

Adopted by Council  
on 28 June 2018



**RANGITIKEI**  
DISTRICT COUNCIL  
*Making this place home.*

# LONG TERM PLAN

Rangitikei  
2018-2028





Marton Market Day, Photo by Richard Aslett.



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# SECTION 1:

## Introduction





# Message from His Worship the Mayor

**This Long Term Plan for the next ten years is a game-changer for the District. I appreciated the interest by so many local people during the consultation period and the number of submissions about what we planned to do and why.**

Council has always emphasised the need to have a high standard of local roads because it is these which enable farmers to get their produce to market and to receive the servicing critical for that – whether that be dairy tankers, stock trucks, contractor, farm advisers, irrigation experts and equipment or logging trucks. That investment continues, supplemented by Government funding. But there remains a degree of uncertainty, with the Government's desire to improve safety and increase the use of rail. Climate change is an undeniable condition, and with it comes increasing frequency and severity of damaging weather events maintaining our roads will become more expensive.

For the past decade Council has been increasing its investment in water supply, the treatment and disposal of wastewater and the management of stormwater. Rangitikei is fortunate in having all its drinking water supplies chlorinated so we are not facing the significant upgrades which some other councils are. But we have been using waterways to take away sewerage from the towns: although treated, this does have an impact on life in waterways and is offensive to local Māori. So Council is committed to moving towards land disposal – completely where the characteristic of the land permit that. This is an expensive transition, even if there is funding from Government (as is definitely the case for Rātana). Whether that will also occur for the proposed combined Marton-Bulls treatment operation remains to be seen.

In addition, Council has confirmed its determination to secure new, dynamic and purpose-built civic/community facilities in Bulls, Marton and Taihape. The calling for tenders for the Bulls centre represents the culmination of intensive discussion with the community, lobbying for funding, and lengthy dialogues with the architects. Not only will the finished building be useful for locals – the auditorium, the library and meeting rooms – its design will symbolise the important relationship with Ngāti Apa and the Defence Force. It will be a drawcard for visitors. It will increase investment in the town's businesses and help generate interest in new subdivisions within the town.

That is just the beginning – Council aims to achieve a similar result in Marton and Taihape, to comply with earthquake-prone buildings legislation, social needs, and to increase operational efficiency.

For the past decade, Council has had no debt. That will change to fund these projects. But Council remains prudent, well aware that there is a small ratepayer base and determined to keep rates affordable.

I have written about the big projects. But there are many other initiatives Council is undertaking. One is to reduce the amount of solid waste going to landfill and to increase the amount of material which is recycled. That will be a matter for further consultation in the coming year. We are putting more resources into increasing community resilience – civil defence preparedness, youth programmes and responsiveness to Māori. We will be making more services available online to reinforce our determination to provide responsive customer services. We are investing in the District's economic development – and aim to secure partnership with Government from the Provincial Growth Fund. We are supporting a variety of community initiatives, not only through the partnership agreements with local community organisations but also through supporting community-led projects to improve recreational facilities in our towns. And during this year, we must complete the review of our representation arrangements – i.e. how many Councillors, how many Wards, how many Community Boards. The outcome of that will drive Council forward after the next elections, in October 2019.

Our long term plan coincided with a change to the Labour led coalition Government. While the new Government have given a strong indication of the future relationships with local government, i.e. councils, the legislation and policies have yet to be formalised. But what we do know is that the delivery and provision of services for the three waters (drinking water, waste water and storm water) will change to a more aggregated basis and climate change will be a strong focus. The Government has indicated its strong desire to have genuine conversations and partnerships with local government and has indicated a support for council involvement in social services. These changes represent the most significant changes to how councils work over the last 50 years.

This long term plan is bold; it is exciting; and the challenge for us with community help and buy-in, will be to deliver the capital works program and to be proactive in dealing with the changes signalled by the Government.



**Andy Watson**  
Mayor of the Rangitikei



# Disclosure of the potential impact from the Government's proposed structural change in the management of the three waters

**The Minister of Local Government has proposed a review of three water infrastructure, to develop recommendations for system-wide performance improvements during 2018, and to progress parts of the Government's response to the Inquiry into Havelock North drinking water. Cabinet has accepted the proposal as agreed at Cabinet Economic Development Committee.**

The Minister's speech to the Water Summit on 30 May 2018 stresses the need to address both capability and funding. Aggregated, dedicated water providers will be closely considered – this is what the Havelock North Inquiry recommended – but the Minister stated that any option will ensure “continued public ownership of existing infrastructure assets”. But the Minister also recognises that many councils will be concerned about what might happen if they have less of a role in water delivery service: “we need to start thinking about what they might do instead”. The Minister has established four distinct workstreams and intends to report back to Cabinet in October 2018 with proposals included in next year's Budget.

Such changes are very likely to impact on the way the Rangitikei District Council manages the three waters, in particular the urban potable water and wastewater systems, and on the staff of the Manawatū District Council who undertake this work under the Shared Services agreement between the two councils. However, this long-term plan has not made any assumptions about such impacts since most of the planned upgrades and maintenance over the three waters in the Rangitikei District would be likely to occur irrespective of the management arrangements.

As background to the Cabinet paper, the Department of Internal Affairs commissioned a report from Beca on the costs to upgrade drinking water infrastructure to meet the Inquiry's key recommendations. It found that the costs are highest for New Zealand's smallest communities. As this report is generally presented at a regional council level, the potential impact of their findings on Rangitikei is not discernible.



**Mallory, one of the staff at the Marton Water Treatment Plant.**



# Audit Opinion

AUDIT NEW ZEALAND  
Mana Arotake Aotearoa

## To the reader:

### Independent auditor's report on Rangitikei District Council's 2018 28 Long Term Plan

I am the Auditor General's appointed auditor for Rangitikei District Council (the Council). Section 94 of the Local Government Act 2002 (the Act) requires an audit report on the Council's long term plan (the plan). Section 259C of the Act requires a report on disclosures made under certain regulations. We have carried out this work using the staff and resources of Audit New Zealand. We completed our report on 28 June 2018.

### Opinion

In my opinion:

- the plan provides a reasonable basis for:
  - long term, integrated decision making and co ordination of the Council's resources; and
  - accountability of the Council to the community; and
- the information and assumptions underlying the forecast information in the plan are reasonable; and
- the disclosures on pages 220 to 228 represent a complete list of the disclosures required by Part 2 of the Local Government (Financial Reporting and Prudence) Regulations 2014 (the Regulations) and accurately reflect the information drawn from the plan.

This opinion does not provide assurance that the forecasts in the plan will be achieved, because events do not always occur as expected and variations may be material. Nor does it guarantee the accuracy of the information in the plan.

### Basis of opinion

We carried out our work in accordance with the International Standard on Assurance Engagements (New Zealand) 3000 (Revised): Assurance Engagements Other Than Audits or Reviews of Historical Financial Information. In meeting the requirements of this standard, we took into account particular elements of the Auditor General's

**Note: disclosures are on pages 189 to 196 in this version.**

Auditing Standards and the International Standard on Assurance Engagements 3400: The Examination of Prospective Financial Information that were consistent with those requirements.

We assessed the evidence the Council has to support the information and disclosures in the plan and the application of its policies and strategies to the forecast information in the plan. To select appropriate procedures, we assessed the risk of material misstatement and the Council's systems and processes applying to the preparation of the plan.

Our procedures included assessing whether:

- the Council's financial strategy, and the associated financial policies, support prudent financial management by the Council;
- the Council's infrastructure strategy identifies the significant infrastructure issues that the Council is likely to face during the next 30 years;
- the information in the plan is based on materially complete and reliable information;
- the Council's key plans and policies are reflected consistently and appropriately in the development of the forecast information;
- the assumptions set out in the plan are based on the best information currently available to the Council and provide a reasonable and supportable basis for the preparation of the forecast information;
- the forecast financial information has been properly prepared on the basis of the underlying information and the assumptions adopted, and complies with generally accepted accounting practice in New Zealand;
- the rationale for the Council's activities is clearly presented and agreed levels of service are reflected throughout the plan;
- the levels of service and performance measures are reasonable estimates and reflect the main aspects of the Council's intended service delivery and performance; and

- the relationship between the levels of service, performance measures, and forecast financial information has been adequately explained in the plan.

We did not evaluate the security and controls over the electronic publication of the plan.

### **Responsibilities of the Council and auditor**

The Council is responsible for:

- meeting all legal requirements affecting its procedures, decisions, consultation, disclosures, and other actions relating to the preparation of the plan;
- presenting forecast financial information in accordance with generally accepted accounting practice in New Zealand; and
- having systems and processes in place to enable the preparation of a plan that is free from material misstatement.

I am responsible for expressing an independent opinion on the plan and the disclosures required by the Regulations, as required by sections 94 and 259C of the Act. I do not express an opinion on the merits of the plan's policy content.

### **Independence**

In carrying out our work, we complied with the Auditor General's:

- independence and other ethical requirements, which incorporate the independence and ethical requirements of Professional and Ethical Standard 1 (Revised); and
- quality control requirements, which incorporate the quality control requirements of Professional and Ethical Standard 3 (Amended).

Other than our work in carrying out all legally required external audits we have no relationship with or interests in the Council.



**Debbie Perera**  
**Audit New Zealand**  
**On behalf of the Auditor General, Wellington, New Zealand**



**Ohingaiti Cliffs, Photo by Richard Aslett.**

# Councillors



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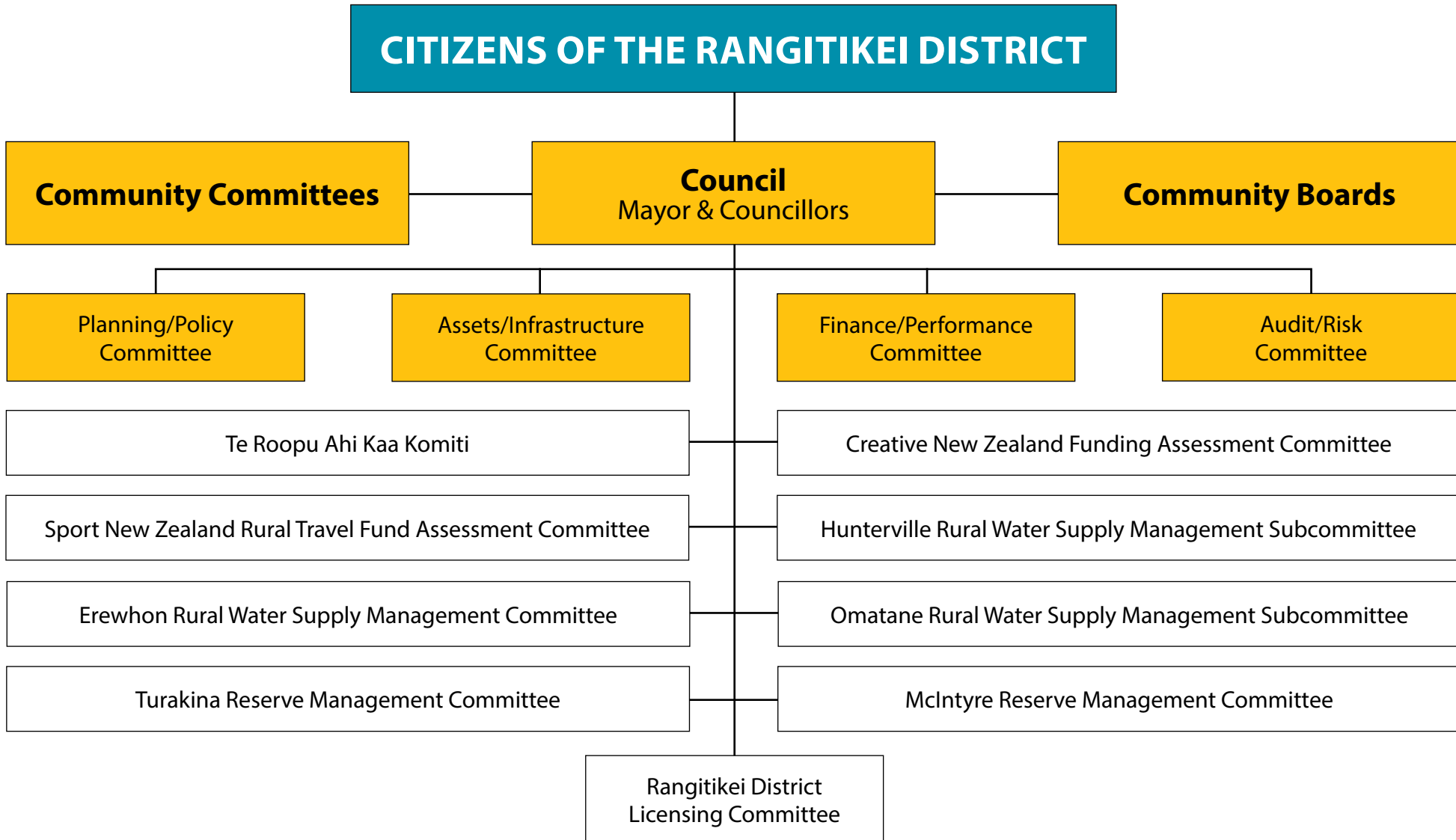


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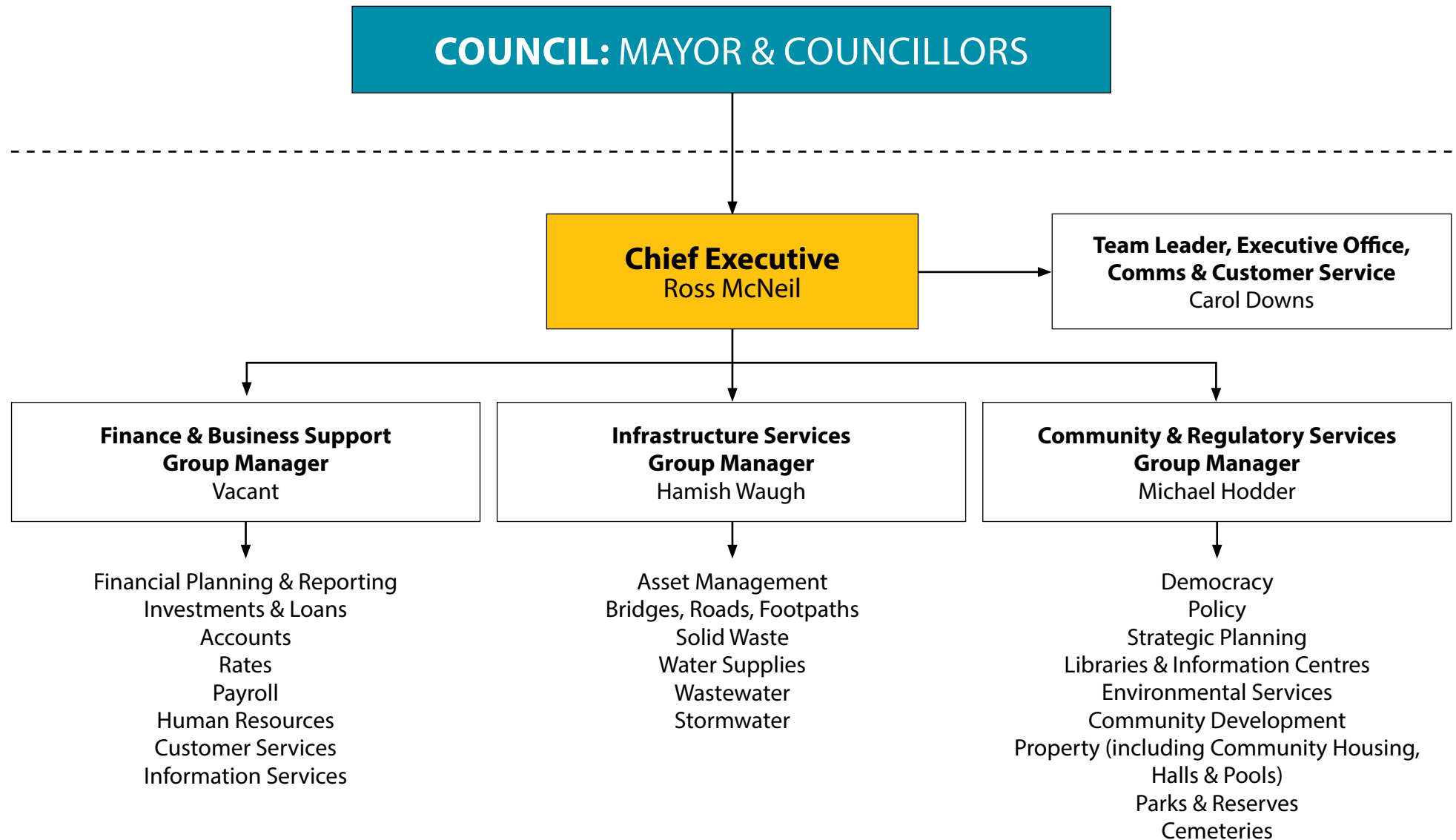
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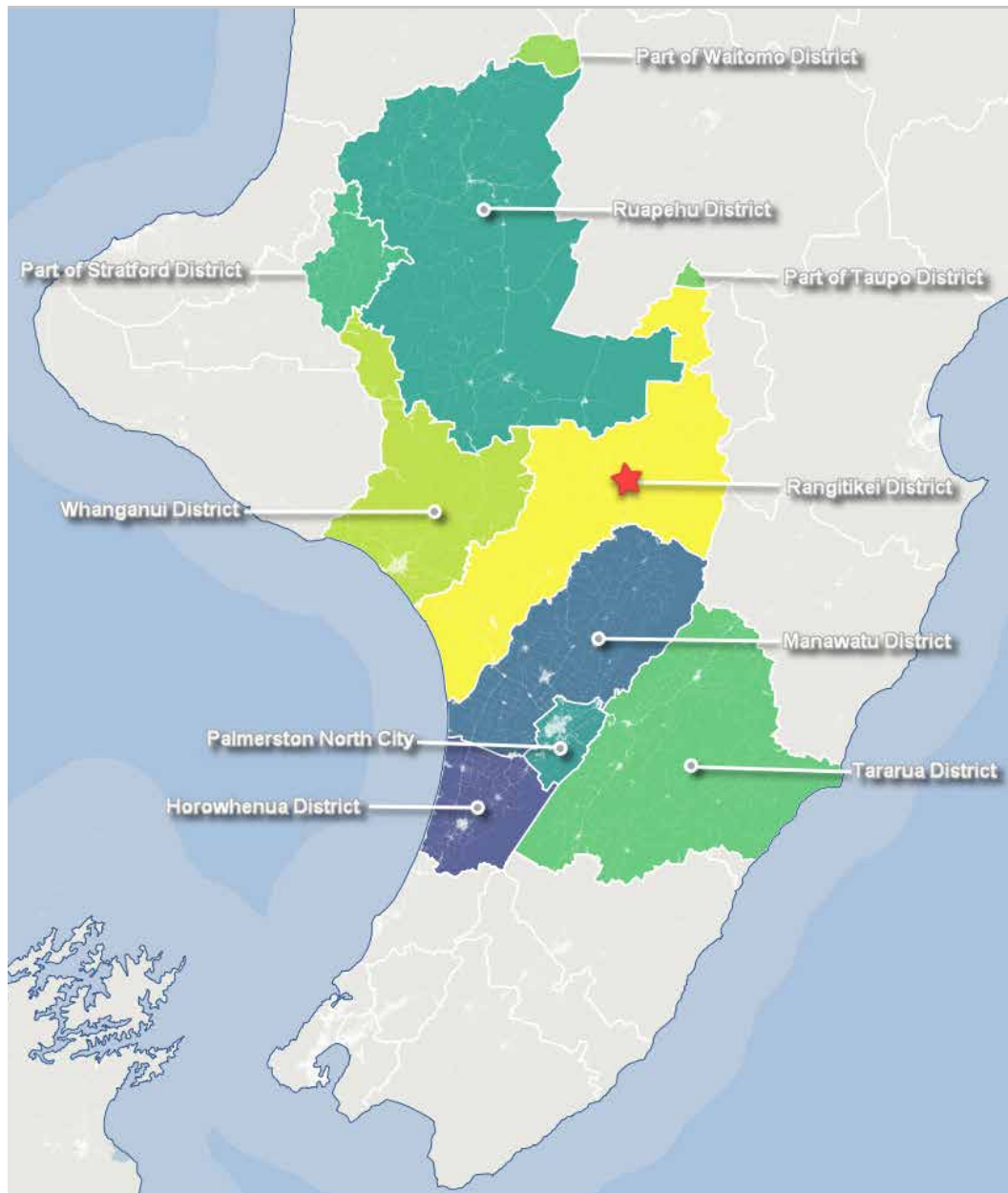
# Council Structure





# Management Structure





# Manawatu-Wanganui LASS Limited

**An exempt 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)<sup>1</sup> of that Act for each year since 2010/11 through to 30 June 2019<sup>2</sup>.

**<sup>1</sup> 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.

<sup>2</sup> 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.

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.



**Bulls Community Centre – Concept Design**

## 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.



# **SECTION 2:**

## **Financial and Infrastructure Strategy**





# Introduction

**This is a combined strategy as permitted under section 101B(5) of the Local Government Act 2002. The infrastructure strategy covers thirty years, 1 July 2018 to 30 June 2048.**

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 on to 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:**

- 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

To support this vision, the Long term Plan contains a capital programme totalling \$184 million over ten years to renew or create new assets and operating expenditure of \$380 million,<sup>3</sup> as follows:

- Rooding 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 \$60 million and the estimated operating expenditure is \$230 million.<sup>4</sup>

## 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.

<sup>3</sup> Graphed for each year on pages 27, 29, 31, 32.

<sup>4</sup> Graphed, on a five-yearly basis, on pages 28, 29, 31, 32.



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.

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

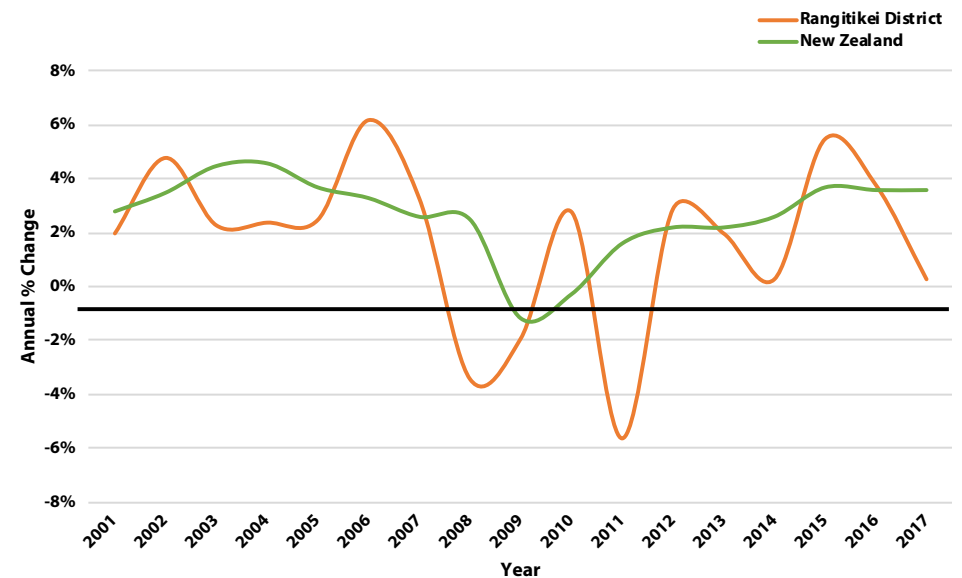
Overall, the Rangitikei economy (as measured by GDP) has not grown apace with the rest of New Zealand. Since 2001, the growth in GDP has been 1.65% compared to 2.5% for New Zealand as a whole. However, this growth has not been consistent, with highs between 2005 and 2007 and particular declines in 2008, 2009 and 2011 (Figure 1). However, since 2012, the District has experienced varying levels of growth in GDP each year. The primary sector to the Rangitikei economy<sup>5</sup> dominates providing almost 30.4% of the District's GDP.

<sup>5</sup> 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 1. 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 – ahuwhenua (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 Māori 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)<sup>6</sup>.

### **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.

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.

<sup>6</sup>Further comments on the approach taken to manage this issue are on page 94.

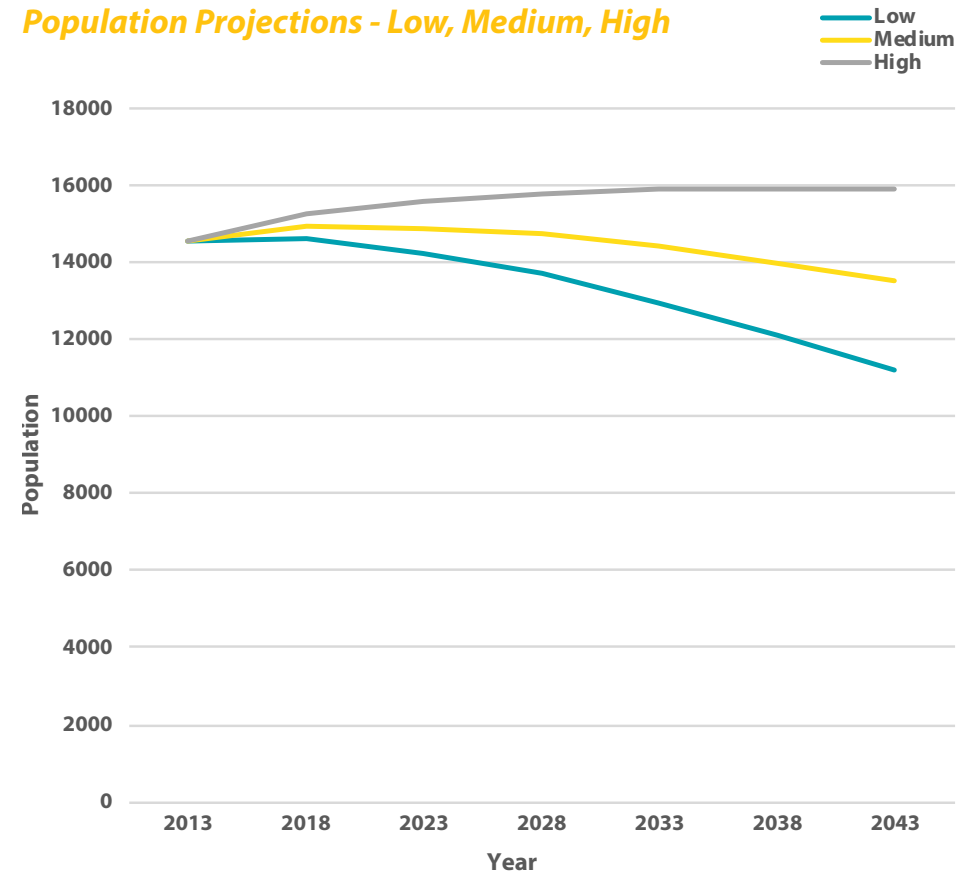
## Expected changes in population

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 2).

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 whole<sup>7</sup> (Figure 3). Additionally, projections from both the medium and high scenarios are provided for each ward (Figure 4). When compared with the estimated population (Figure 5), the District is progressing in-between the medium and high projections. For the high scenario, by 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 being relatively insignificant<sup>8</sup> and 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.

### Population Projections - Low, Medium, High



**Figure 2. Population Projections – Rangitikei District**  
(Source: Statistics New Zealand)

<sup>7</sup> Last updated February 2017

<sup>8</sup> Turakina – 240 – difference; Marton – 920 difference; Bulls – 470 difference; Hunterville – 220 difference; Taihape – 650 difference

### Estimated Resident Population

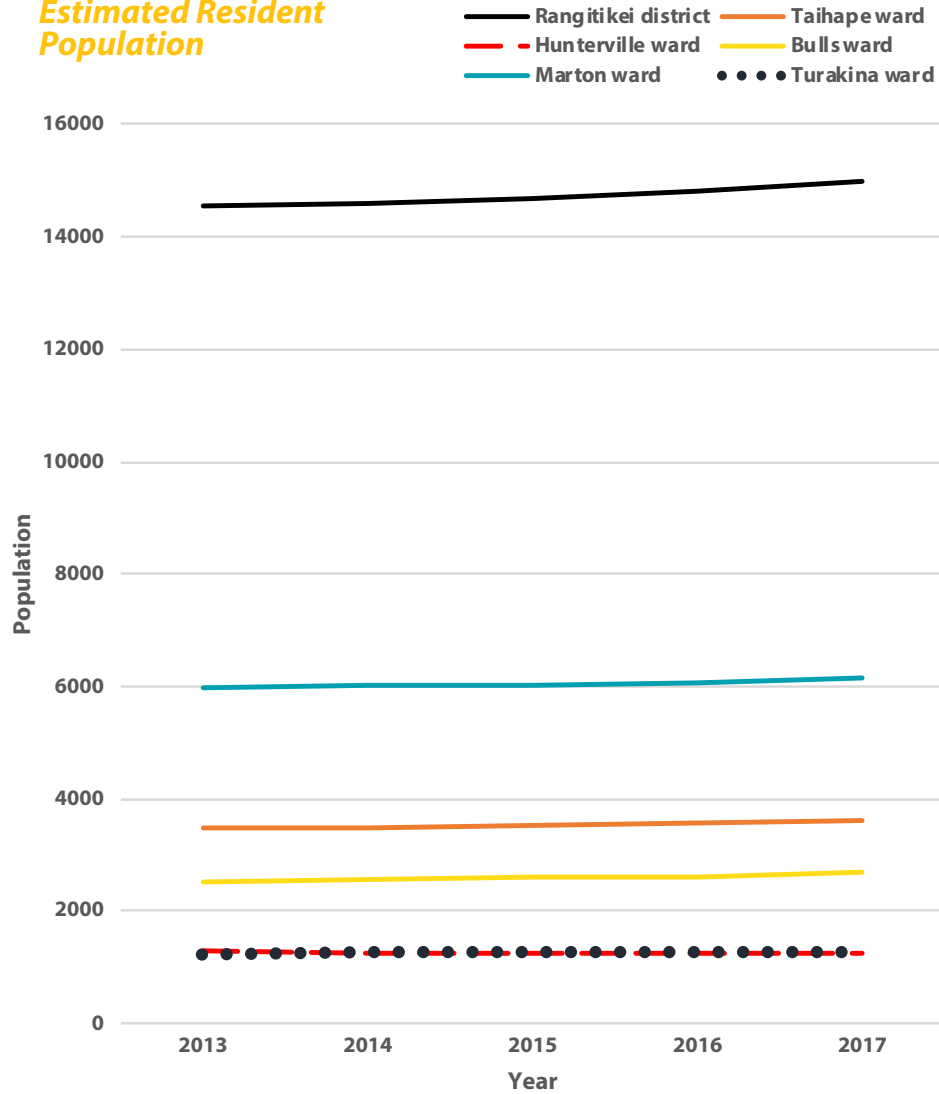


Figure 3. Estimated Resident population – by Ward (Source: Statistics NZ)

### Population Projections - By Ward

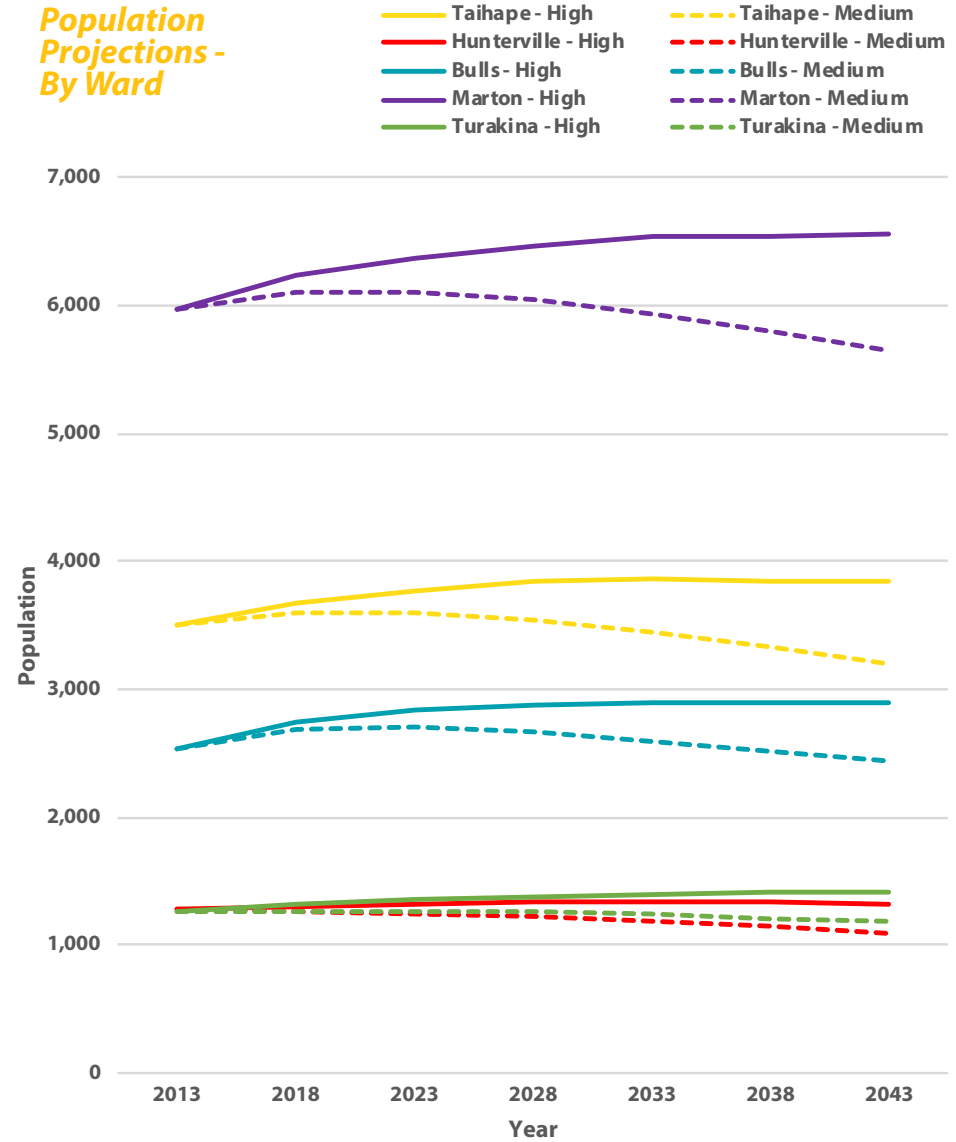


Figure 4. Population Projections – Ward – High and Medium (Source: Statistics New Zealand)

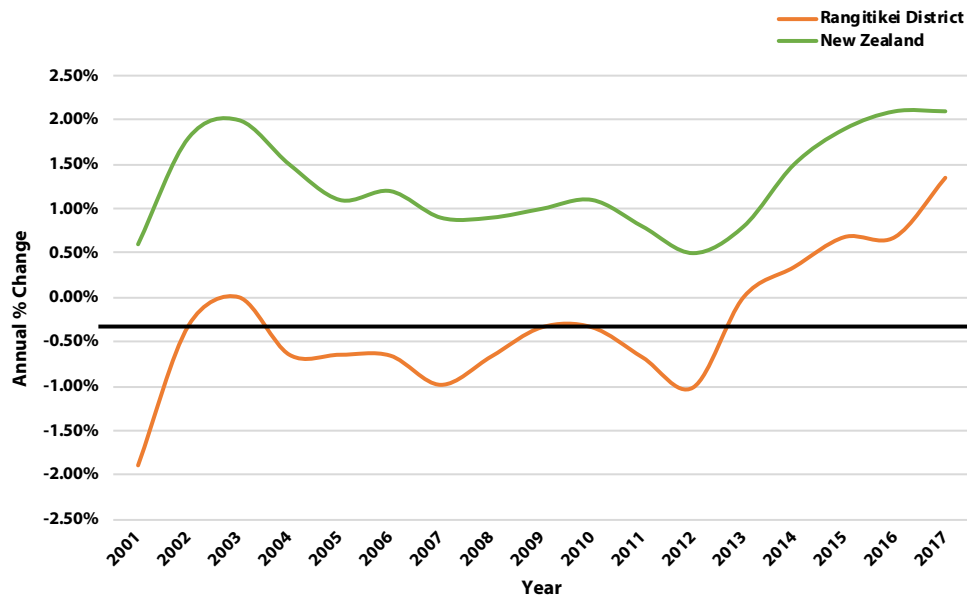


Figure 5. Population growth (Source: Infometrics).

