</p>
<i>Years 4-10</i>	<p>At least 85% of footpath lengths in CBD areas in Bulls, Marton, Hunterville and Taihape are at grade 3 or higher</p> <p>At least 75% of sampled footpaths lengths outside CBD areas are at grade 3 or higher</p> <p>At least 90% of sampled footpaths assessed at grade 5 are included in upgrade programme during the following two years.</p>
Performance measure (* mandatory)	<p>*Road safety</p> <p>The change from the previous financial year in the number of fatalities and serious injury²⁰ crashes on the local road network expressed as a number</p>
<i>How we will measure</i>	<p>Police records of crashes on the Council's roading network</p> <p>2016/17 results (12 months ending 31 March 2017):</p> <ul style="list-style-type: none"> Fatal crashes: 0 Serious injury crashes: 10
<i>Year 1</i>	No change or a reduction from previous year

²⁰ "Serious injury" is not defined in the Rules or associated guidance from the Department of Internal Affairs. At a minimum it is likely to cover all injuries requiring admission to hospital for treatment.

<i>Year 2</i>	No change or a reduction from previous year
<i>Year 3</i>	No change or a reduction from previous year
<i>Years 4-10</i>	No change or a reduction from previous year
Council's intended Level of Service is to:	Be responsive to community expectations over the roading network and requests for service
Performance measure	Adequacy of provision and maintenance of footpaths, street-lighting and local roads (annual survey)
<i>How we will measure</i>	Annual Resident survey 2016/17 results: <ul style="list-style-type: none"> • Better than last year – 22% • About the same as last year – 65% • Worse than last year – 13.5%
<i>Year 1</i>	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council's service is getting better
<i>Year 2</i>	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council's service is getting better
<i>Year 3</i>	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council's service is getting better
<i>Years 4-10</i>	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council's service is getting better
Performance measure (* mandatory)	*Response to service requests The percentage of customer service requests relating to roads and footpaths to which the territorial authority responds within the time frame specified in the long-term plan. Note: Council measures resolution as well as initial attendance in response to such requests.
<i>How we will measure</i>	Contractor and Council records of requests for service. Specified standard: <ul style="list-style-type: none"> • After-hours callouts - 95% responded to within 12 hours • Working hours callouts - 95% responded to within 6 hours • Resolution - 85% of all callouts resolved (i.e. completed) within one month of the request. • Specific reference to callouts relating to potholes 2016/17 results: <ul style="list-style-type: none"> • After-hours callouts – 85% • Working hours callouts – 72% • Resolution – 70%
<i>Year 1</i>	Meeting or exceeding specified standard

Year 2	Meeting or exceeding specified standard
Year 3	Meeting or exceeding specified standard
Years 4-10	Meeting or exceeding specified standard

Water Supply Group of Activities

Council's intended Level of Service is to:	Provide a safe and compliant supply of drinking water
Performance measure (* mandatory)	<p>*Safety of drinking water</p> <p>The extent to which the Council's drinking water supply complies with—</p> <ul style="list-style-type: none"> • part 4 of the drinking water standards (bacteria compliance criteria) • part 5 of the drinking water standards (protozoa compliance criteria)
<i>How we will measure</i>	<p>Routine sampling and testing ²¹</p> <p>Water Outlook</p> <p>2016/17 results:</p> <ul style="list-style-type: none"> • None of the treatment plants are compliant due to sampling issues. All distribution zones compliant bacterially (no E. coli present). • The required catchment risk assessments have been made for the sources supplying all treatment plants (except Rātana¹⁷) and the treatment processes implemented at all treatment plants are in line with the Drinking Water Standards. However, monitoring information through Water Outlook was insufficient to demonstrate protozoa compliance at any of the treatment plants.
Year 1	No incidents of non-compliance
Year 2	No incidents of non-compliance
Year 3	No incidents of non-compliance
Years 4-10	No incidents of non-compliance
Performance measure	Compliance with resource consents
<i>How we will measure</i>	<p>Inspection reports from Horizons for the various water supplies.</p> <p>2016/17</p>

²¹ This is currently done on a weekly basis by Environmental Laboratory Services in Gracefield.

	<ul style="list-style-type: none"> • One incidence of non-compliance
<i>Year 1</i>	No incidents of non-compliance
<i>Year 2</i>	No incidents of non-compliance
<i>Year 3</i>	No incidents of non-compliance
<i>Years 4-10</i>	No incidents of non-compliance
Council's intended Level of Service is to:	Provide reliable and efficient urban water supplies
Performance measure	Number of unplanned water supply disruptions affecting multiple properties
<i>How we will measure</i>	<p>Council's request for service system.</p> <p>2016/17 results:</p> <ul style="list-style-type: none"> • Unplanned disruptions - 0
<i>Year 1</i>	No unplanned water supply disruptions affecting multiple properties
<i>Year 2</i>	Fewer unplanned water supply disruptions affecting multiple properties than in the previous year
<i>Year 3</i>	Fewer unplanned water supply disruptions affecting multiple properties than in the previous year
<i>Years 4-10</i>	Fewer unplanned water supply disruptions affecting multiple properties than in the previous year
Performance measure (* mandatory)	<p>*Maintenance of the reticulation network</p> <p>The percentage of real water loss from the Council's networked urban reticulation system²²</p>
<i>How we will measure</i>	<p>A sampling approach will be used. Water Outlook enables SCADA²³ information to be interrogated in-house.</p> <p>2016/17 results:</p> <ul style="list-style-type: none"> • Bulls..... 4.9% • Hunterville Urban..... 32.3% • Mangaweka..... 37.0% • Marton 24.6% • Rātana 15.8% • Taihape..... 46.2%
<i>Year 1</i>	Less than 40%

²² A description of the methodology used to calculate this must be included as part of the report.

²³ Supervisory control and data acquisition – i.e. automated remote monitoring,

Year 2	Less than 40%
Year 3	Less than 40%
Years 4-10	Less than 40%
Performance measure (* mandatory)	*Demand management The average consumption of drinking water per day per resident within the District
<i>How we will measure</i>	Water Outlook 2016/2017 <ul style="list-style-type: none"> • 542 litres per person per day
Year 1	600 litres per person per day
Year 2	600 litres per person per day
Year 3	600 litres per person per day
Years 4-10	600 litres per person per day
Council's intended Level of Service is to:	Be responsive to reported faults and complaints
Performance measure (* mandatory)	*Fault response time Where the Council attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following <i>median times</i> are measured <ol style="list-style-type: none"> attendance for urgent call-outs: from the time that the Council receives notification to the time that service personnel reach the site, and resolution of urgent call-outs from the time that the Council receives notification to the time that service personnel confirm resolution of the fault of interruption attendance for non-urgent call-outs: from the time that the Council receives notification to the time that service personnel reach the site, and resolution of non-urgent call-outs from the time that the Council receives notification to the time that service personnel confirm resolution of the fault of interruption
<i>How we will measure</i>	Request for service system Specified standard <ol style="list-style-type: none"> 0.5 hour (attendance - urgent) 24 hours (resolution – urgent) 24 hours (attendance – non-urgent) 96 hours (resolution – non-urgent) 2016/17 results:

	<ul style="list-style-type: none"> (a) 10 minutes (attendance - urgent) (b) 1 hour 17 minutes (resolution – urgent) (c) 19 minutes (attendance – non-urgent) (d) 1 hour 7 minutes hours (resolution – non-urgent)
<i>Year 1</i>	Improved timeliness compared with the previous year
<i>Year 2</i>	Improved timeliness compared with the previous year
<i>Year 3</i>	Improved timeliness compared with the previous year
<i>Years 4-10</i>	Improved timeliness compared with the previous year
Performance measure (* mandatory)	<p>*Customer satisfaction</p> <p>The total number of complaints (expressed per 1000 connections to the reticulated networks) received by the Council about</p> <ul style="list-style-type: none"> (a) drinking water clarity (b) drinking water taste (c) drinking water pressure or flow (d) continuity of supply, and (e) The Council’s response to any of these issues
<i>How we will measure</i>	<p>Request for service system</p> <p>2016/17 results:</p> <ul style="list-style-type: none"> • Total complaints - 13/1000 (a) 6.79/1000 (b) 3.5/1000 (c) 1.66/1000 (d) 0.94/1000 (e) Nil²⁴
<i>Year 1</i>	Total number of complaints is less than previous year
<i>Year 2</i>	Total number of complaints is less than previous year
<i>Year 3</i>	Total number of complaints is less than previous year
<i>Years 4-10</i>	Total number of complaints is less than previous year
Council’s intended Level of Service is to:	Maintain compliant, reliable and efficient rural water supplies

²⁴ These cannot be distinguished in Council’s request for service system, but are included in a – d.

Performance measure	Compliance with resource consents
<i>How we will measure</i>	<p>Inspection reports from Horizons. 2016/17</p> <ul style="list-style-type: none"> All supplies compliant
<i>Year 1</i>	No incidents of non-compliance
<i>Year 2</i>	No incidents of non-compliance
<i>Year 3</i>	No incidents of non-compliance
<i>Years 4-10</i>	No incidents of non-compliance
Performance measure	<p>Where the Council attends a call-out in response to a fault or unplanned interruption to its rural reticulation system, the following <i>median times</i> are measured</p> <p>(a) attendance time: from the time that the Council receives notification to the time that service personnel reach the site, and</p> <p>(b) resolution time: from the time that the Council receives notification to the time that service personnel confirm resolution of the fault of interruption</p>
<i>How we will measure</i>	<p>Request for service system Specified standard</p> <p>(a) 24 hours (b) 96 hours</p> <p>2016/17</p> <p>(a) 22 hours 23 minutes (b) 4 hours 8 minutes</p>
<i>Year 1</i>	Fewer requests (per 1000 connections) than previous year
<i>Year 2</i>	Fewer requests (per 1000 connections) than previous year
<i>Year 3</i>	Fewer requests (per 1000 connections) than previous year
<i>Years 4-10</i>	Fewer requests (per 1000 connections) than previous year
Council's intended Level of Service is to:	Ensure fire-fighting capacity in urban areas
Performance measure	Random flow checks at the different supplies
<i>How we will measure</i>	<p>Hydraulic modelling, installation of data loggers and annual flow checks of at least 20% sample of hydrants 2016/17</p>

	<ul style="list-style-type: none"> 96.6% compliant
<i>Year 1</i>	98% of checked fire hydrant installations are in compliance
<i>Year 2</i>	99% of checked fire hydrant installations are in compliance
<i>Year 3</i>	99% of checked fire hydrant installations are in compliance
<i>Years 4-10</i>	100% of checked fire hydrant installations are in compliance

Sewerage and the Treatment and Disposal of Sewage Group of Activities

Council's intended Level of Service is to:	Provide a reliable, reticulated disposal system that does not cause harm or create pollution within existing urban areas
Performance measure (* mandatory)	<p>*Discharge compliance</p> <p>Compliance with the Council's resource consents for discharge from its sewerage system measured by the number of</p> <p>(a) abatement notices</p> <p>(b) infringement notices</p> <p>(c) enforcement orders, and</p> <p>(d) convictions</p> <p>received by the Council in relation to those resource consents</p>
<i>How we will measure</i>	<p>2016/17 results:</p> <ul style="list-style-type: none"> No abatement or infringement notices No enforcement orders No convictions
<i>Year 1</i>	No abatement or infringement notices, no enforcement orders and no convictions
<i>Year 2</i>	No abatement or infringement notices, no enforcement orders and no convictions
<i>Year 3</i>	No abatement or infringement notices, no enforcement orders and no convictions
<i>Years 4-10</i>	No abatement or infringement notices, no enforcement orders and no convictions
Performance measure	Routine compliance monitoring of discharge consents
<i>How we will measure</i>	<p>Inspection reports from Horizons Regional Council for the various waste-water treatment plants²⁵</p> <p>2016/17 results:</p>

²⁵ Water Outlook allows Council to undertake internal monitoring of compliance.

	<ul style="list-style-type: none"> • Significant compliance at 4 waste water treatment plants • Non-compliance at other 3 waste water treatment plants
<i>Year 1</i>	5 of 7 systems comply
<i>Year 2</i>	6 of 7 systems comply
<i>Year 3</i>	6 of 7 systems comply
<i>Years 4-10</i>	7 of 7 systems comply
Performance measure (* mandatory)	<p>*System and adequacy</p> <p>The number of dry weather sewerage overflows from the Council's sewerage system, expressed per 1000 sewerage connections to that sewerage system</p>
<i>How we will measure</i>	<p>Request for service system</p> <p>2016/17 results:</p> <ul style="list-style-type: none"> • 0.4/1000 <p>There are 4,226 sewerage connections in the District</p>
<i>Year 1</i>	Fewer requests (per 1000 connections) than previous year
<i>Year 2</i>	Fewer requests (per 1000 connections) than previous year
<i>Year 3</i>	Fewer requests (per 1000 connections) than previous year
<i>Years 4-10</i>	Fewer requests (per 1000 connections) than previous year
Council's intended Level of Service is to:	Be responsive to reported faults and complaints
Performance measure (* mandatory)	<p>*Fault response time</p> <p>Where the Council attends to sewerage overflows resulting from a blockage or other fault in the Council's sewerage system, the following <i>median times</i> are measured</p> <p>(a) attendance time: from the time that the Council receives notification to the time that service personnel reach the site, and</p> <p>(b) resolution time: from the time that the Council receives notification to the time that service personnel confirm resolution of the fault of interruption</p>
<i>How we will measure</i>	<p>Request for service system</p> <p>Specified standard:</p> <p><i>Attendance</i></p> <p>(a) 0.5 hour - urgent</p>

	<p>(b) 24 hours – non-urgent</p> <p><i>Resolution</i></p> <p>(a) 24 hours - urgent (b) 96 hours – non-urgent</p> <p>2016/17 results (median):</p> <p>(a) 22 minutes (b) 2 hours 34 minutes</p> <p>Urgent callouts are where sewage is evident. The mandatory measure does not make this distinction.</p>
<i>Year 1</i>	Improved timeliness compared with the previous year
<i>Year 2</i>	Improved timeliness compared with the previous year
<i>Year 3</i>	Improved timeliness compared with the previous year
<i>Years 4-10</i>	Improved timeliness compared with the previous year
Performance measure (* mandatory)	<p>*Customer satisfaction</p> <p>The total number of complaints received by the Council about any of the following:</p> <p>(a) sewage odour (b) sewerage system faults (c) sewerage system blockages, and (d) the Council’s response to issues with its sewerage systems</p> <p>expressed per 1,000 connections to the Councils sewerage system.</p>
<i>How we will measure</i>	<p>Request for service system</p> <p>2016/17 results:</p> <ul style="list-style-type: none"> • 4.49 per 1000 <p>(a) 0.47/1000 (b) 1.89/1000 (c) 2.13/1000 (d) Nil</p>
<i>Year 1</i>	Fewer requests (per 1000 connections) than previous year
<i>Year 2</i>	Fewer requests (per 1000 connections) than previous year
<i>Year 3</i>	Fewer requests (per 1000 connections) than previous year
<i>Years 4-10</i>	Fewer requests (per 1000 connections) than previous year

Stormwater Drainage Group of Activities

Council's intended Level of Service is to:	Provide a reliable collection and disposal system to each property during normal rainfall
Performance measure (* mandatory)	<p>*Discharge compliance</p> <p>Compliance with the Council's resource consents for discharge from its stormwater system measured by the number of</p> <p>(a) abatement notices (b) infringement notices (c) enforcement orders, and (d) convictions</p> <p>received by the Council in relation to those resource consents.</p>
How we will measure	<p>Not applicable</p> <p>Council currently has no resource consents for stormwater discharges with Horizons Regional Council.</p> <p>Resource consents may be required in the future, but the timeline for this has yet to be confirmed.</p> <p>When this occurs, the anticipated benchmark will be no abatement or infringement notices, no enforcement orders and no convictions</p>
Year 1	Not yet applicable
Year 2	Not yet applicable
Year 3	Not yet applicable
Years 4-10	Not yet applicable
Performance measure (* mandatory)	<p>*System adequacy</p> <p>The number of flooding events²⁶ that occurred in the District.</p> <p>For each flooding event, the number of habitable floors affected (expressed per 1,000 properties connected to the Council's stormwater system).</p> <p>Note: This is a District-wide assessment</p>
How we will measure	<p>Request for service system</p> <p>2016/17 results:</p> <ul style="list-style-type: none"> Not applicable – there were no flooding events
Year 1	Fewer requests (per 1000 properties) than previous year

²⁶ The rules for the mandatory measures define a 'flooding event' as an overflow from a territorial authority's stormwater system that enters a habitable floor

<i>Year 2</i>	Fewer requests (per 1000 properties) than previous year
<i>Year 3</i>	Fewer requests (per 1000 properties) than previous year
<i>Years 4-10</i>	Fewer requests (per 1000 properties) than previous year
Council's intended Level of Service is to:	Be responsive to reported faults and complaints
Performance measure (* mandatory)	*Customer satisfaction The number of complaints received by the Council about the performance of its stormwater system, expressed per 1,000 properties connected to the Council's stormwater system
<i>How we will measure</i>	Request for service system 2016/17 results: <ul style="list-style-type: none"> • 4.12/1000
<i>Year 1</i>	Fewer requests (per 1000 connections) than previous year
<i>Year 2</i>	Fewer requests (per 1000 connections) than previous year
<i>Year 3</i>	Fewer requests (per 1000 connections) than previous year
<i>Years 4-10</i>	Fewer requests (per 1000 connections) than previous year
Performance measure (* mandatory)	*Response time The median response time to attend a flooding event, measured from the time that the Council receives notification to the time that service personnel reach the site.
<i>How we will measure</i>	Request for service system 2016/17 results: <ul style="list-style-type: none"> • Not applicable – there were no flooding events
<i>Year 1</i>	Improved timeliness compared with the previous year
<i>Year 2</i>	Improved timeliness compared with the previous year
<i>Year 3</i>	Improved timeliness compared with the previous year
<i>Years 4-10</i>	Improved timeliness compared with the previous year

Community and Leisure Assets Group of Activities

Council's intended Level of Service is to:	Provide a fit-for purpose range of community and leisure assets
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Performance measure	Progressive improvement based on the Annual Resident Survey
<i>How we will measure</i>	Public libraries: 2016/17: <ul style="list-style-type: none"> • Better than last year - 11%
<i>Year 1</i>	More than 10% of the sample believe the service is “better than last year”
<i>Year 2</i>	More than 10% of the sample believe the service is “better than last year”
<i>Year 3</i>	More than 10% of the sample believe the service is “better than last year”
<i>Years 4-10</i>	More than 10% of the sample believe the service is “better than last year”
<i>How we will measure</i>	Public swimming pools: 2016/17: <ul style="list-style-type: none"> • Better than last year – 16%
<i>Year 1</i>	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council’s service is getting better
<i>Year 2</i>	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council’s service is getting better
<i>Year 3</i>	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council’s service is getting better
<i>Years 4-10</i>	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council’s service is getting better
<i>How we will measure</i>	Sports fields and parks: 2016/17: <ul style="list-style-type: none"> • Better than last year – 18%
<i>Year 1</i>	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council’s service is getting better
<i>Year 2</i>	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council’s service is getting better
<i>Year 3</i>	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council’s service is getting better
<i>Years 4-10</i>	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council’s service is getting better
<i>How we will measure</i>	Public toilets: 2016/17: <ul style="list-style-type: none"> • Better than last year – 7%
<i>Year 1</i>	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council’s service is getting better

<i>Year 2</i>	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council's service is getting better
<i>Year 3</i>	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council's service is getting better
<i>Years 4-10</i>	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council's service is getting better
<i>How we will measure</i>	Community Buildings: 2016/17: <ul style="list-style-type: none"> Better than last year – 4%
<i>Year 1</i>	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council's service is getting better
<i>Year 2</i>	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council's service is getting better
<i>Year 3</i>	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council's service is getting better
<i>Years 4-10</i>	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council's service is getting better
<i>How we will measure</i>	#Camping Grounds: <ul style="list-style-type: none"> Council's service is getting better – 10%
<i>Year 1</i>	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council's service is getting better
<i>Year 2</i>	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council's service is getting better
<i>Year 3</i>	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council's service is getting better
<i>Years 4-10</i>	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council's service is getting better
Council's intended Level of Service is to:	#Compliance with relevant standards
Performance measure	Swim Centres
<i>How we will measure</i>	All swimming pools have Poolsafe accreditation
<i>Year 1</i>	Benchmark maintained
<i>Year 2</i>	Benchmark maintained
<i>Year 3</i>	Benchmark maintained
<i>Years 4-10</i>	Benchmark maintained
Performance measure	Community Housing

<i>How we will measure</i>	Council records Compliance with the 29 criteria in the rental warrant of fitness programme ²⁷ Benchmark (current level) to be defined
<i>Year 1</i>	Maintaining or improving compliance
<i>Year 2</i>	Maintaining or improving compliance
<i>Year 3</i>	Maintaining or improving compliance
<i>Years 4-10</i>	Maintaining or improving compliance
Performance measure	Toilet buildings are well designed, safe and visible - Compliance with SNZ4241:1999 and CPTED (safer design guidelines) for new or refurbished toilets
<i>How we will measure</i>	Council audit Compliance – 95% or greater
<i>Year 1</i>	Meeting the benchmark
<i>Year 2</i>	Meeting the benchmark
<i>Year 3</i>	Meeting the benchmark
<i>Years 4-10</i>	Meeting the benchmark
Performance measure	Levels of service for parks throughout the District consistent with the New Zealand Recreation Association Parks Categories and Levels of Service guideline
<i>How we will measure</i>	Self-audit Benchmark (current level) to be defined
<i>Year 1</i>	75% compliance with the Levels of Service Guideline for all parks Needs verification
<i>Year 2</i>	77% compliance with the Levels of Service Guideline for all parks
<i>Year 3</i>	80% compliance with the Levels of Service Guideline for all parks
<i>Years 4-10</i>	75% compliance with the Levels of Service Guideline for all parks
Council's intended Level of Service is to:	Secure high use of staffed facilities
Performance measure	Number of users of libraries