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), Taranaki (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 6 shows the number of people 65 years and older steadily increasing, while those younger are steadily decreasing<sup>9</sup>.

### Population projections by Age

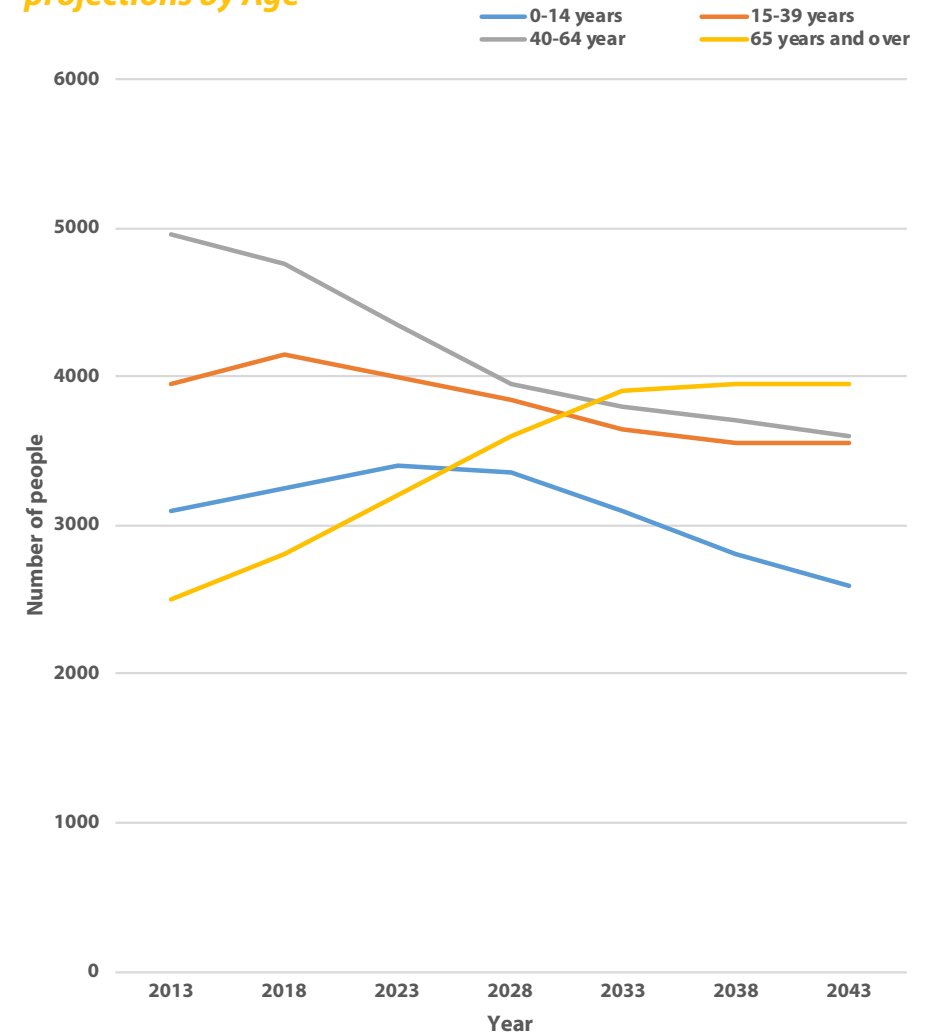


Figure 6. Population growth (by age) (source data: Statistics New Zealand)

<sup>9</sup>The impact on infrastructure is discussed on page 24



## 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 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. Currently these supplies are not chlorinated and would not meet the drinking-water standards.

### 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.<sup>10</sup>

### 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.

<sup>10</sup> Further detail is provided on page 25; see also pages 115, 213, 217.

# 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.<sup>11</sup> 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.

<sup>11</sup> More detail on the various activities is presented in Section 4 (from pages 89)

## 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".<sup>12</sup>

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.<sup>13</sup> 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".

### 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.

<sup>12</sup>The preferred discharge is to land.

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

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

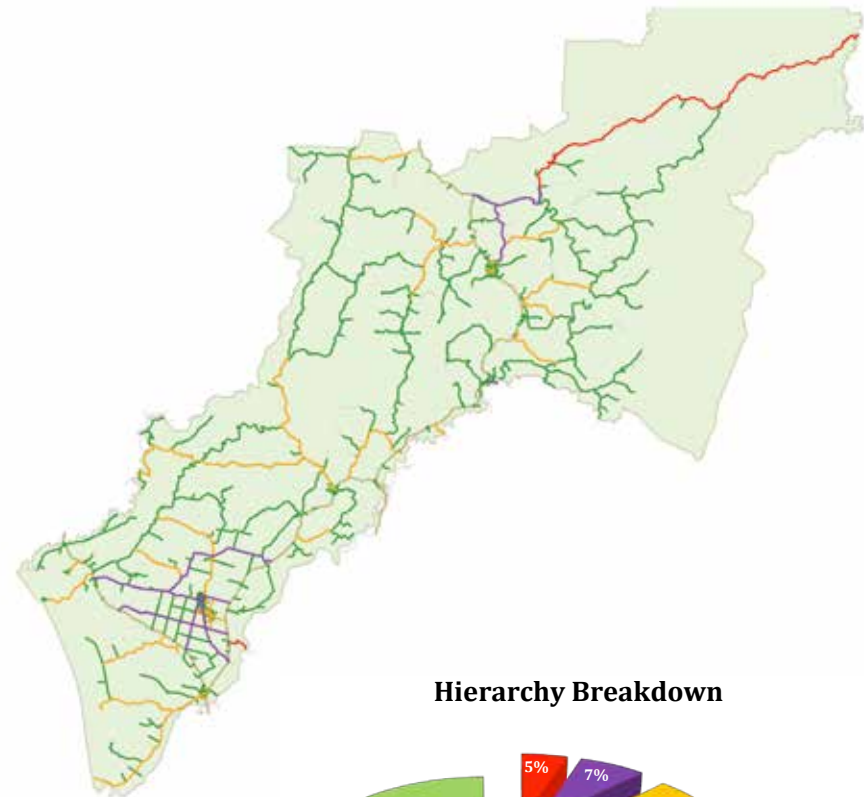
## Levels of service

### Roading

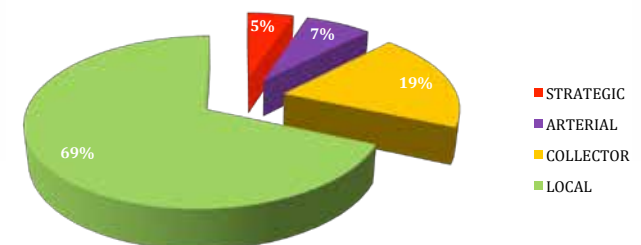
Our roading network is the Council's most valuable asset. However, like many of our assets, it is aging and was not built to carry the heavy vehicles that use it today. The rural nature of our District means we have a large roading network for the size of our population.

Our intention is to reseal roads, on average, every 14 years and maintain the current level of service by resealing or repairing 60-65 km of road each year. Maintaining our roading network to this level means that currently, Council spends over a third

of its rates on roading. Council is committed to continuing to invest in our roading network to ensure products can flow in and out of our District for national and international markets. Council continues to advocate that the Government deem the Taihape-Napier Road a state highway, which would reduce an ongoing financial cost to District ratepayers.



Hierarchy Breakdown





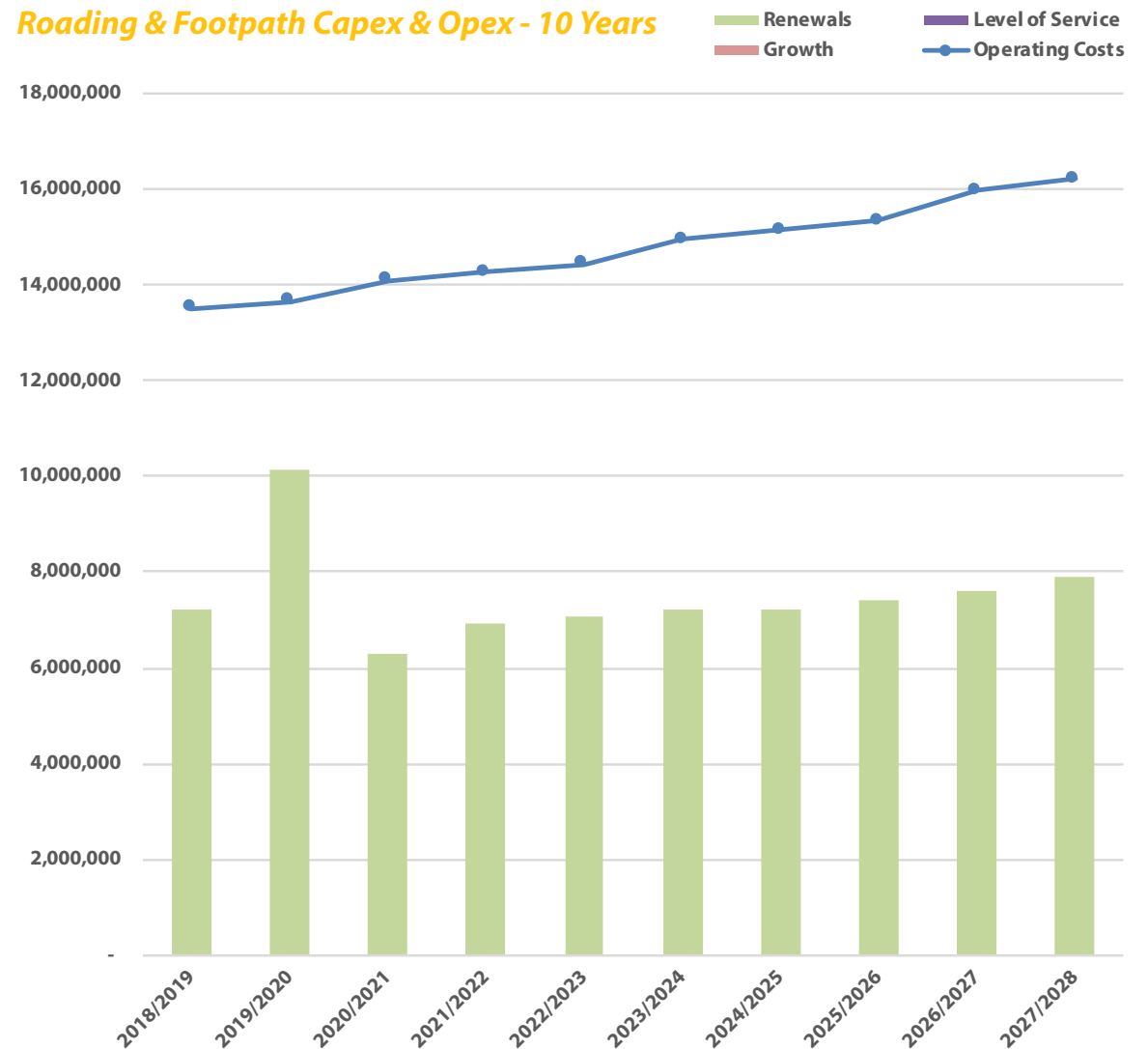
### One Network Road Classification

The New Zealand Transport Agency has introduced a nationally consistent road classification system - the "One Network Road Classification" (ONRC). This system will determine the levels of service which NZTA will fund across all local networks. It measures performance over six areas – efficiency, safety, resilience, amenity, travel time reliability and accessibility. This means that there will be changes to 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 safety improvements (e.g. to bridge entrances) which need to be achieved.

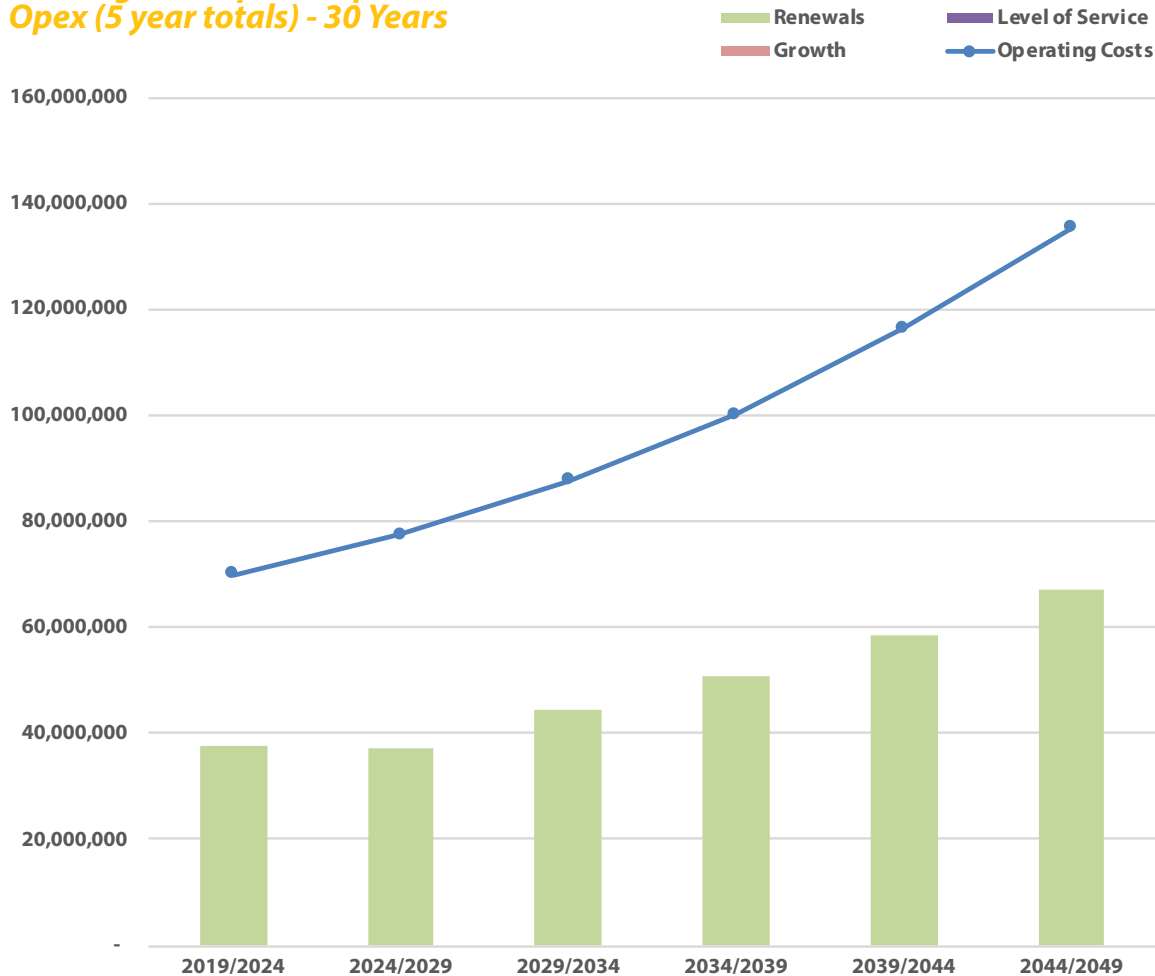
In order to get the most out of this funding envelope, Council has adopted a 'fix as you go' approach to roads that may be impacted by increased heavy traffic activities like forestry for a short time. This means that, for a road which is normally used by a small number of vehicles, any potholes or issues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

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.

This graphs shows the indicative estimate of the projected capital and operating expenditure associated with the management of roading assets:



### Roading & Footpath Capex & Opex (5 year totals) - 30 Years



### 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

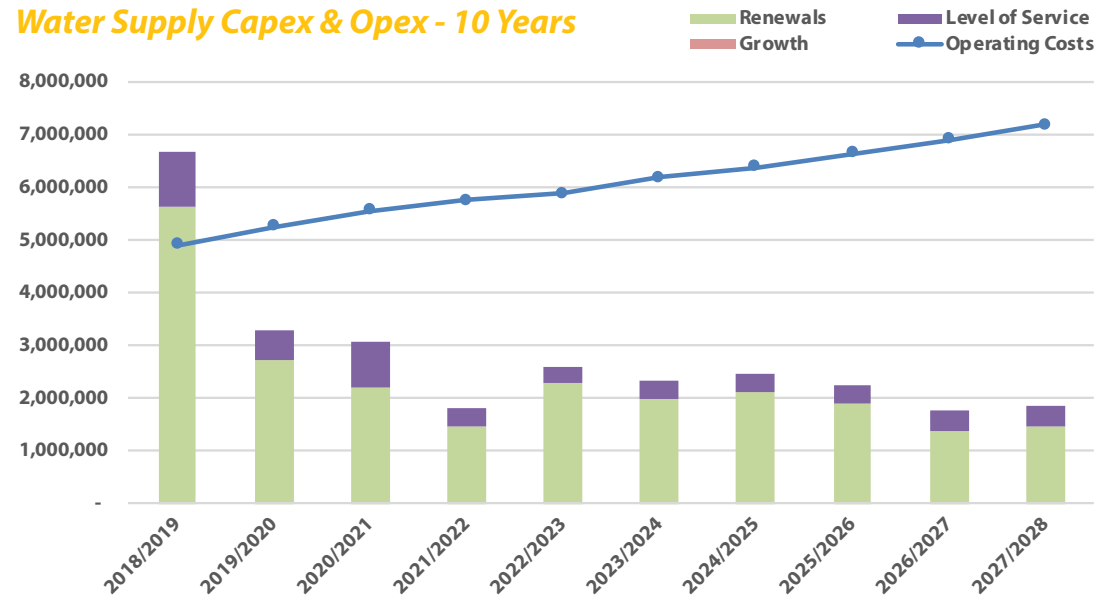
#### Changes in compliance requirements... for drinking water

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.

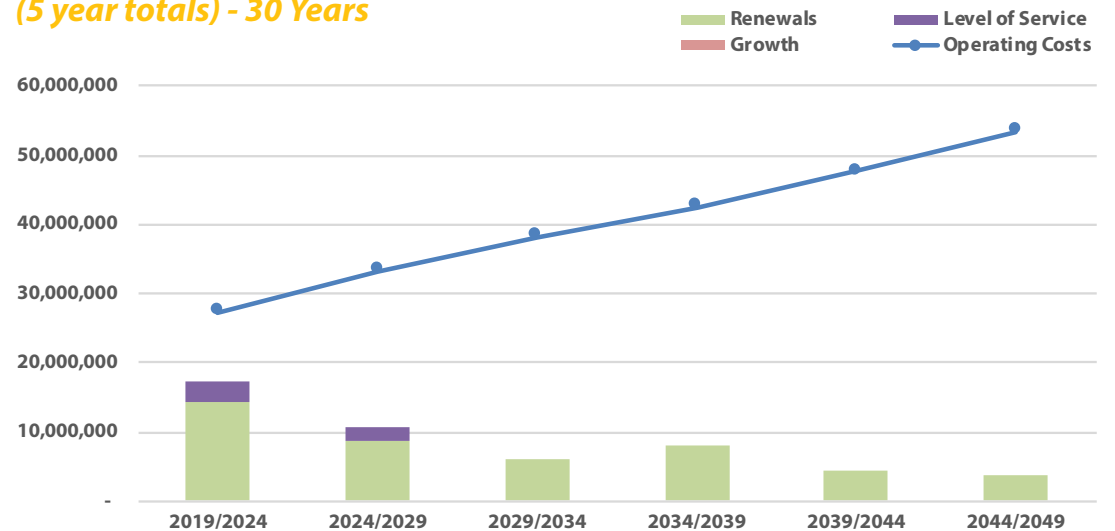
For the past three years all councils have had to measure the loss of water from urban reticulation schemes, which has resulted in a stronger focus on detecting (and resolving) the cause(s) for such losses. Whether there will be pressure from the Government to have all potable supplies metered is unknown.

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

#### Water Supply Capex & Opex - 10 Years



#### Water Supply Capex & Opex (5 year totals) - 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.

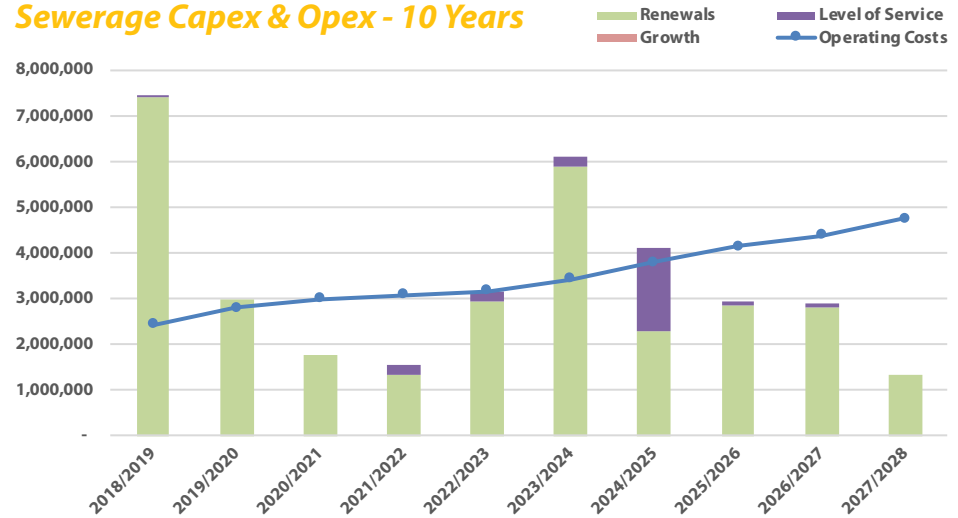
In Ratana, an expansion of the treatment plant is planned to meet requirements of the new residential subdivision. In addition, a grant was obtained from the Ministry for the Environment Freshwater Improvement Fund to cover the costs of having the plant discharge entirely to land. This means the discharge 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 Marton<sup>14</sup>. 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:

**Sewerage Capex & Opex - 10 Years**



<sup>14</sup> 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.

**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.

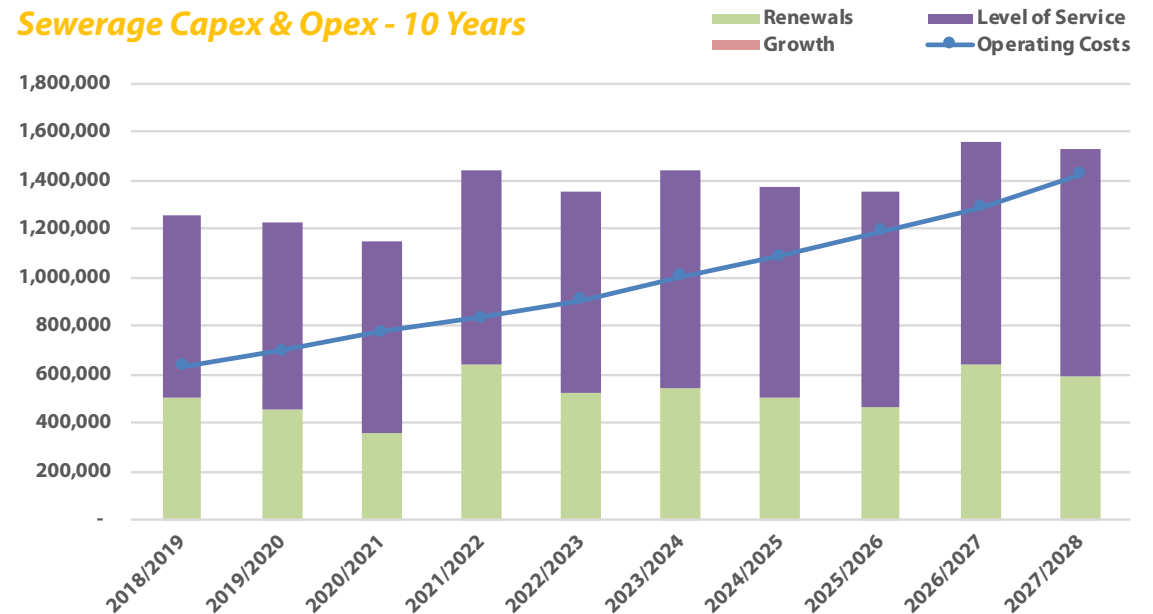
In addition, Council has decided to end the ambiguity over private drains in urban areas and to implement a more vigorous programme for dealing with problematic stormwater flows in our towns and villages. Early instances of this will be in Marton and Scotts Ferry. There will be costs to legalise easements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

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

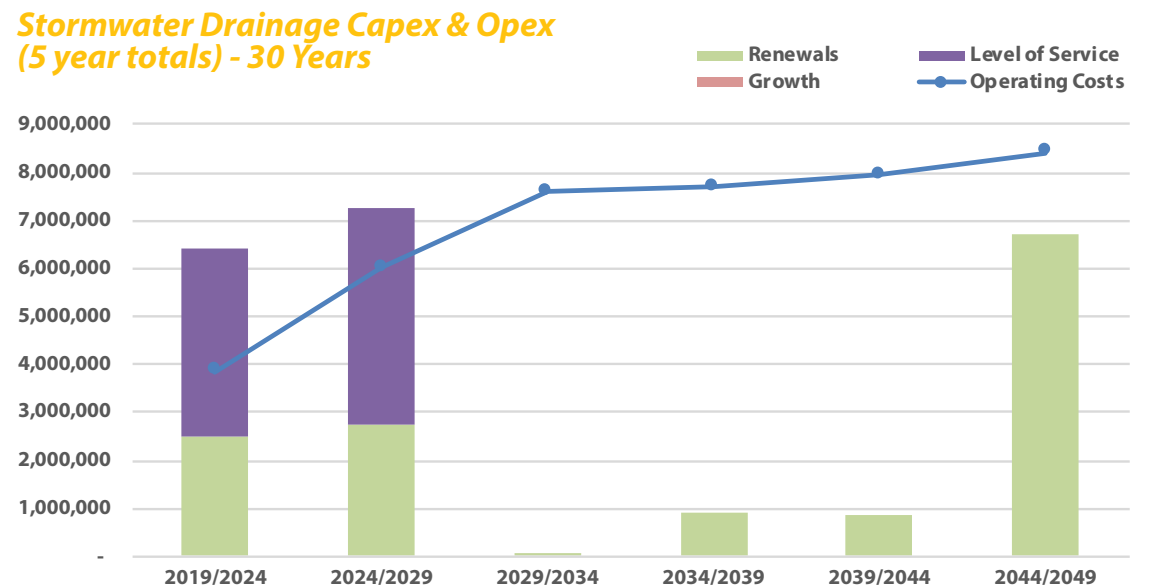
**Changes in compliance requirements... for rural (non-potable) water schemes**

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.

**Sewerage Capex & Opex - 10 Years**



**Stormwater Drainage Capex & Opex (5 year totals) - 30 Years**





## Community and Leisure facilities

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

### Bulls

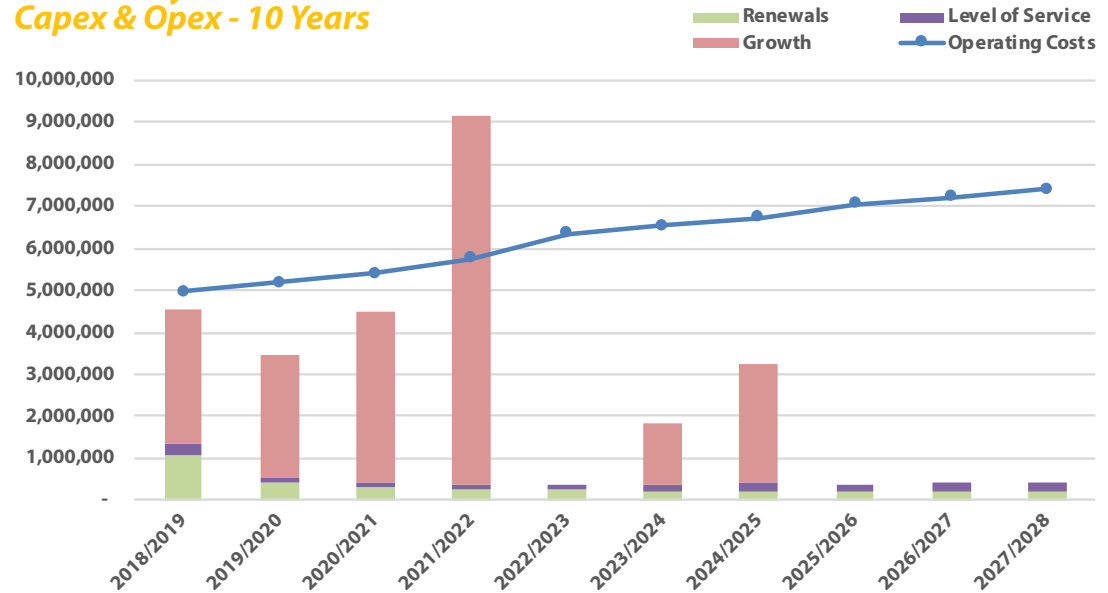
Tenders for constructing the Bulls community centre will be called on 29 June 2018. The facility is planned to be completed by December 2019 and fully operational early in 2020. It includes an auditorium, library/learning hub, visitor promotion area, community meeting rooms, a designated youth area and toilets (with 24/7 access).

### Marton

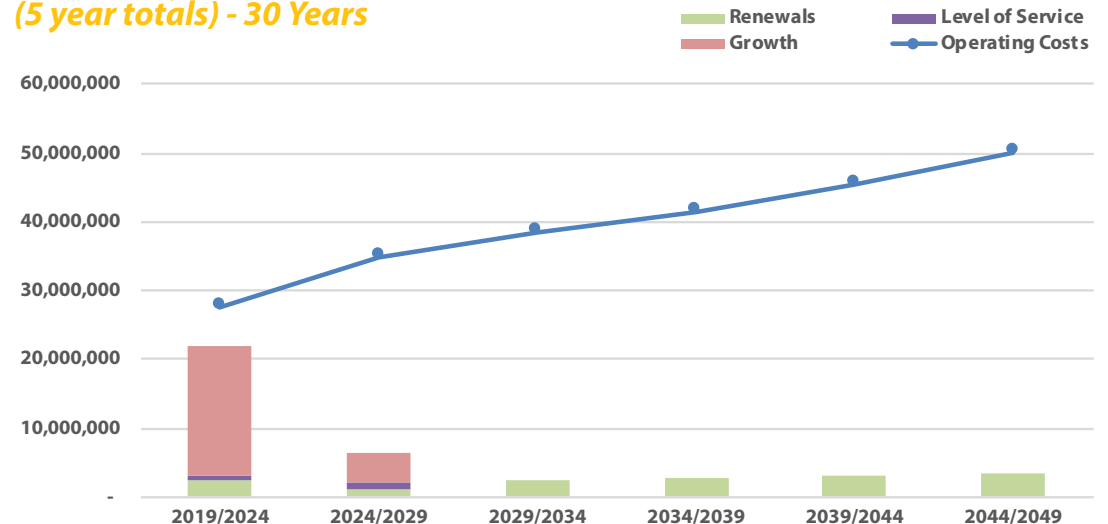
Outline concepts have been developed for the Cobbler/Davenport/Abraham & Williams Buildings taking into account different options from demolition of the site, through to strengthening of the existing buildings. Key consideration will be given to the implications of the buildings being identified heritage 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.

## Community & Leisure Capex & Opex - 10 Years



## Community & Leisure Capex & Opex (5 year totals) - 30 Years



### 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.





Awastone,  
Photo by Richard Aslett.

## 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 them	Fairly certain. This reflects the projected shrinkage of the District's population.	-

## 2 Growth or decline in demand for services

ASSUMPTION	CONFIDENCE	POTENTIAL EFFECTS OF UNCERTAINTY
The increasing drive for improved agricultural productivity will maintain (if 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.
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 (2017/18-2026/27)

The **most likely scenario** is to upgrade the plant to deal with discharge from both towns. The projected cost for this is \$16.6 million<sup>15</sup>. 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.

## 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 \$462,500.

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. There could eventually be an issue in achieving compliance with the Healthy Homes Guarantee Act.

<sup>15</sup>This includes the consent application process, pipeline installation, purchase of land, irrigation development, the upgrade.

#### 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 2021/22)

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 by December 2021, but there are a number of variables which will affect this. The projected total cost is \$12.8 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 cost is similar to the most likely scenario and loses the opportunity to be a catalyst for development in the Marton CBD and use the current Administration site for new residential development.

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 precise location and design will be finalised early in 2019/20 so that construction can proceed.

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 (2018/19 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 \$4.3 million spread over two years from 2023/24 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 (2018/19-2019/20)

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 (2023/24-2025/26)

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.

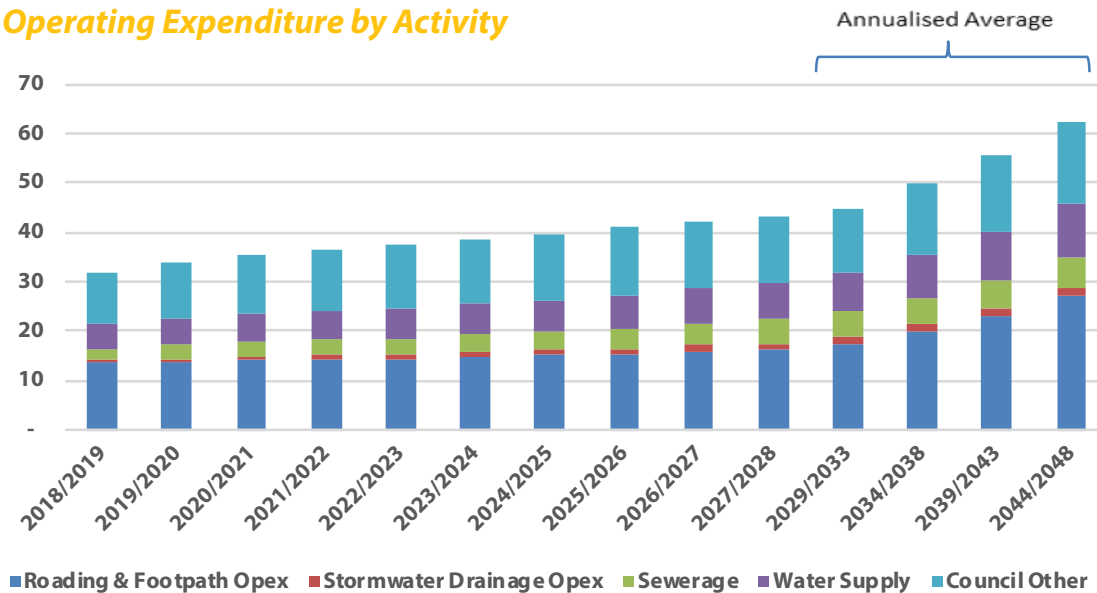
# Costs and significant decisions about capital expenditure of the most likely scenario

The maintenance, renewal, and capital expenditure programme for Council’s core assets is based on the information in Council’s Asset/Activity Management Plans.

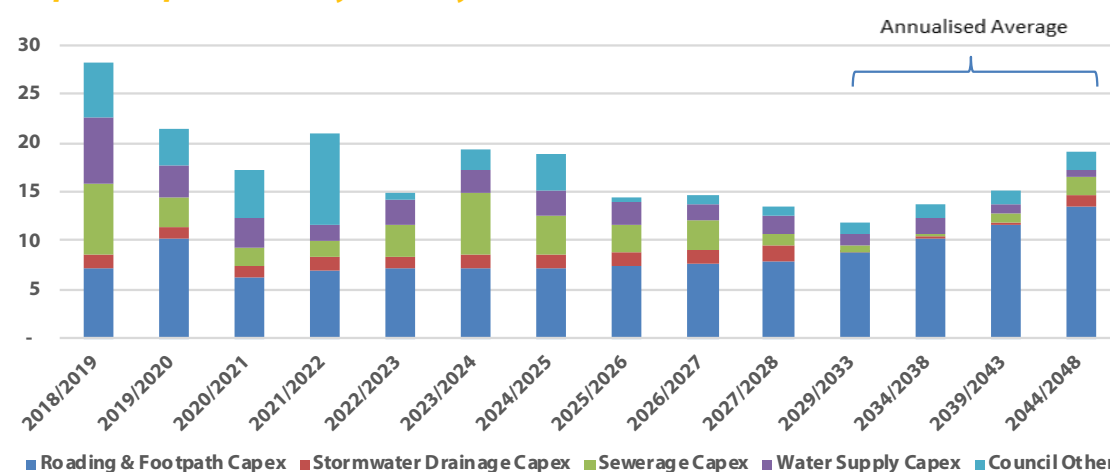
This information is the best information available to Council about these assets. For some assets (e.g. underground pipes) the information around age, type, and quantity is reliable, however it is acknowledged that information around condition has some limitations. Where these limitations exist the information 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 \$184 million. This level of investment is required to maintain core services and levels of service. The graphs show projected capital and operating expenditure over the next thirty years. Years 11-30 are shown as five-year annual averages:

Operating Expenditure by Activity



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:

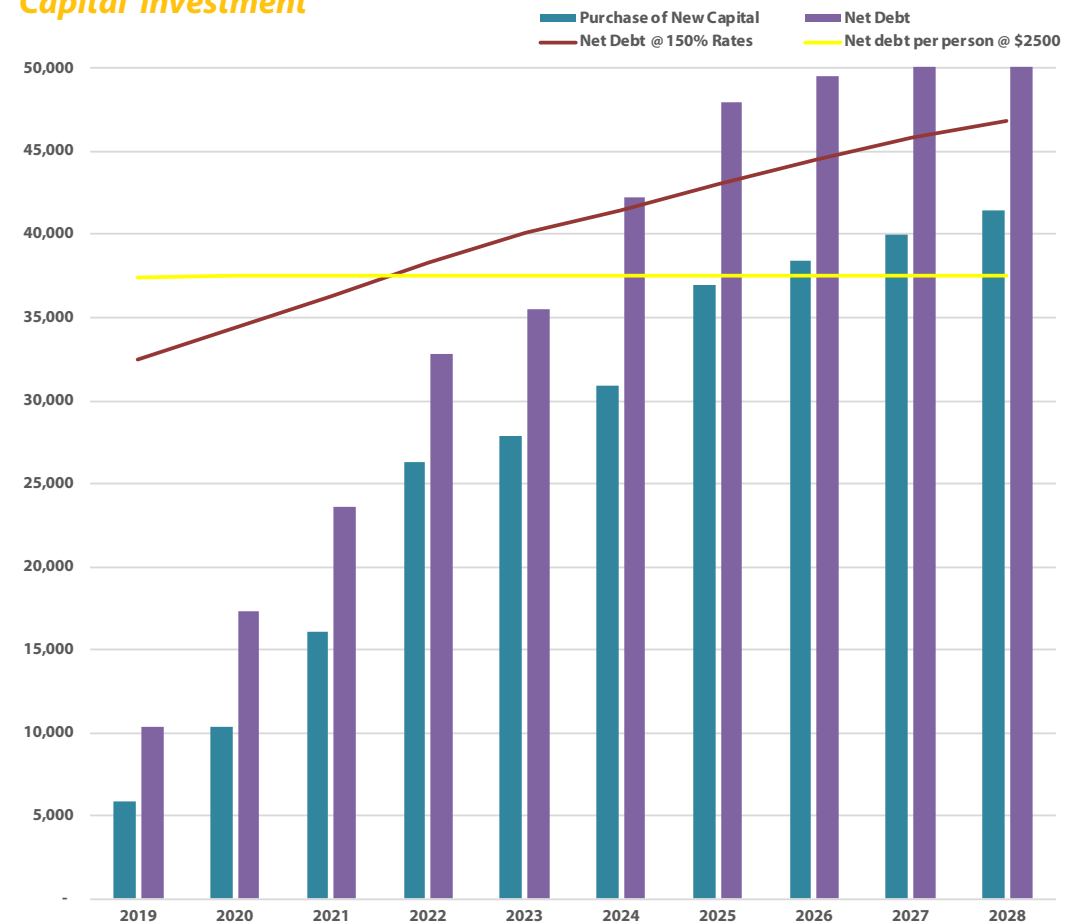
- Total Revenue is defined as cash earnings from rates, government capital grants and subsidies, user charges, interest, dividends, financial and other revenue and excludes nongovernment capital contributions (e.g. developer contributions and vested assets).
- Net external debt is defined as total external 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.

### Net Debt to new Capital Investment



**The Benchmark disclosure statement on page 189 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 was consulted on separately. No changes were made as a result of submissions. The policy is set out on page 153.

## 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.

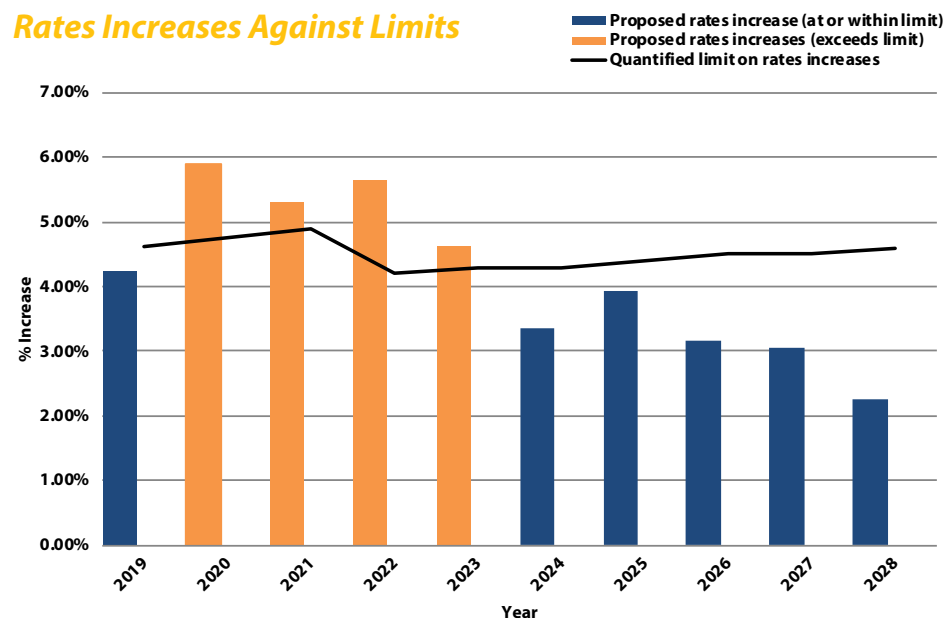
While rates will increase due to inflation, we will continue to look for more efficient ways of delivering services and running Council operations. The impact of depreciation and the need to fund new important infrastructure projects means that increases in expenditure will exceed the level of inflation. 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%	\$21.755 million	2023-24	4.30%	\$27.870 million
2019-20	4.75%	\$22.706 million	2024-25	4.40%	\$28.835 million
2020-21	4.90%	\$24.144 million	2025-26	4.50%	\$30.001 million
2021-22	4.20%	\$25.190 million	2026-27	4.50%	\$30.954 million
2022-23	4.30%	\$26.637 million	2027-28	4.60%	\$31.933 million

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

### Rates Increases Against Limits



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. The limit represents Council's view on affordability. There were no breaches in the Consultation Document, although some years were very close to the limit. However, the budgets prepared for the Consultation Document included the cost of kerbside recycling only from 2019/20, but the outcome of submissions was not sufficiently conclusive for Council to decide on proceeding with that. Instead, it will be consulting again on the issue and – given the considerable interest from sections of the community to have kerbside rubbish collection as well as kerbside recycling – Council decided to budget for those costs from 2019/20. This is the immediate cause of the breach. The outcome of these further consultations could mean part or all of this budget provision is removed in the 2019/20 Annual Plan. As noted on page 41, Council will be advocating to the new government for financial assistance for the three waters (to reduce borrowing, debt and the resulting impact on rates). Those costs make it difficult to provide additional services and maintain rates affordability. For that reason, and the uncertainty of the outcome of the consultations about kerbside rubbish and recycling, Council is not proposing to change the limit on rates increases it has set<sup>16</sup>

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.

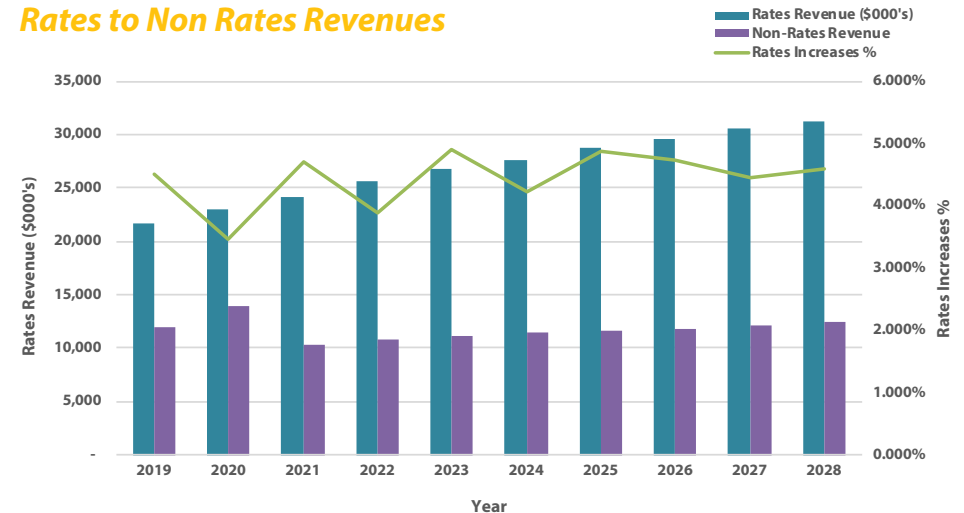
Council seeks external funding assistance for its community well-being activity and in partnership with other community organisations, obtained \$61,000 in 2016/17 for this work.

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:

**Rates to Non Rates Revenues**



<sup>16</sup>This is a disclosure under section 80 of the Local Government Act 2002.

## Depreciation

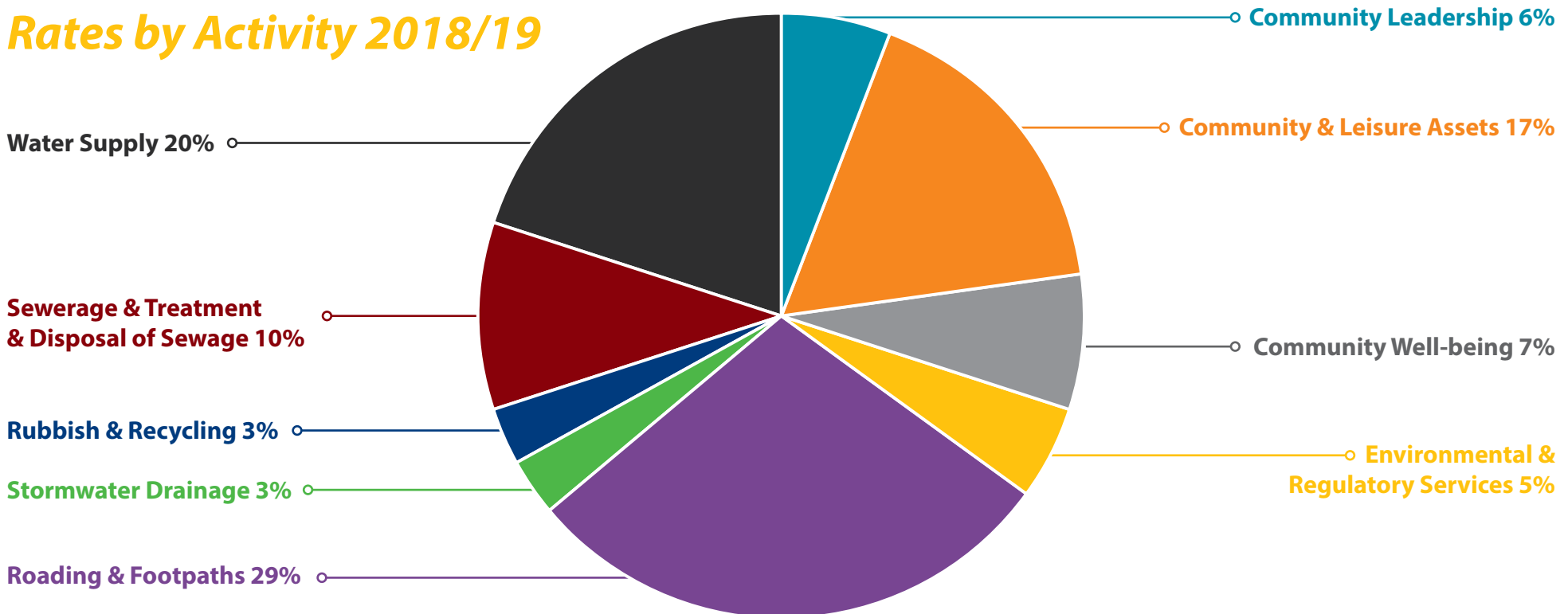
Rangitikei District Council funds its depreciation for most of its assets particularly infrastructure. The exceptions are for roading (due to Government funding over 50%), Community Housing and Swimming Pools (where Council is considering fully funding this over the life of the LTP) and the Rural Water 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 depreciation rates in the Council's depreciation 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.

## Rates by Activity 2018/19



# 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.

# Appendices

## 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. They are routinely updated, and random samples of newly collected RAMM data are QA field checked. The databases are also continually checked during the course of their use and any anomalies are corrected when identified.

The confidence asset data is in the range 'highly reliable' to '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 be very expensive to obtain, i.e. by on site testing. This limits information that can be generated in some instances.

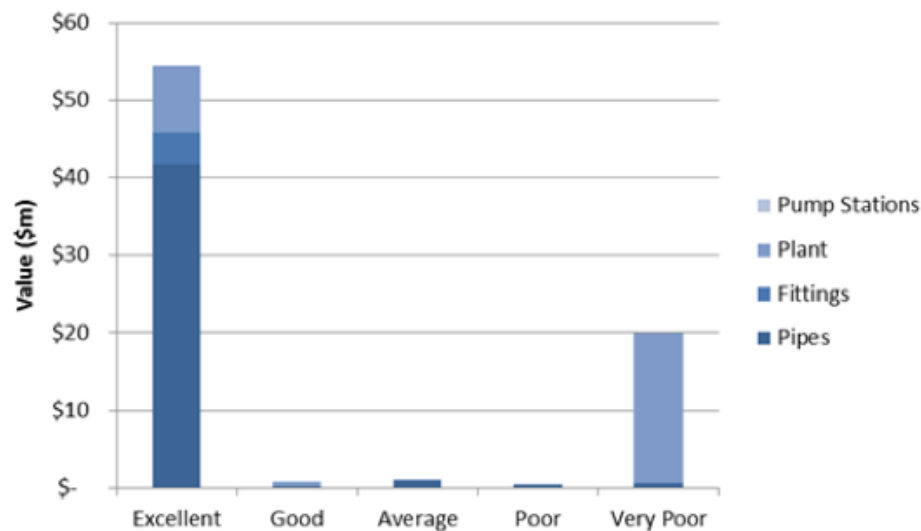
ASSET CLASS	DATA CONFIDENCE RATING	FORECAST CONFIDENCE RATING	METHOD OF COMPLETING THE RATING ASSESSMENT
Roading – carriageways and bridges	Highly reliable	Highly reliable	NZ Guidelines for Infrastructure Assessment
Roading – all other components	Reliable	Highly reliable	NZ Guidelines for Infrastructure Assessment

Chapter 6 in the Roothing 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.

**Water assets - Condition information in 2014**



**Water assets – Condition assessment in 2017**

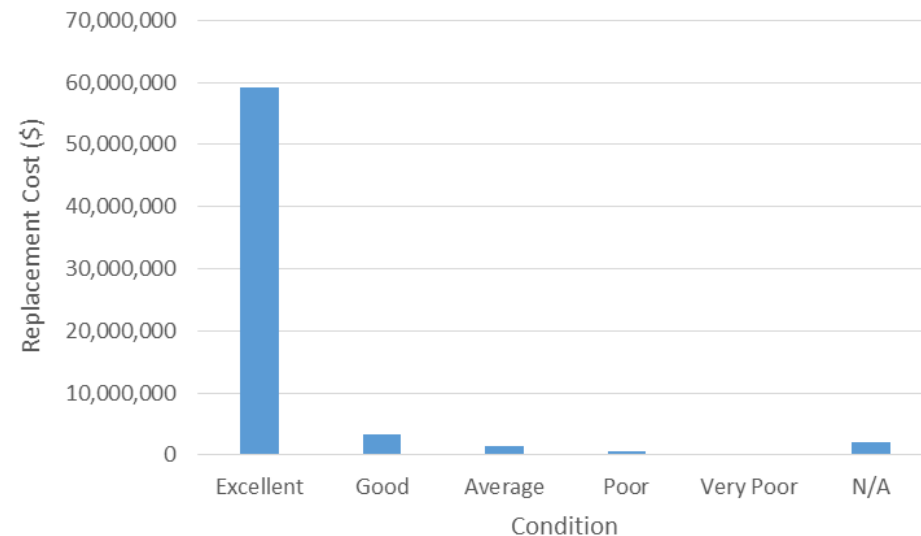


Figure A: Asset condition and Data confidence – Water



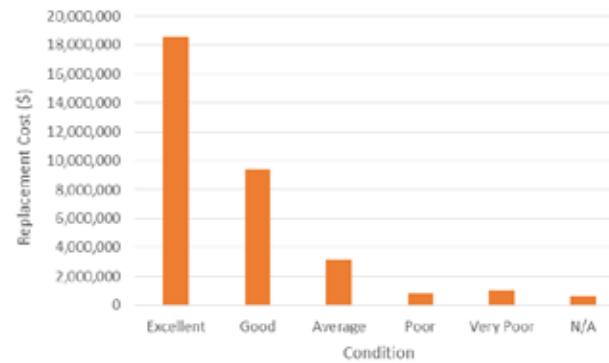
Figure A contrasts the asset condition recorded in 2017 with the confidence levels on the asset information held on our water assets in 2014 (an analysis not repeated in this way in 2017). While most of the condition (and information about condition) is graded “Excellent”, there is a significant amount of assets for which information has been graded “Very Poor”. Actual condition varies considerably. For example, in Bulls, much of the reticulation is copper or galvanised iron, which have deteriorated and contribute to leakage. Taihape’s water reticulation is in very poor condition and best addressed by replacement of section rather than piecemeal repairs.

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” – better than for water supply because of the number of CCTV inspections carried out. 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.

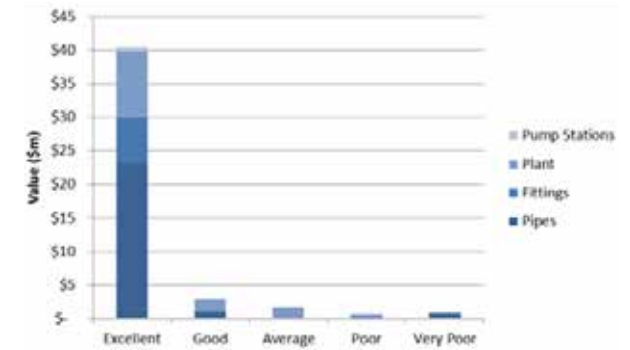
Condition assessment (2017) and confidence gradings for information on stormwater assets (2014) are given in Figure C. Similar to water, the confidence in asset information for stormwater is mostly “Excellent”, but with a significant amount (mainly pipes) graded “Very Poor”. There is some variability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

The 3 Waters asset management plan provides a general overview on condition (page 37) and overall condition assessments for water (page 40+), wastewater (page 64+) and stormwater (page 89+), and a similar analysis for each plant/system. We

**Wastewater assets – condition assessment in 2017**

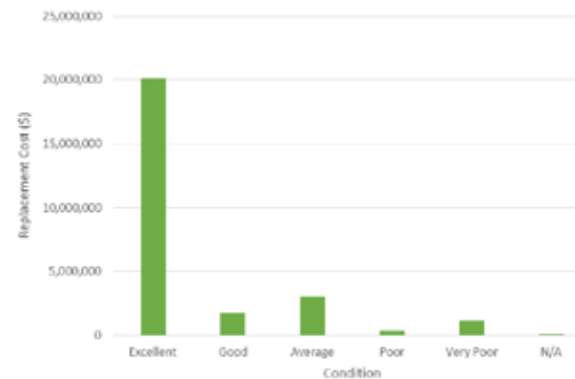


**Wastewater assets – condition information in 2014**

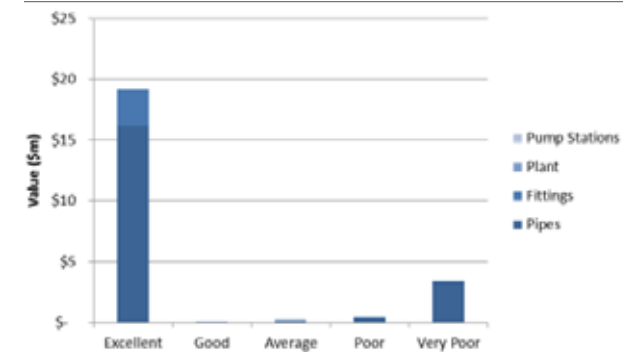


**Figure B: Asset condition and Data Confidence – Wastewater**

**Stormwater assets – condition assessment in 2017**



**Stormwater assets – condition information in 2014**



**Figure C: Data Confidence – Stormwater**



**Bulls Domain Playground.**

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

(only years with expiring consents are show.)

	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)	
2022	Bulls – abstraction bores	
2024		Mangaweka - discharge to Mangatera Stream Koitiata - discharge from oxidation ponds to land. Land use for the disposal area.
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
2032	Marton abstraction Tutaenui bore	
2034	Ratana – abstraction bore (new)	
2037	Huntermville – river water take and diversion for infiltration gallery	Huntermville - discharge to land, water and air. Land use for rock outfall.

## 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 resolve<sup>17</sup> 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 Roding and Community and Leisure Assets are funded – 63% of most of the maintenance and renewal costs of Roding 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:

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 depreciation for these assets.

<sup>17</sup> Council, 29 March 2018: 18/RDC/091.

# **SECTION 3:** **Response to Submitters**

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# Introduction

This section provides an analysis of the written and oral submissions received by Council on “Unfolding the Plan... Rangitikei 2018-28”.

The section initially provides an analysis of the three key issues:

- Issue 1: Rubbish and Recycling
- Issue 2: Economic Development
- Issue 3: Insulation

Issues raised by group of activity are then provided and discussed.

# Summary of submissions

## Consultation

Consultation on “Unfolding the Plan... Rangitikei 2018-28” was conducted in accordance with the Special Consultative Procedure as required under the Local Government Act 2002.

Submissions were open from 4 April to 4 May 2018.

The Mayor and Councillors hosted 16 public meetings across the District. The Mayor also held individual meetings with those that requested them. Information about the consultation was promoted through Council’s website, Facebook page, twitter, in local newspapers (including a two page feature run over two weeks), in the Rangitikei Line and Rangitikei Bulletin. Posters were also displayed in the areas where the public meetings were being held. Consultation documents were distributed widely, in Council’s main offices, libraries and information centres as well as cafes, doctor surgeries and public meeting spaces.



## Overview of submissions

Council received a total of 172 written submissions. Of these, 20 submitters spoke to their submissions at the oral hearings held on 16 May 2018 in Taihape (7) and 17 May 2018 (13) in Marton.

There were a number of submitters with two people at the same address that submitted individually. In some cases they had opposing views, while in other cases they had the same view.

The location of the submissions are provided in Figure 1 below. This figure shows that the most submissions came from residents from Marton (60), followed by Taihape (29). Interestingly, Council received a large number of submissions from the residents of Scotts Ferry (28). There were a wide range of organisations or groups (35) that submitted on Council’s Long Term Plan (Figure 2). The list of organisations that submitted is provided as Appendix 1.



Juniors area at the Library.