²⁷ Developed by the University of Otago and available

<i>How we will measure</i>	Automated door count system 2016/17 <ul style="list-style-type: none"> • 50,918 people entered the libraries • Bulls - 8,901 (21 days unrecorded) • Marton - 18,198 (8 days unrecorded) • Taihape - 23,819 (13 days unrecorded)
<i>Year 1</i>	An increase in use compared with the benchmark
<i>Year 2</i>	An increase in the use compared with previous year
<i>Year 3</i>	An increase in the use compared with previous year
<i>Years 4-10</i>	An increase in the use compared with previous year
Performance measure	Number of users of pools
<i>How we will measure</i>	Door count systems or till records 2016/17 <ul style="list-style-type: none"> • Marton - 28,271²⁸ • Taihape - 11,177
<i>Year 1</i>	An increase in use compared with the benchmark
<i>Year 2</i>	An increase in the use compared with previous year
<i>Year 3</i>	An increase in the use compared with previous year
<i>Years 4-10</i>	An increase in the use compared with previous year
Performance measure (new)	#Occupancy of community housing
<i>How we will measure</i>	Council records Xx% as at 31 December 2017
<i>Year 1</i>	The same or higher occupancy compared with the benchmark
<i>Year 2</i>	The same or higher occupancy compared with the benchmark
<i>Year 3</i>	The same or higher occupancy compared with the benchmark

²⁸ Includes schools, swim schools and lane hire

Years 4-10	The same or higher occupancy compared with the benchmark
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Rubbish and Recycling Group of Activities

Council's intended Level of Service is to:	Make recycling facilities available at waste transfer stations <ul style="list-style-type: none"> • for glass, paper, metal, plastics, textiles and green waste. special occasions for electronics (e-waste) • Council intends to continue the operation (under contract) of existing urban waste transfer stations – Ratana, Bulls, Marton, Hunterville, Mangaweka, and Taihape
Performance measure	Waste to landfill (tonnage)
<i>How we will measure</i>	Calibrated records maintained at Bonny Glen landfill 2016/17 <ul style="list-style-type: none"> • 5,123 tonnes to landfill
<i>Year 1</i>	Less tonnage to landfill than previous year
<i>Year 2</i>	Less tonnage to landfill than previous year
<i>Year 3</i>	Less tonnage to landfill than previous year
<i>Years 4-10</i>	Less tonnage to landfill than previous year
Performance measure	Waste diverted from landfill (tonnage and (percentage of total waste)
<i>How we will measure</i>	Records maintained at waste transfer stations 2016/17 <ul style="list-style-type: none"> • 17.2% (1,070 tonnes) of waste was diverted
<i>Year 1</i>	Percentage of waste diverted from landfill 19%
<i>Year 2</i>	Percentage of waste diverted from landfill 22%
<i>Year 3</i>	Percentage of waste diverted from landfill 25%
<i>Years 4-10</i>	Annual increases in percentage of waste diverted from landfill of 3% to target of 27% of total waste diverted from landfill (see Waste Management and Minimisation Plan)

Environment and Regulatory Services Group of Activities

Council's intended Level of Service is to:	Provide a legally compliant service
Performance measure	Timeliness of processing building consents and resource consents
<i>How we will measure</i>	Percentage processed within statutory timeframes. 2016/17: <ul style="list-style-type: none"> • Building consents - 98.8% • Resource consents - 100%
<i>Year 1</i>	Building consents – 98% Resource consents – 98%
<i>Year 2</i>	Building consents – 98% Resource consents – 98%
<i>Year 3</i>	Building consents – 98% Resource consents – 98%
<i>Years 4-10</i>	98% compliance
Performance measure	Possession of relevant authorisations from central government²⁹
<i>How we will measure</i>	External assessment/delegation 2016/17 <ul style="list-style-type: none"> • Accreditation maintained
<i>Year 1</i>	Accreditation maintained
<i>Year 2</i>	Accreditation maintained
<i>Year 3</i>	Accreditation maintained
<i>Years 4-10</i>	Accreditation maintained
Council's intended Level of Service is to:	Provide regulatory compliance officers to address enforcement call outs
Performance measure	Timeliness of response to requests for service – animal control and environmental health
<i>How we will measure</i>	Council's request for service system

²⁹ Excluding general authorisation through legislation where no further formal accreditation is specified

	2016/17 <ul style="list-style-type: none"> • Responded in time - 84% • Completed in time - 75%
Year 1	Responded in time – 88% Completed in time – 79%
Year 2	Responded in time – 92% Completed in time – 83%
Year 3	Responded in time – 96% Completed in time – 87%
Years 4-10	Progressive improvement in timeliness reported in previous year

Community Well-being Group of Activities

Council's intended Level of Service is to:	Provide opportunities to be actively involved in partnerships that provide community and ratepayer wins
Performance measure	Partners' view of how useful Council's initiatives and support has been
<i>How we will measure</i>	Satisfaction ratings from governing bodies of MOU agencies with Council support <i>Benchmark to be set meeting the MOU agreements – currently there are six areas of support specified in the MOU</i>
Year 1	Very satisfied – 70%
Year 2	Very satisfied – 70%
Year 3	Very satisfied – 70%
Years 4-10	Very satisfied – 70%
Council's intended Level of Service is to:	Identify and promote opportunities for economic growth in the District
Performance measure	Rangitikei District's GDP growth compared to the average of similar* district** economies * similar by geography, population, and business sectors ** those being similar are Ruapehu, Tararua, Manawatu, and Otorohanga
<i>How we will measure</i>	Infometrics and Statistics New Zealand Data 2016/17 (March – March) results: Ruapehu 1.86% Manawatu 1.80% Tararua..... 1.00%

	<p>Otorohanga -1.05%</p> <p>Mean (μ) 1.4%</p> <p>Rangitikei: 2.2%, therefore 0.8% greater than mean (New Zealand 2.5%)</p>
Year 1	Greater than 1% against last financial year compared to the mean of similar district economies
Year 2	Greater than 1% against last financial year compared to the mean of similar district economies
Year 3	Greater than 1.5% against last financial year compared to the mean of similar district economies
Years 4-10	Greater than 2% against last financial year compared to the mean of similar district economies
Performance measure (new)	<p>#Rangitikei District’s earnings data (salaries, wages, self-employed income) growth compared to the average of similar* districts**</p> <p><i>* similar by geography, population, and business sectors</i></p> <p><i>** those being similar are Ruapehu, Tararua, Manawatu, and Otorohanga</i></p>
How we will measure	<p>Infometrics and Statistics New Zealand - Linked Employer-Employee Data (LEED)</p> <p>2016/17 (March – March) results:</p> <p>Ruapehu 2.5%</p> <p>Manawatu 3.5%</p> <p>Tararua 3.5%</p> <p>Otorohanga 1.8%</p> <p>Mean (μ) 2.83%</p> <p>Rangitikei: 4.8%, therefore 1.97% > than mean (New Zealand 3.1%)</p>
Year 1	Greater than or equal to 1% range from the last financial year compared to the mean of similar district economies
Year 2	Greater than or equal to 1% range from the last financial year compared to the mean of similar district economies
Year 3	Greater than or equal to 1% range from the last financial year compared to the mean of similar district economies
Years 4-10	Greater than or equal to 1% range from the last financial year compared to the mean of similar district economies
Performance measure (new)	#The number of visits and unique visits to Rangitikei.com
How we will measure	<p>2016/17 results:</p> <ul style="list-style-type: none"> • Visits to Rangitikei.com - 83,831 • Unique visits to Rangitikei.com - 25,401
Year 1	An increase in the number of visits and unique visits to Rangitikei.com compared to the benchmark

<i>Year 2</i>	An increase in the number of visits and unique visits to Rangitikei.com compared to the previous year
<i>Year 3</i>	An increase in the number of visits and unique visits to Rangitikei.com compared to the previous year
<i>Years 4-10</i>	An increase in the number of visits and unique visits to Rangitikei.com compared to the previous year
Performance measure	A greater proportion of young people living in the district are attending local schools
<i>How we will measure</i>	Ministry of Education Data 2016/17 results: <ul style="list-style-type: none"> • School Enrolments – Years 9 – 13 = 653 • Total number of High School Youth = 1054
<i>Year 1</i>	An increased in the number of enrolments compared with the benchmark
<i>Year 2</i>	An increased in the number of enrolments compared with the previous year
<i>Year 3</i>	An increased in the number of enrolments compared with the previous year
<i>Years 4-10</i>	An increased in the number of enrolments compared with the previous year
Council's intended Level of Service is to:	#Provide a safe and relevant community space, acting as a gateway for skills and social development, improving educational, training or employment access, and improving access for youth related social services
Performance measure	Partners' view of how useful Council's activity in youth space facilitation and advocacy has been
<i>How we will measure</i>	Satisfaction ratings from social service partners, government agencies, and education providers in the provision of a fit for purpose youth space
<i>Year 1</i>	Very satisfied – 70%
<i>Year 2</i>	Very satisfied – 70%
<i>Year 3</i>	Very satisfied – 70%
<i>Years 4-10</i>	Very satisfied – 70%
Council's intended Level of Service is to:	#Ensure competency in discharging Civil Defence responsibilities
Performance measure	Timing of self-assessment when the Emergency Operations Centre is activated and of continued civil defence training exercises
<i>How we will measure</i>	Self-assessment of responsiveness and recovery following activation of the Emergency Operations Centre Number of civil defence exercises undertaken
<i>Year 1</i>	Self-assessment undertaken and responded to within four months of Emergency Operations Centre activation

	At least one exercise undertaken each year involving at least half of Council staff
<i>Year 2</i>	Self-assessment undertaken and responded to within four months of Emergency Operations Centre activation At least one exercise undertaken each year involving at least half of Council staff
<i>Year 3</i>	Self-assessment undertaken and responded to within four months of Emergency Operations Centre activation At least one exercise undertaken each year involving at least half of Council staff
<i>Years 4-10</i>	Self-assessment undertaken and responded to within four months of Emergency Operations Centre activation At least one exercise undertaken each year involving at least half of Council staff

Revised draft - 29 March 2018

Section 5: Financial Statement and Policies

Revenue and Financing Policy

Introduction

Section 102(4) of the Local Government Act 2002 requires the Council to adopt a Revenue and Financing Policy, and clause 10 of Schedule 10 of that Act requires this adopted policy to be included in Council's Long-Term Plan.

The purpose of the revenue and financing policy is twofold.

- to state the Council's policies in respect of funding both operating expenses and capital expenditure from the sources available to it;
- to show how the Council has complied with the requirements (of section 101(3) of the Act) to give consideration to six specific issues in developing the policy.

Part A sets out the policy principles and considerations; Part B shows how these have been applied to Council's nine groups of activities.

Part A - Principles

1 Process

In developing its revenue and financing policy, Council is required to consider – in relation to each activity to be funded – the following five matters:

- The community outcomes to which the activity primarily contributes; and
- The distribution of benefits between the community as a whole, any identifiable part of the community, and individuals;
- The period in or over which those benefits are expected to occur;
- The extent to which the actions (or inaction) of particular individuals or a group contribute to the need to undertake the activity; and
- The costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities; and

The Council is also required to consider the overall impact of any allocation of liability for revenue needs on the well-being of the community.

Council developed a series of worksheets to analyse these matters for each activity as part of the preparation for the 2018-28 Long-Term Plan. All of these were reviewed in detail in workshop. In most cases, these discussions retained the funding mechanisms and the rationale for them as adopted for the 2015-25 Long Term Plan. This is the foundation for the detail in Part B of the policy.

While the scope of Council's activities has changed very little over the past decade, there has been a shift away from targeting rates to particular communities in favour of a District-wide approach. This was implemented as part of the 2012-22 Long Term Plan. Council believes that taking a District-wide approach to rating across all activities is the fairest mechanism. "District-wide" means that an urban property valued at (say) \$200,000 in Taihape, Marton or Bulls will pay the same rates for the same services. Such properties will pay different rates than a property in the rural area valued at \$200,000, because the services provided are different. The different

rates for water and wastewater between town and rural properties are an example of this. This, coupled with a stronger focus on groups of activities, meant Council decided – as far as practicable – to aggregate its approach to defining funding sources on a whole-of-group approach.³⁰ Council has continued this district-wide approach in reviewing this policy for the 2018-28 Long Term Plan.

2 Valuation System

Council uses a Capital Value system to apportion rates.

The General Rate (other than the Uniform Annual General Charge) and the Roothing Rate are set using capital value as a base except for Defence land.

Capital value based rating is seen as the best mechanism for the following reasons:

- Capital values recognise the economic activity to which the rating unit is put. Setting rates on capital value ensures that those rating units using Council services pay their share:
 - Shops in the CBD, motels and multi-unit housing for instance, have a high capital value in relation to land value, but also use Council's infrastructure (especially roading) to a greater degree than a residential property that has the equivalent land value.
 - Capital improvements (such as building a new house or undertaking a conversion to dairying) typically lead to increased use of Council's infrastructure and services.
- In areas of growth, capital value increases generated by the growth can absorb much of the rate increase associated with the increased use of infrastructure caused by the growth. Land values are less likely to achieve this.
- Capital values are a known figure. Capital values are generated from sales of assets while land values (especially in urban areas) are calculated from small quantities of vacant land sales and are therefore less reliable.
- Capital values are less volatile than land sales. If Council used land value based rates, the incidence of rates changing due to valuation effects alone would have been far more significant than under capital value.

3 Sources of Funding

Council funds operating expenditure from the following sources:

³⁰ The only Community Services rate (a rate levied on a particular community) remaining funds the two Community Boards (in Taihape and Ratana).

General rates	Used when there is a general benefit for the District as a whole. The General Rate, based on capital value (except for Defence land which is based on land value ³¹), is typically used when there is a high public benefit in the services provided, when Council considers the community as a whole should meet the costs of the service, and when Council is unable to achieve its user-charge targets and must fund expenditure. Examples are the District Plan and Economic development.. The general rate is not set on a differential basis.
Uniform Annual General Charge	Used where a benefit from a Council service is received equally. ³² Examples are the cost of undertaking the planning and reporting required by legislation and remuneration to Elected Members. The fixed Uniform Annual General Charge is a fixed amount per 'separately used or inhabited part' of a rating unit.
Targeted rates	Used to 'target' specific activities so that their cost is evident to the community. The ways of setting targeted rates are set out in section 16 of the Local Government (Rating) Act 2002. This includes setting the rate as a fixed charge on every rating unit or each separately used or inhabited part of every rating unit in the district (or specified part of the district) when Council believes that the benefit is received equally. This is the case for solid waste. Another approach is for targeted rates to be set based on capital value when Council believes that there is variable benefit. This is the case for roading.
Fees and charges	Used when Council considers that the high level of benefit received by specific individuals justifies seeking user charges (which cover all or part of the service provided), that such individuals (or groups) can be identified, and that it is economic to collect the charges. Examples are the provision of building and resource consents and disposal of waste at the waste transfer stations. ³³ Council recognises that fees may deter what the community would perceive as desirable activities, such as registering dogs or registering food handling premises; however, the benefit from such activities is shared between the community as a whole and the person undertaking the registration.
Interest and dividends from investments	Applied to the benefit of the whole Council – proceeds are used to offset the general rate requirement, except where the interest is credited to a special fund or reserve fund.
Borrowing (both external and internal)	May be internal or external – the cost to be borne by the activity requiring the loan.
Proceeds from asset sales	Used to fund renewals expenditure within the sold asset's activity. However, forestry asset sales are treated as investment proceeds (used to offset future forestry expenditure, and then the General Rates). However, proceeds from forestry on reserves must be applied to reserves (but not necessarily to future forestry on them).
Donations, grants and subsidies towards operating expenses	Received mainly from central government and typically related to specific activities. Examples are roading and community development projects. The John Beresford Dudding Trust typically makes an annual grant to the district libraries.

³¹ Section 22(2), Local Government (Rating) Act 2002 requires this.

³² Section 21 of the Local Government (Rating) Act 2002 limits the UAGC together with any other rate set as a uniform fixed amount per rating unit or separately used or inhabited part of every rating unit (other than water and wastewater rates) to a maximum of 30% of Council's total income from all rating mechanisms.

³³ In some instances, fees (and the amount) are prescribed by legislation. An example is manager's certificates issued under the Sale and Supply of Alcohol Act 2012.

Other operating revenue Recognises that Council may apply other sources of funds on a case-by-case basis, taking the most equitable course.

Council may choose not to fund in full operating expenditure in any particular year for a particular activity, if the deficit can be funded from actual operating surpluses in the immediately-preceding year or projected in subsequent years within that activity.

Council may also choose to fund from the above sources more than is necessary to meet the operating expenditure in any particular year, having regard for an actual operating deficit in the immediately-preceding year or projected in subsequent years or to repay debt. Council will have regard to forecast future debt levels when ascertaining whether it is prudent to budget for an operating surplus for debt repayment.

Council has determined the proportion of operating expenditure to be funded from each of the sources listed above and the method of apportioning rates and other charges. This is contained in Part B.

Council funds its capital expenditure (procurement and/or building of assets and infrastructure) from the following sources:

Rates Rates are not normally used to fund capital expenditure directly other than for roading. Rates are used to fund interest on loans taken for capital projects and also to create depreciation reserves to fund future renewals of existing assets or infrastructure. The rationale is that current ratepayers/users of the assets should pay for the replacement of the asset that they are using. This is the intergenerational equity concept. Future generations should not have the added burden of the cost of replacing an asset that they have not used. Future generations may not be able to afford the replacement in any case this means that in the case of roading, where the lifecycle of the assets in many cases is far shorter than other assets such as water supply schemes, the depreciation alone is insufficient to cover the current renewal costs.

However, when NZTA funding is taken into account, the funding is normally sufficient. Where it is not, the Roding rate is used to fund these shortfalls.

The depreciation calculation is used as a proxy to calculate the funding needed for depreciation reserves. Revaluing assets so that the calculation is as accurate as possible is done every three years (or less if appropriate) to minimise the costs associated with obtaining the revaluations.

This mechanism also lessens the risk of large rate increases in the year subsequent of a valuation update.

Depreciation reserves Depreciation reserves that have been funded in previous years from rates (or other funding) are used only to fund replacements and renewals of operational assets and infrastructural assets. They are also used to repay the capital on borrowing. This fits with the concept of intergenerational equity.

In the situation where a depreciation reserve would go into deficit, then this should be recovered from rates or borrowing, as should capital renewals, until the depreciation reserve is no longer in deficit. Where depreciation reserves are sufficient, loans may be repaid earlier.

Roading reserves	The roading reserve is established to provide funding for emergency works as a result of bad weather or other natural disasters.
Community and leisure assets reserves	Previously, instead of funding the full calculated depreciation requirement on specific leisure facilities, depreciation was set at 100% for libraries ³⁴ , 50% for parks, halls and public toilets, and 0% for swimming pools, community housing and the rural water supply schemes. Additionally Council has agreed to a \$75,000 per annum swimming pool reserve ³⁵ . From 2018/19, Council will progressively increase depreciation for swimming pools, community housing and the rural water schemes to 95% (by 2028/29). The annual contribution to the swimming pool reserve will cease.
Subsidies and grants	<p>Subsidies and grants are primarily received from the government for various central government initiatives, or to fund specific activities such as roading renewals and developments, water and/or wastewater developments.</p> <p>Roading subsidies for renewals only cover the subsidised portion of the current renewals. The government does not fund its portion of the roading renewal programme in advance through depreciation funding as the Council does. Council only funds its “local share” of the depreciation funding.</p> <p>The risk to Council is that the rate of subsidy may decrease or cease to exist when the asset is renewed. This is seen as a low risk for roading as the lifecycle of the assets is lower (20 years or less).</p> <p>As these subsidies and/or grants relate to specific activities, the subsidy or grant is treated as an income stream of the activity to which they relate even though the funds so derived are used to replace or create (primarily) infrastructural assets.</p> <p>As such funding streams are classified as income but the funds are used to fund capital, an operational surplus is automatically created in the surplus or deficit as the expenditure is recognised in the “balance sheet” surplus or deficit. This phenomenon is peculiar to central and local government and causes confusion to those who view such “surpluses” as “profit” and subsequently think that councils are over-rating them.</p>

34 From 2013/14

35 From 2013/14

Loans

Loans are used to fund development. This fits within the concept of intergenerational equity whereby the future ratepayers or users who benefit from the new asset pay for the loan interest charges and loan repayments. Depreciation reserves are used to reduce the amount of the loan principal, but (as noted above) interest payments are normally funded by rates. However, when the life of the asset exceeds 30 years, Council may forego depreciation in favour of reducing the loan principal. Council's policy has been to renew borrowing at least every three years and repay the total sum borrowed within 30 years, but this may be modified by the terms available from the Local Government Funding Agency.

In exceptional cases, Council may (by resolution) use a loan to fund operating expenses. The most likely reason for Council to decide on this would be to avoid a spike in rates from a one-off cost.

Part B of the policy shows how new capital expenditure will be funded (noting whether this will vary from the funding mechanism for operational expenditure). It notes where Council will undertake specific consultation before settling the method of funding. Council has confirmed the principle that non-replacement capital expenditure for infrastructure and/or community facilities may be funded from the properties connected to or communities that directly benefit via a capital contribution or a targeted rate on a case by case basis. Council does not currently envisage changes to these funding mechanisms during the term of this Long Term Plan.