**Address of submitter (n=172)**

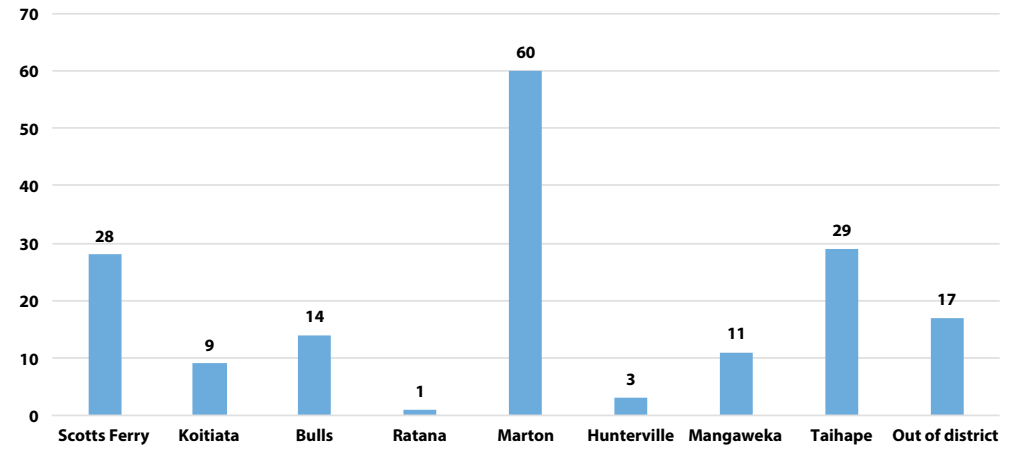


Figure 1. Address of submitter – all individuals

**Submissions by organisations/groups (n=172)**

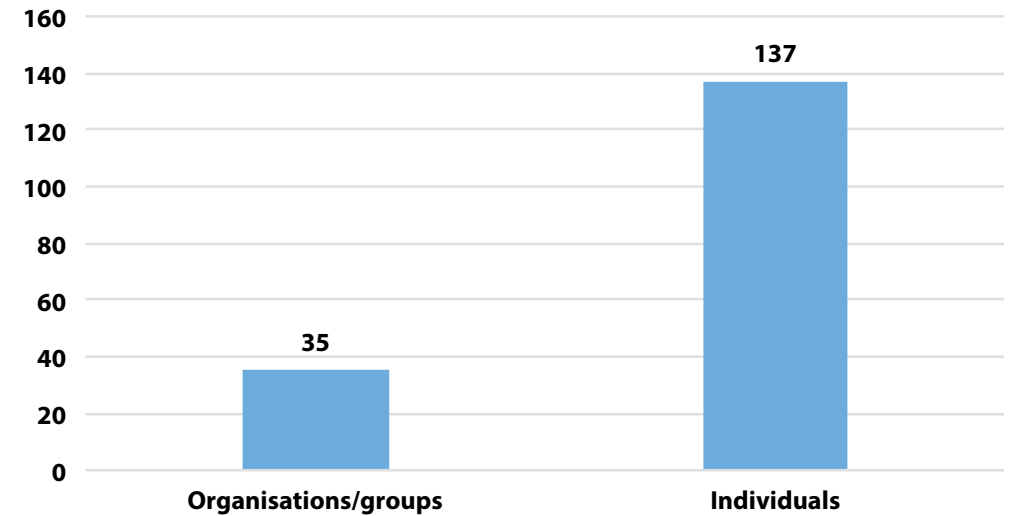


Figure 2. Submissions by organisations/groups

# Issue 1: Rubbish and Recycling

## Background

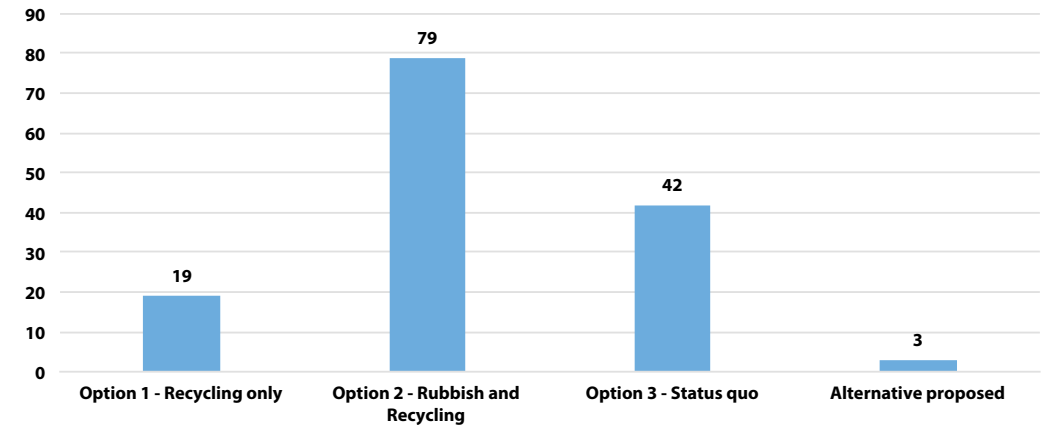
Council asked the community whether the urban areas of the District should be provided with a Council recycling service (preferred option), both a Council rubbish and recycling service, or if they wished to retain the status quo.

Council's preferred option – to provide recycling only, was aimed at increasing recycling (thus reducing the volume of rubbish being disposed of).

## Submissions

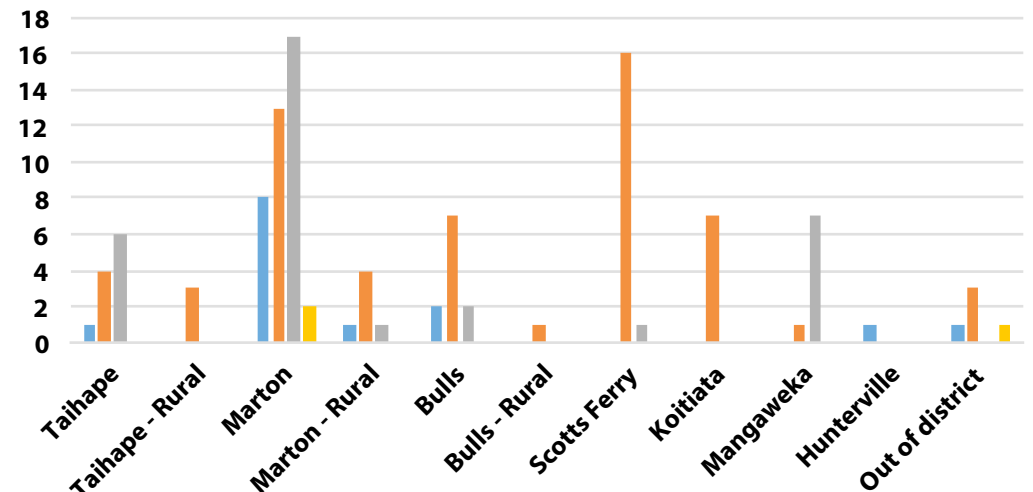
The overall results are provided as Figure 3. This figure shows the responses per property. This shows that the majority of submitters that responded to this question (55%) indicated a preference for Option 2 – both rubbish and recycling. These results have been split down to responses by the area concerned (Figure 4). Several submitters were from the same property. These have been combined so that one response per property is recorded.

**Issue 1: Rubbish and Recycling in the urban areas of Ratana, Koitiata, Scotts Ferry, Bulls, Marton, Hunterville, Taihape and Mangaweka (n=143)**



**Figure 3. Responses to Issue 1: Rubbish and Recycling**

**Issue 1: Rubbish and Recycling - by area - properties only (n=110)**



**Figure 4. Rubbish and Recycling by area**

**Taihape**

Taihape (urban and rural) received a total of 14 responses from individuals to this question. When considering Taihape urban properties alone, Option 3 is the preferred option (option 1 - 9%, option 2 - 36%, **option 3 - 55%**). However, when combining the Taihape urban and Taihape rural properties option 2 becomes the preferred option (option 1 - 7%, option 2 - 50%, option 3 - 43%) (Figure 5).

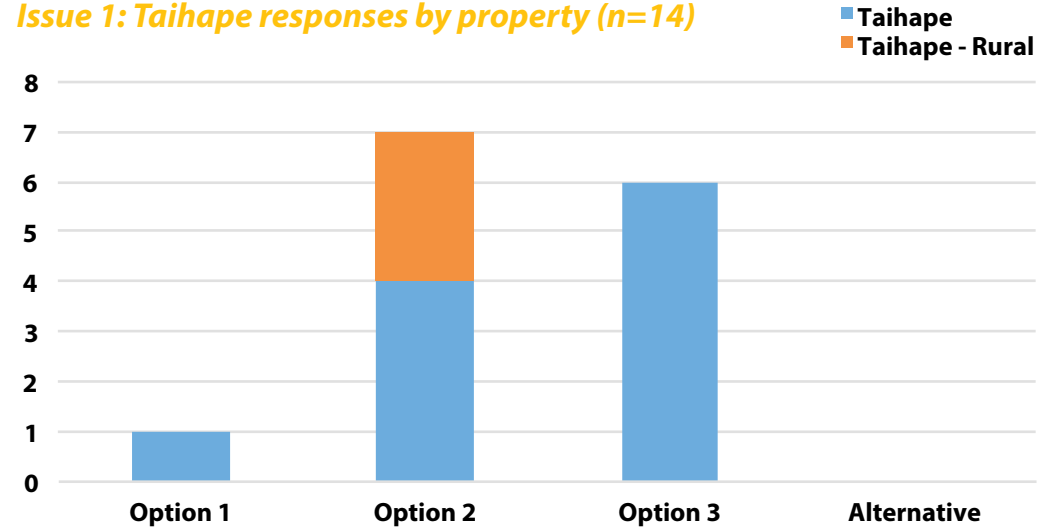
The Taihape Community Board and the Taihape Community Development Trust submitted in favour of option 2.

Other local Taihape organisations submitted as follows:

- Taihape A&P – option 2
- Rangitikei Guardians – option 2
- McQueen School of Dance – option 3

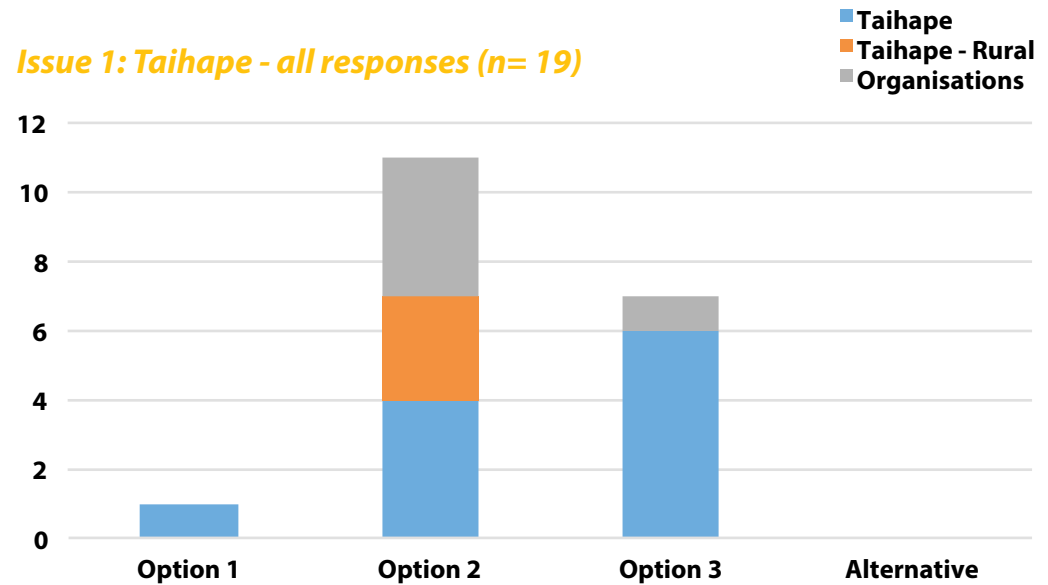
When combining all individual and organisation submissions from the Taihape area the results are in favour of option 2 – see Figure 6 (option 1 - 5%, option 2 - 58%, option 3 - 37%).

**Issue 1: Taihape responses by property (n=14)**



**Figure 5. Issue 1: Taihape individual responses**

**Issue 1: Taihape - all responses (n= 19)**



**Figure 6. Issue 1: Taihape all responses**



**Marlon**

Marlon (urban and rural) received a total of 46 responses from individual properties (Figure 7). When considering Marlon urban properties alone, option 3 is the preferred option (option 1 - 20%, option 2 - 33%, **option 3 - 43%**). When considering both urban and rural individuals, option 3 remains the preferred option (option 1 - 20%, option 2 - 37%, option 3 - 45%). Neither option provides a majority view.

The Marlon Community Committee did not provide a submission. Other Marlon organisations provided the following options:

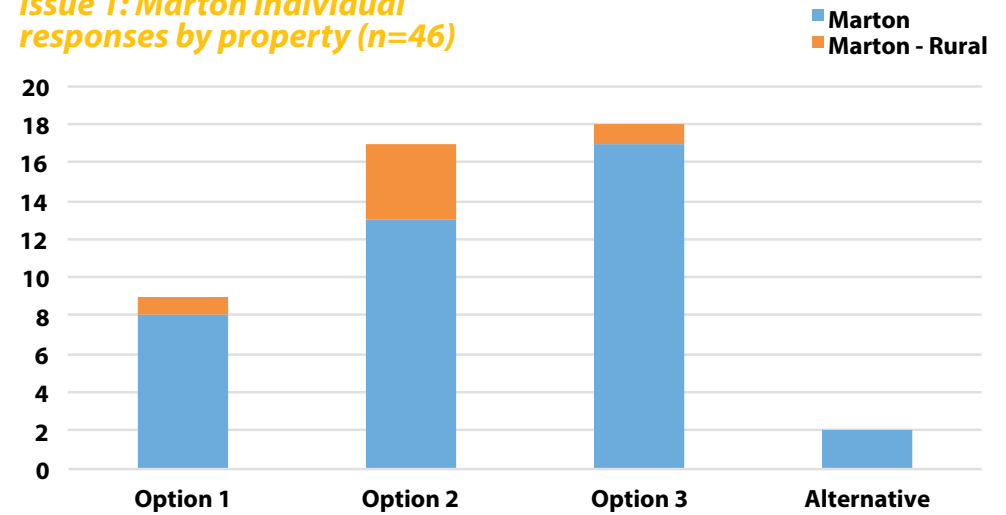
- Marlon RSA – option 1
- Marlon Motel – option 3

**Bulls**

Bulls (urban and rural) received a total of 12 responses from individual properties to this question. When considering Bulls urban properties alone, option 2 is the preferred option. (option 1 - 18%, **option 2 - 64%**, option 3 - 18%). When considering both urban and rural individuals, option 2 remains the preferred option (option 1 - 17%, option 2 - 67%, option 3 - 17%). Option 2 has a majority view in both scenarios (Figure 8).

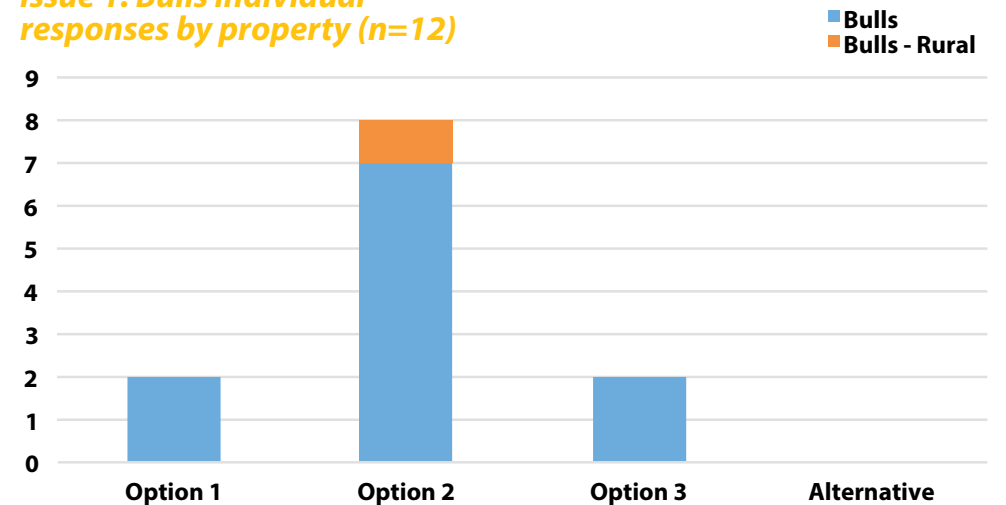
The Bulls Community Committee submitted in favour of option 2. There were no other organisations that submitted from Bulls.

**Issue 1: Marlon individual responses by property (n=46)**



**Figure 7. Issue 1: Marlon individual responses**

**Issue 1: Bulls individual responses by property (n=12)**



**Figure 8. Issue 1: Bulls individual responses**

### Scotts Ferry

Council received a total of 17 submissions from individual properties at Scotts Ferry. Option 2 was the preferred option by a significant majority (option 1 - 0%, **option 2 - 94%**, option 3 – 6%) (Figure 9).

#### Issue 1: Scotts Ferry responses by property (n=17)

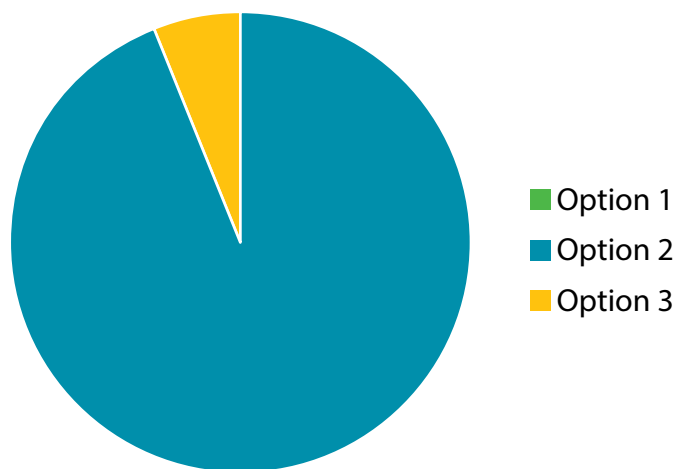


Figure 9. Issue 1: Scotts Ferry

### Koitiata

Koitiata received 7 responses from individual properties, all in favour of **option 2**. Additionally, the Koitiata Residents Committee submitted in favour of **option 2**. A couple of residents requested that the collection day be Monday (#011, #029).

### Mangaweka

Mangaweka received 8 responses from individual properties, with option 3 the most popular (option 1 - 0%, option 2 - 13%, **option 3 - 88%**). Mangaweka Adventure Company submitted in favour of option 3.

### Huntermville, Ratana, Turakina

Very few responses were received from these communities.

Huntermville received one response from an individual in favour of option 1. However, the Huntermville Community Committee identified that **option 2** was their preferred option.

One response was received from the Ratana community from the Ratana Community Board which identified **option 3** was their preferred option.

Turakina Community committee submitted that they wished Turakina to be included as part of **option 1**.

### Summary

There were mixed view from throughout the District on which option communities preferred. A summary of the most popular view from those properties directly affected per area is provided below (Table 1).

Table 1. Summary of responses by affected properties by area

AREA	OPTION 1 – RECYCLING ONLY	OPTION 2 – RUBBISH AND RECYCLING	OPTION 3 – STATUS QUO
Taihape	9%	36%	55%
Marton	20%	33%	43%
Bulls	18%	64%	18%
Scotts Ferry	0%	94%	59%
Koitiata	0%	100%	0%
Mangaweka	0%	13%	88%
Huntermville		Huntermville CC	
Ratana			Ratana CC
Turakina	Turakina CC		

## Comments from submitters

### Wheelie bins/green waste

There were a number of submitters that specified option 2 was their preferred option, if this option was a wheelie bin (#014, #083, #084, #085, #086, #087, #100, and #168).

The size of the wheelie bin was also a topic commented on by submitter #011. Submitter #014 identified that there should be different size options available, and the option for large household to have more than one bin. While submitter #158 suggested a wheelie bin with a divider for glass. A further submitter requested wheelie bins for everything (including glass), raising concerns that elderly residents would not be able to carry crates for glass (#173). Additional concerns were raised about the ability for elderly residents to move wheelie bins or glass crates (#121, #171).

Some concerns were also raised, particularly by oral submitters that, if large wheelie bins were provided, they would be filled with everything, including green waste (#098, #121, and #173). Submitter #173 asked Council to investigate alternative options for addressing green waste. Submitter #149 requests a dedicated green waste area.

### Rangitikei Wheelie Bins

Wiremu, Leanne and Renee Abraham, the current operators of Rangitikei Wheelie Bins provided both a written and oral submission. Their written submission raised the following issues:

- Have been active in encouraging commercial businesses to recycle.
- Some elderly people cannot push a 240L bin.
- Have kept prices low and provided services that larger companies have stopped.
- Are active local sponsors.
- Would like to participate with Council.

Their oral submission raised the following additional issues:

- Their local knowledge can help support the District's transition to improved recycling.
- Could have an opt-in service.
- Have increased their collection of bags from 300 to 1500 recently.

The following further comments were provided from submitters on the issue of rubbish/recycling:

- Submitters #010 and #094 identified the benefits for waste minimisation for providing a recycling service.
- Submitter #022 suggested Council should give ratepayers the right to choose. In their oral submission #121 Rangitikei Wheelie Bins identified it would be possible for them to potentially provide an opt-in service.
- Cost - Four comments were received from submitters that raised concerns about costs (#009, #028, #065, and #079). Submitter #079 identified they believed that current rate increases are already unsustainable. Submitter #065 stated that the proposal is more costly than the current situation, and #028 that it would punish people who already recycle and put added strain on low incomes.
- Current low use - A number of submitters noted that they do not support a rubbish collection as they do not generate enough rubbish to make it worth the rates increase (#65, #069, #081, #092, and #098).
- Support existing services - Three submitters raised concerns about the potential effects on local services #056, #133, #165.
- Alternative - Submitter #013 suggested Council should provide rubbish collection only. Recycling status quo.
- Request that Council considers inorganic rubbish collection (#168, #171).

### Officer Comment

While the total response rate on the issue was reasonable (125), once considered at a 'town' basis, the number of responses were low for the main centres. The exception to this being Scotts Ferry, where 17 of the approximately 50 properties provided comment. Council will need to consider, given the low response rate, how much weight it gives the submissions received in by the community committees/boards as the representatives of their communities.

Wheelie bins - If Council decided to provide a rubbish collection service, the method of collection (bins or bags, size of bins and collection days) would be considered during the preparation for implementing the service. There are options for providing a smaller wheelie bin. There is also the potential to provide a mixed recycling bin, which includes glass, however, this option would need to be costed and would likely be significantly more expensive. Crates for glass are a common method throughout New Zealand for collecting glass.



**Greenwaste** – There are a number of options Council could consider for increasing greenwaste recycling. It is suggested if Council is interested in pursuing this issue that a report is provided to a subsequent Assets/Infrastructure Committee meeting.

**Inorganic collection** – The potential need for an inorganic collection was raised as an issue by a couple of submitters. It is suggested if Council is interested in pursuing this issue that a report is provided to a subsequent Assets/Infrastructure Committee meeting.

**Opt-in** – Submitter #121 identified that it would be feasible for an opt-in service to be provided. This is also a possible option with other potential contractors. However, it is likely that the costs of providing the service would increase, as the number of residents opting-in decreased. Residents already have the option of an opt-in service through existing contractors. Submitter #092 identified this service costs \$8 per week for a wheelie bin.

**Turakina** – the location of Turakina, means that it would be easy to include this community in any rubbish/recycling option provided by Council.

As any rubbish/recycling services are not planned to be provided until the 2019/20 financial year, Council could consider whether there are other options for gaining an increased level of feedback from the community (it could also include further consideration of the feasibility of the opt-in option).

### *Council decision*

**That Council includes the cost of a kerbside recycling and rubbish collection service in its budgets (as specified in the Consultation Document) for the Long Term Plan, but undertakes further consultation with the community in 2018 to gain a better insight into the level of interest for a kerbside recycling service or a kerbside rubbish and recycling service.**

### *Council decision*

**That options available for Council to provide more effective green waste and/or inorganic rubbish collection services are provided to the 9 August 2018 Assets/Infrastructure Committee meeting for consideration and recommendation to Council, noting that any proposal to introduce a new service should be considered as part of the 2019/20 Annual Plan process.**

# Issue 2: Economic Development

## Background

Council informed the community and sought feedback in the form of priority ranking of the five areas where Council considers it could be effective in the economic development space, these being:

- Promotion – to build the Districts reputation as a great place to live, work and visit.
- Expanding markets – to focus on growth and prosperity.
- Facilitation – to facilitate and connect business development agencies with local businesses.
- Labour planning – to align business employment needs with education providers.
- Incentivising growth/development – to attract residential development, new businesses and expand existing business.

Council stated no preferred options – only that it had committed to being in this space and a provision of \$200,000 had been included in the draft Long Term Plan.

## Submissions

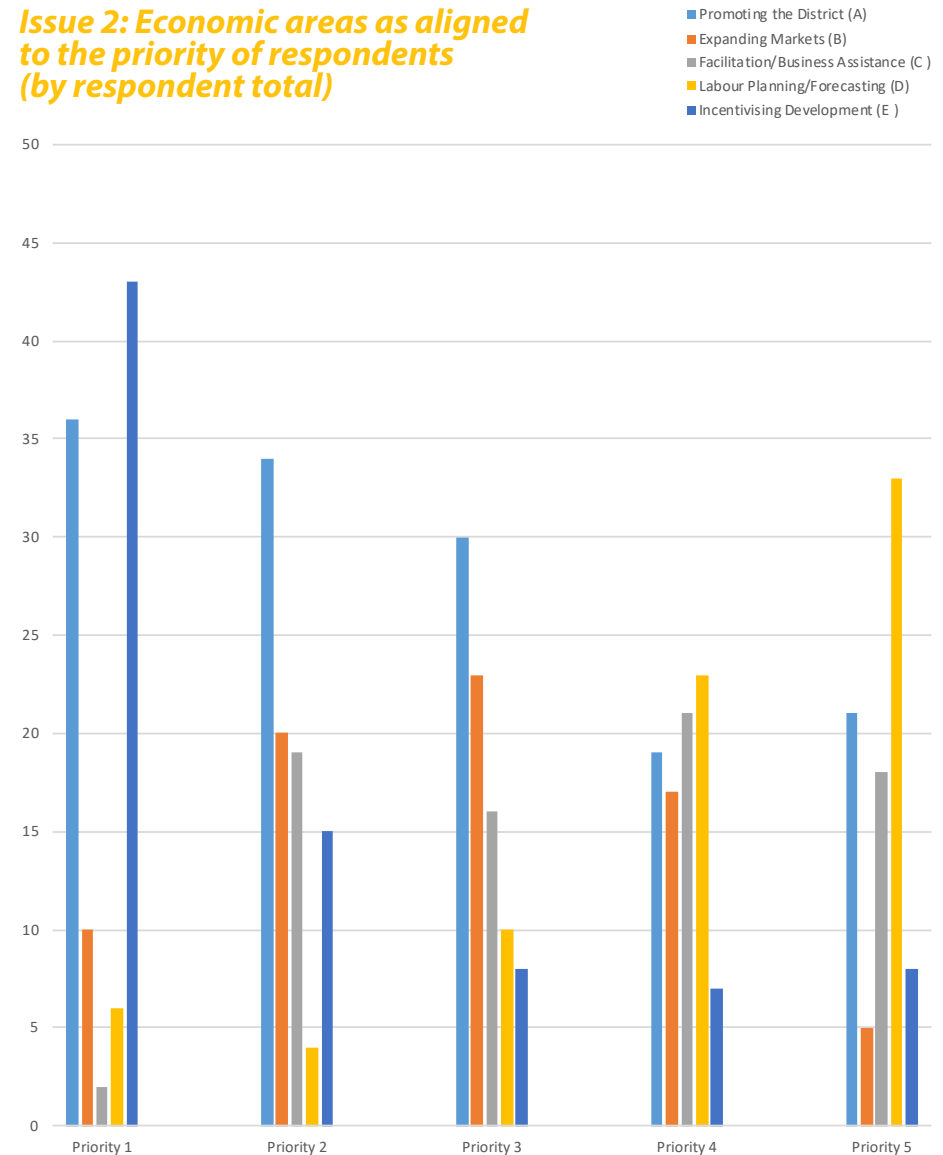
The overall District-wide results are provided as Figure 10 below. The numbers above each column show the number of submitters that stated this area as their priority. There are a different number of total responses for each priority area as not all respondents listed a response for all priority numbers.

The scored District-wide results are provided as Figure 11 below. When scoring the District-wide results against each set of priority (i.e. priority 1 areas receive a score of 5, priority 2 areas receive a score of 4, and so forth) the overall rankings for each area are identified.

The scored District-wide results as a percentage by submitter’s location are provided as Figure 12 below.

The priorities of submitters by town/area of residence are provided as Figure 13.

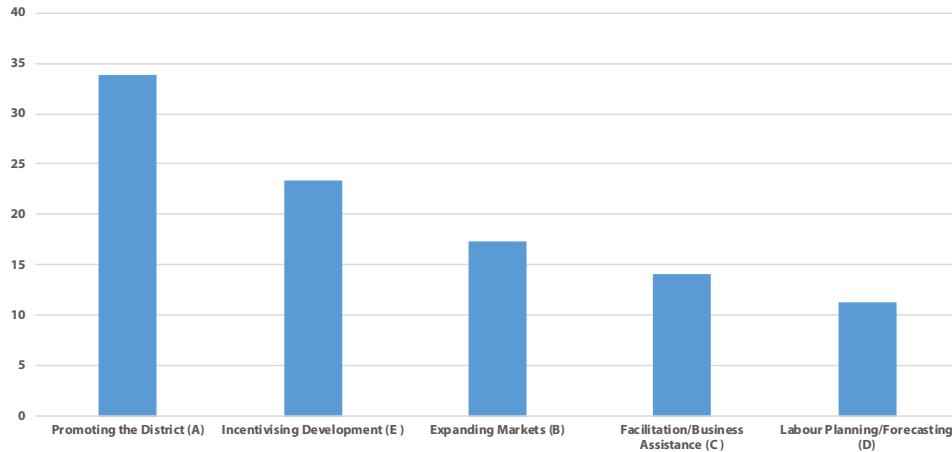
**Issue 2: Economic areas as aligned to the priority of respondents (by respondent total)**



**Figure 10. Responses to Issue 2: Economic Development**

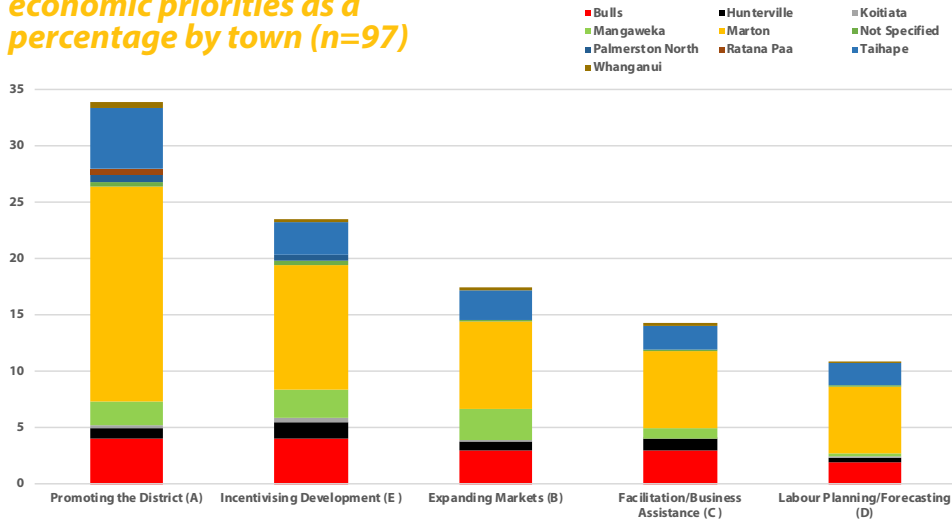


**Issue 2: Overall score of economic priorities as a percentage (n=97)**



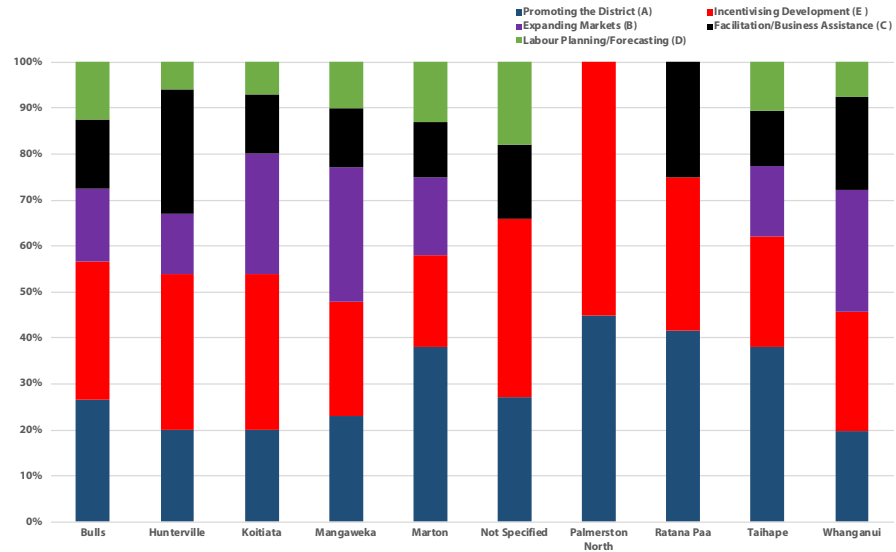
**Figure 11. Overall ranked priority scoring of Issue 2: Economic Development**

**Issue 2: Overall score of economic priorities as a percentage by town (n=97)**



**Figure 12. Overall ranked priority scoring by submitter's location – Issue 2: Economic Development**

**Issue 2: Consideration of ranked priorities by submitter location - expressed as a percentage by town (n=97)**



**Figure 13. Overall percentage scoring by submitter's location - Issue 2: Economic Development**

Submitters have shown a clear and distinct focus from the overall ranking of the priority areas. The results show that the areas considered to be the most worthwhile fall into the category of 'Growing business and jobs'; with subsequent consideration given to 'Growing skills and capability'.

**Table 2. Overall priority scoring of Issue 2: Economic Development**

GROWING BUSINESS AND JOBS	GROWING SKILLS AND CAPABILITY
Through Council's actions the aim is to attract and grow highly productive businesses.	Through Council's actions the aim is to attract, retain and grow highly productive and talented people.
<p>(1) Promotion – to build the Districts reputation as a great place to live, work and visit.</p> <p>(2) Incentivising growth/development – to attract residential development, new businesses and expand existing business.</p>	<p>(3) Expanding markets – to focus on growth and prosperity.</p> <p>(4) Facilitation – to facilitate and connect business development agencies with local businesses.</p> <p>(5) Labour planning – to align business employment needs with education providers.</p>

## Comments from submitters

### Promotion Considerations

Submitter #013 suggests that Council should provide more tangible incentives in building the District's reputation as a great place to live, work and visit. Consideration and planning should be given as to identify what our point of difference is.