Council recognises that revenue from fees and charges will change from year to year – because of the extent of public participation, the market place, and central government policy and programmes. Thus the funding split between public and private mechanism (where both are involved) may vary between years. Similarly, levels of government grants and subsidies may change, which would necessitate an altered funding split (e.g. rural fire or roading).

Part B: Application of Policy Principles and Considerations

Activity	Funding split public: private	Public mechanism	Private mechanism	Rationale for funding mechanisms	Variation for new capital expenditure	Variation projected after 2020/21
Community Leadership						
Council Strategic planning and reporting Iwi liaison Community Committees	100:0	General rate	Not applicable	There are benefits to the whole District of having effective strategy and governance	Not applicable	Not envisaged
Elections	100:0 to 95:5	Uniform Annual General Charge	When a contribution is made by the regional council and the district health board for including their candidates on the voting paper.	Benefit is equal to all individuals	Not applicable	Not envisaged

Activity	Funding split public: private	Public mechanism	Private mechanism	Rationale for funding mechanisms	Variation for new capital expenditure	Variation projected after 2020/21
Community Boards	100:0	Targeted Community Services rate set as a fixed charge per rating unit	Not applicable	Benefits shared among all residents within the Board area	Not applicable	Not envisaged
Roading and Footpaths						
Roading (i.e. Pavements, Bridges, Traffic services, Stormwater drainage and Vegetation management)	50:50 to 40:60 ³⁶	Targeted rate (District-wide) based on capital value	Central government grants and subsidies, fuel taxes, fines, infringement fees	District-wide benefit, property-related, but the whole community benefits, in terms of accessibility to and supply of goods and services Government subsidy is a significant contribution. Roading is a significant activity warranting a separately disclosed rate	Not applicable	Not envisaged
Footpaths and street lighting	100:0 to 95:5	Targeted rate (District-wide) based on capital value	Fines and infringement fees	These activities contribute to safer and more attractive towns. The whole community benefits from this.		Not envisaged
Water Supply						
Potable water (town reticulation schemes)	20:80 to 25:75	Targeted rate: 20-25% from all separately used or inhabited parts of every rating unit in the district (whether connected or unconnected),	Targeted rate and user charges. 65-70% consumption charge on each separately used or inhabited part of every rating unit which is connected, except Hunterville (metered	The provision of potable water is an essential service to residents and businesses in urban areas. A balance is needed between the benefits to those connected to the scheme, to the wider community who use the	To be determined by Council on a case-by-case basis, following consultation with affected communities	Not envisaged

³⁶ Excluding extraordinary projects such as replacement of a major bridge.

Activity	Funding split public: private	Public mechanism	Private mechanism	Rationale for funding mechanisms	Variation for new capital expenditure	Variation projected after 2020/21
			supply). 5-15% of cost recovered from extraordinary users ³⁷ and bulk supplies	facilities and businesses dependent on potable water and who have access to such supplies during shortages or emergencies and affordability.		
Non-potable water (rural supply schemes) Erewhon Omatane Hunterville	0:100 to 5:95	Internal charges (overheads) to be met through the General Rate	User charges by volume (set in consultation with each scheme and recovered as rates)		To be determined by Council on a case-by-case basis, following consultation with affected communities	Not envisaged
Non-potable water (rural supply schemes) Putorino	0:100 to 5:95	Internal charges (overheads) to be met through the General Rate	User charges by capital value (set in consultation with each scheme and recovered as rates)			Not envisaged
Sewerage and the Treatment and Disposal of Sewage						
Wastewater	20:80 to 25:75	Targeted rate: 20-25% from all separately used or inhabited parts of every rating unit in the district (whether connected or unconnected),	Targeted rate and user charges: 65-70% disposal charge on each separately used or inhabited part of every rating unit which is connected. 5-15% of cost recovered from charges levied under the Trade Waste Bylaw and septage disposal (on basis of rate set in Council's Fees and Charges	The district as a whole has a vested interest in ensuring the safe disposal of wastewater to minimise the otherwise harmful effects to the environment of improper disposal. A balance is needed between this district-wide benefit, the benefits of convenience to those connected to the scheme and affordability.	To be determined by Council on a case-by-case basis, following consultation with affected communities	Not envisaged

³⁷ Metered for full quantity of water taken, after the first 250 m³, charged on basis of rates set in Council's fees and charges or as separately agreed.

Activity	Funding split public: private	Public mechanism	Private mechanism	Rationale for funding mechanisms	Variation for new capital expenditure	Variation projected after 2020/21
			or as separately agreed)			
Stormwater Drainage						
Stormwater	20:80 to 30:70	Targeted rate: 25% from all separately used or inhabited parts of every rating unit in the district (whether urban or rural)	Targeted rate 75% from all rating units	A balance is needed between the benefits to those properties connected to a stormwater scheme, the district-wide benefit through minimisation of damage to the roading network and affordability.	To be determined by Council on a case-by-case basis, following consultation with affected communities	Not envisaged
Community and Leisure Assets						
Libraries	100:0 to 90:10	Uniform Annual General Charge	User pays for value-added services for individuals or groups	District-wide benefit, related to individuals.	To be determined by Council on a case-by-case basis, following consultation with affected communities	Not envisaged
Swimming pools	100:0 to 90:10	20% General rate and 80% Uniform Annual General Charge on all separately used or inhabited part of every rating unit in the district	User pays for value-added services for individuals or groups	District-wide benefit, related mostly to individuals, but some wider benefits.	To be determined by Council on a case-by-case basis, following consultation with affected communities	Not envisaged
Public toilets	100:0					
Cemeteries	80:20 to 70:30					
Parks Includes litter bins	100:0 to 90:0					
Halls	100:0 to 90:0	20% General rate and 80% Uniform Annual General Charge on all separately used or inhabited part of every rating unit in the district	User pays for long-term exclusive use of facilities	District-wide benefit in having these services, but some shared benefit.,	To be determined by Council on a case-by-case basis, following consultation with affected communities	Not envisaged
Housing	10:90 to 20:80					
Property	30:70 to 50:50					

Activity	Funding split public: private	Public mechanism	Private mechanism	Rationale for funding mechanisms	Variation for new capital expenditure	Variation projected after 2020/21
Rubbish and Recycling						
Waste management	30:70 to 40:60	Part of the Solid waste targeted rate set as fixed charge on every separately used or inhabited part of every rating unit in the district	User charges at waste transfer stations	Users of the facilities benefit – but so does every resident in the District as a whole in terms of health and tidiness of the environment	To be determined by Council on a case-by-case basis, following consultation with affected communities	Not envisaged
Waste minimisation	0:100 to 20:80	Part of the Solid waste targeted rate set as fixed charge on every separately used or inhabited part of every rating unit in the district	Grant from waste levy and other government grants	The district as a whole benefits through extended life of landfill assets and increased recycling facilities for farmers (e.g. silage wrapping and fertiliser bags).	To be determined by Council on a case-by-case basis, following consultation with affected communities	Not envisaged
Environmental and Regulatory services						
Animal control	45:55 to 65:35	General rate	User fees	Benefits from this activity shared equally amongst all.	Not applicable	Not envisaged
Building control	50:50 to 30:70	General rate	User charges, fines and infringement fees	There are benefits to the District at large in having a well-regulated environment, in which buildings are safe, changes to land use do not intrude unduly on the environment, etc. However, there is also an individual benefit for those people participating in such activities. The funding split recognises that there will be circumstances where the exacerbator cannot be traced to pay.	Not applicable	Not envisaged
Planning control	30:70 to 20:80					
Other regulatory functions (including registered and licensed premises control)	65:35 to 40:60					
District Plan	100:0	General rate		Benefits potentially across the whole District primarily	Not applicable	Not envisaged

Activity	Funding split public: private	Public mechanism	Private mechanism	Rationale for funding mechanisms	Variation for new capital expenditure	Variation projected after 2020/21
				related to property.		
Community Well-being						
Information Centres Economic development Community partnerships	95:5 to 85:15	General rate	Government subsidies and User pays for specific services (e.g. travel commissions at information centres)	District-wide benefit, but not equally; impossibly complex to identify specific benefits to individuals, businesses or organisations as this will change.	Not applicable	Not envisaged
Emergency management	100:0 to 90:10	General rate	Government subsidy	The whole community benefits – work on preparedness and responding to actual emergency events occurs regardless of where the event has occurred or who needs assistance. While primarily focussed on safeguarding human life, attention is also paid to safeguarding property.	To be determined by Council on a case-by-case basis, following consultation with affected communities	Not envisaged

Revised draft - 29 March 2018

Prospective Statement of Comprehensive Revenue and Expenses

For the years ending 30 June 2018 to 2028

	Annual Plan 2017/2018	Budget 2018/2019	Forecast 2019/2020	Forecast 2020/2021	Forecast 2021/2022	Forecast 2022/2023	Forecast 2023/2024	Forecast 2024/2025	Forecast 2025/2026	Forecast 2026/2027	Forecast 2027/2028
Revenue											
Rates	20,796	21,816	22,782	23,774	24,728	25,713	26,734	27,890	28,946	29,814	30,597
Subsidies and grants	10,558	9,075	11,032	7,653	8,077	8,270	8,468	8,591	8,814	9,051	9,315
Other Revenue	2,714	2,390	2,440	2,493	2,547	2,605	2,666	2,729	2,796	2,866	2,943
Finance revenue	240	220	225	230	235	240	246	252	258	265	272
Total operating revenue	34,308	33,501	36,479	34,150	35,587	36,828	38,114	39,462	40,814	41,996	43,127
Expenditure											
Depreciation and amortisation expense	10,488	10,677	10,746	11,347	11,426	11,503	12,114	12,149	12,203	12,890	12,901
Personnel costs	3,411	3,830	3,892	3,958	4,029	4,101	4,179	4,259	4,344	4,431	4,524
Finance costs	280	8	312	628	933	1,218	1,683	2,150	2,642	2,755	3,117
Other expenses	16,978	17,555	18,472	18,795	19,219	19,783	20,162	20,543	21,158	21,616	22,207
Total operating expenditure	31,157	32,070	33,422	34,728	35,607	36,605	38,138	39,101	40,347	41,692	42,749
Operating surplus (deficit) before tax	3,151	1,431	3,057	(578)	(20)	223	(24)	361	467	304	378
Income Tax Expense	-	-	-	-	-	-	-	-	-	-	-
Operating surplus (deficit) after tax	3,151	1,431	3,057	(578)	(20)	223	(24)	361	467	304	378
Other comprehensive revenue and expense											
<i>Items that could be reclassified to surplus(deficit)</i>											
Gain on revaluation of property, plant and equipment	-	-	25,678	-	-	26,629	-	-	33,898	-	-
Total other comprehensive revenue and expense	-	-	25,678	-	-	26,629	-	-	33,898	-	-
Total comprehensive revenue and expense	3,151	1,431	28,735	(578)	(20)	26,852	(24)	361	34,365	304	378

Prospective Statement of Changes in Net Assets/Equity

For the years ending 30 June 2018 to 2028

	Annual Plan 2017/2018	Budget 2018/2019	Forecast 2019/2020	Forecast 2020/2021	Forecast 2021/2022	Forecast 2022/2023	Forecast 2023/2024	Forecast 2024/2025	Forecast 2025/2026	Forecast 2026/2027	Forecast 2027/2028
Equity balance at 1 July	490,108	492,343	493,774	522,509	521,931	521,911	548,763	548,739	549,100	583,465	583,769
Comprehensive income for year	3,151	1,431	28,735	(578)	(20)	26,852	(24)	361	34,365	304	378
Equity Balance 30 June	493,259	493,774	522,509	521,931	521,911	548,763	548,739	549,100	583,465	583,769	584,147
Components of Equity											
Retained Earnings at 1 July	439,662	436,329	437,760	440,817	440,239	440,219	440,442	440,418	440,779	441,246	441,550
Net Surplus/(Deficit)	3,151	1,431	3,057	(578)	(20)	223	(24)	361	467	304	378
Retained earnings 30 June	442,859	437,760	440,817	440,239	440,219	440,442	440,418	440,779	441,246	441,550	441,928
Asset Revaluation Reserves at 1 July	45,731	46,643	46,643	72,321	72,321	72,321	98,950	98,950	98,950	132,848	132,848
Revaluation Gains	-	-	25,678	-	-	26,629	-	-	33,898	-	-
Revaluation Reserves 30 June	45,731	46,643	72,321	72,321	72,321	98,950	98,950	98,950	132,848	132,848	132,848
Special Funded Reserves at 1 July	4,715	4,669	9,371	9,371	9,371	9,371	9,371	9,371	9,371	9,371	9,371
Transfers to / (from) reserves	(46)	4,702	-	-	-	-	-	-	-	-	-
Council created Reserves 30 June	4,669	9,371	9,371	9,371	9,371	9,371	9,371	9,371	9,371	9,371	9,371
Trust Funds at 1 July	-	-	-	-	-	-	-	-	-	-	-
Transfers to / (from) reserves	-	-	-	-	-	-	-	-	-	-	-
Council created Reserves 30 June	-	-	-	-	-	-	-	-	-	-	-
Equity at 30 June	493,259	493,774	522,509	521,931	521,911	548,763	548,739	549,100	583,465	583,769	584,147

Prospective Statement of Financial Position

As at 30 June 2018 to 2028

	Annual Plan 2017/2018	Budget 2018/2019	Forecast 2019/2020	Forecast 2020/2021	Forecast 2021/2022	Forecast 2022/2023	Forecast 2023/2024	Forecast 2024/2025	Forecast 2025/2026	Forecast 2026/2027	Forecast 2027/2028
ASSETS											
Current Assets											
Cash and cash equivalents	3,642	4,503	4,503	4,503	4,503	4,503	4,503	4,503	4,503	4,503	4,503
Debtors and other receivables	3,720	3,068	3,794	3,550	3,700	3,829	3,963	4,104	4,245	4,368	4,485
Prepayments	115	65	65	65	65	65	65	65	65	65	65
Total Current Assets	7,477	7,636	8,362	8,118	8,268	8,397	8,531	8,672	8,813	8,936	9,053
Non-Current Assets											
Plant, property and equipment	503,906	498,359	533,544	539,017	544,395	578,727	586,136	592,216	628,524	630,052	630,395
Intangible assets	38	80	80	80	80	80	80	80	80	80	80
Forestry assets	304	194	96	98	101	103	106	109	112	115	119
Other financial assets											
Corporate bonds	2,553	-	-	-	-	-	-	-	-	-	-
Investment in CCOs and other similar entities	67	70	70	70	70	70	70	70	70	70	70
Total Non-Current Assets	506,868	498,703	533,790	539,265	544,646	578,980	586,392	592,475	628,786	630,317	630,664
TOTAL ASSETS	514,345	506,339	542,152	547,383	552,914	587,377	594,923	601,147	637,599	639,253	639,717
LIABILITIES											
Current Liabilities											
Creditors and other Payables	5,786	4,779	5,510	5,267	5,420	5,551	5,687	5,830	5,975	6,102	6,221
Employee entitlements	363	446	446	446	446	446	446	446	446	446	446
Income in advance	532	68	68	68	68	68	68	68	68	68	68
Borrowings	1,638	16	16	16	16	16	16	16	16	16	16
Total Current Liabilities	8,319	5,309	6,040	5,797	5,950	6,081	6,217	6,360	6,505	6,632	6,751
Non-Current Liabilities											
Employee entitlements	13	13	13	13	13	13	13	13	13	13	13
Provisions	270	297	297	297	297	297	297	297	297	297	297
Borrowings	12,484	6,946	13,293	19,345	24,743	32,223	39,657	45,377	47,319	48,542	48,509
Total Non-Current Liabilities	12,767	7,256	13,603	19,655	25,053	32,533	39,967	45,687	47,629	48,852	48,819
TOTAL LIABILITIES	21,086	12,565	19,643	25,452	31,003	38,614	46,184	52,047	54,134	55,484	55,570
EQUITY											
Retained Earnings	442,859	437,760	440,817	440,239	440,219	440,442	440,418	440,779	441,246	441,550	441,928
Asset Revaluation Reserves	45,731	46,643	72,321	72,321	72,321	98,950	98,950	98,950	132,848	132,848	132,848
Special Funded Reserves	4,669	9,371	9,371	9,371	9,371	9,371	9,371	9,371	9,371	9,371	9,371
Trust Funds	-	-	-	-	-	-	-	-	-	-	-
TOTAL EQUITY	493,259	493,774	522,509	521,931	521,911	548,763	548,739	549,100	583,465	583,769	584,147

Prospective Statement of Cash Flows

For the years ending 30 June 2018 to 2028

	Annual Plan 2017/2018	Budget 2018/2019	Forecast 2019/2020	Forecast 2020/2021	Forecast 2021/2022	Forecast 2022/2023	Forecast 2023/2024	Forecast 2024/2025	Forecast 2025/2026	Forecast 2026/2027	Forecast 2027/2028
Cash flows from operating activities											
Receipts from rates revenue	20,796	21,816	22,782	23,774	24,728	25,713	26,734	27,890	28,946	29,814	30,597
Receipts from other revenue	13,162	11,464	13,472	10,146	10,624	10,875	11,133	11,320	11,610	11,918	12,258
Interest received	240	220	225	230	235	240	246	252	258	265	272
Payments to suppliers and employees	(20,322)	(21,385)	(22,364)	(22,753)	(23,248)	(23,884)	(24,342)	(24,801)	(25,501)	(26,046)	(26,731)
Interest paid	(280)	(8)	(312)	(628)	(933)	(1,218)	(1,683)	(2,150)	(2,642)	(2,755)	(3,117)
Net Cashflow from Operating Activity	13,596	12,107	13,803	10,769	11,406	11,726	12,088	12,511	12,671	13,196	13,279
Receipts from sale of property, plant and	-	1,115	102	-	-	-	-	-	-	-	-
Receipts from sale of investments	1,065	182	157	233	90	266	216	233	90	311	169
Acquisition of investments	-	-	-	-	-	-	-	-	-	-	-
Purchases of property, plant and equipment	(28,593)	(25,207)	(20,763)	(17,053)	(16,893)	(19,472)	(19,739)	(18,462)	(14,703)	(14,729)	(13,413)
Net Cashflow from Investing Activity	(27,528)	(23,910)	(20,504)	(16,820)	(16,803)	(19,206)	(19,523)	(18,229)	(14,613)	(14,418)	(13,244)
Cash flow from financing activities											
Proceeds from borrowings	13,389	6,802	6,701	6,052	5,397	7,480	7,434	5,720	1,942	1,223	-
Repayment of borrowings	(1,155)	-	-	-	-	-	-	-	-	-	(33)
Net Cashflow from Financing Activity	12,234	6,802	6,701	6,052	5,397	7,480	7,434	5,720	1,942	1,223	(33)
Net Increase (Decrease) in Cash Held	(1,697)	(5,001)	1	1	-	-	(1)	2	-	1	2
Add Opening Cash brought forward	5,340	9,503	4,503	4,503	4,503	4,503	4,503	4,503	4,503	4,503	4,503
Closing Cash Balance	3,643	4,502	4,504	4,504	4,503	4,503	4,502	4,505	4,503	4,504	4,505
Closing Balance made up of Cash and Cash	3,642	4,503	4,503	4,503	4,503	4,503	4,503	4,503	4,503	4,503	4,503

Notes

Revised draft - 29 March 2018

Reconciliation of Funding Impact Statement to Comprehensive Revenue and Expenses

For the years ending 30 June 2018 to 2028

	Annual Plan 2017/2018	Budget 2018/2019	Forecast 2019/2020	Forecast 2020/2021	Forecast 2021/2022	Forecast 2022/2023	Forecast 2023/2024	Forecast 2024/2025	Forecast 2025/2026	Forecast 2026/2027	Forecast 2027/2028
Income											
Prospective Statement of Comprehensive Income	34,308	33,501	36,479	34,150	35,587	36,828	38,114	39,462	40,814	41,996	43,127
Summary Funding Impact Statement											
Total Operating Funding	27,378	28,004	29,104	30,234	31,334	32,471	33,652	34,979	36,214	37,273	38,260
Add Sources of Capital Funding											
Sources of capital funding	6,930	5,497	7,373	3,916	4,254	4,353	4,460	4,482	4,598	4,722	4,867
Total Revenue	34,308	33,501	36,477	34,150	35,588	36,824	38,112	39,461	40,812	41,995	43,127
Expenditure											
Prospective Statement of Comprehensive Income											
Operating Expenditure	31,157	32,070	33,422	34,728	35,607	36,605	38,138	39,101	40,347	41,692	42,749
Summary Funding Impact Statement											
Total applications of operating funding	20,670	21,398	22,670	23,383	24,178	25,103	26,030	26,953	28,138	28,801	29,848
Add Provision Aftercare	(1)	(4)	3	(1)	2	-	(3)	(1)	4	-	-
Add Depreciation and Amortisation Expense	10,488	10,677	10,746	11,347	11,426	11,503	12,114	12,149	12,203	12,890	12,901
Total Expenditure	31,157	32,071	33,419	34,729	35,606	36,606	38,141	39,101	40,345	41,691	42,749

Whole of Council – Funding Impact Statement

For the years ending 30 June 2018 to 2028

	Annual Plan 2017/2018	Budget 2018/2019	Forecast 2019/2020	Forecast 2020/2021	Forecast 2021/2022	Forecast 2022/2023	Forecast 2023/2024	Forecast 2024/2025	Forecast 2025/2026	Forecast 2026/2027	Forecast 2027/2028
Sources of Operating Funding											
General rates, uniform annual general charge, rates	6,495	7,111	6,938	7,168	7,441	8,409	8,583	8,563	9,221	9,327	9,435
Targeted rates	14,801	14,705	15,844	16,605	17,288	17,303	18,150	19,327	19,725	20,487	21,162
Subsidies and grants for operating purposes	3,628	3,579	3,657	3,738	3,823	3,914	4,008	4,108	4,214	4,327	4,448
Fees and charges	2,093	1,922	1,963	2,005	2,048	2,095	2,143	2,194	2,248	2,304	2,365
Interest and dividends from investments	240	220	225	230	235	240	246	252	258	265	272
Local authorities fuel tax, fines, infringement fees,	121	467	477	488	499	510	522	535	548	563	578
Total Operating Funding (A)	27,378	28,004	29,104	30,234	31,334	32,471	33,652	34,979	36,214	37,273	38,260
Applications of Operating Funding											
Payments to staff and suppliers	20,414	21,384	22,364	22,752	23,249	23,886	24,342	24,802	25,503	26,047	26,731
Finance costs	280	8	312	628	933	1,218	1,683	2,150	2,642	2,755	3,117
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	20,694	21,392	22,676	23,380	24,182	25,104	26,025	26,952	28,145	28,802	29,848
Surplus (deficit) of operating funding (A-B)	6,684	6,612	6,428	6,854	7,152	7,367	7,627	8,027	8,069	8,471	8,412
Sources of capital funding											
Subsidies and grants for capital expenditure	6,929	5,496	7,374	3,915	4,254	4,356	4,460	4,483	4,600	4,724	4,867
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	12,218	6,448	6,701	6,052	5,397	7,480	7,434	5,720	1,942	1,223	(33)
Gross proceeds from sale of assets	1,065	1,247	157	233	90	266	216	233	90	311	169
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	20,212	13,191	14,232	10,200	9,741	12,102	12,110	10,436	6,632	6,258	5,003
Applications of capital funding											
Capital expenditure											
- to meet additional demand	-	3,573	2,438	4,046	4,519	4,347	1,445	2,843	-	-	-
- to improve the level of service	13,733	1,987	1,441	1,808	1,663	1,648	1,981	2,842	1,729	1,470	1,511
- to replace existing assets	14,861	19,293	16,885	11,199	10,711	13,477	16,313	12,778	12,974	13,258	11,902
Increase (decrease) in reserves	(1,698)	-	-	-	-	-	-	-	-	-	-
Increase (decrease) of investments	-	(5,050)	(102)	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	26,896	19,803	20,662	17,053	16,893	19,472	19,739	18,463	14,703	14,728	13,413
Surplus (deficit) of capital funding (C-D)	(6,684)	(6,612)	(6,430)	(6,853)	(7,152)	(7,370)	(7,629)	(8,027)	(8,071)	(8,470)	(8,410)
Funding Balance ((A-B)+(C-D))	-	-	(2)	1	-	(3)	(2)	-	(2)	1	2

Rate Types

For the year ending 30 June 2018

Rate Types			Rate or Charge (inc GST)	Funding Required (inc GST)
General Rate	All Rating units		\$ 0.000842	\$ 3,562,426
	Defense		\$ 0.001286	\$ 6,608
UAGC			\$ 578.62	\$ 4,378,447
Community Services	Taihape		\$ 50.27	\$ 84,357
	Ratana		\$ 301.61	\$ 32,574
Solid Waste Disposal			\$ 93.83	\$ 710,001
Roading	All Rating units		\$ 0.001767	\$ 7,470,107
	Defense		\$ 0.002696	\$ 13,857
Wastewater public good			\$ 85.08	\$ 643,907
Wastewater connected			\$ 431.04	\$ 1,931,721
Water public good			\$ 126.57	\$ 957,897
Water connected			\$ 644.04	\$ 2,873,691
Water by volume	Marton Bulls Taihape... Ratana		\$ 1.99	\$ 401,951
	Bulls Riverlands		\$ 1.39	\$ 210,793
Huntermville urban			\$ 3.58	\$ 103,581
Huntermville rural			\$ 285.00	\$ 502,289
Erewhon rural			\$ 121.05	\$ 231,047
Omatane rural			\$ 70.08	\$ 6,673
Putorino rural			\$ 0.000764	\$ 7,165
Stormwater public good			\$ 24.08	\$ 182,189
Stormwater urban			\$ 131.93	\$ 546,568
Total Rates Required				24,857,848

Allocation of UAGC to Activities

For the year ending 30 June 2018

The table below shows how the UAGC is apportioned to activities (as determined by the Revenue and Financing Policy)

Allocation of UAGC to Activity			
	Community Leadership		\$ 2.39
	Community & Leisure Assets	Cemeteries	\$ 15.07
		Community Housing	\$ 13.51
		Domains	\$ 164.46
		Forestry	\$ 2.26
		Halls	\$ 29.78
		Libraries	\$ 132.31
		Public Toilets	\$ 18.42
		Real Estate	\$ 9.06
		Swim Centres	\$ 119.73
	Environmental and Regulatory		\$ 51.78
	Public Refuse Collection - Litter		\$ 19.86
			\$ 578.62

Allocation of General Rate to Activities

For the year ending 30 June 2018

The table below shows how the general rate is apportioned to activities per \$100,000 of capital value

Allocation of General Rates to Activities				
per \$100,000 of capital value				
Community Leadership			\$ 24.62	
Community Wellbeing	Civil Defence		\$ 5.72	
	Community Awards		\$ 0.08	
	District Promotions		\$ 14.39	
	Information Centres		\$ 7.13	
	Rural Fire		\$ 1.54	
	Community & Leisure Assets	Cemeteries		\$ 0.48
Community Housing			\$ 0.43	
Domains			\$ 5.20	
Forestry			\$ 0.07	
Halls			\$ 0.94	
Public Toilets			\$ 0.58	
Real Estate			\$ 0.29	
Swim Centres			\$ 3.78	
Environmental and Regulatory		Building		\$ 7.80
		District Planning		\$ 3.64
	Health		\$ 2.57	
	Resource Consent		\$ 2.20	
Roading & Footpath			\$ 2.79	
			\$ 84.25	

Examples of Impacts of Rating Proposals

Location	New Valuation	Change from Previous Valuation	Rates in 2017/18	Forecast Rates for 2018/19	\$ Change from 2017/18	% Change from 2017/18
Koitiata						
Koitiata	230,000	25,000	1,552	1,508	(43)	(2.80%)
Koitiata	160,000	30,000	1,348	1,326	(22)	(1.65%)
Koitiata	165,000	33,000	1,353	1,339	(15)	(1.08%)
Koitiata	125,000	25,000	1,266	1,234	(32)	(2.53%)
Taihape Commercial						
Taihape	2,370,000	370,000	8,352	9,211	859	10.29%
Taihape	410,000	(90,000)	3,891	3,666	(225)	(5.79%)
Taihape	175,000	(45,000)	3,130	3,053	(77)	(2.46%)
Taihape	215,000	(50,000)	2,870	2,726	(143)	(4.99%)
Taihape	146,000	(34,000)	2,639	2,546	(92)	(3.49%)
Taihape	104,000	(13,000)	2,467	2,437	(31)	(1.24%)
Taihape	325,000	(35,000)	3,128	3,013	(115)	(3.66%)
Taihape Non Commercial						
Taihape	330,000	65,000	2,870	3,026	157	5.46%
Taihape	225,000	45,000	2,639	2,752	114	4.32%
Taihape	190,000	35,000	4,578	4,644	66	1.44%
Taihape	128,000	25,000	2,429	2,499	70	2.89%
Taihape	139,000	27,000	2,454	2,528	74	3.03%
Taihape	350,000	85,000	2,870	3,079	209	7.28%
Taihape	48,000	9,000	2,255	2,291	35	1.57%
Taihape	50,000	10,000	2,258	2,296	38	1.68%
Huntermville Commercial						
Huntermville	455,000	65,000	5,303	5,337	34	0.64%
Huntermville	265,000	(70,000)	3,547	3,456	(91)	(2.57%)
Huntermville	285,000	40,000	2,154	2,215	61	2.83%
Huntermville	59,000	8,000	1,626	1,625	(1)	(0.08%)

Location	New Valuation	Change from Previous Valuation	Rates in 2017/18	Forecast Rates for 2018/19	\$ Change from 2017/18	% Change from 2017/18
Hunterville Non- Commercial						
Hunterville	370,000	100,000	2,222	2,436	215	9.66%
Hunterville	137,000	23,000	1,798	1,829	31	1.72%
Hunterville	127,000	12,000	1,307	1,240	(68)	(5.17%)
Hunterville	104,000	17,000	1,724	1,742	18	1.05%
Hunterville	70,000	12,000	1,152	1,091	(61)	(5.32%)
Marton Commercial						
Marton	180,000	(45,000)	4,987	5,169	181	3.63%
Marton	200,000	(80,000)	4,714	4,572	(143)	(3.03%)
Marton	121,000	(54,000)	2,594	2,431	(163)	(6.29%)
Marton	155,000	(5,000)	2,553	2,520	(34)	(1.32%)
Marton	126,000	(34,000)	3,375	3,303	(72)	(2.12%)
Marton	61,000	(39,000)	2,581	2,490	(92)	(3.55%)
Marton Industrial						
Marton	810,000	130,000	4,350	4,660	310	7.13%
Marton	1,450,000	250,000	7,007	7,838	831	11.85%
Marton	455,000	35,000	3,260	3,302	42	1.30%
Marton Non- Commercial						
Marton	410,000	25,000	3,165	3,185	20	0.63%
Marton	455,000	10,000	3,328	3,302	(26)	(0.77%)
Marton	320,000	60,000	2,825	2,950	125	4.43%
Marton	270,000	65,000	2,676	2,820	144	5.39%
Marton	235,000	60,000	2,594	2,728	134	5.18%
Marton	175,000	52,000	2,070	2,141	71	3.43%
Marton	235,000	102,000	2,480	2,728	249	10.02%
Marton	175,000	52,000	2,453	2,572	119	4.86%
Marton	175,000	51,000	2,455	2,572	116	4.74%
Marton	119,000	39,000	2,336	2,426	90	3.85%
Marton	119,000	39,000	2,336	2,426	90	3.85%
Marton	100,000	35,000	2,295	2,376	81	3.54%

Location	New Valuation	Change from Previous Valuation	Rates in 2017/18	Forecast Rates for 2018/19	\$ Change from 2017/18	% Change from 2017/18
Marton	86,000	34,000	2,260	2,340	80	3.54%
Bulls Commercial						
Bulls	1,100,000	100,000	5,028	5,201	173	3.43%
Bulls	450,000	20,000	3,287	3,289	2	0.06%
Bulls	280,000	0	4,504	4,398	(106)	(2.36%)
Bulls	230,000	20,000	2,689	2,715	26	0.97%
Bulls	180,000	25,000	2,540	2,585	45	1.78%
Bulls Non- Commercial						
Bulls	300,000	60,000	2,771	2,898	127	4.59%
Bulls	250,000	50,000	2,662	2,767	106	3.96%
Bulls	180,000	33,000	2,518	2,585	67	2.66%
Bulls	175,000	32,000	2,507	2,572	65	2.58%
Bulls	200,000	57,000	2,507	2,637	130	5.19%
Bulls	147,000	30,000	2,436	2,499	62	2.56%
Bulls	95,000	19,000	2,325	2,363	38	1.64%
Turakina						
Turakina	144,000	13,000	1,351	1,284	(67)	(4.94%)
Turakina	215,000	20,000	1,525	1,469	(55)	(3.64%)
Ratana						
Ratana	165,000	29,000	2,646	2,847	202	7.62%
Ratana	86,000	14,000	2,472	2,641	169	6.85%
Ratana	76,000	13,000	2,447	2,615	168	6.86%
Ratana	62,000	10,000	2,417	2,579	161	6.67%
Rural North						
Erewhon	20,800,000	0	62,542	59,767	(2,775)	(4.44%)
Erewhon	11,400,000	1,800,000	30,106	33,426	3,319	11.03%
Erewhon	11,500,000	1,850,000	28,253	31,870	3,617	12.80%
Erewhon	6,269,000	978,000	16,403	18,223	1,819	11.09%
Erewhon	5,927,000	907,000	14,672	16,422	1,750	11.93%
Ruanui	3,570,000	520,000	10,311	11,181	870	8.43%

Location	New Valuation	Change from Previous Valuation	Rates in 2017/18	Forecast Rates for 2018/19	\$ Change from 2017/18	% Change from 2017/18
Awarua	2,125,000	325,000	6,913	7,411	498	7.20%
Te Kapua	1,435,000	215,000	4,342	4,702	360	8.30%
Kiwitea	590,000	90,000	2,385	2,498	113	4.74%
Awarua	460,000	60,000	2,113	2,159	46	2.16%
Ruanui	265,000	0	1,746	1,650	(96)	(5.50%)
Ohingaiti	260,000	25,000	1,664	1,637	(28)	(1.65%)
Awarua	235,000	20,000	1,610	1,572	(38)	(2.38%)
Ohingaiti	68,000	6,000	1,194	1,136	(58)	(4.87%)
Turakina	180,000	15,000	1,443	1,378	(65)	(4.52%)
Mangaweka						
Mangaweka	127,000	21,000	2,437	2,497	59	2.44%
Mangaweka	98,000	16,000	2,372	2,421	49	2.06%
Mangaweka	68,000	11,000	2,304	2,343	39	1.68%
Mangaweka	54,000	9,000	2,272	2,306	35	1.53%
Rural South						
Rangitoto	19,500,000	3,650,000	49,055	56,325	7,270	14.82%
Rangatira	14,460,000	1,110,000	41,264	42,267	1,003	2.43%
Rangitoto	4,270,000	690,000	10,727	12,049	1,322	12.32%
Porewa	6,750,000	1,020,000	18,560	20,335	1,775	9.56%
Whangaehu	3,610,000	540,000	10,335	11,235	900	8.71%
Porewa	4,820,000	760,000	14,020	15,300	1,280	9.13%
Pukepapa	2,090,000	320,000	5,806	6,361	555	9.56%
Pukepapa	1,310,000	185,000	4,794	5,102	308	6.43%
Porewa	1,470,000	220,000	4,393	4,743	351	7.99%
Pukepapa	895,000	135,000	3,061	3,243	183	5.97%
Porewa	660,000	60,000	2,626	2,630	5	0.17%
Pukepapa	415,000	40,000	2,644	2,635	(9)	(0.35%)
Scotts Ferry	320,000	15,000	1,824	1,743	(81)	(4.42%)
Scotts Ferry	165,000	10,000	1,416	1,339	(77)	(5.45%)
Scotts Ferry	145,000	5,000	1,375	1,286	(89)	(6.44%)

Location	New Valuation	Change from Previous Valuation	Rates in 2017/18	Forecast Rates for 2018/19	\$ Change from 2017/18	% Change from 2017/18
Scotts Ferry	135,000	5,000	1,348	1,260	(87)	(6.49%)
Otakapu	144,000	13,000	1,351	1,284	(67)	(4.94%)
Rangitoto	300,000	0	1,810	1,691	(119)	(6.58%)
Rangitoto	61,000	6,000	1,144	1,067	(77)	(6.70%)
Rural Dairy/Pastoral						
Whangaehu	1,554,000	324,000	3,344	4,054	711	21.25%
Rangatira	7,200,000	3,310,000	12,564	20,601	8,037	63.97%
Rangatira	10,500	1,500	24	27	3	11.97%
Porewa	4,830,000	720,000	13,162	14,418	1,256	9.54%
Rural South Industrial						
Porewa	4,870,000	30,000	14,782	14,258	(524)	(3.55%)
Greatford	11,100,000	750,000	29,131	29,868	737	2.53%
Rangitoto	2,620,000	20,000	8,063	7,744	(319)	(3.95%)

	Area	New Land Value	New Capital Value	Rates 2018/19	Rates 2019/20	Dollar Change	% Change	
Koitiata								
	Koitiata	0.08	65,000	230,000	1,508	1,643	134	8.91%
	Koitiata	0.08	65,000	160,000	1,326	1,467	141	10.66%
	Koitiata	0.09	65,000	165,000	1,339	1,480	141	10.52%
	Koitiata	0.08	65,000	125,000	1,234	1,379	145	11.74%
Taihape Commercial								
	Taihape	0.27	550,000	2,370,000	9,211	9,345	134	1.45%
	Taihape	0.16	205,000	410,000	3,666	3,946	280	7.63%
	Taihape	0.06	85,000	175,000	3,053	3,356	303	9.93%
	Taihape	0.1	170,000	215,000	2,726	2,976	249	9.15%
	Taihape	0.06	68,000	146,000	2,546	2,803	256	10.07%
	Taihape	0.05	68,000	104,000	2,437	2,697	261	10.69%
	Taihape	0.1	111,000	325,000	3,013	3,252	238	7.91%
Taihape Non-Commercial								
	Taihape	0.22	55,000	330,000	3,026	3,264	238	7.86%
	Taihape	0.26	55,000	225,000	2,752	3,001	248	9.03%
	Taihape	0.05	65,000	190,000	4,644	5,062	417	8.98%
	Taihape	0.05	3,000	128,000	2,499	2,758	258	10.33%
	Taihape	0.11	27,000	139,000	2,528	2,785	257	10.17%
	Taihape	0.08	27,000	350,000	3,079	3,315	236	7.67%
	Taihape	0.19	2,000	48,000	2,291	2,557	266	11.62%
	Taihape	0.04	19,000	50,000	2,296	2,562	266	11.58%
Huntermville Commercial								
	Huntermville	0.42	71,000	455,000	5,337	5,740	404	7.56%
	Huntermville	0.21	76,000	265,000	3,456	3,798	342	9.89%
	Huntermville	0.1	50,000	285,000	2,215	2,406	191	8.63%
	Huntermville	0.15	47,000	59,000	1,625	1,839	214	13.14%
Huntermville Non-Commercial								
	Huntermville	1.99	114,000	370,000	2,436	2,619	183	7.49%
	Huntermville	0.09	25,000	137,000	1,829	2,034	206	11.26%

	Area	New Land Value	New Capital Value	Rates 2018/19	Rates 2019/20	Dollar Change	% Change
Hunternville	0.18	17,000	127,000	1,240	1,384	145	11.67%
Hunternville	0.16	19,000	104,000	1,742	1,952	209	12.00%
Hunternville	0.09	14,000	70,000	1,091	1,241	150	13.78%
Marton Commercial							
Marton	0.14	92,000	180,000	5,169	5,694	526	10.17%
Marton	0.05	66,000	200,000	4,572	4,997	425	9.30%
Marton	0.04	42,000	121,000	2,431	2,689	258	10.60%
Marton	0.12	89,000	155,000	2,520	2,774	254	10.10%
Marton	0.05	57,000	126,000	3,303	3,636	332	10.06%
Marton	0.04	55,000	61,000	2,490	2,778	289	11.59%
Marton Industrial							
Marton	2.5	235,000	810,000	4,660	4,898	239	5.12%
Marton	0.67	102,000	1,450,000	7,838	8,187	349	4.45%
Marton	0.8	72,000	455,000	3,302	3,527	224	6.80%
Marton Non-Commercial							
Marton	0.07	71,000	410,000	3,185	3,414	229	7.19%
Marton	0.38	97,000	455,000	3,302	3,527	224	6.80%
Marton	0.1	76,000	320,000	2,950	3,188	238	8.07%
Marton	0.1	61,000	270,000	2,820	3,063	243	8.62%
Marton	0.11	76,000	235,000	2,728	2,975	246	9.03%
Marton	0.1	41,000	175,000	2,141	2,344	203	9.47%
Marton	0.1	70,000	235,000	2,728	2,975	246	9.03%
Marton	0.2	61,000	175,000	2,572	2,824	252	9.81%
Marton	0.07	52,000	175,000	2,572	2,824	252	9.81%
Marton	0.05	52,000	119,000	2,426	2,684	258	10.64%
Marton	0.06	41,000	119,000	2,426	2,684	258	10.64%
Marton	0.1	26,000	100,000	2,376	2,636	260	10.94%
Marton	0.04	31,000	86,000	2,340	2,601	261	11.17%
Bulls Commercial							
Bulls	0.1	165,000	1,100,000	5,201	5,386	185	3.56%
Bulls	0.09	133,000	450,000	3,289	3,514	225	6.84%

	Area	New Land Value	New Capital Value	Rates 2018/19	Rates 2019/20	Dollar Change	% Change
Bulls	0.1	190,000	280,000	4,398	4,755	357	8.13%
Bulls	0.04	88,000	230,000	2,715	2,962	247	9.09%
Bulls	0.1	165,000	180,000	2,585	2,837	252	9.75%
Bulls Non-Commercial							
Bulls	0.41	97,000	300,000	2,898	3,138	240	8.28%
Bulls	0.06	67,000	250,000	2,767	3,012	245	8.85%
Bulls	0.09	64,000	180,000	2,585	2,837	252	9.75%
Bulls	0.08	53,000	175,000	2,572	2,824	252	9.81%
Bulls	0.07	46,000	200,000	2,637	2,887	250	9.48%
Bulls	0.08	57,000	147,000	2,499	2,754	255	10.21%
Bulls	0.1	64,000	95,000	2,363	2,623	260	11.02%
Turakina							
Turakina	0.15	23,000	144,000	1,284	1,335	51	3.96%
Turakina	0.54	54,000	215,000	1,469	1,513	44	2.97%
Ratana							
Ratana	0.09	14,000	165,000	2,847	3,107	260	9.12%
Ratana	0.09	14,000	86,000	2,641	2,909	268	10.13%
Ratana	0.09	14,000	76,000	2,615	2,884	269	10.27%
Ratana	0.1	14,000	62,000	2,579	2,849	270	10.47%
Rural North							
Erewhon	4,806	18,400,000	20,800,000	59,767	58,084	-1,683	-2.82%
Erewhon	1,983	9,700,000	11,400,000	33,426	32,550	-876	-2.62%
Erewhon	2,581	10,100,000	11,500,000	31,870	30,855	-1,016	-3.19%
Erewhon	1,495	5,177,000	6,269,000	18,223	17,729	-494	-2.71%
Erewhon	1,574	4,757,000	5,927,000	16,422	15,897	-525	-3.20%
Ruanui	749	2,810,000	3,570,000	11,181	10,956	-225	-2.01%
Awarua	243	1,660,000	2,125,000	7,411	7,330	-81	-1.09%
Te Kapua	339	1,080,000	1,435,000	4,702	4,625	-77	-1.64%
Kiwitea	83	450,000	590,000	2,498	2,505	7	0.29%
Awarua	27	240,000	460,000	2,159	2,179	20	0.94%