In promoting the District through signage, two comments were received from submitters. Both submitters (#070, #143) acknowledge the desire for more signage within the District, with #070 requesting that the signage boards should be electronic, with the same information easily accessible from apps and websites. Similarly, if Council continues with information centres the development of booklets and pamphlets should be contracted out to a local business.

Submitter #150 referenced the 2015-2025 Long Term Plan stating Council's previous intention to promote the District as an art friendly community where those who create original works of the imagination feel appreciated. Aside from the stated action or inaction of Council, #150 noted that the creative community has continued to develop – highlighting to Council that it should be supported as an economic activity.

### Incentivising Growth Considerations

Submitter #146 suggests that Council needs to address Marton's issue around housing and rental supply; being due to there being no point in promoting the District as a place to make home if there are no availability of houses or rental properties.

Two comments were received from submitters that raised concerns over the amount of vacant, dirty and substandard buildings in the towns across the district. Submitter #155 identified that in Taihape, Council should be providing encouragement for new businesses, existing businesses and landlords to upgrade their facilities. Submitter #143 identified that as visitors enter Bulls they are met with dirty buildings that are poorly maintained.

### Support of Businesses

Submitters #060 and #155 suggest that Council needs to be accepting, encouraging and supportive of new businesses and opportunities in the District.

### Consideration of Economic Models

Submitter #001 presented and provided three recommendations relating to a subjective economic model known as donut economics. The submission sought Council to consider and explore what planetary and social boundaries imply for rethinking economic development, and additionally how Council should measure economic progress. In response to the values and approaches of this model, Council was asked to make a submission to the House of Representatives to urge the Government to reject the resurrected Trans-Pacific Partnership Agreement.

Submitter #025 asked Council to consider the reasons why regional economies have deteriorated over recent decades and what needs to be done to alleviate these issues. A summary of these concerns was provided referencing New Zealand Rhodes Scholar and Author Bryan Gould's book, 'Rescuing the New Zealand Economy: Where We Went Wrong and how We Can Fix it' (2008). These included:

- Increasing the scope of the Reserve Bank;
- The development of modernised inflation controls;
- Equitable taxation in the investment in housing;
- Mitigating the impacts of globalisation and trade in local communities.

## Public Transport

Submitter #143 commented that public transport from small centres to main centres such as Whanganui, Palmerston North or Feilding should be considered by Council. The submission notes that having effective public transport would reduce the cost of living in the District, potentially brings money back into our satellite towns.

## Officer Comment

Promotion Considerations – Council intends on undertaking a signage programme across the townships within the District. Once a budget has been formally allocated, community committees and partnering organisations will be placed to work with Council in undertaking this programme. Additionally, any incentives to attract people to the District for events and programmes will be run in conjunction with these parties. Incentives for attracting people to the District may be considered as part of the Incentivising Growth area. Furthermore, Council acknowledges that there is a significant art community within the District. Whilst this probably does not yet justify the recruitment of an arts development staff for Council, there is the potential for programmes to be considered within its Economic Development portfolio.



Incentivising Growth Considerations - Both the housing shortages in Marton and the state of many of the buildings within the District, Council is aware of.

Support of Businesses – Council is aware and intends on improving its delivery in this area, within the requirements to enforce legislation imposed by Central Government.

Consideration of Economic Models – Failings of the present economic landscape, legislating changes to the Reserve Bank, and developing legislation for the taxation of housing investment are not issues that Council can usefully address. Similarly, Council is not positioned to develop planetary and social boundaries as a measurement for economic development. Council, within the scope of the Local Government Act, will continue to assess and undertake activities once duly considering environmental and social outcomes.

Public Transport – Public transport is a rated activity by the Horizons Regional Council. Council is committed in achieving workable outcomes for our communities – which includes meeting with the Horizons Transport team as a primary stakeholder.

This consultation process has provided Council with the community's view on the direction Council should take in implementing economic development activities throughout the District. This area is complex, therefore, it is recommended that staff prepare a draft Economic Development Strategy/Action Plan based on the priorities identified by the community (Priority 1 – Promotion, Priority 2 – Incentives for development, Priority 3 – Expanding Markets, Priority 4 – Facilitation of business assistance, Priority 5 – Labour forecasting), for discussion at Council's 19 July 2018 workshop.

## Council decision

**That a draft Economic Development Strategy/Action Plan is prepared for discussion with Council at their 19 July 2018 workshop on the basis of the following priorities:**

- **Priority 1 – Promotion**
- **Priority 2 – Incentives for growth/development**
- **Priority 3 – Expanding markets**
- **Priority 4 – Facilitation of business assistance**
- **Priority 5 – Labour forecasting**

## Issue 3: Insulation

### Background

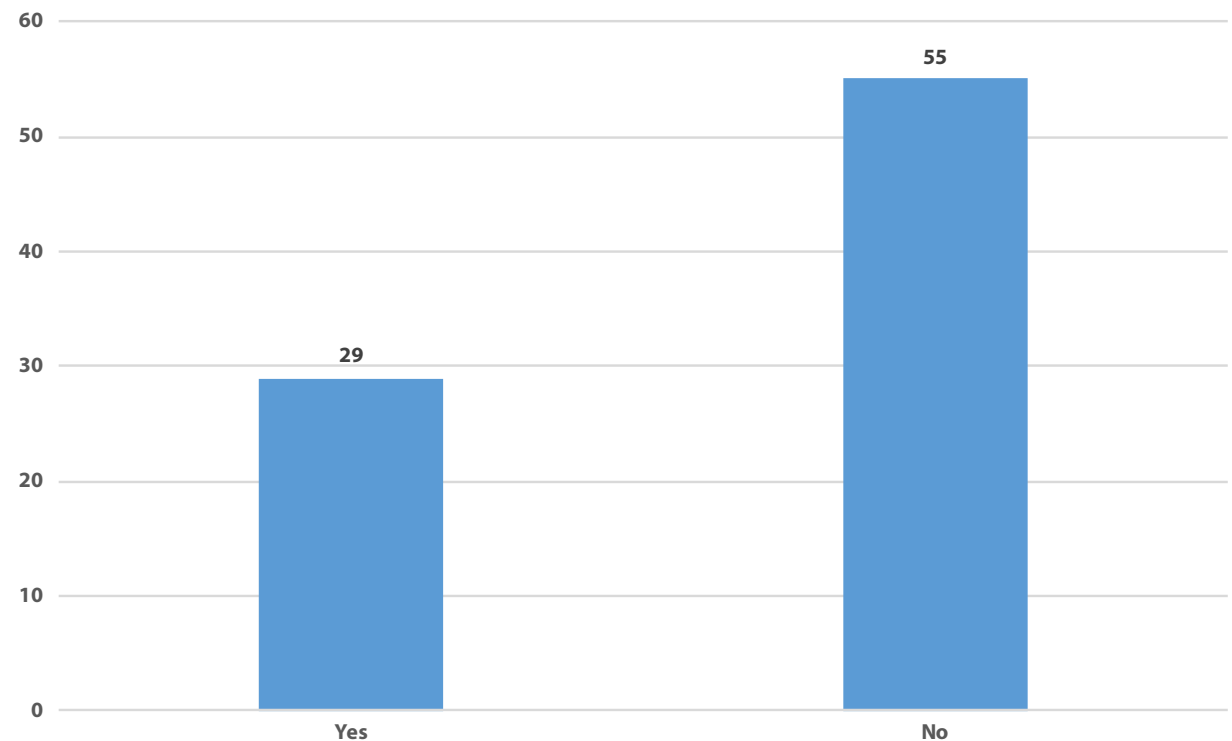
Council is able to contribute to improve the quality of the local housing stock by providing a loan to ratepayers for the insulation or heating of their homes<sup>18</sup>. The ratepayer would repay the cost of the loan, plus interest over a number of years. It is not a scheme which would be subsidised by other ratepayers.

This is an approach which has been undertaken by at least 10 other councils (with varying criteria).

### Submissions

Council wanted to gauge what level of interest its ratepayers would have for being involved in the scheme. The results of this consultation are shown in Figure 14. This shows that 29 residents showed interest in taking up the scheme.

**Issue 3: If Council were to establish a voluntary targeted rate for ceiling and underfloor insulation would you be interested in taking it up? (n=84)**



**Figure 14. Interest in taking up the voluntary targeted rate for insulation**

<sup>18</sup> Note: EECA provides a grant to cover 50% of insulation costs for properties built before 2000. However, this scheme is scheduled to conclude July 2018, and residents must meet specific income thresholds to be eligible. However, the 2018 Budget includes funding to implement the Healthy Homes Guarantee Act and provide grants for insulation and heating retrofits for eligible owner occupiers: lower-income households living in their own homes will be eligible for grants covering two-thirds of the cost of installing ceiling and underfloor insulation. The grants will be topped up wherever possible by third-party funding to make the insulation as low-cost as possible. The first year of the programme will focus on insulation as the highest priority for creating warm, dry homes. The second phase will concentrate on heat sources.

Council received the following additional comments on this issue:

- A number of submitters noted they would not be interested in being involved in the scheme as their home was already insulated (#007, #062, #103, #098).
- Council should require the loan to be paid in full if the dwelling is sold (#167).
- Concern about what options Council has if a ratepayer did not make payment (#100).

Submitter #131 identified as being a professional involved in the healthy homes scheme. They were supportive of Council providing the voluntary targeted rated and noted the following key points:

- The Rangitikei District has a large number of homes which have inadequate insulation.



- Often poorly insulated homes are rented out to families who then have subsequent health issues.
- Low income families that qualify for the Energy Efficiency Conservation Authority subsidy struggle to find their share of the insulation costs (\$1,000 - \$3,000).

### *Officer Comment*

Council has proposed to offer the scheme as a result of the issues identified by submitter #131.

Council will have security over the loan through the property being rated. Residents will be required to repay the loan upon the sale of their property - this requirement will be included in the agreement with participating property owners (it is the same as was done with the targeted rate for Ruru Road properties which participated in the sewer extension).

Funding is not required to be included in Council's budgets, as there is no net cost to ratepayers. The repayments for each ratepayer that signs up to the scheme at the maximum value (\$5,000) would be \$753.53 excl GST per annum.

### *Council decision*

**That Council implements a voluntary targeted rate to allow ratepayers to insulate and/or install heating at their property based on the following conditions and criteria:**

- **The ratepayer must be up-to-date with their rate payments.**
- **The ratepayer must have a good payment history (no arrears or a payment plan in place).**
- **An approved installer of insulation must be used.**
- **There is no limit on the number of ratepayers who are able to be involved in this scheme.**
- **The loan will be to a maximum value of \$5,000 per property.**
- **The loan will be for a maximum term of 9 years**
- **The interest on the loan will be set at 7% per annum**



# Community and Leisure Assets

## Motorhomes/caravans

The Motor Caravan Association submitted on the Long Term Plan (#002). They requested that Council recognises the value of the Motorhome Friendly Scheme in the Long Term Plan.

Submitter #092 requested that Council establishes a motorhome/caravan park close to Marton.

There were a number of submissions related to a motorhome/caravan stop over area in Taihape:

- Request that Council establish a formal campervan parking area which is signposted close to the Taihape shops (#100, Taihape Community Development Trust).
- Taihape Community Board wants to see the development of a motor home friendly town rating for Taihape and see the potential development of the Weka street extension turnoff area at the back of the bowling/croquet grounds at Taihape Memorial Park as a possible site (#168).
- Taihape Bowling Club would like Council to consider a stopover site at the Bowling Club in Taihape for New Zealand Motor Caravan Association. The Bowling Club have an un-utilised building. They could share the building and lease the croquet area, install power points and a dump station (#118).
- The suggestion that the area on Kuku Street beside the weather station is casually used for their overnight parking. This area should be formalised with sign posting, toilet and shower facilities and drinking water (#164).

## Officer Comment

Marton is already a recognised Motorhome Friendly Town. Council already has three camping grounds in close proximity to Marton, along with a New Zealand Motor Caravan Association camping ground in the town.

There is support in Taihape for the development of a motorhome stop over area. Staff are working with the New Zealand Motor Caravan Association to bring Taihape

dump station up to standard to enable Taihape to be recognised as a Motorhome Friendly Town. There is scope for a stopover area to be included as part of plans for the new amenities area in Memorial Park. It is suggested that staff work with the Bowling Club and Cr Rainey and Gordon (as portfolio holders) on the matter.

Other towns within the District do not presently have (an independent) dump station to qualify as a motorhome friendly town.

## Council decision

**That Council endorses the investigation of the feasibility of including a motorhome stopover area as part of the development of the amenities building at Taihape Memorial Park.**

## Taihape Memorial Park

A number of comments were received about the redevelopment of Taihape Memorial Park:

- Request from Taihape Show Jumping for an ablution block, including showers (#108) supported by submissions (#120 Taihape Shearing Sports Committee, #164, #152 Taihape and Districts, #153 Taihape Dressage, #174 Taihape Netball).
- Supportive of the upgrades to the toilets and grandstands (#088).
- Request a visual plan of the proposal and would like it displayed at the Taihape Town Hall. Clubs Taihape should be involved (#100).
- Support retaining the grandstand as a key feature of the town's heritage (#164, #171)
- Support the Friends of Taihape, Papakai Park and Memorial Park redevelopment and upgrade (#168).
- Upgrade existing shower/toilet facilities e.g. grandstand or pool (#171).

## Officer Comment

Council has already committed to developing a new amenities block at Taihape Memorial Park to the east of the courts. This building will contain new toilets and showers.

A concept plan will be developed for this site. Information will be displayed at Taihape Information Centre and online as it becomes available. The Memorial Park User Group is involved with this project and is led by two Councillors assigned to this portfolio.

Council intends on retaining the grandstand. The existing grandstand space does not allow fit-for-purpose changing rooms sufficient for all codes e.g. rugby, netball, horse-sports, shearing, motor home users, without an extension or re-build; neither does Taihape Swim Centre, which is also located on the least-convenient location with regard to the fore-mentioned users.

## Taihape Pool

The following comments were received regarding the Taihape Pool:

- Supportive of proposed upgrades (#088, #168).
- Support purchase of new pool covers. More funding for re-roofing and exploring energy efficient options. Trust happy to provide assistance as part of the MOU (#100, Taihape Community Development Trust). The Trust confirmed at the oral hearings that they had money set aside for roofing.

## Officer Comment

Council recently requested an energy audit of Marton Swim Centre. A similar exercise may be conducted at Taihape Swim Centre with particular regard for the energy efficiency when re-roofing.

## Taihape Town Hall

A number of comments were made related to the Taihape Town Hall:

- It should be demolished and a new building constructed (#088).
- It is important the building is retained, but addressing the heating issue is important (#114).

- The town hall is an important community space. Council needs to ensure it has a functional kitchen, heating and power points (#115).
- McQueen's School of Dance requested that the hall remains as it is good for concerts. Suggests the best option is earthquake-strengthening rather than replacement (#116).
- Suggest the redevelopment of the building is innovative to better use the building, provide heating, catering facilities and moveable partitions (#117).
- The Taihape Town Hall is well used and part of the heritage of the town. The building should not be demolished, and instead strengthened and provided with catering facilities, repair of the gallery (#151).
- Retain the Town Hall which is part of the heritage of Taihape (#164).
- Support further consultation on the future of the site (#168, Taihape Community Board).
- Council should consider who will lead the process, how communication will take place and how decisions will take place (#100, Taihape Community Development Trust).
- Concern about Council calling the building earthquake-prone (#171).

## Officer Comment

Council has yet to explore the options for this site with the community and undertake a business case. Council intends to fully engage with the community on the future options for the site. Council will lead this process and communications, with Mayor and Councillors fully involved, as they have done and continue to do for the Bulls (and Marton) project. Design work is scheduled to begin in 2021/22.

## Dudding Lake

Bruce Gordon, on behalf of Dudding Lake requested that Council seals the entrance road to Dudding Lake and that Council re-negotiate the lease (#137).

## Officer Comment

Council received \$11,686 (GST excl) from the logging of the site. This money has so far been used to lay the new sewage pipe \$3,000 with the balance committed to replanting.

There was no submission received on this matter in 2017/18. An Annual Plan submission for 16/17 requested that \$7,000 - \$8,000 was carried over for the upgrade. The 2015-2025 Long Term Plan deliberations considered this issue in more depth. This figure was based on the FAR rate – the total estimated cost was \$10,000. The proposal at this stage was for the re-metalling of the road. The resolution is provided below:

Council agree to making good the access road to Dudding Lake, the net cost after a contribution from the Dudding Lake Management Trust to be funded from the reserve up to a maximum of \$6,200<sup>19</sup>.

The cost of re-metalling the road is included in the 2018/19 budget (\$16,000), with the cost for sealing the road included in the 2019/20 budget (\$31,000). However, the current estimate for sealing is \$53,900. Bringing the 2019/20 provision forward would enable sealing to be done in 2018/19. Whether the FAR rate could be applied to this project is under discussion with the New Zealand Transport Agency.

Council staff will engage with Mr Gordon to discuss potential alterations to the current lease document.

### *Council decision*

**That Council brings forward the \$31,000 identified in the 2019/20 budget for the sealing of the Dudding Lake entrance to the 2018/19 year, less any co-investment secured from the New Zealand Transport Agency.**

### *Council decision*

**That Council endorse staff engaging with Mr Bruce Gordon to discuss potential alternations to the current lease document for Dudding Lake and report to the Assets/Infrastructure Committee.**

## Other issues

### Bulls

- Bulls Community Centre Hall is too small (#070).
- Concern about the Bulls Community Centre cost and exacerbating traffic issues (#098).
- The Criterion site is a mess (#070).
- Haylock Park should retain the name and a room in the new building should be named after Dr Haylock (#088).
- Request the Bulls Domain is developed further as a camping ground, with renovations to the ablutions block (#097).

### *Officer Comment*

Bulls Community Centre – the site is not owned by Council however as an invested party, Council may consider how it could contribute to the interim maintenance of the site. The size of the proposed community centre building reflects the budget available. The proposed site is designed to be a civic centre near the centre of the Bulls township to support town vitality. The inclusion of Dr Haylock's name will be considered in proportion to the value the land provides the centre.

Haylock Park – will retain its name.

Bulls Domain - A review of the Bulls Domain Reserve Management Plan is required. These two requests will be considered as part of this process which is scheduled to occur in the second half of 2018.

### *Council decision*

**That Council endorses staff engaging in discussions with the owners of the Criterion Street site regarding interim maintenance of the site.**

<sup>19</sup> 15/RDC/129

## Taihape

- Concern about the processes in place if Council buildings test positive for asbestos e.g. Taihape Women's Club (#100).
- Maintenance requirements for Taihape Women's Club (#107).
- The Taihape Napier Road should have campervan parking, toilet facilities and drinking water, alongside information boards (#164).
- Taihape Netball would like clarification on the ownership of the Squash Club building, would like Council support to redevelop the netball courts e.g. drainage works. The club would like to gain more autonomy over the remaining space (#174).

### Officer Comment

Asbestos – The asbestos regulations require individual asbestos management plans for all buildings. Asbestos will be presumed to be present if asbestos surveys have not been conducted. Information has been sent to pre-qualified contractors regarding an awareness of asbestos on Council sites. Asbestos will be monitored, and managed in line with regulations and the condition of the asbestos management plan.

Taihape Women's Club - Quotes are being sought for the removal of asbestos and the subsequent renovation this would then require. The maintenance issues raised could be addressed through this process. However, once the information is received Council will be required to make a decision on whether the work required should proceed.

Taihape Napier Road facilities – There are existing places for visitors to stop on the Taihape-Napier Road (Kuripapango campsite managed by the Department of Conservation is the most significant). There is an existing brochure for the journey.

Taihape Netball – the Squash Club building is owned by the Squash Club. Council is unable to undertake drainage on the site to assist the netball club as it does

not have its own contractors. The Parks Upgrade Partnership Fund would be an appropriate avenue for Taihape Netball to apply for funding to upgrade the courts. Staff will work with the club to discuss the use of the remaining space.

### Council decision

**That Council endorse staff engaging with Taihape Netball over their needs regarding netball at Taihape Memorial Park.**

### Community housing

- Request for Council to increase community housing capacity (#159).
- Request for Council to consider selling the community housing (#088).

### Officer Comment

Community Housing - Council went to the market for an alternative provider of management services for its community housing but did not find anyone suitable. For the time being, it will continue to provide this service<sup>20</sup>. Council has previously agreed that an integrated approach to the delivery of community housing is implemented. This could include ways to address warmth and energy efficient and could include the sale and purchase of property, rebuilds and new builds.<sup>21</sup>

### Other

- Thank Council for their support for the Nga Tawa School Turf (#080)
- Hunterville Pool needs heating (#088).
- Marton CBD buildings – the vacant site is not attractive, suggest murals are put along the street frontage, (#133). The site should be demolished (#088). Council should aid business owners in addressing earthquake-prone building issues (#133).

<sup>20</sup> 17/RDC/310

<sup>21</sup> 17/RDC/313

- Request for public toilets and a bus shelter in Mangaweka (#074, #112).
- Request that Council supports the upgrade of the Ratana gym (#089).
- Koitiata Domain land – would like Council to designate as reserve land, develop a reserve management plan (preferred option), or use as a campground, or sell a portion to be privately developed as a holiday park (#096, Koitiata Residents Committee).
- Request that the driveway at the Ratana Cemetery is extended and provided with a turning bay (#089, Ratana Community Board).
- The Tourism Industry of Aotearoa request Council support tourism in a wide number of methods (#027):
  - Apply to the Tourism Infrastructure Fund
  - Coordinate with Central Government and industry partners on infrastructure projected submitted to the Regional Growth Fund
  - Ensure freedom camping is effectively managed
  - Promote the benefits of tourism to the local community
  - Support tourism sustainability through positive policy and regulatory setting and funding
  - Sign up the Council to the Tourism Sustainability Commitment and activity promote Tourism Sustainability Commitment to local tourism operators
  - Recognise the economic value of environmental assets to tourism
  - Ensure the LTP recognises the environmental needs to tourism
  - Action the requirements of the NPS for Freshwater ASAP.

### Officer Comment

Nga Tawa Turf - Council is a signatory to the Memorandum of Understanding with Nga Tawa, Rangitikei College, Rangitikei Hockey Association and Sport Whanganui to establish a community turf partnership and committed (in the 2016/17 Annual Plan) to make a ratepayer contribution of \$100,000 towards the proposed facility at Nga Tawa School, provided that the balance is raised from alternative sources.

Huntermville Pool - Huntermville Swim Centre is owned/managed by the Huntermville Sport & Recreation Trust, which receives an annual operation grant from Council to contribute to their costs.

Marton CBD Buildings - Council is presently exploring options for its site on Broadway/High Street, Marton. The windows have been used to publicise a range of community activities and Council proposals: this will be stepped up now that there is additional staffing in the Communications area. Council is currently involved in a project to facilitate funding for the retention of a Marton Heritage Precinct.

Mangaweka – Council is currently in the process of installing toilets in Mangaweka and incorporated a bus stop into the design.

Ratana Gym – Staff have been engaged with the community on potential requirements for upgrading the building. The building and land has been confirmed to be owned by Council. A recent assessment of the building has shown that the roof needs replacing and there are other minor remedial works to be undertaken (\$15,000). There are ongoing investigations regarding issues with drainage on the site, with the costs of remedial works not yet available. This cost has not been included in budgets. An additional consideration is that the Ratana Communal Board have expressed interest in the transfer of ownership of the site to them.

Koitiata Domain Land – The site has been identified as being surplus to requirements. It is proposed that the future of the site is discussed directly with the Koitiata community at a future meeting.

Ratana Cemetery – Staff have been considering options for the extension of the road in the Ratana Cemetery. This is part of a wider project where Council needs to purchase more land in the area. The cost for this upgrade is \$42,000 which has been included in budget for the 2019/20 year.

Tourism Industry of Aotearoa – Council has made a number of applications to the Tourism Infrastructure Fund, works with Central Government where possible, has a permissive regulatory framework, and has a permissive regime for freedom camping.

### Council decision

**That a report be provided to the Assets/Infrastructure Committee on total upgrading work required for the Ratana Gym.**

### Council decision

**A sum of up to \$15,000 if needed, be included in the LTP for the roof at Rātana Gym.**



# Parks and Reserves

## Taihape Memorial Park

There were a number of comments received about the development of Taihape Memorial Park as follows:

- Skate Park – the Taihape Community Development Trust has been working with Council staff, and Taihape Area School regarding the development of a skate park. Would like an update of progress. Raised concerns about the cost (#100).
- Request that further contracts are taken over by Council (#168, Taihape Community Board).

### Officer Comment

Skate park – Council staff are willing to work with the local community on a skate park concept, on the same basis as they are doing in Marton. Subsoil testing has yet to be undertaken as discussed with the Trust due to contractor availability. Staff do not anticipate issues with the ground. Learnings need to be taken from Marton, with costs of the project established early. Given the size of the Taihape extension is less than half of the proposal for Marton, it is unlikely to have the same expenses.

Contracts – Council currently undertakes management of Memorial Park. From mid-August 2018 the Parks team will also undertake daily care of the rubbish bins (taking over from the current contractor).

## Marton Skate Park

The Marton Skate Park Committee has requested Council provides the following additional money for the proposed skate park extension at Centennial Park:

- \$50,000 to go towards the extension.
- \$24,000 to fix the existing area.

This request has been made because the initial quote for the skate park of \$100,000 has now been superseded by a more detailed quote which has given the price at \$247,000.

The Committee is now looking for extra funding to cover the shortfall (\$180,000 has been sourced from funders).

### Officer Comment

Council has previously provided \$50,000 of funding towards the Marton Skate Park proposal.

Clarification has been sought on the final design (to be reviewed by the steering group) and the cost schedule being subject to peer review. The results of this will inform how the project proceeds. An update will be provided to the Assets/Infrastructure Committee's meeting on 14 June 2018. That Committee has the delegation to approve expenditure from the Parks Partnership Upgrade Programme.

### Council decision

**That the Assets/Infrastructure Committee consider the final design and peer-reviewed costs for the Centennial Park Skate Park Extension project and consider whether any additional grant is made from available funds in the Parks Upgrade Partnership Scheme and/or the placemaking budget.**

## Ratana Park

The Ratana Community Board made a number of requests to Council related to their local park.

- Request that Council undertake remediation of the Rugby Field and ongoing maintenance.
- Request that Council provide support in the redevelopment of the playground, including ongoing maintenance.

### Officer Comment

Rugby field - The local Ratana Park is an area owned by the Ratana Communal Board. The Parks team do not have existing capacity to maintain this area under current resourcing. It is recommended that further discussion is held with the Ratana Community Board at their 12 June 2018 meeting, with a report outlining the feasibility and costs involved in this request provided to the 9 August 2018 Assets/Infrastructure Committee meeting.

Playground – staff have been in discussions with the Ratana Community Board about the need for a new playground. Council agreed to provide up to \$15,000 for the maintenance/development of a playground at Ratana – in addition to the \$1,500 grant approved from the Community Initiatives Fund for a design of a new playground<sup>22</sup>. The \$15,000 figure was reflective of the cost to undertake repairs to the playground and the new mulch required for the site. Council has a current contract (991) for the maintenance of the playground. It provides for a contractor to maintain play equipment and undertake repairs up to a value of \$250.

The \$15,000 has not been spent, as a larger playground redevelopment project has been proposed. The local community have been receiving quotes on the proposed new playground. It is likely the proposed playground will cost approximately \$300,000 - \$400,000.

A key decision for Council is whether it is prepared to allow the Parks Upgrade Programme to apply to this site. While the land is owned by the Ratana Church (and it is unlikely to be transferred to the Council), the lack of a Council-managed playground/sportsfield in Ratana may be seen as providing justification for Council to agree to this approach.

### *Council decision*

**That Council agrees in principle to allow the Parks Upgrade Programme to apply to upgrading recreational facilities at Ratana Paa in addition to the \$15,000 previously approved for the playground.**

### *Council decision*

**That the request for Council to undertake remediation works at the Ratana Rugby field is discussed further at the June 2018 Ratana Community Board meeting, with a report on the feasibility and costs required for Council to undertake this work provided to the 9 August 2018 Assets/Infrastructure Committee meeting.**

## Other issues

There were a range of other comments received on the Parks and Reserves activity as outlined below.

- Two requests that Council establish an eco-burial area, with one submitter requesting this be in Taihape (#057, #119).
- The entrance to the Mangaweka Village should be upgraded (#161).
- That Council work together with the Taihape Community Board on the development of the Gumboot Theme Playground at the 'Outback' (#168).
- Concern about the picnic area by the Rangitikei River in Bulls being left covered in rubbish and suggestions of better maintaining walking tracks (#143).
- Request to have recycle bins in public places (#062, #139).
- Suggestion to plant fruit and nut trees in parks (#139).
- The Boer War Memorial in Marton Park needs restoration (\$60,000) (#101 – Marton RSA).
- Request for a rubbish bin in the main street of Mangaweka (#112).
- Request that Council does some landscaping works at the Ratana Cemetery (#089).

### *Officer Comment*

Natural Burials - Natural burials are becoming more common, however, require specific ground conditions. It is suggested feasibility of establishing an eco-burial area in Taihape will be reported to the Assets/Infrastructure Committee.

Mangaweka Village Entrance - The gardens at the entrance of the Mangaweka Village were installed by the New Zealand Transport Agency, but now require replanting. This is an issue which can be addressed by the Parks Team in the summer of 2018/19 under existing budgets.

<sup>21</sup> 17/RDC/259

Gumboot playground - Council staff are supportive of a gumboot themed playground and are willing to work on the project with the Taihape Community Board.

Bulls River – Council currently undertakes a weekly inorganic litter collection on the Horizons owned land along the Rangitikei River. There is no rubbish bin provided or emptied at the picnic area. The walking tracks along the Rangitikei River are not managed by Council.

Recycle bins – Recycle bins in public places could be trialled. Staff suggest this could be done for Taihape and Bulls, either near playground or public toilets. However, they each come at a cost of \$3750. There is no current budget provision for this.

Fruit and nut trees in parks – Staff will consider incorporating fruit trees into the winter planting programme. These trees are not always used because they are more easily damaged and have a short lifespan compared with exotic tree species.

Boer War Memorial – The Marton RSA has been working on gathering information on the restoration of the Memorial. Staff are willing to work with the RSA to gain funding for this project.

Mangaweka rubbish bin – A rubbish bin could be installed at the location of the new toilets in Mangaweka. This could be emptied daily by the Parks team from mid-August 2018. It is a project which could be completed within existing budgets.

Ratana Cemetery – Council staff will undertake some landscaping works at the Ratana Cemetery.



Council's Parks and Reserves staff planting at Marton Park.

### *Council decision*

**That Council endorses a trial of recycling bins located in Taihape, at the railway station on the basis it can be funded by the Waste Levy.**

### *Council decision*

**That Council endorses the replanting of the gardens at the entrance to Mangaweka Village.**

### *Council decision*

**That Council endorses Council staff working with the Taihape Community Board on the feasibility and design of a gumboot playground at the 'Outback' site.**

### *Council decision*

**That Council endorses the planting of fruit and nut trees in Council's parks.**

### *Council decision*

**That Council endorses Council staff working alongside the Marton RSA to gain funding for the redevelopment of the Boer War Memorial at Marton Park.**

### *Council decision*

**That Council endorses the installation of a rubbish bin at the location of the new toilets in Mangaweka.**

### *Council decision*

**That Council endorses Council staff undertaking landscaping works at the Ratana Cemetery.**

### *Council decision*

**That a report is provided to the 13 September 2018 Assets/Infrastructure Committee meeting regarding the feasibility and costs of establishing an eco-burial area in Taihape.**

# Water Supply

## The following comments were received on the District's water supply:

- Request that Council does not fluoridate water (#003).
- Hunterville Rugby Club requests that when Council upgrades the transformer at the Hunterville Domain, the transformer is upgraded to a level which would support LED lighting of the rugby ground (#066, supported by #088).
- Tutaenui/ Hunterville Rural Water Scheme – supportive of water for stock, but not for irrigation. Support new town water source for Hunterville (#088).
- Support replacement of concrete pipes to PVC for Marton (#088).
- Marton needs to improve water supply (brown water issues) (#143, #156, and #174).
- Concern about publicity of Bulls water issues (#143).
- Water supply systems should not have a detrimental effect on the environment (#098).

## Officer Comment

Fluoridation - None of Council's water supplies are currently fluoridated.

Transformer upgrade at Hunterville Domain – when considering the upgrade required, staff will consider the power needs not only of the proposed bore, but also of the future needs of Hunterville Domain, including the lighting of the rugby fields.

Tutaenui/ Hunterville Rural Water Scheme – The pre-feasibility study concluded that it is feasible to establish a stock water and irrigation scheme around the Tutaenui Area. The next stage of the project is further investigation for a stock water scheme.

Marton Water – Council have been investigating the causes of brown water issues in Marton. It was previously thought that iron and manganese in the concrete pipes has built up over the last few decades on the inside of the pipes. The way of removing this discolouration is replacing the pipes. However, more recently Council has engaged external consultant who have suggested it is manganese precipitating out of the water in the pipes which is causing the issues. Staff are making changes to the treatment processes to remove more of the dissolved manganese before it exits the water treatment plant. Budgets over the next few years have been rearranged to allow more work to be done to address this issue.

Bulls Water – Council has had the water in Bulls tested for PFAS following concerns about the levels of PFAS around Ohakea. Test results showing PFAS levels in Bulls' water supply are well below the national Drinking Water Guidelines and that the town's water remains safe to drink. However, Council is still looking for assurances about the source of the PFAS. The Government has committed additional funding for this in the 2018 Budget.

Environment – Water supply is essential for public health and safety of local communities. Council works closely with Horizons when obtaining resource consents for the take of water to minimise the environmental effects of the water takes.

## Council decision

**That Council endorses staff considering the future power needs of the Hunterville Domain (including the floodlights for the Hunterville Rugby Club) when considering required transformer upgrades for the proposed Hunterville water supply bore.**

<sup>23</sup> Per- and poly-fluoroalkyl substances





Photo from June 2015 flooding event.

## Stormwater

### The following comments were received on the District's stormwater:

- Concern about flooding of their property (#056).
- Request that Council have conversations with Horizons about whether the management of private drains could be aligned with an existing river management scheme (#078).
- Stormwater treatment should be addressed (#098).
- Stormwater at Scotts Ferry (#034 late)

### Officer Comment

Flooding – Council has committed to a programme of stormwater upgrades to address hot spots. Marumaru Street is included as a hot spot area for further investigation.

Horizons river management scheme – Council staff are willing to engage in conversations with Horizons about the feasibility of whether the management of private drains could be aligned

Stormwater treatment – Council does not currently treat stormwater, but over time it will be required to, however, the timing around this is uncertain.

Stormwater Scotts Ferry – The issue of stormwater flooding has been raised previously at the Bulls Community Committee meeting. This issue has been placed in the work programme for investigation in 2018/19. Prior to works commencing discussions will be held with the submitter on the proposed solution. Recent works on the adjoining property need investigation to determine what the effect is on the drainage network. Any effects of this new drainage will be considered as part of any solution for stormwater issues in Scotts Ferry.

### Council decision

**That Council endorses staff engaging with Horizons staff to examine the feasibility of aligning the urban drains with the existing river management schemes.**



# Wastewater

## The following comments were received on the District's wastewater:

- Council needs to have a clear consenting strategy for managing the consent renewal process for its waste water treatment plants. The consenting strategy will need to emphasise re-consenting occurring before consent expiry, as reliance on existing use rights will not be encouraged. Specific concern about the timeframes and want a firm commitment from Council about Marton's wastewater (#078, Horizons Regional Council).
- Need to address the resource consent for Marton Wastewater Treatment Plant urgently. Concerns raised about the combined treatment with Bulls – risk of the pipe breaking in an earthquake. Spreading of wastewater on the sand country is environmentally unsound practice (#070).
- Request for Council to investigate upgrades to the Mangaweka Wastewater Treatment Plant (#026, Manawatu District Council).
- Support for the upgrades to the Ratana, Marton and Bulls, Wastewater Treatment Plants from Manawatu District Council (#026).
- Support for the proposed Marton/Bulls Wastewater Treatment Plant (#088).
- Support wastewater treatment plant upgrades, if alternative solutions are provided for Taihape/Mangaweka, careful consideration needs to be given to potential public health effects of individual treatment systems (#094, Whanganui Public Health Centre).
- Concern about the location of the Koitiata Wastewater Treatment Plant (wetland). The pond may overflow in wet weather. Would like Council to consider options and costs for an upgraded treatment plant (#096, Koitiata Residents Committee).
- Suggestion that composting toilets are considered for Council owned facilities, in homes, and businesses (#159).
- Wastewater systems should not have a detrimental effect on the environment (#098).
- Council needs to closely monitor the Bonny Glen leachate and minimise threats to our environment/infrastructure (#089).

## Officer Comment

Consenting strategy – Council staff are in the process of developing a consenting strategy for its wastewater treatment plants. This strategy will be discussed with Horizons staff, particularly regarding timeframes for the consents due for renewal over the next two years.

Marton/Bulls Wastewater Treatment Plant – Council is committed to finding a long term solution for the Marton/Bulls wastewater discharges. It is essential that the solution provided is cost effective for the communities. The risk of earthquakes is a hazard for any Council infrastructure.

Taihape/Mangaweka Wastewater Treatment Plants - The consent for the Mangaweka Wastewater Treatment Plant expires in 2024, while the Taihape Wastewater Treatment Plant has a consent expiry of 2027. Council will need to consider a range of options for addressing the discharges in these areas. One of the most significant considerations of any alternative option will be the public health implications.

Koitiata Wastewater Treatment Plant – The discharge consent for the Koitiata Wastewater Treatment Plant is due to expire in 2024. The pond and effluent field is located in a wetland area. At the time of consent renewal Council will consider all options for this discharge to ensure the plant is the most appropriate system for the local community.

Composting toilets – the removal of human waste is one of the most important aspects of protecting the health of local communities. Composting toilets can be effective in certain situations; however, they require frequent maintenance to ensure they are operating effectively. At this stage composting toilets are not a viable option for the urban areas of the Rangitikei District.

Environment – Council has been working closely with Horizons Regional Council to design solutions to its wastewater treatment plants which have a reduced impact on the environment. Key examples of this include the proposal for land based discharges at Ratana, Bulls and Marton.

Bonny Glen – Council is committed to ensuring the leachate from Bonny Glen does not adversely affect Council infrastructure. Council has a trade waste agreement with MidWest Disposals, with monitoring conditions to address this.

## Council decision

**That the consenting strategy for Council's waste water treatment plant upgrade projects is provided to the 9 August 2018 Assets/Infrastructure Committee meeting.**

# Roading

**A number of submitters made comments related to Council's Roothing network.**

## Mangaweka Bridge

Support was provided from a number of submitters to replace the Mangaweka Bridge (#026, #067, #072, #077, and #167). These submitters included Manawatu District Council and Federated Farmers among local community members.

Submitters from the local community (Mangaweka Heritage (#067), John Eames (#072) and Paul Eames (#167) also requested that following the construction of the new bridge, the existing bridge was retained for pedestrian/cycle access. More specific comments on the value of retaining the bridge from submitter #167 are summarised below:

- The bridge is a heritage highlight for the area.
- It is common to see photographers on the bridge.
- Crossing the Rangitikei on foot is popular.
- Provide a safe area for pedestrians.
- Costs of retention have not been investigated.

### Officer Comment

Investigations have not yet been completed for examining the cost of retaining the Mangaweka Bridge for pedestrian/cycle access following the completion of a new bridge. Consideration will need to occur in conjunction with Manawatu District Council.

### Council decision

**That a report on the options, including the costs of retaining the existing Mangaweka Bridge following completion of the new bridge, be provided to the 13 September 2018 Assets/Infrastructure Committee meeting.**

## Maintenance of Roads

Three submitters provided comments on the maintenance of roads and the need to ensure Council retains the quality of roading throughout the District (#088, #137, and #151). Specific concern about Mokai Road was raised by submitter #063. This submitter suggested sealing some parts of Mokai Road.

### Officer Comment

The aim of Council is to ensure that the quality/standard of work to the roading infrastructure is maintained to a high standard. Mokai Road is currently unsealed and presents a number of challenges for the roading team in summer as the road is narrow, steep and winding. The key issue is that the road corrugates, which can create safety issues. Staff have previously had discussions with the submitter regarding options for this road. An unsubsidised seal extension for a section of this road is planned for the 2020/21 financial year to address the issue<sup>24</sup>.

## Footpaths

Three submitters raised issues regarding the footpath network as follows:

- Submitter #061 requested that Council repairs/upgrades all pedestrian walkways.
- Submitter #089, Ratana Community Board, raised issues about the footpaths on Taitokerau and Waipounamu Streets.
- Submitter #172 identified concerns with not having footpaths on both sides of every street in Marton – e.g. Princess Street.

### Officer Comment

Council has a programme of footpath renewals based on priorities within budget constraints. The footpaths on Taitokerau and Waipounamu Streets are scheduled in

<sup>24</sup>This is to follow works being done on Turakina Valley Road.

the footpath renewal programme Taitokerau has had a section recently completed and Waipounamu Street is scheduled for the 2020/21 financial year. Council's Long Term Plan notes a 'desire' to have footpaths on both sides of the road. Priority is given to areas where there are Area Wide Pavement Treatments occurring (e.g. Wanganui Road, Broadway). Princess Street is not a high priority in this programme because it is a no exit street, with low pedestrian numbers.

## Street cleaning and vegetation maintenance

Four submitters raised issues related to street cleaning and vegetation maintenance.

- Submitter #061 requested that Council enforce its Bylaw for overhanging trees.
- Submitter #086 raised concerns about the mess left behind following the removal of trees under the railway land on Mill Street.
- Submitter #102 requested that Council fell the trees on Broadway blocking views of Ruapehu.
- Submitter #151 raised concerns that Taihape is neglected for street cleaning.

### Officer Comment

Clause 20 of the Public Places Bylaw authorises Council to address vegetation which obstructs lighting and movement of people on roads and footpaths. Council acts in response to service requests on particular locations.

Mill Street - The Roading Team has investigated the issues identified regarding tree removals on Mill Street. The trees were felled due to the risk they were posing to the power supply in the area (particularly the 33000 volt feed). The trees which have been felled have been done so by KiwiRail and are not encroaching on the road/road reserve. The area has been left in an untidy state. KiwiRail's contractor will be spraying the regrowth in the near future. The Parks Team will undertake some new planting on the berms in 2018. There are additional works planned in the area to address trees near power lines.

Broadway trees - The trees on Broadway are an asset to the townscape. They are managed with that in mind, and to maximise their health. The Urban Tree Plan 2017 sets out the management approach for street trees. Section 4.10.1 identifies that Council does not prioritise panoramic views as part of managing street trees. However, pruning may be undertaken where this will not have an adverse impact on the tree.

Taihape has a street cleaning programme in place. A key issue in Taihape is the footpath material shows up dirt more readily than in other areas. The street cleaning programme in Taihape is more frequent than in other locations due to this reason (twice per year compared with annually).

## Other

Council received a number of other submissions as follows:

- Two submitters expressed support for Council lobbying Central Government for the Taihape-Napier Road to become part of the State Highway network (#164, #168).
- Three submitters made comments about Council's use of herbicides (#003, #139, and #160), suggesting Council does not use dangerous chemicals (Glyphosate) near waterways or in places accessible to humans and animals.
- Submitter #139 identified that Council needs to consider alternative options for managing weeds.
- Submitter #141 requested that Council stops the installation of LED streetlights to amend the type of lights being installed (to a less bright light in urban areas) to reduce light pollution issues.
- Submitter #070 raised concerns that Council does not have knowledge about crashes.
- Submitter #105, the St Andrews Church Committee requested that Council be involved in a project to increase parking and include a bus stop area for Bulls School.
- Submitter #014 requested that Council keep heavy vehicles off Pukepapa Road, for example those going to Bonny Glen.
- Submitter #089, the Ratana Community Board requested that the community is provided with permanent speed bumps.
- Horizons Regional Council encouraged Council to consider opportunities for the enhancement of facilities to support active transport and provide funding accordingly
- Request that Council consider putting up more anti-litter signs on rural roads (#087).

## Officer Comment

Glyphosate – the use of glyphosate in Council’s parks and reserves was considered in 2016. Glyphosate is used in Councils parks and reserves and in the roading corridor, with a number of restrictions - no spray zones (requested by residents), drains that have running water and is sprayed in accordance with best practice guidelines. Glyphosate remains the most cost-effective option for Council to manage weeds.

The LED replacement programme is already established and has been subsidised by the New Zealand Transport Agency.

Fatal and serious crashes are reported for the Rangitikei District to the New Zealand Police. Council has access to this information which identifies the type of accident, location and time.



Mangaweka Bridge.

Pukepapa Road, Marton, is an arterial road, intended to cope with heavy vehicle movements. This includes for trucks heading to Bonny Glen.

Bulls School Parking area – The St Andrews Church have identified land next to Bulls School which they would be willing to provide for the purposes of additional parking and a bus stop for Bulls School. The church has requested that Council makes a contribution to this project. Discussions with the roading manager have defined this request as providing the vehicle crossing to the site.

Ratana speed bumps - Currently three speed humps have been constructed in Ratana. These are permanent bumps which have recently been repaired (they are speed humps that are pinned to the road). The construction of these caused problems by vehicles driving around them and thus causing Council to have to construct bollards. The merits of additional humps and their locations is suggested to be discussed at the next meeting of the Ratana Community Board.

Active transport - With the new Government Policy Statement’s focus on active transport, and the availability of a subsidy for walking and cycling projects, Council will develop a Strategic Case for Active Transport and funding for any identified enhancements will be sought through Council and New Zealand Transport Agency’s processes.

Litter signs – Council has an extensive rural roading network, and while it is recognised that there are issues with rubbish on these roads, additional signage throughout the District would not be feasible. Council already undertakes some litter collection as part of the roading contract (3 – 4 times per year) on key roads leading out of urban centres. Additionally, Council respond to specific complaints as a result of fly tipping as required.

## Council decision

**That the feasibility and requested Council contribution to a parking area and bus stop at the St Andrews Church site for Bulls School is investigated and reported back to the 9 August 2018 Assets/Infrastructure meeting.**

## Council decision

**That the merit of additional speed humps in Ratana and their location is further discussed with the Ratana Community Board at their 12 June 2018 meeting.**



# Community Well-being

## A few submitters made comments related to the Community Well-being group of activities as follows:

- Advocating public transport from small centres to the larger centres – Whanganui, Feilding, and Palmerston North (#143).
- Residents from Koitiata raised concerns about broadband connectivity for Koitiata (#006, #007). Concerns were also raised about broadband connectivity for Onepuhi Road (#004)
- Youth – suggest one full time staff member (#088) who works closely with other organisations. The Taihape Community Development Trust will support Council initiatives on the delivery of youth services (#100).
- The health of the Rangitikei River is important (#149).
- Council needs to plan for an ageing population (#103).

Ngati Rangi provided a submission which highlighted the following key points (#058):

- Expectation that Council is familiar with the Ngati Rangi 2014 Taiao Management Plan and considered it to inform meaningful engagement with Ngati Rangi.
- Council will need to plan to ensure that the Te Waiu o te Ika is included in Council's long term planning.
- Council should refer to climate change as Climate Crisis in planning, communications and response.
- Council should make Climate Crisis (climate change) a priority as a key issue of a water supply strategy.
- Ngati Rangi wants to work alongside the Council in developing solutions to address water allocation issues.
- Ngati Rangi does not support initiatives that can lead to a risk of over allocating water supply.
- Ngati Rangi wishes to work with the Council's planning team to establish an approach to managing Resource Management Act activities in their rohe, this includes but is not limited to the development of a Heritage Management Plan.

- Ngati Rangi wishes to have representation in the tourism and regional growth space to ensure continuity from Ruapehu to Rangitikei.

## Officer Comment

Public Transport – Horizons Regional Council provides the public transport services throughout the region. There are currently a limited number of services available to the Rangitikei District. Council has been advocating for the retention of these services.

Broadband connectivity – Broadband connectivity is dependent on network providers. Central Government has been incentivising the extension to rural wireless networks. Council has been advocating at all stages for better connectivity for the Rangitikei District and will continue to do so.

Youth – Council now has one full time resource for the youth space and is partnering with a range of organisations in the delivery of youth services. Mokai Patea Services will be the lead provider of youth services in Taihape for the 2018/19 financial year.

Rangitikei River – Council is undertaking a range of initiatives to support the health of the Rangitikei River. This includes moving the discharge of waste water from the River (or tributaries) to land for the Marton and Bulls Waste Water Treatment Plants. Council is also supportive of projects by iwi/hapu to plant tributaries connecting to the Rangitikei River. Council also facilitates the Treasured Natural Environment Group which works with other key stakeholders on projects which enhance the environment.

Ngati Rangi – Council has had initial conversations with representatives from Ngati Rangi about the 2014 Taiao Management Plan. The new position of Strategic Advisor - Iwi will help to ensure that engagement with Ngati Rangi is meaningful. Council intends on working with Ngati Rangi on water issues as required.

Ageing population – Council recognises the population is aging and makes this a consideration when undertaking projects.



# Community Leadership

## Communication

Three comments on Council's communication were made as follows:

- Council should increase their online services (#088).
- Council needs to improve interactions with the community (#168).
- Council should improve their notification an ongoing consultation of major projects – Wanganui Road/Broadway are key examples where communication has been lacking (#173).



Signing of Deed of Settlement, Ngati Rangī, supplied by Gail Imhoff.

## Officer Comment

As part of Council's Communications and IT Strategy, more online services are a key action area which are being investigated and implemented as resourcing allows.

Council is working on improving interactions with the community. It has recently increased resource in the communications area by establishing a new part-time role. Part of the responsibilities for this role is to profile other aspects of our District and the community and ensure Council has a higher presence in our District. Council's existing publications will reflect this approach, which will encourage our community to interact with us.

Based on recent learnings from Wanganui Road/Broadway projects, Council has put in place processes to increase the focus on communications. This includes affected parties being informed of progress and changes to agreed timeframes.

## Rates

A number of submitters raised the following concerns about rates:

- Request that Council justifies a 3% increase in rates – concern rates are out of alignment with Consumer Price Index. Would like rates capped at 3% (#013).
- Keep rates below inflation (#065).
- Avoid rates increases (#071, #109, #110, and #157).
- Council should focus on core infrastructure (#077).
- Incomes of ratepayers will not increase in-line with rates increases (#077).

## Officer Comment

Rates have been kept as low as possible while maintaining the services essential to a thriving community and meeting the Government's standards. Council has formal arrangements with several community organisations which helps them gain external funding for projects which benefit the District. Council actively looks to find funding from central government and other agencies which, when successful, helps reduce ratepayer costs.

# Finances

## A few submitters provided comments on financial matters as set out below.

- Bridges - Council should share the cost and borrow to pay for these upgrades to ensure intergenerational equity of payment. However, borrowing should be capped to a level that is within the means of the Council to repay and still conduct daily services (#088).
- Costs - Further work should occur to ensure the maintenance, renewal and capital expenditure programmes are providing the Council with the best information and cost versus return is achieved (#088).
- Funding - Council should investigate a suitable borrowing strategy to assist with extra spending requirements to replace assets at the end of their life (#088).
- Erewhon Rural Waste Scheme – concerns are raised about the Rural Water Scheme being included in 'Future Projects' as part of Council budgets given the project is self-funded. This risks negative impacts on the farming community's reputation (#164).
- Request that Council considers higher rates rebates for ratepayers earning under \$27,000 per year (#162).

## Officer Comment

Bridges - Bridges have a depreciation period of between 75-120 years. Funding for bridge renewal, upgrades or replacement reflect this, which means intergenerational equity. Council is required by statute to specify its limits on borrowing in its long term plans, annual plans and annual reports.

Costs - Council pays close attention to improving information about its assets so that renewals and replacement is targeted where it is most needed. The New Zealand Transport Agency model for prioritising work (for roads) is being adopted for water, wastewater and stormwater.

Funding - Council will be borrowing from the Local Government Funding Agency, established specifically to reduce borrowing costs for local councils.

Erewhon Rural Water Supply - Rural water schemes are self-funding (apart from overheads which are a District-wide charge on all ratepayers) and recommend

the level of rates for Council each year. It is correct (and required by the Council's auditors) to show all projected revenue and costs (including capital costs) relating to Council's assets, which the rural water schemes are. In addition, while the borrowing costs will be paid by scheme members (through their rates), Council arranges the borrowing; the schemes do not have their own banking accounts. Council has regard for these interest costs when discussing the rates to be set with the scheme management committees.

Rate rebates – Are not an issue that Council can address, the level of rates rebates is determined by Central Government.



# Environment and Regulatory

## The following submitters provided comments in relation to the Environment and Regulatory Services area as follows:

- Concern about Council's regulatory environment inhibiting local business development (#023, #150, #168).
- Request to ensure Council has adequately resource enforcement officers under the Hazardous Substances and New Organisms Act 1996 (#012).
- That Council prioritises the importance of landscapes for the development or protection of the Northern Rangitikei (#140).
- Request from the Motor Caravan Association to ensure adequate resourcing to review rules, policies and bylaws to support an integrated freedom camping management regime (#002).

## Officer Comment

Council is required to enforce legislation imposed on them by Central Government. Council has been taking a pragmatic approach to building consent requirements

for earthquake-prone buildings. The Chief Executive is also uses waivers on a case-by-case basis as required. The District Plan is permissive (compared with other local authorities) which makes it easy to open businesses in the correct zone e.g. commercial zone. Controls are in place to protect the amenity of residents if a business attempts to open in a residential zone.

Council is responsible for public place and private dwellings under the Hazardous Substances and New Organisms Act 1996. Specialists are engaged as required. It is very uncommon for Council to need to act under this legislation. In the past four years there has only been one incident to address.

Outstanding Natural Landscapes are found in Council's District Plan. Those in the north of the District include - Rangitikei Highlands, Ngamatea East Swamp, Reporoa Bog and Makirikiri Tarns, Aorangi, Rangitikei Narrows and Gorges, Raketapauma Wetland. Further consideration can be given to additional Outstanding Natural Landscapes through the District Plan Review – which is due to begin in 2022.

Council does not currently have a Freedom Camping Bylaw. This is a matter which will be addressed through internal resourcing if Council determines in the future that a bylaw is required.



Council's buildings – Corner of Broadway and High Streets, Marton.



## Other issues

### Some submitters raised other issues for Council's consideration:

- That Council uses the precautionary principle in relation to genetic engineering (#003).
- Request for underground powerlines in Koitiata (#096/154, Koitiata Residents Committee).
- Horizons rates are a concern (#056).
- That Council should work in accordance with the Sustainable Development Goals, but particularly in relation to gender equity. Council should undertake a gender analysis of salary bands (#098).
- Concerns about the lagoon flooding on the south of the village. Seeking Council support to engage a hydrologist to investigate a long-term solution (#011, #096, Koitiata Residents Committee).
- Recommend that Council supports the Local Government Four Well-beings Amendment Bill (#001).

### Officer Comment

Genetic engineering – Council currently has no involvement in genetic engineering.

Powerlines - Underground powerlines are not an issue that Council can address.

Horizons rates – These submission comments have been forwarded to Horizons Regional Council who will be providing a response directly. The disproportionate increase in rates from Horizons is largely due to the different timing of valuations of Rangitikei properties from properties in other districts.

Gender equity – Council is aware of the importance of this issue, and has used external programmes and seminars focussing on leadership development for women. Participation in the Australasian Local Government Excellence Programme has provided comparative information with other councils, within Australia and New Zealand.

Koitiata Lagoon – Council has been engaged in discussions with the Koitiata community regarding the flooding being caused in the area. A short term solution

to drain the water is being developed. Council will need to consider whether it provides any financial support to investigate a long term solution.

Four well-beings – Council has recently placed a submission in on this Amendment Bill noting support for the re-inclusion of the four well-beings into the Local Government Act 2002.

### Council decision

**That Council staff work alongside the Koitiata Residents Community and Horizons Regional Council to examine the benefits of engaging a consultant to examine the ongoing management of the Koitiata Lagoon.**



# Appendix 1 - List of organisations/groups

ORGANISATIONS/GROUPS – RANGITIKEI DISTRICT	ORGANISATIONS/GROUPS FROM OUTSIDE THE DISTRICT
<p> Bulls Community Committee  Centennial Park Development - Skate park Extension Committee  Dudding Lake  Federated Farmers of New Zealand  Hunterville Community Committee  Hunterville Rugby Club  Koitiata Residents Committee  Mangaweka Adventure Company  Mangaweka Heritage  Marton Motel  Marton RSA  McQueen School of Dance  Nga Tawa Diocesan School  Ngati Rangi Trust  Rangitikei Guardians  Ratana Community Board  St Andrews Church Committee  Taihape and District Women's Club  Taihape and Districts A&amp;P  Taihape Area Show Jumping  Taihape Bowling Club  Taihape Community Board  Taihape Community Development Trust  Taihape Dressage  Taihape Shearing Sports Committee  Turakina Community Committee  Taihape Netball Centre </p>	<p> Environmental Protection Authority  Horizons Regional Council  Manawatu District Council  New Zealand Motor Caravan Association Inc.  Physicians and Scientists for Global Responsibility New Zealand Charitable Trust  Toimata Foundation  Tourism Industry of Aotearoa  Wanganui Public Health Centre </p>



# **SECTION 4:** **Council Activities**

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# Introduction

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

- Community leadership
- Rooding
- 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.

<b>Rationale</b>	This group of activities contributes to opportunities to participate in civic life and to have an impact over decisions which affect quality of life.
<b>Significant negative effects on the local community</b>	No significant negative effects have been identified for this group of activities
<b>Contribution to community outcomes</b>	Infrastructural service levels Communication/engagement and collaboration Rates level/affordability/value
<b>Major aspect of the service for statement of service provision</b>	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
<b>Year 1 (2018/19)</b>	<p><b>Strategic Planning</b> Annual Report 2017/18 Annual Plan 2019/20 Delivery of programme of policy and bylaw review</p> <p><b>Elections</b> Representation review (for the 2019 elections completed)</p> <p><b>Council</b> Preparation of order papers that ensure compliant decision-making Internal Audit programme Engagement with sector excellence programmes</p> <p><b>Iwi Liaison</b> Te Roopu Ahi Kaa Strategic Plan – review</p>
<b>Year 2 (2019/2020)</b>	<p><b>Strategic Planning</b> Annual Report 2018/19 Annual Plan 2020/21 Delivery of programme of policy and bylaw review</p> <p><b>Elections</b> Preparation of the pre-election report (for the 2019 election) - optional Conduct of 2019 local election</p> <p><b>Council</b> 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><b>Iwi Liaison</b> Te Roopu Ahi Kaa Strategic Plan – implementing actions Confirmation of Te Roopu Ahi Kaa membership for the 2019-21 triennium</p>





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

## Rangitikei District Council: Funding Impact Statement for the years ending 30 June 2019 to 2028 – Community Leadership

	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
<b>Sources of Operating Funding</b>											
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	70	72	73	75	76	78	80	82	84	86
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-	-	-	-	-	-	-
<b>Total Operating Funding (A)</b>	<b>1,028</b>	<b>1,360</b>	<b>1,469</b>	<b>1,415</b>	<b>1,444</b>	<b>1,561</b>	<b>1,506</b>	<b>1,538</b>	<b>1,667</b>	<b>1,611</b>	<b>1,651</b>
<b>Applications of Operating Funding</b>											
Payments to staff and suppliers	1,069	781	881	815	832	942	872	894	1,010	939	966
Finance costs	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	156	578	587	598	609	620	632	643	656	669	684
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>1,225</b>	<b>1,359</b>	<b>1,468</b>	<b>1,413</b>	<b>1,441</b>	<b>1,562</b>	<b>1,504</b>	<b>1,537</b>	<b>1,666</b>	<b>1,608</b>	<b>1,650</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>(197)</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>(1)</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>3</b>	<b>1</b>
<b>Sources of capital funding</b>											
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	-	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>-</b>	<b>(2)</b>	<b>(2)</b>	<b>(2)</b>	<b>(2)</b>	<b>(2)</b>	<b>(2)</b>	<b>(2)</b>	<b>(2)</b>	<b>(2)</b>	<b>(2)</b>
<b>Applications of capital funding</b>											
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	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>(197)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>197</b>	<b>(2)</b>	<b>(2)</b>	<b>(2)</b>	<b>(2)</b>	<b>(2)</b>	<b>(2)</b>	<b>(2)</b>	<b>(2)</b>	<b>(2)</b>	<b>(2)</b>
<b>Funding Balance ((A-B)+(C-D))</b>	<b>-</b>	<b>(1)</b>	<b>(1)</b>	<b>-</b>	<b>1</b>	<b>(3)</b>	<b>-</b>	<b>(1)</b>	<b>(1)</b>	<b>1</b>	<b>(1)</b>
Depreciation and Amortisation Expense not included above	2	2	2	2	2	2	2	2	2	2	2

# Roading Group of Activities

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

<b>Rationale</b>	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.
<b>Significant negative effects on the local community</b>	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.
<b>Contribution to community outcomes</b>	Infrastructural service levels
<b>Major aspect of the service for statement of service provision</b>	<ol style="list-style-type: none"> <li>1 The average quality of ride on a sealed local road network measured by smooth travel exposure</li> <li>2 The percentage of the sealed road network that is resurfaced</li> <li>3 The percentage of the unsealed road network which is re-metalled during the year</li> <li>4 The percentage of footpaths within the District that fall within the level of service or service standard for the condition of footpaths</li> <li>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</li> <li>6 Residents perceptions of the provision and maintenance of footpaths, street-lighting and local roads (annual survey)</li> <li>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.</li> </ol>

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

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



## Rangitikei District Council: Funding Impact Statement for the years ending 30 June 2019 to 2028 - Rooding

	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
<b>Sources of Operating Funding</b>											
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
<b>Total Operating Funding (A)</b>	<b>10,230</b>	<b>10,135</b>	<b>10,285</b>	<b>10,592</b>	<b>10,753</b>	<b>10,925</b>	<b>11,270</b>	<b>11,459</b>	<b>11,667</b>	<b>12,080</b>	<b>12,316</b>
<b>Applications of Operating Funding</b>											
Payments to staff and suppliers	6,158	5,938	6,070	6,202	6,344	6,499	6,653	6,820	6,998	7,186	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	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>6,751</b>	<b>6,809</b>	<b>6,953</b>	<b>7,097</b>	<b>7,254</b>	<b>7,424</b>	<b>7,598</b>	<b>7,783</b>	<b>7,985</b>	<b>8,192</b>	<b>8,423</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>3,479</b>	<b>3,326</b>	<b>3,332</b>	<b>3,495</b>	<b>3,499</b>	<b>3,501</b>	<b>3,672</b>	<b>3,676</b>	<b>3,682</b>	<b>3,888</b>	<b>3,893</b>
<b>Sources of capital funding</b>											
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	-	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>4,659</b>	<b>4,410</b>	<b>6,291</b>	<b>3,864</b>	<b>4,210</b>	<b>4,320</b>	<b>4,421</b>	<b>4,452</b>	<b>4,576</b>	<b>4,696</b>	<b>4,848</b>
<b>Applications of capital funding</b>											
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	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>8,138</b>	<b>7,736</b>	<b>9,623</b>	<b>7,359</b>	<b>7,709</b>	<b>7,821</b>	<b>8,093</b>	<b>8,128</b>	<b>8,258</b>	<b>8,584</b>	<b>8,741</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(3,479)</b>	<b>(3,326)</b>	<b>(3,332)</b>	<b>(3,495)</b>	<b>(3,499)</b>	<b>(3,501)</b>	<b>(3,672)</b>	<b>(3,676)</b>	<b>(3,682)</b>	<b>(3,888)</b>	<b>(3,893)</b>
<b>Funding Balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Depreciation and Amortisation Expense not included above	6,682	6,689	6,689	6,996	6,996	6,996	7,343	7,343	7,343	7,768	7,768

# 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.**

<b>Rationale</b>	<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>
<b>Significant negative effects on the local community</b>	<p>This activity can result in the following potential significant effects on the local community:</p> <ul style="list-style-type: none"> <li>• 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</li> </ul>
<b>Contribution to community outcomes</b>	<p>Infrastructural service levels Environment/climate change Economic development</p>
<b>Major aspect of the service for statement of service provision</b>	<ol style="list-style-type: none"> <li>1 The extent to which the Council's drinking water supply complies with: <ul style="list-style-type: none"> <li>• Part 4 of the drinking water standards (bacteria compliance criteria)</li> <li>• Part 5 of the drinking water standards (protozoa compliance criteria)</li> </ul> </li> <li>2 Compliance with resource consents (urban and rural)</li> <li>3 Number of unplanned water supply disruptions affecting multiple properties</li> <li>4 The percentage of real water loss from the Council's networked urban reticulation system</li> <li>5 The average consumption of drinking water per day per resident within the District</li> <li>6 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"> <li>• attendance for urgent call-outs: from the time that the Council receives notification to the time that service personnel reach the site, and</li> <li>• 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</li> <li>• attendance for non-urgent call-outs: from the time that the Council receives notification to the time that service personnel reach the site, and</li> <li>• 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</li> </ul> </li> <li>7 The total number of complaints (expressed per 1000 connections to the reticulated networks) received by the Council about <ul style="list-style-type: none"> <li>• drinking water clarity</li> <li>• drinking water taste</li> <li>• drinking water pressure or flow</li> <li>• continuity of supply, and</li> <li>• The Council's response to any of these issues</li> </ul> </li> <li>8 Random flow checks at the different supplies</li> </ol>