	Area	New Land Value	New Capital Value	Rates 2018/19	Rates 2019/20	Dollar Change	% Change
Ruanui	3	29,000	265,000	1,650	1,690	40	2.41%
Ohingaiti	3.11	108,000	260,000	1,637	1,677	40	2.46%
Awarua	0.4	18,000	235,000	1,572	1,614	43	2.72%
Ohingaiti	0.1	8,000	68,000	1,136	1,195	59	5.23%
Turakina	0.18	27,000	180,000	1,378	1,425	47	3.42%
Mangaweka							
Mangaweka	0.1	17,000	127,000	2,497	2,755	258	10.34%
Mangaweka	0.1	17,000	98,000	2,421	2,682	261	10.79%
Mangaweka	0.1	17,000	68,000	2,343	2,607	264	11.27%
Mangaweka	0.1	17,000	54,000	2,306	2,572	266	11.51%
Rural South							
Rangitoto	746	17,500,000	19,500,000	56,325	54,771	-1,554	-2.76%
Rangatira	652.84	11,000,000	14,460,000	42,267	41,151	-1,117	-2.64%
Rangitoto	315.81	3,960,000	4,270,000	12,049	11,688	-361	-2.99%
Porewa	219	5,500,000	6,750,000	20,335	19,858	-478	-2.35%
Whangaehu	590.65	2,680,000	3,610,000	11,235	11,005	-230	-2.05%
Porewa	162	4,210,000	4,820,000	15,300	15,015	-285	-1.87%
Pukepapa	66.37	1,770,000	2,090,000	6,361	6,218	-143	-2.25%
Pukepapa	35.21	830,000	1,310,000	5,102	5,099	-3	-0.05%
Porewa	38	1,120,000	1,470,000	4,743	4,662	-81	-1.72%
Pukepapa	27.26	640,000	895,000	3,243	3,219	-24	-0.74%
Porewa	9.3	260,000	660,000	2,630	2,629	-1	-0.03%
Pukepapa	1.6	108,000	415,000	2,635	2,709	74	2.81%
Scotts Ferry	0.16	45,000	320,000	1,743	1,868	125	7.19%
Scotts Ferry	0.08	30,000	165,000	1,339	1,480	141	10.52%
Scotts Ferry	0.1	30,000	145,000	1,286	1,429	143	11.10%
Scotts Ferry	0.08	30,000	135,000	1,260	1,404	144	11.41%
Otakapu		23,000	144,000	1,284	1,335	51	3.96%
Rangitoto	2	108,000	300,000	1,691	1,726	35	2.08%
Rangitoto	0.11	23,000	61,000	1,067	1,126	59	5.53%
Rural Dairy/Pastoral							

	Area	New Land Value	New Capital Value	Rates 2018/19	Rates 2019/20	Dollar Change	% Change
Whangaehu	34	1,500,000	1,554,000	4,054	3,899	-155	-3.82%
Rangatira	125	4,900,000	7,200,000	20,601	20,013	-588	-2.85%
Rangatira	0	6,500	10,500	27	26	-1	-3.82%
Porewa	121	2,590,000	4,830,000	14,418	14,066	-352	-2.44%
Rural South Industrial							
Porewa	5.52	320,000	4,870,000	14,258	13,888	-370	-2.60%
Greatford	148.21	4,200,000	11,100,000	29,868	28,826	-1,042	-3.49%
Rangitoto	7.79	310,000	2,620,000	7,744	7,548	-196	-2.53%

Revised draft - 29 March 2019

Summary of Significant Accounting Policies

Reporting Entity

The Rangitikei District Council (the Council) is a territorial authority established under the Local Government Act 2002 (LGA) and is domiciled and operates in New Zealand. The relevant legislation governing the Council's operations includes the LGA and the Local Government (Rating) Act 2002.

The Council provides local infrastructure, local public services, and performs regulatory functions to the community. The Council does not operate to make a financial return.

The Council has designated itself as a public benefit entity for financial reporting purposes.

The prospective financial statements of the Council are for the year ending 30 June 2018. Actual financial results for the period covered are likely to vary from the information presented in this annual plan.

Basis of Preparation

The prospective financial statements have been prepared on the going concern basis, and the accounting policies have been applied consistently throughout the period.

Statement of compliance

The prospective financial statements of the Council have been prepared in accordance with the requirements of the Local Government Act 2002, which includes the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

The financial statements have been prepared in accordance with Tier 1 Public Benefit Entity (PBE) accounting standards.

These prospective financial statements comply with PBE standards

Presentation currency and rounding

The financial report is presented in New Zealand dollars, and all values are rounded to the nearest thousand dollars (\$000) unless otherwise stated.

Standards issued and not yet effective and not early adopted

There are currently no standards that have been issued which are not yet effective.

Significant Accounting Policies

Revenue

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

The specific accounting policies for significant revenue items are explained below:

Revenue from non-exchange transactions

General and targeted rates

General and targeted rates are set annually and invoiced within the year. The Council recognises revenue from rates when the Council has set the rates and provided the rates assessment. The Council considers the 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.

New Zealand Transport Agency roading subsidies

The Council receives funding assistance from the New Zealand Transport Agency, which subsidises part of the costs of maintenance and capital expenditure on the local roading infrastructure. The subsidies are recognised as revenue upon entitlement, as conditions pertaining to eligible expenditure have been fulfilled.

Other grants received

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.

Vested assets

Where a physical asset is acquired for nil or nominal consideration, the fair value of the asset received is recognised as income unless there is a use or return condition attached to the asset.

Direct charges – subsidised

Rendering of services – subsidised

Rendering of services at a price that is not approximately equal to the value of the service provided by the Council is considered a non-exchange transaction. This includes rendering of services where the price does not allow the Council to fully recover the cost of providing the service (such as building consents, dog licensing, etc.), and where the shortfall is subsidised by income from other activities, such as rates. Generally there are no conditions attached to such revenue.

Revenue from such subsidised services is recognised when the Council issues the invoice or bill for the service. Revenue is recognised as the amount of the invoice or bill, which is the fair value of the cash received or receivable for the service. Revenue is recognised by reference to the stage of completion of the service to the extent that the Council has an obligation to refund the cash received from the service (or to the extent that the customer has the right to withhold payment from the Council) if the service is not completed.

Sale of goods – subsidised

A sale of goods at a price that is not approximately equal to the value of the goods provided by the Council is considered a non-exchange transaction. This includes sales of goods where the price does not allow the Council to fully recover the cost of producing the goods (such as the supply of bulk water), and where the shortfall is subsidised by income from other activities such as rates.

Revenue from the sale of such subsidised goods is recognised when the Council issues the invoice or bill for the goods. Revenue is recognised at the amount of the invoice or bill, which is the fair value of the cash received or receivable for the goods.

Revenue from exchange transactions

Direct charges – full cost recovery

Sale of goods – full cost recovery

Revenue from the sale of goods (such as recyclable materials) is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Usually this is on delivery of the goods, and when the amount of revenue can be measured reliably. It is probable that the economic benefits or service potential associated with the transaction will flow to the Council.

Interest and dividends

Interest revenue is recognised using the effective interest method. Interest revenue on an impaired financial asset is recognised using the original effective interest rate.

Dividends are recognised when the right to receive payment has been established. When dividends are declared from pre-acquisition surpluses, the dividend is deducted from the costs of the investment.

Expenses

Expenses are measured at the fair value of the consideration paid or payable, taking into account contractually defined terms of payment and excluding taxes or duty.

The specific accounting policies for significant expense items are explained below

Borrowing costs

All borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that the Council incurs in connection with the borrowing of funds. The Council has chosen not to capitalise borrowing costs directly attributable to the acquisition, construction, or production of assets.

Grants

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 the Council has no obligation to award on receipt of the grant application and are recognised as expenditure when approved by the Council and the approval has been communicated to the applicant. The Council's grants awarded have no substantive conditions attached.

Income tax

Income tax expense includes current and deferred tax.

Current tax is the income tax payable on the taxable surplus for the year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using rates (and tax laws) that have been enacted or substantively enacted by 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 financial statements and corresponding tax bases used in the computation of the taxable surplus.

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 Council 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 surpluses 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 the accounting surplus nor the taxable surplus.

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.

Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of the 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 include cash on 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.

Receivables

Short-term receivables are recorded at their face value, less any provision for impairment.

Other financial assets

Financial assets are initially recognised 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 the Council 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 the Council has substantially transferred the risks and rewards of ownership.

Financial assets are classified into the following categories for the purpose of measurement:

- fair value through surplus or deficit;
- loans and receivables;
- held to maturity investments; and
- fair value through other comprehensive revenue and expense.

The classification of a financial asset depends on the purpose for which the instrument was acquired.

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 current assets.

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

Loans and receivables

Loans and receivables 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 the 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 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 and there is 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 in the surplus or deficit.

Fair value through other comprehensive revenue and expense

Financial assets at fair value through other comprehensive revenue and expense are those that are designated into the category at initial recognition 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. Council includes in this category:

- investments that it intends to hold long term but which may be realised before maturity; and
- shareholdings that it holds for strategic purposes

These investments are measured at their fair value, with gains and losses recognised in other comprehensive revenue and expense, except for impairment losses, which are recognised in the surplus or deficit.

On de-recognition, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is reclassified from equity to the surplus or deficit.

Impairment of financial assets

Financial assets are assessed for objective evidence of impairment at each balance date. 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 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 uncollectable, 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 expense

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 expense, 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 expense 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 in the 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 rather than through continuing use. Non-current assets for sale are measured at the lower of their carrying amount and fair value less costs to sell.

The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset is available for immediate distribution in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the sale will be withdrawn. The Council must be committed to the distribution expected within one year from the date of classification.

Any impairment losses for write-downs of non-current assets held for sale are recognised in the 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 books, plant and equipment, and motor vehicles.

Infrastructural assets – Infrastructural assets are the fixed utility systems owned by the Council. Each asset class includes all items that are required for the network to function. For example, sewer reticulation includes reticulation piping and sewer pumps.

Restricted assets – Restricted assets are parks and reserves that provide benefit to the community and cannot be disposed of because of legal or other restrictions.

Land (operational and restricted) is measured at fair value, and buildings (operational and restricted), and infrastructural assets (except land under roads) are measured at fair value less accumulated depreciation. All other asset classes are measured at cost less accumulated depreciation and impairment losses.

Revaluation

Land and buildings (operational and restricted) and infrastructural assets (except land under roads) are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value and at least every three years. All other asset classes are carried at depreciated historical cost.

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

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

The net revaluation results are credited or debited to other comprehensive revenue and are accumulated to an asset revaluation reserve in equity for that class of asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive revenue and expense but is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive revenue and expense.

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 the Council and the cost of the item can be measured reliably.

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

In most instances, an item of property, plant and equipment is initially recognised at its cost. Where an asset is acquired through a non-exchange transaction, it is recognised at its fair value as at the date of acquisition.

Disposals

Gains or losses on disposal are determined by comparing the disposal proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in 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 the Council 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

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land and road formation, 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 of major classes of assets have been estimated as follows:

Operational and restricted assets

Buildings

Structure.....	50-170 years
Roof	40 years
Services.....	40-65 years
Internal fit out	15-40 years

Plant 30 years

Motor vehicles..... 6 years

Office equipment..... 10 years

Computer hardware 5 years

Library books 10 years

Infrastructural assets

Roading network

Top surface (seal)	3-16 years
Pavement sealed (base course).....	67 years
Pavement unsealed (base course)	60 years
Formation.....	Not depreciated
Culverts.....	10-100 years
Footpaths	25-75 years
Drainage facilities	80-100 years
Traffic facilities and miscellaneous items.....	15-80 years
Street lights	50-70 years
Bridges.....	75-120 years

Water

Pipes	30-90 years
Pump stations.....	5-100 years
Pipe fittings.....	25-50 years

Wastewater

Pipes	50-100 years
Manholes.....	100 years
Treatment plant	5-100 years

Stormwater	
Pipes	50-90 years
Manholes, cesspits	100 years
Waste transfer stations	50 years

Service concession arrangements

The Council may acquire infrastructural assets by entering into a service concession arrangement (SCA) with a private operator to build, finance and operate an asset over a specified period.

Assets acquired through a SCA are initially recognised at their fair value, with a corresponding liability. The asset is subsequently measured following the accounting policies above for property, plant and equipment.

The Council currently has not entered into any such SCA where a private operator has built and financed an asset.

The Council has only entered into SCAs where the Council itself owns the asset and any charges for services provided by the operator are recognised as an expense in the year to which it relates.

Intangible assets

Software acquisition

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

Staff training costs are recognised in the surplus or deficit when incurred.

Costs associated with maintaining computer software are recognised as an expense when incurred.

Easements

Easements are not considered material and any costs incurred are recognised in the surplus or deficit in the year in which they are incurred.

Carbon credits

Carbon credit purchases are recognised at cost on acquisition. They are not amortised, but are instead tested for impairment annually. They are derecognised when they are used to satisfy carbon emission obligations.

Free carbon credits received from the Crown are recognised at fair value on receipt. They are not amortised, but are instead tested for impairment annually. They are derecognised when they are used to satisfy carbon emission obligations.

Amortisation

The 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 derecognised. The amortisation charge for each period is recognised in the surplus or deficit.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Computer software..... 3-5 years

Impairment of property, plant and equipment and intangible assets

Property, plant and equipment and intangible assets subsequently measured at cost that have a finite useful life, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit. The reversal of an impairment loss is recognised in the surplus or deficit.

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 determined by using the approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

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 for cash-generating assets and cash-generating units is the present value of expected future cash flows.

Forestry assets

Standing forestry assets are independently revalued annually at fair value less estimated costs to sell for one growth cycle. Fair value is determined based on the present value of expected net cash flows discounted at a current market determined rate. This calculation is based on existing sustainable felling plans and assessments regarding growth, timber prices, felling costs, and silviculture costs and takes into consideration environmental, operational and market restrictions.

Gains or losses arising from a change in fair value less estimated costs to sell are recognised in the surplus or deficit.

Forestry maintenance costs are recognised in the surplus or deficit when incurred.

Payables

Short-term payables are recorded at their face value.

Borrowings

Borrowings are initially recognised at their fair value plus transaction costs. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

Employee benefits

Short-term employee entitlements

Employee benefits expected to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay. These include salary and wages, and holiday pay.

These include salaries and wages accrued up to balance date, annual leave earned to but not yet taken at balance date.

Long-term employee entitlements

Long-term employee entitlements consists of long service leave that is payable beyond 12 months and have been calculated on the likely future entitlements accruing to staff, based on the years of service, years to entitlement, the likelihood that staff will reach the point of entitlement and current salary. As there are few staff members that are actually entitled to long service leave, the total accrual is not considered to be material and no actuarial basis has been used.

Presentation of employee entitlements

Annual leave, vested long service leave, and non-vested long service leave expected to be settled within 12 months of balance date, are classified as a current liability. All other employee entitlements are classified as a non-current liability.

Superannuation schemes

Obligations for contributions to KiwiSaver are accounted for as defined contribution superannuation schemes and are recognised as an expense in the surplus or deficit when incurred.

Provisions

A provision is recognised for future expenditure of uncertain amount and timing where there is a present obligation (either legal or constructive) as a result of a past event, it is probable that an outflow of future economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate base 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 and is included “finance costs”.

Landfill aftercare

The Council has a legal obligation to provide on-going maintenance and monitoring service of its closed landfills.

The provision is measured based on the present value of future cash flows expected to be incurred, taking into account future events including new legal requirements and known improvements in technology. The provision includes all costs associated with landfill post closure.

The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the Council.

Equity

Equity is the community’s interest in the Council and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components:

- accumulated surplus/(deficit);
- special and restricted reserve funds;
- property revaluation reserves; and
- fair value through other comprehensive revenue and expense reserve.

Special reserve funds

Special reserve funds are reserves created by the Council for special purposes. The Council may alter them without reference to any third party or the Courts, and transfers to and from these reserves are at the discretion of the Council.

Restricted reserve funds

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

Property revaluation reserves

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

Fair value through other comprehensive revenue and expense reserves

This reserve comprises the cumulative net change of financial assets classified as fair value through other comprehensive revenue and expense.

Goods and services tax (GST)

All items in the financial statement are exclusive of goods and services tax (GST) except for receivables and payables, which are presented on a GST-inclusive basis. Where GST is not recoverable as an input tax credit 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

The Council has determined the cost of significant activities using the cost allocation system outlined below.

Direct costs are those costs directly attributable to a significant activity. Indirect costs are those costs that cannot be identified in an economically feasible manner with a specific activity.

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities using appropriate cost drivers such as actual usage based on time, staff number and floor area.

Critical accounting estimates and assumptions

In preparing these financial statements, the Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions 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 risk of causing material adjustments to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Infrastructural assets

- The actual condition of an asset may not reflect the carrying amount of the asset. This is particularly so for assets which are underground and difficult to assess the actual condition of, such as water, wastewater and storm water assets.
- Estimates of any obsolescence or surplus capacity of an asset are based on judgements made with the best knowledge available at the time.

- Estimates of the useful remaining lives of an asset may vary with such things as soil type, rainfall, amount of traffic, natural disaster and other occurrences. The Council could be over- or under-estimating these, but assumptions are made based on the best knowledge available at the time.

Critical judgements in applying accounting policies

Management has exercised the following critical judgement in applying its accounting policies for the year ended 30 June 2015.

Classification of property

The Council owns a number of properties held to provide community housing. The receipt of market-based rental from these properties is incidental to holding them. The properties are held for service delivery objectives of the Council. The properties are therefore accounted for as property, plant and equipment rather than as investment property.

Statement of prospective financial information

These prospective financial statements were authorised for issue by the Rangitikei District Council on 28 June 2018. The Council is responsible for these prospective financial statements, including the appropriateness of the assumptions and other disclosures. Changes to the significant forecasting assumptions (commencing on page 196) may lead to a material difference between information in the prospective financial statements and the actual financial results prepared in future reporting periods. The Council's planning processes are governed by the Local Government Act 2002. The Act requires the Council to prepare a ten-year Long Term plan (the "LTP") every three years and an annual plan which updates the LTP by exception in the intervening years. This is the Rangitikei District Council's LTP for the period 30 July 2018 to 30 June 2028. It also contains the budget for the year ending 30 June 2019 which is the first year of the 2018-28 LTP. Caution should be exercised in using these prospective financial statements for any other purpose.

Benchmarks Disclosure Statement

For the 10 years ending 30 June 2028

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 for the 10 years covered by this LTP.

The Council is required to include this statement in its LTP 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 this statement.

Rates affordability benchmarks

The Council meets the rates affordability benchmark if its—

- planned rates income equals or is less than each quantified limit on rates; and
- planned rates increases equal or are less than each quantified limit on rates increases.

Rates (income) affordability

The following graph compares the Council's planned rates income with a quantified limit on rates contained in the financial strategy included in the council's 2018/2028 Long Term plan. All limits are based on the previous year's actual rates income adjusted for the projected maximum rates increases noted in the next benchmark (rates increases affordability).

GRAPH TO BE ADDED

Rates (increases) affordability

The following graph compares the Council's planned rates increases for the 10 years of the LTP with a quantified limit on rates increases contained in the financial strategy included in the council's 2018/2028 Long Term Plan

The quantified limits are as follows:

2018-19.....	4.61%	2023-24.....	4.30%
2019-20.....	4.75%	2024-25.....	4.40%
2020-21.....	4.90%	2025-26.....	4.50%
2021-22.....	4.20%	2026-27.....	4.50%
2022-23.....	4.30%	2027-28.....	4.60%

GRAPH TO BE ADDED

Debt affordability benchmark

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

The Council has three quantified limits on borrowing. For the 10 years of the LTP, these are contained in the financial strategy included in the 2015/25 Long Term plan. The limits are as follows:

- total interest expense on net external debt will not exceed 15% of total rates income;

- the ratio of net external debt to annual rates income will not exceed 150%; and,
- net external debt per capita will not exceed \$2,500 for the 10 years of the LTP

The following graph compares the Council's planned interest expense as a proportion of total rates income

GRAPH TO BE ADDED

The following graph compares the Council's planned net debt as a proportion of annual rates income

GRAPH TO BE ADDED

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The following graph compares the Council's planned net debt divided by the total population of the district to provide a per capita outcome

GRAPH TO BE ADDED

Balanced budget benchmark

The following graph displays the Council's planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment) as a proportion of planned operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment).

The Council meets this benchmark if its planned revenue equals or is greater than its planned operating expenses.

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GRAPH TO BE ADDED

Explanation for deficits (unbalanced budget): see also financial strategy.

Explanation for deficits (unbalanced budget)

The deficits appearing in the Council's prospective statement of comprehensive revenue and expenses originate in the subsidised roading activity.