## 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
<b>Year 1 (2018/19)</b>	Marton – pipe replacement programme (ongoing) 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"> <li>• Erewhon</li> <li>• Taihape Falling Main</li> <li>• Taihape Kokako Street</li> <li>• Taihape Takahe Street</li> <li>• Taihape Wren Street</li> <li>• Taihape Lark/Swan Street</li> <li>• Mangaweka Rising Main</li> <li>• Marton Tutaenui Rd Trunk Main (Survey and Design)</li> <li>• Marton Wellington Road 200m</li> </ul>
<b>Year 2 (2019/2020)</b>	Marton – pipe replacement programme (ongoing) 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"> <li>• Taihape Mataroa Road</li> <li>• Marton Tutaenui Trunk Main</li> <li>• Erewhon</li> </ul>
<b>Year 3 (2020/2021)</b>	Marton – pipe replacement programme (ongoing) 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"> <li>• Taihape Falling Main</li> <li>• Marton Bond Street</li> <li>• Erewhon</li> </ul>
<b>Years 4-10 (2021/2028)</b>	Marton – pipe replacement programme (ongoing) Water Reticulation Renewals – District-wide

## Rangitikei District Council: Funding Impact Statement for the years ending 30 June 2019 to 2028 – Water supply

	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
<b>Sources of Operating Funding</b>											
General rates, uniform annual general charges, rates penalties	103	-	-	-	-	-	-	-	-	-	-
Targeted rates	4,774	4,583	4,920	5,183	5,390	5,522	5,809	6,003	6,262	6,494	6,782
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-	-	-	-	-	-	-
<b>Total Operating Funding (A)</b>	<b>4,877</b>	<b>4,583</b>	<b>4,920</b>	<b>5,183</b>	<b>5,390</b>	<b>5,522</b>	<b>5,809</b>	<b>6,003</b>	<b>6,262</b>	<b>6,494</b>	<b>6,782</b>
<b>Applications of Operating Funding</b>											
Payments to staff and suppliers	2,226	2,034	2,086	2,133	2,184	2,239	2,293	2,354	2,415	2,479	2,549
Finance costs	726	528	794	900	1,011	1,063	1,202	1,306	1,472	1,529	1,712
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	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>3,601</b>	<b>3,525</b>	<b>3,862</b>	<b>4,032</b>	<b>4,212</b>	<b>4,338</b>	<b>4,551</b>	<b>4,737</b>	<b>4,987</b>	<b>5,131</b>	<b>5,410</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>1,276</b>	<b>1,058</b>	<b>1,058</b>	<b>1,151</b>	<b>1,178</b>	<b>1,184</b>	<b>1,258</b>	<b>1,266</b>	<b>1,275</b>	<b>1,363</b>	<b>1,372</b>
<b>Sources of capital funding</b>											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
increase (decrease) in debt	3,661	5,622	2,241	1,908	633	1,426	1,071	1,190	980	405	489
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>3,661</b>	<b>5,622</b>	<b>2,241</b>	<b>1,908</b>	<b>633</b>	<b>1,426</b>	<b>1,071</b>	<b>1,190</b>	<b>980</b>	<b>405</b>	<b>489</b>
<b>Applications of capital funding</b>											
Capital expenditure	-	-	-	-	-	-	-	-	-	-	-
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	75	1,041	570	844	322	330	338	347	356	366	376
- to replace existing assets	5,642	5,638	2,729	2,215	1,488	2,283	1,991	2,110	1,900	1,402	1,486
Increase (decrease) in reserves	(781)	-	-	-	-	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>4,936</b>	<b>6,679</b>	<b>3,299</b>	<b>3,059</b>	<b>1,810</b>	<b>2,613</b>	<b>2,329</b>	<b>2,457</b>	<b>2,256</b>	<b>1,768</b>	<b>1,862</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(1,275)</b>	<b>(1,057)</b>	<b>(1,058)</b>	<b>(1,151)</b>	<b>(1,177)</b>	<b>(1,187)</b>	<b>(1,258)</b>	<b>(1,267)</b>	<b>(1,276)</b>	<b>(1,363)</b>	<b>(1,373)</b>
<b>Funding Balance ((A-B)+(C-D))</b>	<b>1</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>(3)</b>	<b>-</b>	<b>(1)</b>	<b>(1)</b>	<b>-</b>	<b>(1)</b>
Depreciation and Amortisation Expense not included above	1,346	1,385	1,398	1,514	1,540	1,550	1,640	1,650	1,660	1,768	1,778

# 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.

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



## 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
<b>Year 1 (2018/19)</b>	Marton and Bulls Combined Wastewater Scheme <ul style="list-style-type: none"> <li>• Pipeline Marton to Bulls</li> <li>• Land purchase</li> </ul> Rātana Wastewater Treatment Plant Upgrade Taihape – Papakai Rd Wastewater Pump Station Upgrade Wastewater Reticulation Renewals – District-wide <ul style="list-style-type: none"> <li>• Bulls High Street</li> <li>• Infiltration reduction through relining programme</li> </ul>
<b>Year 2 (2019/2020)</b>	Marton and Bulls Combined Wastewater Scheme <ul style="list-style-type: none"> <li>• Irrigation development (Y2-Y6)</li> <li>• Pipeline to irrigation from Bulls (Y2-Y6)</li> </ul> Taihape WWTP Desludging Wastewater Reticulation Renewals – District-wide <ul style="list-style-type: none"> <li>• Infiltration reduction through relining programme</li> </ul>
<b>Year 3 (2020/2021)</b>	Marton and Bulls Combined Wastewater Scheme <ul style="list-style-type: none"> <li>• Irrigation development (Y2-Y6)</li> <li>• Pipeline to irrigation from Bulls (Y2-Y6)</li> </ul> Wastewater Reticulation Renewals – District-wide <ul style="list-style-type: none"> <li>• Infiltration reduction through relining programme</li> </ul>
<b>Years 4-10 (2021/2028)</b>	Marton and Bulls Combined Wastewater Scheme <ul style="list-style-type: none"> <li>• Irrigation development (Y2-Y6)</li> <li>• Pipeline to irrigation from Bulls (Y2-Y6)</li> <li>• Bulls treatment replacement (Y5-Y8)</li> </ul> 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 5-6 Taihape Wastewater Treatment Plant Upgrade Years 6 Wastewater Reticulation Renewals – District-wide Years 4 - 10

## Rangitikei District Council: Funding Impact Statement for the years ending 30 June 2019 to 2028 – Sewerage and the Treatment and Disposal of Sewage

	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
<b>Sources of Operating Funding</b>											
General rates, uniform annual general charges, rates penalties	-	-	-	-	-	-	-	-	-	-	-
Targeted rates	2,140	2,240	2,589	2,778	3,129	2,839	3,035	3,810	3,777	3,872	3,998
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	-	-	-	-	-	-	-	-	-	-	-
<b>Total Operating Funding (A)</b>	<b>2,340</b>	<b>2,440</b>	<b>2,794</b>	<b>2,988</b>	<b>3,344</b>	<b>3,059</b>	<b>3,260</b>	<b>4,041</b>	<b>4,014</b>	<b>4,116</b>	<b>4,249</b>
<b>Applications of Operating Funding</b>											
Payments to staff and suppliers	1,191	1,121	1,150	1,176	1,203	1,235	1,264	1,298	1,331	1,366	1,405
Finance costs	195	237	555	663	725	765	941	1,274	1,545	1,673	1,989
Internal charges and overheads applied	226	365	372	379	386	393	400	409	417	426	436
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>1,612</b>	<b>1,723</b>	<b>2,077</b>	<b>2,218</b>	<b>2,314</b>	<b>2,393</b>	<b>2,605</b>	<b>2,981</b>	<b>3,293</b>	<b>3,465</b>	<b>3,830</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>728</b>	<b>717</b>	<b>717</b>	<b>770</b>	<b>1,030</b>	<b>666</b>	<b>655</b>	<b>1,060</b>	<b>721</b>	<b>651</b>	<b>419</b>
<b>Sources of capital funding</b>											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
increase (decrease) in debt	6,438	6,733	2,287	1,010	506	2,478	5,473	3,036	2,212	2,232	924
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>6,438</b>	<b>6,733</b>	<b>2,287</b>	<b>1,010</b>	<b>506</b>	<b>2,478</b>	<b>5,473</b>	<b>3,036</b>	<b>2,212</b>	<b>2,232</b>	<b>924</b>
<b>Applications of capital funding</b>											
Capital expenditure											
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	4,746	50	-	-	215	220	225	1,792	59	61	-
- to replace existing assets	2,578	7,400	3,005	1,781	1,320	2,926	5,903	2,305	2,875	2,821	1,343
Increase (decrease) in reserves	(157)	-	-	-	-	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>7,167</b>	<b>7,450</b>	<b>3,005</b>	<b>1,781</b>	<b>1,535</b>	<b>3,146</b>	<b>6,128</b>	<b>4,097</b>	<b>2,934</b>	<b>2,882</b>	<b>1,343</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(729)</b>	<b>(717)</b>	<b>(718)</b>	<b>(771)</b>	<b>(1,029)</b>	<b>(668)</b>	<b>(655)</b>	<b>(1,061)</b>	<b>(722)</b>	<b>(650)</b>	<b>(419)</b>
<b>Funding Balance ((A-B)+(C-D))</b>	<b>(1)</b>	<b>-</b>	<b>(1)</b>	<b>(1)</b>	<b>1</b>	<b>(2)</b>	<b>-</b>	<b>(1)</b>	<b>(1)</b>	<b>1</b>	<b>-</b>
Depreciation and Amortisation Expense not included above	727	717	718	771	771	778	824	831	865	918	920

# Stormwater Drainage Group of Activities

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

<b>Rationale</b>	The activity primarily protects people and property from damages cause by flooding.
<b>Significant negative effects on the local community</b>	<p>Significant negative effects as a result of this activity have the potential to occur as follows:</p> <ul style="list-style-type: none"> <li>• 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.</li> </ul>
<b>Contribution to community outcomes</b>	<p>Infrastructural service levels Environment/climate change</p>
<b>Major aspect of the service for statement of service provision (including mandatory measures)</b>	<ol style="list-style-type: none"> <li>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"> <li>• abatement notices</li> <li>• infringement notices</li> <li>• enforcement orders, and</li> <li>• convictions</li> </ul> </li> <li>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).</li> <li>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</li> <li>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.</li> </ol>



## 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
<b>Year 1 (2018/19)</b>	Stormwater Reticulation Renewals and improvements – District-wide <ul style="list-style-type: none"> <li>• Scotts Ferry – new drainage system: \$505,000</li> <li>• Marton – Harris/Pukepapa drain \$258,000</li> <li>• Marton – Russell St catchment \$95,000</li> <li>• Marton – Wilson Place \$75,000</li> <li>• Marton – Wellington Road drain \$245,000</li> <li>• Taihape – Paradise Walkway \$80,000</li> </ul>
<b>Year 2 (2019/2020)</b>	Stormwater Reticulation Renewals and improvements – District-wide <ul style="list-style-type: none"> <li>• Koitiata – new drainage system \$448,000</li> <li>• Marton – Harris St upstream catchment works \$255,000</li> <li>• Marton – Hereford St drain \$245,000</li> <li>• Marton – Central drain catchment (200m) \$250,000</li> </ul>
<b>Year 3 (2020/2021)</b>	Stormwater Reticulation Renewals and improvements – District-wide <ul style="list-style-type: none"> <li>• Bulls – town centre \$500,000</li> <li>• Marton – Central drain catchment (200m) \$250,000</li> <li>• Hunterville – town centre drainage \$146,000</li> <li>• Taihape – town centre drainage \$250,000</li> </ul>
<b>Years 4-10 (2021/2028)</b>	Stormwater Reticulation Renewals and improvements – District-wide – Years 4 – 10 (Y4) <ul style="list-style-type: none"> <li>Ratana – new drainage system \$500,000</li> <li>Bulls – town centre drainage \$346,000</li> <li>Marton – Central drain catchment (200m) \$250,000</li> <li>Taihape – town centre drainage \$250,000</li> </ul> (Y5) <ul style="list-style-type: none"> <li>Bulls – Upper catchment works \$228,000</li> <li>Marton – Central drain catchment (200m) \$250,000</li> <li>Hunterville – new drainage system \$500,000</li> <li>Taihape – Upper catchment works \$250,000</li> </ul>

## Rangitikei District Council: Funding Impact Statement for the years ending 30 June 2019 to 2028 – Stormwater

	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
<b>Sources of Operating Funding</b>											
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	-	-	-	-	-	-	-	-	-	-	-
<b>Total Operating Funding (A)</b>	<b>554</b>	<b>636</b>	<b>696</b>	<b>776</b>	<b>834</b>	<b>907</b>	<b>1,005</b>	<b>1,091</b>	<b>1,191</b>	<b>1,287</b>	<b>1,428</b>
<b>Applications of Operating Funding</b>											
Payments to staff and suppliers	228	205	211	215	219	227	231	238	244	249	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	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>241</b>	<b>343</b>	<b>397</b>	<b>448</b>	<b>495</b>	<b>563</b>	<b>635</b>	<b>714</b>	<b>807</b>	<b>871</b>	<b>1,006</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>313</b>	<b>293</b>	<b>299</b>	<b>328</b>	<b>339</b>	<b>344</b>	<b>370</b>	<b>377</b>	<b>384</b>	<b>416</b>	<b>422</b>
<b>Sources of capital funding</b>											
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	-	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>(44)</b>	<b>965</b>	<b>928</b>	<b>820</b>	<b>1,108</b>	<b>1,006</b>	<b>1,074</b>	<b>999</b>	<b>969</b>	<b>1,142</b>	<b>1,108</b>
<b>Applications of capital funding</b>											
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	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>269</b>	<b>1,258</b>	<b>1,229</b>	<b>1,149</b>	<b>1,446</b>	<b>1,351</b>	<b>1,445</b>	<b>1,377</b>	<b>1,354</b>	<b>1,558</b>	<b>1,531</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(313)</b>	<b>(293)</b>	<b>(301)</b>	<b>(329)</b>	<b>(338)</b>	<b>(345)</b>	<b>(371)</b>	<b>(378)</b>	<b>(385)</b>	<b>(416)</b>	<b>(423)</b>
<b>Funding Balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>(2)</b>	<b>(1)</b>	<b>1</b>	<b>(1)</b>	<b>(1)</b>	<b>(1)</b>	<b>(1)</b>	<b>-</b>	<b>(1)</b>
Depreciation and Amortisation Expense not included above	293	293	300	330	337	345	370	378	385	416	423



# Community and Leisure Assets Group of Activities

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

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

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-led upgrade and development of the Santoft Domai.

## 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 Centres 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 metre pool, as well as 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><b>Parks</b></p> <ul style="list-style-type: none"> <li>• Parks Upgrade Partnership Fund</li> <li>• Skatepark at Marton Centennial Park</li> <li>• Marton B &amp; C Dams – implement the management plan for the B &amp; C Dams</li> <li>• Marton Memorial Hall Playground – community-led upgrade/redevelopment</li> <li>• Memorial Park Taihape – develop and implement a plan to maximise recreational opportunities</li> <li>• Santoft Domain – community led upgrade</li> </ul> <p><b>Community buildings</b></p> <ul style="list-style-type: none"> <li>• Bulls Community Centre – award of tender and start construction</li> <li>• Marton Civic Centre Development – design</li> <li>• Taihape Memorial Park ablution facilities</li> <li>• Asbestos management</li> </ul> <p><b>Community housing</b></p> <ul style="list-style-type: none"> <li>• Refurbishment of housing stock</li> </ul> <p><b>Public toilets</b></p> <ul style="list-style-type: none"> <li>• Marton – 24/7 toilets installed</li> <li>• Mangaweka Village</li> </ul> <p><b>Swimming pools</b></p> <ul style="list-style-type: none"> <li>• Taihape – re-painting of the main pool and addition of covers</li> <li>• Marton – re-painting</li> <li>• Section 17A review (because of expiry of current contracts in September 2019)</li> </ul> <p><b>Cemeteries</b></p> <ul style="list-style-type: none"> <li>• Ratana - hard surface roadway</li> <li>• Mt View – roadway extension Stage I</li> </ul> <p><b>Property</b></p> <ul style="list-style-type: none"> <li>• Dudding Lake – sealing of driveway</li> </ul>



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

## Rangitikei District Council: Funding Impact Statement for the years ending 30 June 2019 to 2028 – Community and Leisure Assets

	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
<b>Sources of Operating Funding</b>											
General rates, uniform annual general charges, rates penalties	3,518	3,933	4,151	4,362	4,702	5,316	5,483	5,672	5,998	6,141	6,338
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, and other receipts	-	-	-	-	-	-	-	-	-	-	-
<b>Total Operating Funding (A)</b>	<b>4,097</b>	<b>4,613</b>	<b>4,844</b>	<b>5,070</b>	<b>5,425</b>	<b>6,055</b>	<b>6,238</b>	<b>6,445</b>	<b>6,790</b>	<b>6,952</b>	<b>7,170</b>
<b>Applications of Operating Funding</b>											
Payments to staff and suppliers	3,080	2,186	2,232	2,279	2,327	2,382	2,435	2,493	2,554	2,616	2,686
Finance costs	17	59	153	206	399	821	830	912	1,118	1,089	1,168
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	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>3,536</b>	<b>3,865</b>	<b>4,033</b>	<b>4,162</b>	<b>4,434</b>	<b>4,942</b>	<b>5,038</b>	<b>5,212</b>	<b>5,517</b>	<b>5,588</b>	<b>5,779</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>561</b>	<b>748</b>	<b>811</b>	<b>908</b>	<b>991</b>	<b>1,113</b>	<b>1,200</b>	<b>1,233</b>	<b>1,273</b>	<b>1,364</b>	<b>1,391</b>
<b>Sources of capital funding</b>											
Subsidies and grants for capital expenditure	2,106	1,298	1,323	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
increase (decrease) in debt	2,331	1,947	995	3,864	8,345	(873)	813	2,277	(616)	(674)	(686)
Gross proceeds from sale of assets	1,065	532	532	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>5,502</b>	<b>3,777</b>	<b>2,850</b>	<b>3,864</b>	<b>8,345</b>	<b>(873)</b>	<b>813</b>	<b>2,277</b>	<b>(616)</b>	<b>(674)</b>	<b>(686)</b>
<b>Applications of capital funding</b>											
Capital expenditure											
- to meet additional demand	-	3,184	2,948	4,046	8,772	-	1,445	2,843	-	-	-
- to improve the level of service	6,804	240	102	141	106	109	178	182	186	191	196
- to replace existing assets	439	1,102	429	292	277	283	195	222	204	209	215
Increase (decrease) in reserves	(1,180)	48	286	294	180	(151)	196	264	269	290	295
Increase (decrease) of investments	-	(50)	(102)	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>6,063</b>	<b>4,524</b>	<b>3,663</b>	<b>4,773</b>	<b>9,335</b>	<b>241</b>	<b>2,014</b>	<b>3,511</b>	<b>659</b>	<b>690</b>	<b>706</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(561)</b>	<b>(747)</b>	<b>(813)</b>	<b>(909)</b>	<b>(990)</b>	<b>(1,114)</b>	<b>(1,201)</b>	<b>(1,234)</b>	<b>(1,275)</b>	<b>(1,364)</b>	<b>(1,392)</b>
<b>Funding Balance ((A-B)+(C-D))</b>	<b>-</b>	<b>1</b>	<b>(2)</b>	<b>(1)</b>	<b>1</b>	<b>(1)</b>	<b>(1)</b>	<b>(1)</b>	<b>(2)</b>	<b>-</b>	<b>(1)</b>
Depreciation and Amortisation Expense not included above	973	1,090	1,149	1,251	1,313	1,416	1,492	1,511	1,542	1,621	1,627



# Rubbish and Recycling Group of Activities

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

<b>Rationale</b>	Well managed disposal of waste protects the environment from harm and so sustains the natural environment
<b>Significant negative effects on the local community</b>	There are potentially significant negative effects to community well-being as a result of this activity: <ul style="list-style-type: none"> <li>• People on fixed incomes may find it difficult to meet rising disposal costs. This could result in an increase in fly-tipping.</li> </ul>
<b>Contribution to community outcomes</b>	Infrastructural service levels Environment/climate change Future-looking community facilities
<b>Major aspect of the service for statement of service provision</b>	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	PROGRAMMES
<b>Year 1 (2018/19)</b>	Green waste acceptance – Ratana and Hunterville Section 17A review of waste transfer station service (because of expiry of current contract, November 2019)
<b>Year 2 (2019/2020)</b>	No major projects
<b>Year 3 (2020/2021)</b>	No major projects
<b>Years 4-10 (2021/2028)</b>	Waste Management and Minimisation Plan review (Year 5)

## Rangitikei District Council: Funding Impact Statement for the years ending 30 June 2019 to 2028 – Rubbish and recycling

	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
<b>Sources of Operating Funding</b>											
General rates, uniform annual general charges, rates penalties	110	131	133	136	139	142	145	148	152	155	159
Targeted rates	525	617	1,538	1,572	1,601	1,631	1,671	1,705	1,743	1,705	1,748
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	-	-	-	-	-	-	-	-	-	-	-
<b>Total Operating Funding (A)</b>	<b>1,075</b>	<b>1,252</b>	<b>2,185</b>	<b>2,233</b>	<b>2,276</b>	<b>2,321</b>	<b>2,376</b>	<b>2,426</b>	<b>2,482</b>	<b>2,461</b>	<b>2,524</b>
<b>Applications of Operating Funding</b>											
Payments to staff and suppliers	1,061	1,093	1,909	1,948	1,988	2,035	2,079	2,128	2,179	2,231	2,290
Finance costs	(33)	1	32	30	29	28	28	28	29	27	28
Internal charges and overheads applied	62	120	123	125	127	130	133	135	138	141	145
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>1,090</b>	<b>1,214</b>	<b>2,064</b>	<b>2,103</b>	<b>2,144</b>	<b>2,193</b>	<b>2,240</b>	<b>2,291</b>	<b>2,346</b>	<b>2,399</b>	<b>2,463</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>(15)</b>	<b>38</b>	<b>121</b>	<b>130</b>	<b>132</b>	<b>128</b>	<b>136</b>	<b>135</b>	<b>136</b>	<b>62</b>	<b>61</b>
<b>Sources of capital funding</b>											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	(1)	654	(36)	(35)	(33)	(32)	(30)	(29)	(28)	(27)	(25)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>(1)</b>	<b>654</b>	<b>(36)</b>	<b>(35)</b>	<b>(33)</b>	<b>(32)</b>	<b>(30)</b>	<b>(29)</b>	<b>(28)</b>	<b>(27)</b>	<b>(25)</b>
<b>Applications of capital funding</b>											
Capital expenditure											
- to meet additional demand	30	658	-	-	-	-	-	-	-	-	-
- to improve the level of service	-	-	-	-	-	-	-	-	-	-	-
- to replace existing assets	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in reserves	(45)	35	87	96	97	99	106	107	109	36	37
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>(15)</b>	<b>693</b>	<b>87</b>	<b>96</b>	<b>97</b>	<b>99</b>	<b>106</b>	<b>107</b>	<b>109</b>	<b>36</b>	<b>37</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>14</b>	<b>(39)</b>	<b>(123)</b>	<b>(131)</b>	<b>(130)</b>	<b>(131)</b>	<b>(136)</b>	<b>(136)</b>	<b>(137)</b>	<b>(63)</b>	<b>(62)</b>
<b>Funding Balance ((A-B)+(C-D))</b>	<b>(1)</b>	<b>(1)</b>	<b>(2)</b>	<b>(1)</b>	<b>2</b>	<b>(3)</b>	<b>-</b>	<b>(1)</b>	<b>(1)</b>	<b>(1)</b>	<b>(1)</b>
Depreciation and Amortisation Expense not included above	34	38	124	130	130	130	136	136	136	62	62

# 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.**

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

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
<b>Year 1 (2018/19)</b>	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
<b>Year 2 (2019/2020)</b>	Building Accreditation Reassessment Implementation of the Building (earthquake-prone buildings) Amendment Act
<b>Year 3 (2020/2021)</b>	No major projects Implementation of the Building (earthquake-prone buildings) Amendment Act
<b>Years 4-10 (2021/2028)</b>	District Plan Review Implementation of the Building (earthquake-prone buildings) Amendment Act



## Rangitikei District Council: Funding Impact Statement for the years ending 30 June 2019 to 2028 – Environment and regulatory

	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
<b>Sources of Operating Funding</b>											
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
<b>Total Operating Funding (A)</b>	<b>1,746</b>	<b>2,161</b>	<b>2,202</b>	<b>2,241</b>	<b>2,284</b>	<b>2,355</b>	<b>2,401</b>	<b>2,339</b>	<b>2,390</b>	<b>2,441</b>	<b>2,497</b>
<b>Applications of Operating Funding</b>											
Payments to staff and suppliers	1,257	406	416	423	432	444	453	464	476	487	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	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>1,701</b>	<b>2,161</b>	<b>2,202</b>	<b>2,241</b>	<b>2,283</b>	<b>2,356</b>	<b>2,402</b>	<b>2,340</b>	<b>2,390</b>	<b>2,441</b>	<b>2,498</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>45</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>(1)</b>	<b>(1)</b>	<b>(1)</b>	<b>-</b>	<b>-</b>	<b>(1)</b>
<b>Sources of capital funding</b>											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	-	-	-	-	-	-	-	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Applications of capital funding</b>											
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	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>45</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(45)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Funding Balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>(1)</b>	<b>(1)</b>	<b>(1)</b>	<b>-</b>	<b>-</b>	<b>(1)</b>
Depreciation and Amortisation Expense not included above	-	-	-	-	-	-	-	-	-	-	-



# 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.**

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

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:

- Promotion
- Incentives for growth/development
- Expanding markets
- Facilitation of business assistance
- Labour forecasting

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

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

## Rangitikei District Council: Funding Impact Statement for the years ending 30 June 2019 to 2028 – Community well-being

	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
<b>Sources of Operating Funding</b>											
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
<b>Total Operating Funding (A)</b>	<b>1,381</b>	<b>1,598</b>	<b>1,629</b>	<b>1,662</b>	<b>1,697</b>	<b>1,731</b>	<b>1,769</b>	<b>1,808</b>	<b>1,849</b>	<b>1,894</b>	<b>1,939</b>
<b>Applications of Operating Funding</b>											
Payments to staff and suppliers	1,185	947	968	989	1,009	1,035	1,057	1,083	1,110	1,138	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	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>1,369</b>	<b>1,596</b>	<b>1,628</b>	<b>1,660</b>	<b>1,692</b>	<b>1,731</b>	<b>1,766</b>	<b>1,805</b>	<b>1,846</b>	<b>1,890</b>	<b>1,938</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>12</b>	<b>2</b>	<b>1</b>	<b>2</b>	<b>5</b>	<b>-</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>4</b>	<b>1</b>
<b>Sources of capital funding</b>											
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	-	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>(2)</b>	<b>(1)</b>	<b>(1)</b>	<b>(1)</b>	<b>(1)</b>	<b>(1)</b>	<b>(1)</b>	<b>(1)</b>	<b>(1)</b>	<b>(1)</b>	<b>(1)</b>
<b>Applications of capital funding</b>											
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	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>10</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(12)</b>	<b>(4)</b>	<b>(4)</b>	<b>(4)</b>	<b>(4)</b>	<b>(4)</b>	<b>(4)</b>	<b>(4)</b>	<b>(4)</b>	<b>(4)</b>	<b>(4)</b>
<b>Funding Balance ((A-B)+(C-D))</b>	<b>-</b>	<b>(2)</b>	<b>(3)</b>	<b>(2)</b>	<b>1</b>	<b>(4)</b>	<b>(1)</b>	<b>(1)</b>	<b>(1)</b>	<b>-</b>	<b>(3)</b>
Depreciation and Amortisation Expense not included above	5	6	6	6	6	6	6	6	6	7	7

# 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.<sup>25</sup>

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
- include both a satisfaction rating and a ‘better/same/worse’ score-card approach<sup>26</sup>
- 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 #.

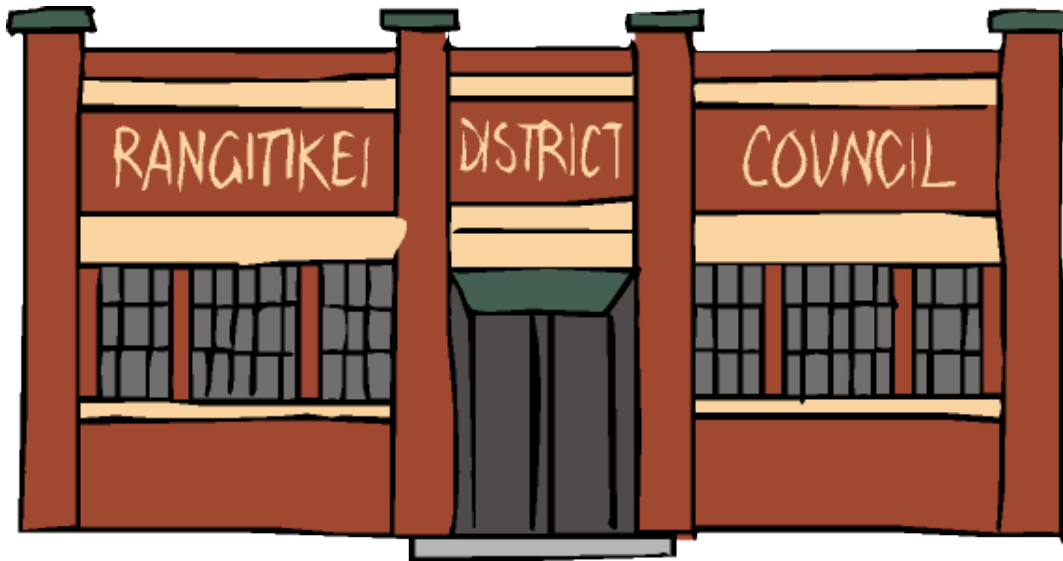
<sup>25</sup>The mandatory measures are asterisked in the following analysis.

<sup>26</sup>Satisfaction ratings are aggregated in the Community Leadership group of activities.





Lifting value for  
communities



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 were 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 is presented as two aggregated measure under Community Leadership. The use of benchmarking data from the Australasian LG Performance Excellence Program could be an alternative perspective but disaggregation (i.e. selecting certain types of results for comparison) is currently not permitted

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

PBE FRS 48 Service Performance Reporting will become mandatory for annual periods beginning on or after 1 January 2021. This means it will be reflected in the next Long Term Plan, i.e. for 2021/22 to 2031/32.