This is because depreciation is not fully funded. The rationale behind this decision is based on the assumption that the Council will continue to receive financial assistance from the government on future capital renewals work and there is therefore no need to collect this portion of the cost from ratepayers. While this has been the case for many years, from 2015/16 onwards the rate of financial assistance has increased from 58% to 63% which has increased the mis-match between the amount of depreciation charged in operating expenses compared to the amount of depreciation funding required for the renewals work.

The Council fully funds roading from rates and other revenues (including subsidies) without recourse to borrowing. To increase the funding of depreciation would merely build up depreciation reserves which would not be used in the foreseeable future.

The Council is taking a prudent approach by further increasing its special reserve to fund emergency events, all within the proposed rates projected in the Long Term Plan.

All this will be achievable with only minor increases in rates because of the increased financial assistance.

The Council considers this to be a prudent approach, and, to take more money from ratepayers than it is currently planned to do so, to fund this activity, would be not be in the best interest of its community.

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. (Capital work includes both renewals of existing infrastructure as well as new capital work undertaken.)

The Council meets this benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services. Network services is defined in the regulations as infrastructure related to water supply, sewerage and the treatment and disposal of sewage, storm water drainage, flood protection and control works, and the provision of roads and footpaths. The Council owns no infrastructure related to flood protection and control work.

GRAPH TO BE ADDED

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 the Council's population will decline over the next 15 years, the Council meets the debt servicing benchmark if its planned borrowing costs equal or are less than 10% of its planned revenue.

GRAPH TO BE ADDED

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Section 6: Additional information

Statement on the Development of Māori Capacity to Contribute to Council Decision-Making

Introduction

Council is committed to working with Maori and Tangata Whenua to build internal capacity and capability, not least to support the requirements given effect to by the Treaty Settlements. While required to have this policy under the Local Government Act, Council is committed to having working relationships with Maori which go above and beyond what is required under the legislative framework.

Clause 8 of Schedule 10 of the Local Government Act 2002 requires that the Council outline any steps it might take to foster the development of Māori capacity building to contribute to its decision-making processes, over the period covered by this plan.

The key provision in the Local Government Act 2002 regarding the Council's relationship with Māori is section 81, which requires all councils to fulfil three primary tasks:

- a) Establish and maintain processes to provide opportunities for Māori to contribute to the decision-making processes of the local authority; and
- b) Consider ways in which it may foster the development of Māori capacity to contribute to the decision-making processes of the local authority; and
- c) Provide relevant documentation to Māori for the purposes of the above two paragraphs.

The Memorandum of Understanding: Tutohinga

The Memorandum of Understanding, initially signed in 1998, recognises the fundamental role of Iwi in the District and the essential partnership between Iwi and the Rangitikei District Council. The key mechanism for delivering on the partnership intent of the Memorandum is Te Roopu Ahi Kaa, a standing advisory committee of the Council. Tangata Whēnua of the District are represented on the Komiti, as is the Ratana Community. Komiti members are regularly briefed on Council matters and specifically offered a lead role in reviews of policies/statements of particular relevance to Māori. Members of the Komiti are also provided with a training budget in order to build capacity and capability among the group.

To give effect to the intent of the Memorandum of Understanding: Tutohinga, the Council and Te Roopu Ahi Kaa are committed to looking for more effective ways to ensure that Māori are well informed, have an ability to have input into processes and, when they do so, understand the reasons for the Council's response. A Māori community development programme was undertaken during 2011-2014, and provided for facilitated Hui of iwi/Hapu from the northern rohe to pre-caucus before Komiti meetings. A budget is allocated for the Māori Community Development Programme and is to be distributed by the Komiti in accordance with its own processes. This programme is designed to increase the capacity of Māori to contribute to local decision-making, and strengthen relationships between iwi organisations/marae and Council (including through the development of individual MOU). As a result, Council developed a policy for unlocking Māori landlocked land and a policy to recognise iwi/hapu interests in Council-owned land that is declared surplus.

The Memorandum of Understanding: Tutohinga is subject to review at the same time as each Representation Review. The last review was in 2012 and the next will begin in 2018³⁸.

Strategic Planning

Te Roopu Ahi Kaa has adopted a strategic plan which is subject to regular review. This plan identifies a number of actions to achieve three goals – building stronger relationships between Council and Te Roopu Ahi Kaa, building stronger relationships between Council and Iwi, hapu, whanau and Māori communities, and building cultural awareness.

Every three years, Council adopts the Long Term Plan, supplemented annually with an Annual Plan. Council will ensure that there is an annual opportunity for iwi to engage with Council's strategic planning process, including the schedule of capital and renewal works, major programmes, policy review development etc.

Council will also ensure that other tributary strategies – for example, arts, heritage, and economic development – receive particular input from iwi/hapu and from Te Roopu Ahi Kaa

Council will welcome the opportunity to receive the strategic and other management plans from iwi/hapu in order to ensure alignment of its own strategies and plans where possible and appropriate, and with particular reference to the requirements of the Resource Management Act 1991.

Iwi Liaison Officer

Te Roopu Ahi Kaa suggested that this new role would facilitate effective communication with Tangata Whenua and manage relationships in order to assist with the development and analysis of Council policy. Implementing and potentially reviewing Te Roopu Ahi Kaa's strategic plan forms part of this role. Details are currently being worked out.

Representation

One of the early components of the Representation Review is consideration whether one or Māori wards should be established in the District. Assuming the current statutory provisions remain in force, Council will continue to refer this matter to the Komiti for its consideration at each Representation Review. At the most recent review in 2017, the Komiti did not make a recommendation on this proposal. Instead it resolved that the future of Te Roopu Ahi Kaa as an advisor group be considered against the value of direct relationships between Iwi and Council.

This is not an 'either-or' question but one of establishing complementary relationships, understanding both the potential advantages and disadvantages of both. The Komiti advocates that Te Roopu Ahi Kaa achieves a sense of tribal accountability, which is important for a district with multiple iwi. The Komiti is therefore in agreement that Maori Wards would not negate the need for Te Roopu Ahi Kaa. Council expects this discussion to be ongoing and to develop as the relationship between Council and iwi organisations in the district matures.

³⁸ In between these times of comprehensive review, the Komiti may recommend changes to its membership to reflect the needs and views of iwi/hapu of the District.

In 2017, Council decided to invite Te Roopu Ahi Kaa to nominate one of its members to be a member of the Assets/Infrastructure Committee with full voting rights. This arrangement will be extended in 2018 to include representation on the Policy/Planning and Finance/Performance Committees. This is viewed by the Komiti as being a form of meaningful participation in Council business.

The Post Treaty Settlement Environment

Finalisation of Treaty claims is a significant development in the Rangitikei. The Council is aware that in a post-settlement phase, iwi with Mana Whēnua have obligations to all people in the rohe.

Ngati Apa's claim is the first claim to be settled in the District and so is of particular significance to the District. It has resulted in addressing a number of longstanding grievances that some Iwi and Hapu in our District have had with the Crown. The settlement will also result in commercial and cultural redress that is likely to change the business, and cultural landscape within the region. Council will seek to establish a Memorandum of Understanding with Ngati Apa which supports the realisation of these benefits and Ngati Apa have also expressed interest in seeking closer working relationships with Council.

Ngati Rangi is quickly approaching settlement and the Taihape claims are anticipated in the near future. Once these settlements are complete, they are likely to promote stronger working relationships with Council, particularly in the economic and industry space. The impacts of the Settlements/Acts on Council's business, resourcing levels and processes are not fully known at this stage.

The Iwi Advisory Komiti is an opportunity for Iwi/hapu without the capacity to engage independently to engage in a relationship with Council. However, the Iwi Advisory Komiti does not pre-empt the opportunity for individual Iwi/hapu to have a direct relationship with Council.

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Significance and Engagement Policy

Purpose and Scope

To enable the Council and its communities to identify the degree of significance attached to decisions around particular issues, proposals, assets and activities.

To provide clarity about how and when communities can expect to be engaged in decisions made by Council.

To inform the Council and the community, from the beginning of a decision-making process, about the extent, form and type of engagement required.

Legislative Context

Every decision made by a local authority must be made in accordance with the provisions of the Local Government Act 2002.

Councils are required to adopt a Significance and Engagement Policy to enable it to determine the significance of the decision to be made and, where appropriate, engage with its community³⁹.

The Council will not make a decision or proceed with a proposal which it considers to be significant, unless it is first satisfied that the following requirements have been met:

Requirements in relation to decisions⁴⁰

- Identify all reasonably practicable options for the achievement of the objective of a decision
- Assess the advantages and disadvantages of the options.
- Take into account the relationship of Māori and their culture and traditions with their ancestral land, water, sites, waahi tapu, valued flora and fauna, and other taonga.

The views of those affected⁴¹

- In the course of decision making the views of persons likely to be affected or likely to have an interest in the matter must be considered.

Contributions to decision-making by Maori⁴²

- Processes to encourage and foster participation in decision-making by Maori⁴³

³⁹ Section 76AA

⁴⁰ Section 77

⁴¹ Section 78

⁴² Section 81

Principles of consultation⁴⁴

- Provide reasonable access to relevant information in a manner and format that is appropriate to the preferences and needs of persons likely to be affected by, or to have an interest in, the matter
- Encourage affected/interested persons to present their views to the local authority
- Provide reasonable opportunity to present those views to the local authority and clear information by the local authority concerning the purpose of the consultation and the scope of the decisions to be taken following the consideration of views presented
- Receive the views with an open mind and provide a clear record or description of relevant decisions made by the local authority and explanatory material relating to the decisions.

When Council makes a decision that deviates from this policy, it will clearly identify the inconsistency, the reasons for the inconsistency and any intention to amend the policy to accommodate the decision⁴⁵.

Community Engagement

The Council believes that public engagement is an essential part of good local government. Good consultation and engagement processes allow individuals and organisations to contribute to democratic local decision-making

Special Consultative Procedure

The following decisions require consultation through the special consultative procedure:

- Establishing a council-controlled organisation.
- Making, amending or revoking a bylaw which is of significant public interest or likely to have a significant impact on the public.
- Before adopting a long term plan, using the consultation document.
- Before amending a long term plan, using the consultation document.
- Before adopting an annual plan, using the consultation document (unless there are no significant or material differences to the long-term plan projections for that year).
- Assessing Council's water and other sanitary services.
- Setting administrative charges under the Resource Management Act (and making a policy for discounting administrative charges)⁴⁶

⁴³ See the Development of Maori Capacity to Contribute to Council Decision-making Policy

⁴⁴ Section 82

⁴⁵ Section 80 of the Local Government Act 2002

⁴⁶ Resource Management Act 1991, sections 36 and 36AA.

The special consultative procedure requires consultation for at least 1 month, the development of a ‘statement of proposal’ outlining the proposal, a summary of the information contained within the statement of proposal, information about how anyone interested in the proposal may present their views, and the opportunity to present their views in a way that allows for spoken (or New Zealand sign language) interaction with the Council⁴⁷.

Non-SCP Engagement

Council will decide on the scope and scale of engagement for decisions which do not require the use of the special consultative procedure on a case-by-case basis. The level of community engagement on a particular issue or decision will be decided by considering the following three factors:

- A. The level of significance of the matter.
- B. Whether the issue is District-wide, or only affects easily identified communities.
- C. The desired level of participation.

An Engagement Plan (schedule 2) will be prepared and approved for every consultation process.

A. Determining Significance

Council will use the criteria identified below and the potential effects on Council’s strategic assets as a guide to determining the significance of a decision. This criteria will be used in other Council decisions for significance.

Criteria

In considering the degree of significance of every issue requiring a decision, Council will be guided by the following criteria to help determine if specific proposals are significant:

	Degree of significance		
	Low (minor and/or short-term)	Medium (moderate/mid-term)	High (major and/or long term)
The potential effect on Council’s ability to act in accordance with the statutory principles relating to local government			
The potential effect on the delivery of the statutory core services			

⁴⁷ Section 93 of the Local Government Act 2002. This also provides that Council may allow people to present their views using an audio link or audio-visual link.

The level of community interest in the issue			
The financial costs/risk associated with the decision			
The non-financial costs/risk associated with the decision			
The number of people likely to be affected			

Strategic Assets

The following is a list of assets which are considered to be strategic assets⁴⁸. These assets are needed to maintain Council's capacity to achieve or promote outcomes that it determines to be important to the well-being of the community.

- Sections of the roading network where:
 - Loss of that section would create significant disruption (time for an alternative, number of vehicles affected).
 - There are no alternative routes.
- Each bridge within the District
- Street-lighting
- Wastewater network and treatment plant in Ratana
- Wastewater network and treatment plant in Bulls
- Wastewater network and treatment plant in Marton
- Wastewater network and treatment plant in Hunterville
- Wastewater network and treatment plant in Mangaweka
- Wastewater network and treatment plant in Taihape
- Community amenities
- District libraries
- District cemeteries
- Water treatment, storage, and supply networks in Ratana
- Water treatment, storage, and supply networks in Bulls
- Water treatment, storage, and supply networks in Marton
- Water treatment, storage, and supply networks in Hunterville
- Water treatment, storage, and supply networks in Mangaweka
- Water treatment, storage, and supply networks in Taihape
- Stormwater networks in Ratana
- Stormwater networks in Bulls
- Stormwater networks in Marton
- Stormwater networks in Hunterville
- Stormwater networks in Mangaweka
- Stormwater networks in Taihape
- Community housing⁴⁹
- Recreation facilities

⁴⁸ As required by section 76AA and required by section 76AA(3) of the Local Government Act 2002

⁴⁹ Any land or building owned by the local authority and required to maintain the local authority's capacity to provide affordable housing as part of its social policy. (LGA 2002, s5)

B. District-wide issue

Where an issue or decision has effects which are district-wide, then Council will consult with the whole District. Where an issue or decision is only likely to impact on an easily identified group (e.g. a decision that affects only a specific community) localised engagement only with this group may occur.

C. Degree of Participation

The degree of participation will be determined using the Public Participation Model (schedule 1). The model will be used in conjunction with the consideration of the following factors:

- The extent to which the current views of parties who will, or may be affected by, or have an interest in, the decision are known.
- The costs and benefits of any engagement process.
- Statutory timeframes.
- If there is an increased risk to health and safety from delaying the decision.
- Whether the decision aligns with previous Council decisions.
- Community preferences for engagement on specific issues.

Engagement Principles

4.1 When undertaking engagement, the Council will use the following set of principles:

- Select appropriate tools and techniques for engagement, depending upon the level of engagement sought and the impact of the issue being consulted upon.
- Use simple and straightforward language when asking for feedback on proposals.
- Ensure that documents are accessible.
- Encourage councillors, community boards and community committees to engage with local communities and assist Council in consulting on public proposals.

Schedule 1 - Public Participation Model

	COUNCIL DECIDES	COUNCIL SEEKS OPINIONS	DISCUSSION AND INVOLVEMENT	PARTNERSHIP	COMMUNITY DECIDES
What does it involve	To provide the public with balanced and objective information to assist them in understanding the problems, options, or solutions	To obtain public feedback on options or proposed decisions	To work directly with the public throughout the process to ensure that concerns are understood and considered prior to decision making	To partner with the public in aspects of the decision including the development of alternatives and the identification of preferred solution(s)	To place the final decision-making in the hands of the public
Types of issues it might be used for	Annual report Procurement of goods and services Opening hours of Council facilities Upcoming legislative changes	Bylaws Statutory policies Long Term Plan consultation phase Annual Plan consultation phase	District Plan Review Long Term Plan development phase Major projects that have a significant impact on the community.	Community development projects	To elect representatives (Councillors, Community Board members, Community Committee members)
Tools Council might use	Website Newspaper adverts and inserts Public meetings Social media	All tools from 'Council decides' and potentially the following: Written submissions Oral hearings Public meetings Stakeholder meetings Letters to affected parties	Workshops Stakeholder meetings Social media	External working groups Social media Website Displays	Referendum Local body elections Election (show of hands or ballot) at public meeting
When the community might expect to be involved	Council will generally advise once a decision has been made	Council will generally advise the community once a draft decision is made. Council would generally provide the community with up to 4 weeks to participate and respond	Council will generally provide the community with greater lead-in time to allow them to be involved in the process	Council will generally involve the community at the start to scope the issue, after information has been collected, and when options are being considered	Council will generally provide the community with sufficient lead in time to be involved in the process.

Schedule 2: Engagement Plan template

Project description and background

This will describe the nature of the engagement to be undertaken, clarify the decision to be made, the circumstances that led to it, related council decisions already made, and legislation applying.

Engagement objectives

Identify what feedback or decisions we want from communities.

What decisions will be made by council that needs to be informed by the community's input?

Timeframe and completion date

Describe each stage of the project, including when key decisions need to be made by Council.

Communities to be engaged with

List the communities and key stakeholders to engage with.

Engagement tools and techniques to be used

Describe the tools and techniques that will be used to engage with each of the identified communities and stakeholders. Refer to the IAP2 Spectrum of Public Participation to determine the level of engagement for each (Inform Empower).

Resources needed to complete the engagement

This includes time allocations for Council staff and Councillors and costs involved to undertake the selected engagement tools and techniques.

Communication planning

This outlines any potential reputation risks associated with the project and mitigations. It will outline the key messages to be communicated to the public, and where necessary will include a communications plan.

Basis of assessment and feedback to the communities involved

This will describe how the community input will be analysed and how results will be communicated to the Council and to participating communities. Also includes an indication of when this feedback will occur – prior to, or after Council decisions are made.

Project team roles and responsibilities

This identifies who will be involved in this project, excluding external providers, and who the key contact point within Council will be.

Changes to Levels of Service

This section identifies intended changes to the level of service provided in 2016/17 and the reason for the change.

The following descriptions are used:

- *'Continued'* means the level of service in 2017/18 is carried through into the Long Term Plan (although the performance measures may be different).
- *'Modified'* means the presentation of the level of service in 2017/18 has changed in this LTP – it may be different wording, it may form part of the performance measures, or it may be represented in the forecasting assumptions.
- *'Increased'* means an additional level of service has been introduced – either in an existing activity or by undertaking a new activity.
- *'Decreased'* means the level of service has declined.
- *'New'* – represents a new measure.

Levels of Service - 2017/18 Annual Plan	Levels of Service - 2018/28 Long Term Plan (<i>continued, modified, increased, decreased, new</i>)	Reasons for change
Community Leadership		
Make decisions that are robust, fair, timely, legally compliant and address critical issues, and that are communicated to the community and followed through	Continued/Increased	The levels of service from the 2017/18 Annual Plan remain unchanged for the Long Term Plan. However, three new performance standards have been added to reflect Council's increased focus in the following areas. <ul style="list-style-type: none"> • Communication • Value for money • Satisfaction • Iwi • Engagement with sector excellence programmes

Roading		
Provide a sustainable roading network which is maintained in accordance with each road's significance for local communications and the local economy, taking into account the Lone Roding Network Classification and funding subsidies	Decreased	The roading network in places affected by heavy vehicles (particularly forestry) will be maintained through a 'fix as you go approach', where potholes will be filled at the time, and reinstatement occurring afterwards.
Be responsive to community expectations over the roading network and requests for service	Continued	Not applicable
Water Supply		
Provide a safe and compliant supply of drinking water	Continued	Not applicable
Provide reliable and efficient urban water supplies	Continued	Not applicable
Be responsive to reported faults and complaints	Continued	Not applicable
Maintain compliant, reliable and efficient rural water supplies	Modified	A performance measure which measures water loss from the rural schemes has been removed as water loss from Council's water schemes is unable to be measured.
Ensure fire-fighting capacity in urban areas	Continued	Not applicable
Sewerage and the Treatment and Disposal of Sewage		
Provide a reliable reticulated disposal system that does not cause harm or create pollution within the existing urban areas.	Continued/Increased	Council's proposals to implement discharges to land rather than rivers and stream will, when implemented, reduce harm or pollution in waterways.
Be responsive to reported faults and complaints	Continued	Not applicable
Stormwater Drainage		
Provide a reliable collection and disposal system to each property during normal rainfall	Continued	Not applicable
Be responsive to reported faults and complaints	Continued	Not applicable

Community and Leisure Services		
Provide a “good enough” range of “good enough” community and leisure assets at an appropriate proximity to centres of population	Increased	The level of service has been amended to better reflect Council’s goal of providing fit-for-purpose community and leisure assets. In addition a number of performance measures have been added. This will enable Council to better track progress towards meeting this level of service.
Secure high use of staffed facilities	Continued	Council continues to encourage the community to use staffed facilities.
Rubbish and Recycling		
Make recycling facilities available at waste transfer stations for glass, paper, metal, plastics and textiles. Special occasions for electronics (e-waste). Extend recycling to include green/biodegradable waste facility at Taihape, Bulls and Marton waste transfer stations.	Continued/Increased	If Council’s proposal for kerbside recycling is implemented, it should mean a reduced amount of waste going to landfill (because of the greater convenience of kerbside v. having to go to a waste transfer station).
Environmental and Regulatory Services		
Provide a legally compliant service	Continued	Not applicable
Provide regulatory compliance officers	Continued	Not applicable
Community Well-being		
Provide opportunities to be actively involved in partnerships that provide community and ratepayer wins	Modified	The way that the performance measure is measured has been amended from the Report Card statements associated with the Annual Survey, to a measure based on the satisfaction of governing bodies of MOU agencies with Council support.
Identify and promote opportunities for economic growth in the District	Modified	The level of service has remained the same; however, it will be affected by the selected economic strategies. Performance measures have been amended. The measurement for GDP has been amended to provide a more accurate representation in relation to other similar economics. A new measure has been added for rangitikei.com given Council’s increased involvement.
	New	A new level of service for youth has been added. This is a result of Council’s increased focus on contributing to effective youth support.
	New	A new level of service for civil defence has been added. This is a

		result of Council's increased focus in ensuring civil defence capability throughout the organisation.
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Revised draft - 29 March 2018

Significant Forecasting Assumptions

Bearing in mind the District overview, the strategic environment and current key issues, Council has developed a set of significant forecasting assumptions which underpin this LTP.

Forecasting assumption	Risk	Level of uncertainty (in respect of the LTP)	Reasons and Financial Effect of Uncertainty
1 Government			
That the current Territorial Authority boundaries are unchanged i.e. that Rangitikei District continues to be a separate administrative entity.	A government drive towards amalgamation sets aside the normal processes for communities to determine the boundaries for their local government. The Council will waste time and money worrying about this.	Low	The local services provided by the Council will still need to be provided locally, so the cost of the service provision is unlikely to change significantly
That the regulatory functions assigned to local councils will not be centralised.	The government will centralise (or regionalise) some regulatory functions of local councils. Council invests resources to continue a function, or divests resources to discontinue a function, and the change does not proceed as planned.	Low	There has been vacillation over these discussions but no evidence yet that it is a priority for the new government. The impact on Council is that budget projections for such functions may prove to be inaccurate.
Levels of Service – Changes in government legislation and regulation will impact on assets development and operating costs and that Council has anticipated and/or planned for these changes.	That Council will overlook an important piece of regulation or legislation in its planning, or that the impact of new regulations/legislation has not been identified.	Low	Information circulated within the sector makes it unlikely that such an oversight would occur.
That implementation of the Drinking Water Standards remains mandatory for the Council's water supply schemes and that there will be greater focus on compliance as a result of government decisions on the Havelock North Drinking Water Inquiry	Council's six urban water supply schemes do not achieve compliance with a more rigorous standard (or stricter enforcement of the standard). It is not yet clear whether the drinking-water standard will be extended to rural non-potable (i.e. currently untreated supplies.	Medium	While all six urban water supply schemes are chlorinated, there could be additional cost from a more rigorous standard; financial penalties might be imposed; and a revised capital programme may be necessary. Requiring rural (non-potable) schemes to meet the drinking-water standard could be a significant cost for the subscribers to these schemes.

Forecasting assumption	Risk	Level of uncertainty (in respect of the LTP)	Reasons and Financial Effect of Uncertainty
That reduction of water losses from reticulated supplies is made mandatory	That the water loss reduction requirements set mean the Council's renewal programme for reticulation has to be substantially accelerated. More frequent (than annual) reporting may be required	Low	The priority for government action is unknown (but the data is readily accessible in the annual reporting of the mandatory performance measures for all councils). An accelerated programme could be very costly.
That the statutory requirements for earthquake-strengthening of public buildings will continue under the new government.	That Council does not secure adequate external funding for new public buildings to replace those that need strengthening.	Medium	There is strong competition for external funding. If sufficient external funding is not secured, some earthquake-prone buildings may have to be strengthened or demolished. It was estimated in 2014 that strengthening of Council-owned buildings would cost between \$20 and \$35 million. o However, following the required public consultation, Council resolved that there were no priority areas within the District, meaning the prescribed times to meet strengthening requirements have not been reduced.
Conditions on Council's resource consents renewals will be met and all consents will be renewed.	That conditions on resource consents are changed to the point that the investment required from the community is too high/unaffordable. Council may face substantial fines (and even litigation) for continuing non-compliance. Investigations before a resource consent is granted may push upgrade costs beyond what has been budgeted.	Medium/High	Council has committed to a capital programme which sets targets for compliance for all discharges. There is a strong co-operative working relationship between staff at Rangitikei and Horizons, essential to secure the most cost-effective technical solution for each site
NZTA will approve the programmes proposed for minor improvements on the roading network and bridge replacements	The programmes will not be approved. This risk is greater for the proposed bridge replacement programme as these are deemed capital works by NZTA and are prioritised on a regional basis.	Low/ Medium	The projected rates requirement for the local share of either (or both) of these programmes will not be used or needs to be increased to cover the lack of NZTA funding.
The new criteria for emergency works on the roading network will leave a funding shortfall despite the enhanced basic Funding Assistance Rate (or 'FAR') from NZTA (currently 63%)	Council will require greater ratepayer contribution to ensure the necessary emergency works.	Medium	The emergency FAR paid for damage from the storm event in June 2015 averaged about 85%. The flood damage reserve as at 30 June 2017 was \$728,000. It is being increased by \$250,000 in 2017/18 and 2018/19.
The Government subsidy of rates for ratepayers on low income will remain at	The Government reduces or abolishes this ratepayer subsidy.	Low	The tight economic climate makes this subsidy vulnerable, particularly if it is viewed as a means by

Forecasting assumption	Risk	Level of uncertainty (in respect of the LTP)	Reasons and Financial Effect of Uncertainty
current levels.			which local councils can set a higher level of rates than would otherwise be the case.
2 Demographics			
Population Change – The population of the District will change in accordance with the high projections from the Statistics NZ projections based on 2013 Census (14,550 in 2013). This shows an increase to 15,600 by 2023 and to 15,900 by 2043.	The risk is twofold. If the medium projection is what materialises, this shows an increase to 14,900 by 2033 but a decrease to 13,550 by 2043. A greater than expected population decline would increase pressure on remaining ratepayers.	Low	The results of the Census in March 2018 (expected to be available by October 2018) could show a different demographic. In addition, the reasons for the growth (largely internal migration) may not continue to apply. However, the likely range of population change would not significantly impact on provision of infrastructure, facilities or services.
Ageing population – The average age of the population of the District will continue to increase and this will impact upon the Level of Service in most activity areas.	The risk is that this age group leaves the District to establish themselves in larger service centres in anticipation of the need for services. Investment in upgrade or replacement of community facilities may prove to be mis-targeted.	Low	The ageing population trend is demonstrated over a substantial period and is reflected at the national level.
That the community's resilience to recover from events such as natural disasters is adequate.	That the community is not able to respond to or recover from a major event. The current level of community resilience may be compromised by the severity and/or frequency of major events and ageing nature of the local population. People may leave the District permanently, meaning a reduced ratepayer base.	Low/Medium	Council has recognised the need to invest in activities that promote community cohesion and resilience, and is increasing its investment in emergency management capability.
Skills Shortage: There will be no significant impact on the Council's ability to deliver programmes and projects as a result of a skills shortage.	That there will be a problem in securing critical skills to keep the Council's planned activities on track.	Low	The shared services arrangement for infrastructure provides a larger and more varied work structure which helps recruitment. The quieter lifestyle in the Rangitikei compared with New Zealand's metro areas is also a drawback.
3 Physical and natural environment			
Climate change - An increasing number of storm events will mean greater damage to the roading network, heavier demand on stormwater systems and more call on staff and	That severe storm events occur so frequently or so close to one another that Council is unable to fund all the necessary repairs in a reasonable time without breaching its liability management policy.	Low/Medium	Storm events are occurring more frequently and erratically. Borrowing beyond the parameters in the Council's liability management policy could pose issues with

Forecasting assumption	Risk	Level of uncertainty (in respect of the LTP)	Reasons and Financial Effect of Uncertainty
volunteers to be available for emergency management and rural fire activities	Capital work on water and wastewater plants may be delayed and mean Council is non-compliant with its resource consents..		prudent management.
Fuel prices will rise in line with BERL projections , allowing the present use of roads as the predominant mode of transport within the District for goods and people will continue to be viable.	Petrol and diesel could become increasingly unaffordable marginalising businesses (including farms) remote from the larger centres of population and access to rail. Agricultural production prices would rise. The ratepayer base could fall as a result.	Low	BERL estimates have been carefully researched. However, there has been a historical volatility to petroleum prices on the world market. The take-up of electric vehicles for heavy road haulage is uncertain.
All natural disasters requiring emergency work will be funded out of normal operating budgets or reserves created for this purpose or (in the case of infrastructure) Council's insurance policies or government subsidies for emergency work on roads.	That there will be a major natural disaster requiring significant additional unbudgeted expenditure and financing. The present level of government subsidy for emergency roading works may be reduced. Council may not be able to obtain (or afford) insurance sufficient cover for its infrastructure assets.	Medium	The timing and scope of natural disasters cannot be predicted. However, government subsidies and Council's own reserves provide some assurance that there will be sufficient funds for emergency work. Currently Council is part of an insurance scheme negotiated with neighbouring councils for above-ground and below-ground assets, so the risk is shared.
Changes to land use reflecting economic conditions or concern for environmental impacts will have minimal effect on rates revenue	That the changes are of significant scale and lead to decreases/increases in population and/or the District's valuation.	Low	Land use conversion (e.g. to manuka honey) or retiring hill country land from pasture are largely influenced by the market and government policy. There could be impacts on rating values and jobs – the latter potentially changing the District's demographics.
4 Financial environment			
Inflation – The financial information is based on inflation figures from 2019/20 onwards using the BERL indices for inflation. ⁵⁰ Infrastructure inflation adjustment adjustors are based on forecasted category adjustors; staff costs are inflated based on the Local Government Cost Index (LGCI): all salary and wage rates 'Local Government Sector and	That inflation (CPI) is greater than predicted or that operational costs do not vary in line with the BERL estimates.	Low/Medium	The new government may introduce policies which cause variations from the BERL indices.

⁵⁰ Business and Economic Research Ltd (BERL), 'Forecast of price level change adjustors – 2017 update: Note to Society of Local Government Managers', September 2017.

Forecasting assumption	Risk	Level of uncertainty (in respect of the LTP)	Reasons and Financial Effect of Uncertainty
Other' inflation rates are based on LGCI, average annual % change (Total).			
Interest – Interest on external borrowing is calculated at 4.72% for each of the first three years, increasing to 4.82%, 4.92%, 5.22%, 5.42%, 5.82%, 5.82% and 6.42% over the following seven years.	That interest rates will change from those used (as researched by Council). Actual costs of external borrowing may be higher than projected. However, because Council borrows in tranches, the impact of higher rates will normally be small in comparison to the total interest being paid in any one year.	Low/Medium	Economic conditions may change. If interest rates increased (or decreased) by 1% in (for example) 2024/25 (where finance costs are projected to be \$1.791 million), total interest payable would increase (or decrease) by \$340,227 which represents 1.25% of the projected rates for 2024/25.
Three-yearly revaluation of infrastructure assets (i.e. excluding land and building)s are based on projections from BERL.	That the BERL estimates are greater or less than the actual rates of inflation for those assets.	Low/Medium	BERL's estimates have been carefully researched – but economic conditions may change.
Three-yearly revaluation of land and building assets are undertaken on a consistent basis using the BERL inflation adjusters.	That the assumed value of these assets over the period of the Plan is incorrect – the actual revaluation may be greater or less than this.	Low	Economic conditions may change. Valuations for earthquake-prone buildings may fall at a disproportionate rate.
Capital Works Contracts – There will be no variations in terms of price and performance of capital works programmes.	There is significant change in price levels of capital works programmes which may affect the affordability and/or level of service provided.	Low	Council's capital works contracts have tight provisions governing price variations. Council has committed to develop an integrated contract management policy (based on the Contract Management Guidelines issued by the Municipal Association of Victoria).
Interim consents for wastewater discharges at Bulls, Marton and Ratana – Horizons will grant interim consents for five years to allow full consideration of the most cost-effective options in each of these places.	That Horizons does not agree to grant interim consents or requires stringent conditions.	Medium	The granting of interim consents is at the discretion of Horizons. Not granting them or requiring stringent conditions would impose additional costs.
That Council will be able to obtain collaboration contracts for roading allowing the Level of Service to be provided at constant prices three years at a time.	That the inflationary costs associated with roading cannot be absorbed into collaborative fixed price contracts and that there is unbudgeted expenditure associated with these inflationary increases.	Low/Medium	Economic conditions may change.
That District-wide rates will continue throughout the period of this LTP, and that there will continue to be a “public good”	That the balance between public/private benefit is not correct and either component becomes unaffordable to those required to contribute, that willingness to pay is	Low	The uncertainty depends on the robustness of the estimated costs for upgrading and replacing the 3 waters infrastructure and community /civic centres.

Forecasting assumption	Risk	Level of uncertainty (in respect of the LTP)	Reasons and Financial Effect of Uncertainty
component in funding for the network utilities	confused with affordability under either scenario.		
5 Council performance			
Levels of Service – Changes in customer expectations regarding level of service will impact on assets development and operating costs, and that Council has anticipated and/or planned for these changes.	That Council has not consulted adequately with communities to understand fully their expectations and so has planned to deliver Levels of Service that are not acceptable to the ratepayer (too high or too low).	Low	Recent residents' surveys do not show strong desire for increased level of service
Liaison with Māori – that there will be progressive inclusion and engagement of Iwi and Māori.	The urgency and extent of engagement will be viewed differently by Council and Iwi: proposals for change may create tension and ill-feeling which will be counter-productive. Joint ventures (Council and Iwi) may fail. Iwi intent to use the Mana Whakahone o Rohe process is not known. The extent of ongoing Council's commitment in the Ngati Rangī settlement over the Whangaehu River has yet to be clarified.	Medium	The Ngāti Apa claim was settled in 2010. The Ngati Rangī claims was settled in 2017. It is anticipated that WAI 2180 (concerning Iwi around Taihape) will be settled well before 2022. However, there is uncertainty on the extent to which Iwi whose Waitangi claims are settled will seek to collaborate and partner with the Council. Council is intending to appoint an Iwi/Liaison officer from July 2018.
Liaison with the Samoan community (Marton) – that there will be progressive inclusion and engagement of the Samoan community in Marton.	The urgency and extent of engagement will be viewed differently by Council and Samoan leaders: proposals for change may create tension and ill-feeling which will be counter-productive.	Low/Medium	The Samoan community is increasingly well-established within Marton and finding its voice to engage effectively with Council and other statutory stakeholders.
Replacement of existing assets does not mean an increase in levels of service, unless otherwise stated	Technological advances in replaced assets or higher national standards lead to increase levels of service	Low	Such changes would typically be highlighted in a report to Council seeking approval for the upgrade or replacement.
Useful lives of assets are described in the Statement of Accounting Policies and have been derived from accurate predictions contained in the Asset Management Plans	That information about the condition of assets that informs their useful life is not completely accurate – for example, historical information about construction dates and pavement subsurface formation details and below-ground water, wastewater and stormwater reticulation systems There will be insufficient (or excessive) provision of depreciation.	Medium	While there has been improvement in asset data capture and in asset management plans, but there are still uncertainties with the following: <ul style="list-style-type: none"> major previously unknown faults are identified needing urgent attention; information/data required to plan for future demand is not sufficiently accurate to ensure adequate provision i.e. that provision will

Forecasting assumption	Risk	Level of uncertainty (in respect of the LTP)	Reasons and Financial Effect of Uncertainty
			exceed/not meet forecast demand; and <ul style="list-style-type: none"> predicted savings in operating costs are not realised because performance of the assets has been wrongly assessed.
Depreciation rates are factored into planned asset acquisitions – the average lifespan of assets has been used to calculate rates as stated in the note on depreciation in the Statement of Accounting Policies.	Once costs for specific items are known, the depreciation may turn out to have been over-/under-stated.	Low	Because of the long lifespan of infrastructural assets, any changes in actual depreciation compared to forecast should be minimal.
Funding sources for the future replacement of significant assets disclosed in the Revenue and Financing Policy, Financial Strategy and Infrastructure Strategy are achievable.	Some user charges may not be achievable. Ratepayers may press for a different 'mix'.	Low	There has been considerable work in modelling funding sources in preparing for this LTP.
External funding will continue to be sourced to supplement Council funding for activities in the District that contribute to community outcomes.	That external funding is not available and that Council must either increase its contributions or lower expectations of its activity in achieving the community outcomes.	Medium	Success in securing external funding is not predictable. If external funding is used for what is perceived to be essential services, then there is a real danger that the community will feel let down if these services are withdrawn.
Shared Services Arrangements: Rangitikei District Council will continue to seek shared services arrangements where the needs of the community are best served by such arrangements.	Existing Shared Services arrangement may prove less attractive than when they were entered into. The cost and the needs of the Rangitikei community may not best served by such arrangements	Low	These arrangements are typically flexible and have exit provisions.
6 Economic performance			
That Council is able to influence small scale changes in the local economic environment which will add up to make an impact on the District's economic development	That Council will apply resources to secure economic development but is ineffective in the face of global economic trends	Medium	Council will take a measured, evidence-based and risk averse approach to economic development initiatives and collaborate with neighbouring councils and relevant agencies.

Table 3.2: Adjustors: % per annum change

Label	Adjustors				
	Planning and regulation	Roading	Transport	Community activities	Water and Environmental
	<i>PR</i>	<i>RD</i>	<i>TR</i>	<i>CA</i>	<i>WE</i>
Year ending	% change (on year earlier)				
Jun 15	1.5	2.3	1.6	1.8	3.2
Jun 16	0.8	1.4	1.1	1.6	2.1
Jun 17	1.4	1.6	1.6	1.8	1.2
Jun 18	1.8	1.9	1.9	1.7	1.8
Jun 19	2.0	2.0	2.0	1.7	2.3
Jun 20	2.1	2.2	2.0	2.0	2.5
Jun 21	2.1	2.2	2.1	2.1	2.3
Jun 22	2.1	2.3	2.2	2.1	2.4
Jun 23	2.2	2.4	2.2	2.2	2.4
Jun 24	2.3	2.4	2.3	2.3	2.5
Jun 25	2.3	2.5	2.4	2.3	2.6
Jun 26	2.4	2.6	2.5	2.4	2.6
Jun 27	2.4	2.7	2.5	2.4	2.7
Jun 28	2.5	2.8	2.7	2.6	2.8
20-year avge %pa	2.3	2.5	2.4	2.3	2.6

20-year average calculated using 2007 to 2027 actuals and forecasts

BERL

Extract from BERL Forecasts of Price Level Change Adjustors – 2017 Update

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Variation between the Council's LTP and its assessment of water and sanitary services and waste management plans⁵¹

Rangitikei District Council last completed a Water and Sanitary Services Assessment (WSSA) in December 2004. Section 125 of the Local Government Act 2002 requires Council to, "from time to time", review this assessment. Council has not indicated a specific timeframe for review, but will review its WSSA as appropriate.

Water Supply	Treatment		DWSNZ Grading		DWSNZ Compliance Criteria	
	2005	2018	2005	2018	2005	2018
Bulls	Chlorination UV Disinfection Aeration Dual media rapid sand filters	Aeration Filtration Chlorination UV disinfection	Da	Uu	Did not conform to Protozoa or E.coli criteria mainly due to inadequate or insufficient sampling.	Bacteriological: non-compliant for number of samples taken from plant. Protozoal: non-compliant.
Hunterville Urban	Microfiltration Post Chlorination	Pressure media filtration Cartridge filtration UV disinfection Chlorination	Ed	Uu	Conformed to E.coli criteria but not the Protozoa compliance criteria.	Bacteriological: non-compliant for FACE/turbidity during Criterion 2A monitoring period (compliant once changed to Criterion 1). Protozoal: non-compliant.
Mangaweka		Pressure media filtration Cartridge filtration UV disinfection Chlorination	Aa	Uu	Conformed to E.coli criteria but not the Protozoa compliance criteria.	Bacteriological: non-compliant for number of samples taken. Protozoal: non-compliant.

⁵¹ Clause 6, Schedule 10, Local Government Act 2002. Note: Councils Waste Management Plan is contained as the LTP activity statement, therefore, there is no variation to report.

Water Supply	Treatment		DWSNZ Grading		DWSNZ Compliance Criteria	
	2005	2018	2005	2018	2005	2018
Marton	Coagulation Filtration Chlorination	Coagulation Clarification Filtration UV disinfection Chlorination	Ua	Uu	Tutaenui dams and Marton Treatment Plant conformed to both the E.coli and the Protozoa compliance criteria.	Bacteriological: non-compliant for FACE/turbidity, and number of samples taken. One apparent <i>E. coli</i> transgression, at Calico Line bore in Marton, which is not in use. Three follow-up samples were clear. Protozoal: non-compliant.
Rātana	Aeration Chlorination Clarification Filtration	Aeration Sand filtration Chlorination	Ba	Uu	Conformed to both E.coli criteria and Protozoa compliance criteria.	Bacteriological: non-compliant for number of samples taken. Protozoal: non-compliant.
Taihape	Coagulation/Flocculation Up-flow clarification AVG filtering Pre and post chlorination Post pH control	Coagulation Clarification Filtration UV disinfection Chlorination	Aa	Uu	Conformed to both E.coli criteria and Protozoa compliance criteria.	Bacteriological: non-compliant for number of samples taken. Protozoal: non-compliant.
Erehwon Rural Water Supply	Rural Water Supplies have not historically needed to demonstrated compliance against the New Zealand Drinking Water Standards. However, with the release of the Rural Agricultural Drinking Water Supply Guideline 2015, compliance will need to be demonstrated. Compliance for Rural Water Supplies does not necessarily mean that treatment is required; it may be achieved with a Water Safety Plan approved by the Drinking Water Assessor. Council has indicated its preference to continue to operate these as non-potable supplies. To this end, further education of consumers is in progress. A final decision regarding treatment is expected as part of the Long Term Planning process.					
Hunterville Rural Water Supply						

Water Supply	Treatment		DWSNZ Grading		DWSNZ Compliance Criteria	
	2005	2018	2005	2018	2005	2018
Omatane Rural Water Supply						
Putorino Rural Water Supply						

Current and Estimated Future Demand for Water Services within the District

Water Supply	Current and estimated future demand	
	2005	2018
Bulls	Water supply in Bulls is sufficient to meet current demand. However, it will be limited in future by the resource consent. The peak daily demand is around 88% of the maximum water take allowed by the consent. This is currently under review by Horizons Regional Council. Reduced recharge levels for the two shallow bores in the summer indicate further water restrictions need to be applied. The meat processing plant in Bulls uses up to half the maximum demand highlighting the need for additional water storage capacity.	Development is occurring in the south of the District, primarily in or around Marton and Bulls. Council has agreed in principle to the water networks for these towns being extended accordingly, within Rural Lifestyle zones. At this stage, extensions are occurring on a case-by-case basis.
Huntermville	Huntermville water supply is sourced from the Huntermville Rural Water Supply (HRWS). Currently the urban water scheme purchases 370 m ³ /day, which is less than the peak demand of 380 m ³ /day. More water can be purchased from the HRWS if required. However the treatment plant has a maximum sustainable production of 220 m ³ /day and therefore extra demand will reduce the quality of water supplied. Water meters are being installed on commercial properties and other large users and these properties will pay for water on a volumetric basis.	Demand in Huntermville is not expected to increase significantly. Any demand reductions that can be achieved could theoretically allow less water to be taken from the Huntermville Rural Water Supply, which may then be able to re-allocate this water to other locations. Preliminary investigations have determined that this is feasible.

Water Supply	Current and estimated future demand	
	2005	2018
Mangaweka	<p>Peak demand for water at Mangaweka at 190 m³/day frequently exceeds the maximum allowed by the resource consent for 90 m³/day. The consent is currently under review by the Regional Council. Static pressure in the reticulation is good indicating that the reticulation meets the current demand. However, this may need reviewing once new fire fighting regulations for domestic supply are confirmed in the future. A plan is currently in place to replace old pipes that have poor structural strength.</p>	<p>Significant demand management actions have been undertaken in Mangaweka in order to comply with resource consent conditions. Although the population of Mangaweka is small, there are farms and other commercial premises connected to the supply, increasing demand. Council is planning for higher visitor numbers to Mangaweka. It is conceivable that demand could increase, and in accordance with this an application for a consent with higher daily volume limits has been made.</p>
Marton	<p>The scheme operates with sufficient capacity to supply the peak demand (4,500 m³/day) and has not been subject to water restrictions in the recent past. However there is insufficient storage should there be a major fire in town. Use of Bore No. 1 in the case of emergency will solve this problem.</p> <p>The clear water reservoir currently has a capacity of 5-8 hours in summer, which is insufficient to maintain supply in the event of plant failure and therefore should be increased to 24 hours to reduce the risk. AC pipes used in the reticulation in Marton are nearing their expected design life and some steel pipes are also causing problems, perhaps due to soil conditions. Both should be replaced. However this work has not been scheduled as yet.</p>	<p>Development is occurring in the south of the District, primarily in or around Marton and Bulls. Council has agreed in principle to the water networks for these towns being extended accordingly, within Rural Lifestyle zones. At this stage, extensions are occurring on a case-by-case basis.</p> <p>Alongside this, investigations are underway into a potential new Tutaenui Rural Water Supply in the area around Marton.</p>
Rātana	<p>Peak daily demand for drinking water in Rātana is 185 m³/day, whilst the resource consent is limited to 130 m³/day. However this can be extended to 300 m³/day during the Rātana Festival. Supply is considered sufficient to meet current demand in Rātana as the water supply scheme is intended to supplement the private collection of rainwater for most residents. The Rātana Festival does however place a strain on the capacity of the treatment plant.</p> <p>The last Fire Service Report indicated that Rātana did not meet the requirements of the Area Commander. This could mean that a pump station will need to be installed to boost town flow rates or additional hydrants are required. Valves in the reticulation supply in Rātana are affected by sediment settling which necessitates the shutting down of the water supply to large number of consumers. Investigation into the replacement of these valves is being undertaken.</p>	<p>A new Rātana Water Treatment Plant is under construction with the assistance of CAP funding from the Ministry of Health. A new bore source has been developed, and a new reservoir will be constructed. The plant has been designed to cater for peak demand during Festival week, and has the ability for capacity to be increased to supply the proposed 60-120 lot subdivision as well. This work should ensure that water supply at Rātana is sufficient for the town's current and predicted future demands, including fire flows.</p>

Water Supply	Current and estimated future demand	
	2005	2018
Taihape	<p>The water supply scheme in Taihape is sufficient to meet current demand. Peak daily demand is around 57% of the maximum sustainable production from the treatment plant and is 33% of the maximum take allowed by the resource consent. The system also has capacity for three days storage.</p> <p>Two rural subdivisions on the outskirts of Taihape are supplied by way of a low-pressure system. This could be upgraded to a high-pressure system if the community is willing to pay for the improvement works. In the town reticulation, there are very few valves, which mean that maintenance work necessitates shutting down large numbers of consumers. More valves are currently being installed to correct the problem.</p>	<p>Pipeline hydraulics mean that currently more water is abstracted from the source than allowed by consent limits. Horizons is aware of this, and has approved remedial works that will resolve this situation. There are no foreseeable supply issues, as the consent limit is in excess of the average daily demand for the town. The population in Taihape has decreased markedly over recent years, and this trend is expected to continue to an extent, further reducing demand. In addition to this, renewals are programmed to reduce leakage.</p>

Quantity and Quality of Wastewater Discharged from Wastewater Treatment Plants

Scheme	Quantity		Quality	
	2005	2018	2005	2018
Bulls	<p>The Bulls plant currently serves a population of 1,800. However the treatment system was designed for a larger population providing security for possible growth or infiltration. Effluent discharge is limited by the resource consent to 515 m³/day.</p>	<p>No significant issues with exceedances of flow conditions from discharge consent.</p>	<p>The quality of the final effluent generally meets the conditions of the resource consent with no recorded cases of non-compliance.</p>	<p>Discharge consent expired; currently being renewed. Plant is compliant with existing use rights i.e. conditions from expired consent.</p>

Scheme	Quantity		Quality	
	2005	2018	2005	2018
Huntermville	The resource consent for Huntermville currently allows a daily discharge of 175 m ³ /day. The treatment plant serves a population of 400 people.	Issues at Huntermville are around frequency of emergency discharges. This is under investigation, and money has been budgeted in the draft Long Term Plan to deal with Inflow & Infiltration issues that are causing these non-compliances.	The effluent discharged to Porewa Stream meets all resource consent requirements.	Discharge consent conditions relating to phosphorus concentrations are strict, to the extent that at times the wastewater discharge is required to be lower in phosphorus than the receiving environment. This is difficult to achieve at this plant, and from time to time there are exceedances. The more pressing concern at Huntermville is the emergency discharge.
Mangaweka	The newly constructed treatment plant at Mangaweka serves a resident population of 250 people. The resource consent limits discharge of effluent to 90 m ³ /day, with a peak flow of no more than 20 m ³ /h. The reticulation suffers from high levels of inflow and infiltration (I/I), which have affected the performance of the septic tank in the past.	No significant issues with exceedances of flow conditions from discharge consent.	The new system is likely to conform to the conditions of the resource consent.	Mangaweka WWTP is compliant with discharge consent conditions.
Marton	The Marton wastewater treatment plant currently serves a population of 5,500 people. There is no limit on the discharge volume from the treatment plant. However the plant capacity is 3,600 m ³ /day. Again there is evidence that I/I in the network is causing overloading of the treatment plant.	No significant issues with exceedances of flow conditions from discharge consent.	The Marton Wastewater Treatment Plant is failing to meet the consent requirement for ammonia. There are also occasional peaks in CBOD ₅ , but generally the Plant operates within these limits.	The discharge from Marton WWTP is non-compliant due to the levels of ammoniacal nitrogen. An independent report has established that the prime culprit for these non-exceedances is the acceptance of leachate from Bonny Glen landfill, and the inability of the existing plant to treat it to the required standard. Options are being investigated for how to deal with this issue.

Scheme	Quantity		Quality	
	2005	2018	2005	2018
Rātana	The Rātana scheme is limited to a discharge of 136 m ³ /day by the resource consent. It currently serves a population of 450 people which is only slightly less than the design population of 500 people. There are currently no problems with the capacity of the Rātana scheme.	The existing Rātana WWTP has sufficient hydraulic capacity, although discharge quality during the peak demand period of the Rātana religious festival can suffer. There is a 60-120 lot subdivision planned for Rātana, and the plant upgrade that is currently being considered will address this increased demand for services.	The Rātana Plant generally meets the conditions of the resource consent for Dissolved Oxygen and Enterococci. Suspended Solids, Ammonia and CBOD5 are averaged on a yearly basis. Recent yearly results have shown that Suspended Solids Ammonia and CBOD5 are also within guidelines set by the resource consent.	The Rātana plant is generally compliant, although it is known that there have been non-compliances in the past for nitrogen and phosphorus. Funding has been obtained from the MfE Te Mana O Te Wai fund to enable an upgrade to address these issues, and cater for future resource consent requirements.
Taihape	The wastewater treatment plant at Taihape holds a consent to discharge 3,873 m ³ /day. However the total daily flow is 4,546 m ³ /day. It serves a population of approximately 2,200 people. The consent is currently under review by HRC.	The main issue at Taihape WWTP is the high flows received at the plant, and the resulting frequency of emergency discharges. Similarly to Hunterville, significant budgets have been set aside to deal with Inflow & Infiltration to the ageing sewer network in this town.	The effluent meets with the standards of the previous resource consent. However it is expected that further conditions will be imposed before another consent is granted.	The main concern at Taihape is the quantity of wastewater received. This can have knock-on effects for discharge quality as treatment efficiency is compromised.
Dudding Lake	No information is currently available on the discharge of effluent from the camping ground at Dudding Lake. However the resource consent limits the discharge of effluent to 15m ³ /day.	This system is no longer operated by Council.	Results of effluent quality monitoring were unavailable for inclusion in the assessment.	This system is no longer operated by Council.
Koitiata	The population of Koitiata fluctuates throughout the season with a normally resident population of approximately 111 people, which increases substantially during the summer months. As a consequence, the oxidation lagoon often operates well below the design capacity. There is no resource consent to discharge effluent.	The existing WWTP has capacity to deal with inflows. The major issue is that the system only serves a small proportion of the town. Investigations have been made as to the future of wastewater services for the town, and whether a reticulated system will be installed for the entire community. At the moment, Council is content to retain the status quo.	As the final effluent is discharged by air (by evapotranspiration), resource consent is not required. This meets with all relevant environmental standards.	Monitoring data on Koitiata is still being compiled. There are no obvious environmental effects resulting from the discharge, and the discharge from the plant was compliant for the 2017-2018.

Current and Estimated Future Demand for Water Services (Discharges of Sewage) within the District

Scheme	Current and estimated future demand	
	2005	2018
Bulls	The treatment plant at Bulls is operating within the conditions of its resource consent with no recorded cases of non-compliances. The treatment ponds are oversized for the community hence providing extra security for population growth or infiltration.	Council is looking at a holistic solution for wastewater in Bulls and Marton, by investigating the option of conveying Marton wastewater to Bulls for treatment. This would be a major change to the demand at Bulls, and upgrades would be necessary. Aside from this, major changes are not expected.
Huntermville	Huntermville treatment plant serves a population of around 400 people. The effluent discharge consistently meets resource consent conditions, and therefore there are no upgrades planned. However the reticulation system is old and there are significant I/I problems. Even without I/I considerations, the system is undersized. There is a need to upgrade the capacity to manage the ongoing problem.	Issues at Huntermville are around frequency of emergency discharges. This is under investigation, and money has been budgeted in the draft Long Term Plan to deal with Inflow & Infiltration issues that are causing these non-compliances. Demand on the system will need to reduce through this project in order to bring the emergency discharge into compliance. An application has also been made to Horizons Regional Council to vary this consent, and make quantity limits more achievable.
Mangaweka	<p>The community of Mangaweka has a population of around 250. This figure is not expected to increase over the next few years. The community septic tank suffers from poor detention time due to high levels of I/I, and regular sludge removal is necessary to optimise effluent quality.</p> <p>Although there are currently no conditions on the resource consent, this is currently under review by HRC. Investigations into a distributed treatment strategy are being undertaken to allow for eventual replacement of this structure. The Mangaweka Camping Ground is experiencing increasing popularity over the summer months. This has been dealt with to date by the construction of a filter bed. High levels of I/I mean that the reticulation system is under capacity.</p>	There are not anticipated to be any increases in demand for wastewater services in Mangaweka.

Scheme	Current and estimated future demand	
	2005	2018
Marion	The need for capacity upgrades in Marion is not likely to be driven by population growth. The current population is around 5,500 people and this is expected to remain static over the next few years. However high levels of I/I from poor condition earthenware and concrete pipes are known to be causing overloading of the treatment ponds.	The ability to cater for new industry in areas such as Marion is a consideration for wastewater as well as water. New industrial developments could require additional investment in reticulation as well as treatment, depending on their nature, and this must be included in future planning. The acceptance of leachate from the Bonny Glen landfill is under investigation at the moment. Any future expansion of the landfill could affect demand for wastewater services to an extent. Council is looking at a holistic solution for wastewater in Bulls and Marion, by investigating the option of conveying Marion wastewater to Bulls for treatment.
Taihape	As with Bulls, the treatment plant at Taihape is oversized for the community it serves providing an extra level of security for possible growth or infiltration. While it is currently meeting the standards of the resource consent, this has expired and is under review by the Regional Council. It is expected that when a new consent is granted the conditions will necessitate an upgrade to the treatment plant. High levels of I/I in the reticulation are likely to be due to the age of the network.	The main issue at Taihape WWTP is the high flows received at the plant, and the resulting frequency of emergency discharges. Similarly to Hunterville, significant budgets have been set aside to deal with Inflow & Infiltration to the ageing sewer network in this town, in order to reduce demand on the network.
Rātana	Rātana has a declining population and the wastewater scheme is relatively new. Therefore both the reticulation and the treatment plant have no issues relating to capacity. The system is slightly oversized for the resident population. However during the annual Rātana Festival the system is at full capacity.	The discharge consent for this plant expires on 31 July 2018. As part of renewing this consent, the plant will be upgraded to address quality issues and also account for increased demand from the proposed 60-120 lot subdivision. The future plant will be designed and operated such that it can accept peak demand during Festival week without breaching consent limits for quality or quantity.
Dudding Lake	The wastewater scheme at Dudding Lake is currently undergoing a major upgrade following the granting of a consent in 2003. Population growth due to holidaymakers may place pressure on the system in the future.	This system is no longer operated by Council.
Koitiata	The wastewater scheme at Koitiata operates for most of the time at a level well below the design capacity. Increasing popularity of the area as a holiday destination may place pressure on the system in the future.	The major foreseeable demand change at Koitiata is the potential to extend the reticulated network to encompass the entire community. At the moment, Council has indicated it will retain the status quo.
Non-reticulated Communities	Overall the population of non-reticulated communities in Rangitikei District is expected to decline over the next few years. However, as for the reticulated communities, the demand for wastewater services may increase due to I/I.	Population in non-reticulated communities of the Rangitikei has stabilised, but is not expected to increase. There has been no indication that additional reticulated wastewater schemes will be established within the District.

Issues Raised in the 2017/18 Annual Plan

Consultation Document for the 2017/18 Annual Plan ('What's changed, what's the plan...?') invited ideas about other issues for Council to consider as part of its planning for 2017/18. In its deliberations on submissions on 27 April 2017, Council resolved to consider the following matters in developing the 2018-28 Long Term Plan:⁵²

- The findings of the Whangaehu Flood Resilience Project;
- Council's role in promoting the District and the way in which it is to be funded;
- The arrangement to support Town Centre Co-ordinators through a Memorandum of Understanding with local community development agencies;
- The need for 24/7 toilets in Marton;
- Upgrading the playground at Marton Plunket;
- Upgrading the playground at the Taihape Outback;
- The feasibility of a bike trail at Taihape Memorial Park;
- Cost of getting tracks to DoC standards on Mt Stewart, Taihape;
- Upgrading road access into the Ratana cemetery and co-management of both parts of the cemetery and future expansion;
- Upgrading the Ratana playground

In addition, at its meeting on 31 August 2017, Council resolved that:

- a proposal for a voluntary targeted rate for insulation of residential homes be included in the draft Consultation Document for the 2018-28 Long Term Plan.⁵³
- consideration of the recommendation of the Hunterville Rural Water Supply Management Subcommittee 'that it continues the present arrangements to support the Scheme [i.e. having regard for the LGA 2002 s.17A analysis]' be part of the development of the 2018-28 Long Term Plan.⁵⁴
- drainage improvement works at Scotts Ferry be part of the 2018-28 Long Term Plan.⁵⁵

⁵² Resolutions 17/RDC/119-127.

⁵³ Resolution 17/RDC/273.

⁵⁴ Resolution 17/RDC/286.

⁵⁵ Resolution 17/RDC/287.

Section 8: Glossary of Terms

AMP – Asset Management Plan

AS – Australian Standards

BERL - Business and Economic Research Limited (www.berl.co.nz).

Capex – capital expenditure

CBD – Central Business District

CCO - council controlled organisation.

CCTV - closed circuit television.

CE – Chief Executive

Community Board Members – elected representatives of either the Taihape or Rātana Community Board.

Community outcomes - community outcomes means the outcomes that a local authority aims to achieve in meeting the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions. Rangitikei District Council has six community outcomes.

Council Services – services that Council provides e.g. wastewater, roading, libraries.

CPI - Consumer Price Index.

DISP – Decline in Service Potential (depreciation).

DP – District Plan

E. Coli - a common type of bacteria that can cause human sickness.

Elected Representative – people that have been elected to represent the district, ward or township these include the Mayor, Councillors and Community Board members. Elected Members are all paid to represent their community.

EOC - Emergency Operations Centre - a centre for response locally to national or local emergencies.

ETS - Emissions Trading Scheme - the introduction of a price on greenhouse gases to provide an incentive for New Zealanders to reduce emissions and plant more trees.

Exacerbator pays principle - reflects the costs to all ratepayers of the actions or inactions of others. It has been used to develop funding systems in the past for flood and river control schemes where properties situated on the uplands have been assessed for flood and river control schemes because water-run off from these properties contributes to flooding in low lying areas downstream. The exacerbator pays principle is an instance of the user pays principle.

FAR – Funding Assistance Rate (the central government support for local roading programmes)

FIS – Funding Impact Statement

GDP - Gross Domestic Product - The total market value of all final goods and services produced in a country in a given year, equal to total consumer, investment and government spending, plus the value of exports, minus the value of imports.

GPS – The Global Positioning System (GPS) is a space-based satellite navigation system that provides location and time information in all weather conditions, anywhere on or near the earth where there is an unobstructed line of sight to four or more GPS satellites.

I/I - inflow and infiltration. This refers to stormwater entering wastewater systems.

Intergenerational Equity - to spread the costs of assets that have a long life over current and future ratepayers.

ISO – The International Organization for Standardization (ISO) is an international standard-setting body composed of representatives from various national standards organizations.

LASS – Local Authorities Shared Services. MW LASS is the Horizons (Manawatu-Wanganui) LASS and a CCO.

Level of Service – describes the quality of service that Council proposes to provide e.g. for recycling – Council proposed to provide only glass recycling facilities as opposed to providing a full range of recycling.

LGA 2002 – Local Government Act 2002

LGCI – Local Government Cost Index

LIMS – Land Information Memorandum

LTCCP – Long Term Council Community Plan –replaced by the Long Term Plan in 2010 through the amendment to the Local Government Act 2002.

LTP – Long Term Plan - 10 year plan that Council reviews every three years. The LTP specifies all of Council's services and the quality of each services Council intends to provide throughout the 10 years. It also outlines the proposed rate take for each of the 10 years to cover the services provided. The draft LTP goes out for public consultation before being altered and adopted by Council.

MOU – Memorandum of Understanding

NZS – New Zealand Standards

NZTA - New Zealand Transport Agency, formerly Land Transport New Zealand.

OECD - Organisation for Economic Co-operation and Development (OECD) provides a forum in which governments can work together to share experiences and seek solutions to common problems.

ONRC –The One Network Road Classification (ONRC) involves categorising roads based on the functions they perform as part of an integrated national network. The classification will help local government and the Transport Agency to plan, invest in, maintain and operate the road network in a more strategic, consistent and affordable way throughout the country.

Opex – operational expenditure

Oral Hearing – a specific time when a submitter can speak to Council on topics raised in their submission. Submitters are given 10 minutes each to speak to Councillors – it is common for submitters to split this into 5 minutes to speak and 5 minutes to answer question from Councillors.

Papakāinga – development of housing on ancestral land, usually held in the form of multiply-owned Maori land.

Protozoa - any of a large group of single-celled, usually microscopic, organisms, such as amoebas.

QA – Quality Assured

RAMM –Road Assessment and Maintenance Management (software)

Ratepayer – a person who owns property in the district and pays rates to the Council.

Rates – a tax on property owners. The amount of rates paid is based on the value of the property together with uniform or targeted charges for Council services provided. Rates are where most of Council's money comes from.

RMA - Resource Management Act 1991.

SPARC - Sport and Recreation New Zealand (www.sparc.org.nz). Now known as Sport NZ.

Submission – the written document which details a person’s opinion of the draft plan. Only during the consultation period will submissions be accepted. The submission form also asks whether a submitter wishes to speak at an oral hearing. A written submission must be presented for a person to speak at an oral hearing.

Submitter – a person who makes a submission.

SUIP – Separately used or inhabited part (see full definition on page 249).

Tangata Whenua - original inhabitants.

UAGC - Uniform Annual General Charge.

UV – ultraviolet.

Waahi Tapu - sacred ground

WTP – water treatment plant

WTS – waste transfer station

WMMP – waste management and minimisation plan

WWTP – wastewater treatment plant

Revised draft - 29 March 2018