## Community Leadership Group of Activities

LEVEL OF SERVICE	MEASUREMENTS AND TARGETS
<b>Council's intended Level of Service is to:</b>	<b>Make decisions that are robust, fair, timely, legally compliant and address critical issues, and that are communicated to the community and followed through</b> <b>Value for money</b>
<b>Performance measure</b>	<b>On-time completion of, or substantially undertaken annual plan actions</b>
How we will measure/benchmark	Council records 2016/17 results: <ul style="list-style-type: none"> <li>• Annual plan actions - 80%</li> <li>• Community Leadership - 77%</li> <li>• Roading - 95%</li> <li>• Water Supply - 45%</li> <li>• Wastewater - 38%</li> <li>• Stormwater - 61%</li> <li>• Community and Leisure Assets - 61%</li> <li>• Rubbish and Recycling - 94%</li> <li>• Environmental and Regulatory - 100%</li> <li>• Community Well-Being - 91%</li> </ul>
Year 1	90% - Annual plan actions 83% - Each group of activities
Year 2	92% - Annual plan actions 85% - Each group of activities
Year 3	94% - Annual plan actions 88% - Each group of activities
Years 4-10	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

LEVEL OF SERVICE	MEASUREMENTS AND TARGETS
<b>Performance measure</b>	<b>Completion of capital programme</b>
How we will measure	Council records 2016/17 results: Achievement of planned capital programme – 42% Roading – 85% Water – 25% Sewerage – 14% Stormwater – 14% Community and Leisure – 13%
Year 1	85% - planned capital programme 70% - All network utilities groups of activities
Year 2	85% - planned capital programme 70% - All network utilities groups of activities
Year 3	85% - planned capital programme 70% - All network utilities groups of activities
Years 4-10	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
<b>Performance measure (new)</b>	<b>#Satisfaction</b>
How we will measure	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)
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 benchmark

LEVEL OF SERVICE	MEASUREMENTS AND TARGETS
Year 3	Increase in percentage of 'very satisfied' and decrease in percentage of 'neutral' compared with the benchmark
Years 4-10	Increase in percentage of 'very satisfied' and decrease in percentage of 'neutral' compared with the benchmark
<b>Performance measure (new)</b>	<b>#Value for money – residents' perceptions in annual survey</b>
How we will measure	In thinking about what you know about other local councils in New Zealand, is Rangitikei Better than other councils; About the same as other councils, Worse than other councils,; Don't know 15% thought Rangitikei was better than other councils, 49% thought it about the same, 10% thought it was worse and 27% didn't know. Do you consider Council delivers value for money: Yes, definitely; Yes, satisfactory, Unsure/neutral; No, not really; No, definitely not 5% 'definitely', 44% 'satisfactory', 32 'unsure/neutral', 15% 'not really' and 3% 'definitely not'.
Year 1	Higher rating than previous year
Year 2	Higher rating than previous year
Year 3	Higher rating than previous year
Years 4-10	Higher rating than previous year
<b>Performance measure (new)</b>	<b>#Effectiveness of communication</b>
How we will measure	Annual Residents Survey 2016/17 results: <ul style="list-style-type: none"> <li>• Phone – 17% very satisfied, 36% neutral</li> <li>• Council website – 13% very satisfied, 35% neutral</li> <li>• Social media – 11% very satisfied, 57% neutral</li> <li>• Library/information centre – 14% very satisfied, 45% neutral</li> <li>• Rangitikei Line – 5% very satisfied, 71% neutral</li> <li>• Local newspapers – 14% very satisfied, 30% neutral</li> <li>• In person – 17% very satisfied, 42% neutral</li> </ul>
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

LEVEL OF SERVICE	MEASUREMENTS AND TARGETS
<b>Performance measure (new)</b>	<b>#Maori responsiveness framework</b>
How we will measure	Satisfaction ratings from each member of Te Roopu Ahi Kaa about the effectiveness of the framework – annual survey in April. <ul style="list-style-type: none"> <li>• Governance and relationships</li> <li>• Culture and identity</li> <li>• Prosperity and well-being</li> <li>• Resources and infrastructure</li> </ul>
Year 1	Improved satisfaction from the previous year
Year 2	Improved satisfaction from the previous year
Year 3	Improved satisfaction from the previous year
Years 4-10	Improved satisfaction from the previous year
<b>Performance measure (new)</b>	<b>#Engagement with sector excellence programmes</b>
How we will measure	Results from surveys engaged in and improvement actions undertaken
Year 1	Improved survey ratings Percentage of suggested improvements completed or under action
Year 2	Improved survey ratings Percentage of suggested improvements completed or under action
Year 3	Improved survey ratings Percentage of suggested improvements completed or under action
Years 4-10	Improved survey ratings Percentage of suggested improvements completed or under action

## Roading and Footpath Group of Activities

LEVEL OF SERVICE	MEASUREMENTS AND TARGETS
<b>Council's intended Level of Service is to:</b>	<b>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</b>
<b>Performance measure (* mandatory)</b>	<b>*Road condition The average quality of ride on a sealed local road network measured by smooth travel exposure</b>
How we will measure	The process defined in the Council's agreement with NZTA (NAASRA roughness counts) 2016/17 results: • 97%
Year 1	97%
Year 2	97%
Year 3	97%
Years 4-10	97% The One Network Road Classification may impact on this measure because of a smaller co-investment from the New Zealand Transport Agency because of the low volume of traffic compared with urban environments.
<b>Performance measure (* mandatory)</b>	<b>*Road maintenance The percentage of the sealed road network that is resurfaced</b>
How we will measure	Council and contractor records 2016/17 results: • Resealing - 57.16 km • Rehabilitation - 3.376 km The network has 796 km of sealed roads.
Year 1	8%
Year 2	8%
Year 3	8%
Years 4-10	8% The One Network Road Classification may impact on this measure



LEVEL OF SERVICE	MEASUREMENTS AND TARGETS
<b>Performance measure</b>	<b>The percentage of the unsealed road network which is re-metalled during the year</b>
How we will measure	Council and contractor records At least 75% of network re-metalled each year– 12,000m <sup>3</sup> 2016/17 results: <ul style="list-style-type: none"> <li>• 73.7%</li> </ul>
Year 1	At least 75%
Year 2	At least 75%
Year 3	At least 75%
Years 4-10	At least 75%
<b>Performance measure (* mandatory)</b>	<b>*Footpaths</b> <b>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)</b>
How we will measure	A five point grading system to rate footpath condition <sup>27</sup> based on visual inspections 8 Excellent 9 Good 10 Fair 11 Poor 12 Very Poor Footpaths will be assessed in approximately 100 metre lengths. 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. The assessments will normally be conducted in November and May of each year. 2016/17 results: <ul style="list-style-type: none"> <li>• 96.2% of all footpaths are grade 3 or higher</li> </ul>
Year 1	At least 80% of footpath lengths in CBD areas in Bulls, Marton, Hunterville and Taihape are at grade 3 or higher At least 75% of sampled footpaths lengths outside CBD areas are at grade 3 or higher At least 90% of sampled footpaths assessed at grade 5 are included in upgrade programme during the following two years.

<sup>27</sup> Such as that developed by Opus International Consultants.

LEVEL OF SERVICE	MEASUREMENTS AND TARGETS
Year 2	At least 80% of footpath lengths in CBD areas in Bulls, Marton, Hunterville and Taihape are at grade 3 or higher At least 75% of sampled footpaths lengths outside CBD areas are at grade 3 or higher At least 90% of sampled footpaths assessed at grade 5 are included in upgrade programme during the following two years.
Year 3	At least 80% of footpath lengths in CBD areas in Bulls, Marton, Hunterville and Taihape are at grade 3 or higher At least 75% of sampled footpaths lengths outside CBD areas are at grade 3 or higher At least 90% of sampled footpaths assessed at grade 5 are included in upgrade programme during the following two years.
Years 4-10	At least 85% of footpath lengths in CBD areas in Bulls, Marton, Hunterville and Taihape are at grade 3 or higher At least 75% of sampled footpaths lengths outside CBD areas are at grade 3 or higher At least 90% of sampled footpaths assessed at grade 5 are included in upgrade programme during the following two years.
<b>Performance measure (* mandatory)</b>	<b>*Road safety</b> <b>The change from the previous financial year in the number of fatalities and serious injury<sup>28</sup> crashes on the local road network expressed as a number</b>
How we will measure	Police records of crashes on the Council's roading network 2016/17 results (12 months ending 31 March 2017): <ul style="list-style-type: none"> <li>• Fatal crashes: 0</li> <li>• Serious injury crashes: 10</li> </ul>
Year 1	No change or a reduction from previous year
Year 2	No change or a reduction from previous year
Year 3	No change or a reduction from previous year
Years 4-10	No change or a reduction from previous year
<b>Council's intended Level of Service is to:</b>	<b>Be responsive to community expectations over the roading network and requests for service</b>
<b>Performance measure</b>	<b>Adequacy of provision and maintenance of footpaths, street-lighting and local roads (annual survey)</b>
How we will measure	Annual Resident survey 2016/17 results: <ul style="list-style-type: none"> <li>• Better than last year – 22%</li> <li>• About the same as last year – 65%</li> <li>• Worse than last year – 13.5%</li> </ul>

<sup>28</sup> "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.

LEVEL OF SERVICE	MEASUREMENTS AND TARGETS
Year 1	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council's service is getting better
Year 2	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council's service is getting better
Year 3	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council's service is getting better
Years 4-10	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council's service is getting better
<b>Performance measure (* mandatory)</b>	<p><b>*Response to service requests</b>  <b>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.</b>  <b>Note: Council measures resolution as well as initial attendance in response to such requests.</b></p>
How we will measure	<p>Contractor and Council records of requests for service.  Specified standard:</p> <ul style="list-style-type: none"> <li>• After-hours callouts - 95% responded to within 12 hours</li> <li>• Working hours callouts - 95% responded to within 6 hours</li> <li>• Resolution - 85% of all callouts resolved (i.e. completed) within one month of the request.</li> <li>• Specific reference to callouts relating to potholes</li> </ul> <p>2016/17 results:</p> <ul style="list-style-type: none"> <li>• After-hours callouts – 85%</li> <li>• Working hours callouts – 72%</li> <li>• Resolution – 70%</li> </ul>
Year 1	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

LEVEL OF SERVICE	MEASUREMENTS AND TARGETS
<b>Council's intended Level of Service is to:</b>	<b>Provide a safe and compliant supply of drinking water</b>
<b>Performance measure (* mandatory)</b>	<p><b>*Safety of drinking water</b>  <b>The extent to which the Council's drinking water supply complies with—</b></p> <ul style="list-style-type: none"> <li>• <b>part 4 of the drinking water standards (bacteria compliance criteria)</b></li> <li>• <b>part 5 of the drinking water standards (protozoa compliance criteria)</b></li> </ul>
How we will measure	<p>Routine sampling and testing<sup>29</sup>  Water Outlook  2016/17 results:</p> <ul style="list-style-type: none"> <li>• None of the treatment plants are compliant due to sampling issues. All distribution zones compliant bacterially (no E. coli present).</li> <li>• 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.</li> </ul>
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
<b>Performance measure</b>	<b>Compliance with resource consents</b>
How we will measure	<p>Inspection reports from Horizons for the various water supplies.  2016/17</p> <ul style="list-style-type: none"> <li>• One incidence of non-compliance</li> </ul>
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

<sup>29</sup> This is currently done on a weekly basis by Environmental Laboratory Services in Gracefield.

LEVEL OF SERVICE	MEASUREMENTS AND TARGETS
<b>Council's intended Level of Service is to:</b>	<b>Provide reliable and efficient urban water supplies</b>
<b>Performance measure</b>	<b>Number of unplanned water supply disruptions affecting multiple properties</b>
How we will measure	Council's request for service system. 2016/17 results: <ul style="list-style-type: none"> <li>Unplanned disruptions - 0</li> </ul>
Year 1	No unplanned water supply disruptions affecting multiple properties
Year 2	Fewer unplanned water supply disruptions affecting multiple properties than in the previous year
Year 3	Fewer unplanned water supply disruptions affecting multiple properties than in the previous year
Years 4-10	Fewer unplanned water supply disruptions affecting multiple properties than in the previous year
<b>Performance measure (* mandatory)</b>	<b>*Maintenance of the reticulation network The percentage of real water loss from the Council's networked urban reticulation system<sup>30</sup></b>
How we will measure	A sampling approach will be used. Water Outlook enables SCADA <sup>31</sup> information to be interrogated in-house. 2016/17 results: <ul style="list-style-type: none"> <li>Bulls 4.9%</li> <li>Huntermville Urban 32.3%</li> <li>Mangaweka 37.0%</li> <li>Marton 24.6%</li> <li>Rātana 15.8%</li> <li>Taihape 46.2%</li> </ul>
Year 1	Less than 40%
Year 2	Less than 40%
Year 3	Less than 40%
Years 4-10	Less than 40%

<sup>30</sup> A description of the methodology used to calculate this must be included as part of the report.

<sup>31</sup> Supervisory control and data acquisition – i.e. automated remote monitoring,

LEVEL OF SERVICE	MEASUREMENTS AND TARGETS
<b>Performance measure (* mandatory)</b>	<b>*Demand management</b> <b>The average consumption of drinking water per day per resident within the District</b>
How we will measure	Water Outlook 2016/2017 <ul style="list-style-type: none"> <li>• 542 litres per person per day</li> </ul>
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
<b>Council's intended Level of Service is to:</b>	<b>Be responsive to reported faults and complaints</b>
<b>Performance measure (* mandatory)</b>	<b>*Fault response time</b> <b>Where the Council attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median times are measured</b> <ol style="list-style-type: none"> <li><b>(a) attendance for urgent call-outs: from the time that the Council receives notification to the time that service personnel reach the site, and</b></li> <li><b>(b) 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</b></li> <li><b>(c) attendance for non-urgent call-outs: from the time that the Council receives notification to the time that service personnel reach the site, and</b></li> <li><b>(d) 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</b></li> </ol>
How we will measure	Request for service system Specified standard <ol style="list-style-type: none"> <li>a. 0.5 hour (attendance - urgent)</li> <li>b. 24 hours (resolution – urgent)</li> <li>c. 24 hours (attendance – non-urgent)</li> <li>d. 96 hours (resolution – non-urgent)</li> </ol> 2016/17 results: <ol style="list-style-type: none"> <li>(a) 10 minutes (attendance - urgent)</li> <li>(b) 1 hour 17 minutes (resolution – urgent)</li> <li>(c) 19 minutes (attendance – non-urgent)</li> <li>(d) 1 hour 7 minutes hours (resolution – non-urgent)</li> </ol>



LEVEL OF SERVICE	MEASUREMENTS AND TARGETS
Year 1	Improved timeliness compared with the previous year
Year 2	Improved timeliness compared with the previous year
Year 3	Improved timeliness compared with the previous year
Years 4-10	Improved timeliness compared with the previous year
<b>Performance measure (* mandatory)</b>	<p><b>*Customer satisfaction</b>  The total number of complaints (expressed per 1000 connections to the reticulated networks) received by the Council about</p> <p><b>(a) drinking water clarity</b>  <b>(b) drinking water taste</b>  <b>(c) drinking water pressure or flow</b>  <b>(d) continuity of supply, and</b>  <b>(e) The Council's response to any of these issues</b></p>
How we will measure	Request for service system 2016/17 results: <ul style="list-style-type: none"> <li>• Total complaints - 13/1000</li> <li>(a) 6.79/1000</li> <li>(b) 3.5/1000</li> <li>(c) 1.66/1000</li> <li>(d) 0.94/1000</li> <li>(e) Nil<sup>32</sup></li> </ul>
Year 1	Total number of complaints is less than previous year
Year 2	Total number of complaints is less than previous year or no more than 13 complaints per 1,000 connections
Year 3	Total number of complaints is less than previous year or no more than 13 complaints per 1,000 connections
Years 4-10	Total number of complaints is less than previous year or no more than 13 complaints per 1,000 connections
<b>Council's intended Level of Service is to:</b>	<b>Maintain compliant, reliable and efficient rural water supplies</b>
<b>Performance measure</b>	<b>Compliance with resource consents</b>
How we will measure	Inspection reports from Horizons. 2016/17 <ul style="list-style-type: none"> <li>• All supplies compliant</li> </ul>

<sup>32</sup>These cannot be distinguished in Council's request for service system, but are included in a – d.

LEVEL OF SERVICE	MEASUREMENTS AND TARGETS
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
<b>Performance measure</b>	<b>Where the Council attends a call-out in response to a fault or unplanned interruption to its rural reticulation system, the following median times are measured</b> <b>(a) attendance time: from the time that the Council receives notification to the time that service personnel reach the site, and</b> <b>(b) resolution time: from the time that the Council receives notification to the time that service personnel confirm resolution of the fault of interruption</b>
How we will measure	Request for service system Specified standard (a) 24 hours (b) 96 hours 2016/17 (a) 22 hours 23 minutes (b) 4 hours 8 minutes
Year 1	Fewer requests (per 1000 connections) than previous year
Year 2	Fewer requests (per 1000 connections) than previous year
Year 3	Fewer requests (per 1000 connections) than previous year
Years 4-10	Fewer requests (per 1000 connections) than previous year
<b>Council's intended Level of Service is to:</b>	<b>Ensure fire-fighting capacity in urban areas</b>
<b>Performance measure</b>	<b>Random flow checks at the different supplies</b>
How we will measure	Hydraulic modelling, installation of data loggers and annual flow checks of at least 20% sample of hydrants 2016/17 • 96.6% compliant
Year 1	98% of checked fire hydrant installations are in compliance
Year 2	99% of checked fire hydrant installations are in compliance
Year 3	99% of checked fire hydrant installations are in compliance
Years 4-10	100% of checked fire hydrant installations are in compliance

## Sewerage and the Treatment and Disposal of Sewage Group of Activities

LEVEL OF SERVICE	MEASUREMENTS AND TARGETS
<b>Council's intended Level of Service is to:</b>	<b>Provide a reliable, reticulated disposal system that does not cause harm or create pollution within existing urban areas</b>
<b>Performance measure (* mandatory)</b>	<p><b>*Discharge compliance</b>  <b>Compliance with the Council's resource consents for discharge from its sewerage system measured by the number of</b>  <b>(a) abatement notices</b>  <b>(b) infringement notices</b>  <b>(c) enforcement orders, and</b>  <b>(d) convictions</b>  <b>received by the Council in relation to those resource consents</b></p>
How we will measure	<p>2016/17 results:</p> <ul style="list-style-type: none"> <li>• No abatement or infringement notices</li> <li>• No enforcement orders</li> <li>• No convictions</li> </ul>
Year 1	No abatement or infringement notices, no enforcement orders and no convictions
Year 2	No abatement or infringement notices, no enforcement orders and no convictions
Year 3	No abatement or infringement notices, no enforcement orders and no convictions
Years 4-10	No abatement or infringement notices, no enforcement orders and no convictions
<b>Performance measure</b>	<b>Routine compliance monitoring of discharge consents</b>
How we will measure	<p>Inspection reports from Horizons Regional Council for the various waste-water treatment plants<sup>33</sup>            2016/17 results:</p> <ul style="list-style-type: none"> <li>• Significant compliance at 4 waste water treatment plants</li> <li>• Non-compliance at other 3 waste water treatment plants</li> </ul>
Year 1	5 of 7 systems comply
Year 2	6 of 7 systems comply
Year 3	6 of 7 systems comply
Years 4-10	7 of 7 systems comply

<sup>33</sup>Water Outlook allows Council to undertake internal monitoring of compliance.

LEVEL OF SERVICE	MEASUREMENTS AND TARGETS
<b>Performance measure (* mandatory)</b>	<p><b>*System and adequacy</b> The number of dry weather sewerage overflows from the Council’s sewerage system, expressed per 1000 sewerage connections to that sewerage system</p>
How we will measure	<p>Request for service system 2016/17 results: • 0.4/1000 There are 4,226 sewerage connections in the District</p>
Year 1	Fewer overflows than 0.4/100 connections
Year 2	Fewer overflows than 0.4/100 connections
Year 3	Fewer overflows than 0.4/100 connections
Years 4-10	Fewer overflows than 0.4/100 connections
<b>Council’s intended Level of Service is to:</b>	<b>Be responsive to reported faults and complaints</b>
<b>Performance measure (* mandatory)</b>	<p><b>*Fault response time</b> <b>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</b> <b>(a) attendance time: from the time that the Council receives notification to the time that service personnel reach the site, and</b> <b>(b) resolution time: from the time that the Council receives notification to the time that service personnel confirm resolution of the fault or interruption</b></p>
How we will measure	<p>Request for service system Specified standard: Attendance (a) 0.5 hour - urgent (b) 24 hours – non-urgent Resolution (a) 24 hours - urgent (b) 96 hours – non-urgent 2016/17 results (median): (a) 22 minutes (b) 2 hours 34 minutes Urgent callouts are where sewage is evident. The mandatory measure does not make this distinction.</p>

LEVEL OF SERVICE	MEASUREMENTS AND TARGETS
Year 1	Improved median times compared with the previous year
Year 2	Improved median times compared with the previous year or no more than the median times reported in 2016/17
Year 3	Improved median times compared with the previous year or no more than the median times reported in 2016/17
Years 4-10	Improved median times compared with the previous year or no more than the median times reported in 2016/17
<b>Performance measure (* mandatory)</b>	<p><b>*Customer satisfaction</b>  <b>The total number of complaints received by the Council about any of the following:</b>  <b>(a) sewage odour</b>  <b>(b) sewerage system faults</b>  <b>(c) sewerage system blockages, and</b>  <b>(d) the Council's response to issues with its sewerage systems</b>  <b>expressed per 1,000 connections to the Councils sewerage system.</b></p>
How we will measure	<p>Request for service system  2016/17 results:  • 4.49 per 1000  (a) 0.47/1000  (b) 1.89/1000  (c) 2.13/1000  (d) Nil</p>
Year 1	Fewer requests (per 1000 connections) than previous year
Year 2	Fewer requests (per 1000 connections) than previous year or no more than 5 requests per 1,000 connections
Year 3	Fewer requests (per 1000 connections) than previous year or no more than 5 requests per 1,000 connections
Years 4-10	Fewer requests (per 1000 connections) than previous year or no more than 5 requests per 1,000 connections

## Stormwater Drainage Group of Activities

LEVEL OF SERVICE	MEASUREMENTS AND TARGETS
<b>Council's intended Level of Service is to:</b>	<b>Provide a reliable collection and disposal system to each property during normal rainfall</b>
<b>Performance measure (* mandatory)</b>	<p><b>*Discharge compliance</b>  <b>Compliance with the Council's resource consents for discharge from its stormwater system measured by the number of</b>  <b>(a) abatement notices</b>  <b>(b) infringement notices</b>  <b>(c) enforcement orders, and</b>  <b>(d) convictions</b>  <b>received by the Council in relation to those resource consents.</b></p>
How we will measure	<p>Not applicable  Council currently has no resource consents for stormwater discharges with Horizons Regional Council.  Resource consents may be required in the future, but the timeline for this has yet to be confirmed.  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
<b>Performance measure (* mandatory)</b>	<p><b>*System adequacy</b>  <b>The number of flooding events<sup>34</sup> that occurred in the District.</b>  <b>For each flooding event, the number of habitable floors affected (expressed per 1,000 properties connected to the Council's stormwater system).</b>  <b>Note: This is a District-wide assessment</b></p>
How we will measure	<p>Request for service system  2016/17 results:  • Not applicable – there were no flooding events</p>
Year 1	Fewer requests (per 1000 properties) than previous year
Year 2	Fewer requests (per 1000 properties) than previous year

<sup>34</sup>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



LEVEL OF SERVICE	MEASUREMENTS AND TARGETS
Year 3	Fewer requests (per 1000 properties) than previous year
Years 4-10	Fewer requests (per 1000 properties) than previous year
<b>Council's intended Level of Service is to:</b>	<b>Be responsive to reported faults and complaints</b>
<b>Performance measure (* mandatory)</b>	<b>*Customer satisfaction</b> <b>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</b>
How we will measure	Request for service system 2016/17 results: <ul style="list-style-type: none"> <li>• 4.12/1000</li> </ul>
Year 1	Fewer requests (per 1,000 connections) than previous year
Year 2	Fewer requests (per 1,000 connections) than previous year or no more than in 2016/17
Year 3	Fewer requests (per 1,000 connections) than previous year or no more than in 2016/17
Years 4-10	Fewer requests (per 1,000 connections) than previous year or no more than in 2016/17
<b>Performance measure (* mandatory)</b>	<b>*Response time</b> <b>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.</b>
How we will measure	Request for service system 2016/17 results: <ul style="list-style-type: none"> <li>• Not applicable – there were no flooding events</li> </ul>
Year 1	Timeliness noting the severity of the incident(s)
Year 2	Timeliness noting the severity of the incident(s)
Year 3	Timeliness noting the severity of the incident(s)
Years 4-10	Timeliness noting the severity of the incident(s)

## Community and Leisure Assets Group of Activities

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

LEVEL OF SERVICE	MEASUREMENTS AND TARGETS
How we will measure	<b>Public toilets:</b> 2016/17: <ul style="list-style-type: none"> <li>Better than last year – 7%</li> </ul>
Year 1	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council's service is getting better
Year 2	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council's service is getting better
Year 3	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council's service is getting better
Years 4-10	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council's service is getting better
How we will measure	<b>Community Buildings:</b> 2016/17: <ul style="list-style-type: none"> <li>Better than last year – 4%</li> </ul>
Year 1	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council's service is getting better
Year 2	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council's service is getting better
Year 3	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council's service is getting better
Years 4-10	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council's service is getting better
How we will measure	<b>#Camping Grounds:</b> <ul style="list-style-type: none"> <li>Council's service is getting better – 10%</li> </ul>
Year 1	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council's service is getting better
Year 2	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council's service is getting better
Year 3	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council's service is getting better
Years 4-10	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council's service is getting better
<b>Council's intended Level of Service is to:</b>	<b>#Compliance with relevant standards</b>
<b>Performance measure</b>	<b>Swim Centres</b>
How we will measure	All swimming pools have Poolsafe accreditation
Year 1	Benchmark maintained
Year 2	Benchmark maintained
Year 3	Benchmark maintained

LEVEL OF SERVICE	MEASUREMENTS AND TARGETS
Years 4-10	Benchmark maintained
<b>Performance measure</b>	<b>Community Housing</b>
How we will measure	Council records Compliance with the 29 criteria in the rental warrant of fitness programme <sup>35</sup> Benchmark (current level) to be defined
Year 1	Maintaining or improving compliance
Year 2	Maintaining or improving compliance
Year 3	Maintaining or improving compliance
Years 4-10	Maintaining or improving compliance
<b>Performance measure</b>	Toilet buildings are well designed, safe and visible - Compliance with SNZ4241:1999 and CPTED (safer design guidelines) for new or refurbished toilets
How we will measure	Council audit Compliance – 95% or greater
Year 1	Meeting the benchmark
Year 2	Meeting the benchmark
Year 3	Meeting the benchmark
Years 4-10	Meeting the benchmark
<b>Performance measure</b>	<b>Levels of service for parks throughout the District consistent with the New Zealand Recreation Association Parks Categories and Levels of Service guideline</b>
How we will measure	Self-audit
Year 1	% compliance with the Levels of Service Guideline for all parks (benchmark)
Year 2	Increased % compliance with the Levels of Service Guideline for all parks compared with previous year
Year 3	Increased % compliance with the Levels of Service Guideline for all parks compared with previous year
Years 4-10	Increased % compliance with the Levels of Service Guideline for all parks compared with previous year

<sup>35</sup> Developed by the University of Otago and available: <http://www.healthyhousing.org.nz/research/current-research/rental-housing-warrant-of-fitness/>

LEVEL OF SERVICE	MEASUREMENTS AND TARGETS
<b>Council's intended Level of Service is to:</b>	<b>Secure high use of staffed facilities</b>
<b>Performance measure</b>	<b>Number of users of libraries and nature of use</b>
How we will measure	Automated door count system 2016/17 <ul style="list-style-type: none"> <li>• 50,918 people entered the libraries</li> <li>• Bulls - 8,901 (21 days unrecorded)</li> <li>• Marton - 18,198 (8 days unrecorded)</li> <li>• Taihape - 23,819 (13 days unrecorded)</li> </ul> Number of issues of books, magazines and DVDs/CDs 2016/17: 74,198 items issued <ul style="list-style-type: none"> <li>• Bulls – 10,961</li> <li>• Marton – 46,589</li> <li>• Taihape – 16,648</li> </ul> Extent of online use 2016/17: <ul style="list-style-type: none"> <li>• 3,253 checkouts of eResources, 369 visits to databases, 5,984 searches in Ancestry.com</li> </ul>
Year 1	An increase in use compared with the benchmark
Year 2	An increase in the use compared with previous year
Year 3	An increase in the use compared with previous year
Years 4-10	An increase in the use compared with previous year
<b>Performance measure</b>	<b>Number of users of pools</b>
How we will measure	Door count systems or till records 2016/17 <ul style="list-style-type: none"> <li>• Marton - 28,271<sup>36</sup></li> <li>• Taihape - 11,177</li> </ul>
Year 1	An increase in use compared with the benchmark
Year 2	An increase in the use compared with previous year
Year 3	An increase in the use compared with previous year

<sup>36</sup>Includes schools, swim schools and lane hire

Years 4-10	An increase in the use compared with previous year
<b>Performance measure (new)</b>	<b>#Occupancy of community housing</b>
How we will measure	Council records 100% as at 31 December 2017 (of whom 66% were superannuitants)
Year 1	95-100% occupancy (of whom 68% are superannuitants)
Year 2	95-100% occupancy (of whom 70% are superannuitants)
Year 3	95-100% occupancy (of whom 72% are superannuitants)
Years 4-10	95-100% occupancy (with increasing % of superannuitants)

## Rubbish and Recycling Group of Activities

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



LEVEL OF SERVICE	MEASUREMENTS AND TARGETS
Year 1	Percentage of waste diverted from landfill 19%
Year 2	Percentage of waste diverted from landfill 22%
Year 3	Percentage of waste diverted from landfill 25%
Years 4-10	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

LEVEL OF SERVICE	MEASUREMENTS AND TARGETS
<b>Council's intended Level of Service is to:</b>	<b>Provide a legally compliant service</b>
<b>Performance measure</b>	<b>Timeliness of processing building consents and resource consents</b>
How we will measure	Percentage processed within statutory timeframes. 2016/17: <ul style="list-style-type: none"> <li>• Building consents - 98.8%</li> <li>• Resource consents - 100%</li> </ul>
Year 1	Building consents – 98% Resource consents – 98%
Year 2	Building consents – 98% Resource consents – 98%
Year 3	Building consents – 98% Resource consents – 98%
Years 4-10	98% compliance
<b>Performance measure</b>	<b>Possession of relevant authorisations from central government<sup>37</sup></b>
How we will measure	External assessment/delegation 2016/17 <ul style="list-style-type: none"> <li>• Accreditation maintained</li> </ul>
Year 1	Accreditation maintained

<sup>37</sup>Excluding general authorisation through legislation where no further formal accreditation is specified

LEVEL OF SERVICE	MEASUREMENTS AND TARGETS
Year 2	Accreditation maintained
Year 3	Accreditation maintained
Years 4-10	Accreditation maintained
<b>Council's intended Level of Service is to:</b>	<b>Provide regulatory compliance officers to address enforcement call outs</b>
<b>Performance measure</b>	<b>Timeliness of response to requests for service – animal control and environmental health</b>
How we will measure	Council's request for service system 2016/17 <ul style="list-style-type: none"> <li>• Responded in time - 84%</li> <li>• Completed in time - 75%</li> </ul>
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

LEVEL OF SERVICE	MEASUREMENTS AND TARGETS
<b>Council's intended Level of Service is to:</b>	<b>Provide opportunities to be actively involved in partnerships that provide community and ratepayer wins</b>
<b>Performance measure</b>	<b>Partners' view of how useful Council's initiatives and support has been</b>
How we will measure	Satisfaction ratings from governing bodies of MOU agencies with Council support Currently there are five areas of support specified in the new MOU
Year 1	% satisfaction – this will be the benchmark for subsequent years
Year 2	Increased % satisfaction compared with previous year

LEVEL OF SERVICE	MEASUREMENTS AND TARGETS
Year 3	Increased % satisfaction compared with previous year
Years 4-10	Increased % satisfaction compared with previous year
<b>Council's intended Level of Service is to:</b>	<b>Identify and promote opportunities for economic growth in the District</b>
<b>Performance measure</b>	<b>Rangitikei District's GDP growth compared to the average of similar* district** economies</b> <b>* similar by geography, population, and business sectors</b> <b>** those being similar are Ruapehu, Tararua, Manawatu, and Otorohanga</b>
How we will measure	Infometrics and Statistics New Zealand Data 2016/17 (March – March) results: Ruapehu            1.86% Manawatu           1.80% Tararua             1.00% Otorohanga        -1.05% Mean (μ)            1.4% Rangitikei: 2.2%, therefore 0.8% greater than mean (New Zealand       2.5%)
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
<b>Performance measure (new)</b>	<b>#Rangitikei District's earnings data (salaries, wages, self-employed income) growth compared to the average of similar* districts**</b> <b>* similar by geography, population, and business sectors</b> <b>** those being similar are Ruapehu, Tararua, Manawatu, and Otorohanga</b>
How we will measure	Infometrics and Statistics New Zealand - Linked Employer-Employee Data (LEED) 2016/17 (March – March) results: Ruapehu            2.5% Manawatu           3.5% Tararua             3.5% Otorohanga        1.8% Mean (μ)            2.83% Rangitikei: 4.8%, therefore 1.97% > than mean (New Zealand       3.1%)

LEVEL OF SERVICE	MEASUREMENTS AND TARGETS
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
<b>Performance measure (new)</b>	<b>#The number of visits and unique visits to Rangitikei.com</b>
How we will measure	2016/17 results: <ul style="list-style-type: none"> <li>• Visits to Rangitikei.com - 83,831</li> <li>• Unique visits to Rangitikei.com - 25,401</li> </ul>
Year 1	An increase in the number of visits and unique visits to Rangitikei.com compared to the benchmark
Year 2	An increase in the number of visits and unique visits to Rangitikei.com compared to the previous year
Year 3	An increase in the number of visits and unique visits to Rangitikei.com compared to the previous year
Years 4-10	An increase in the number of visits and unique visits to Rangitikei.com compared to the previous year
<b>Performance measure</b>	<b>A greater proportion of young people living in the district are attending local schools</b>
How we will measure	Ministry of Education Data 2016/17 results: <ul style="list-style-type: none"> <li>• School Enrolments – Years 9 – 13 = 653</li> <li>• Total number of High School Youth = 1054</li> </ul>
Year 1	An increased in the number of enrolments compared with the benchmark
Year 2	An increased in the number of enrolments compared with the previous year
Year 3	An increased in the number of enrolments compared with the previous year
Years 4-10	An increased in the number of enrolments compared with the previous year
<b>Council's intended Level of Service is to:</b>	<b>#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</b>
<b>Performance measure</b>	<b>Partners' view of how useful Council's activity in youth space facilitation and advocacy has been</b>
How we will measure	Satisfaction ratings from social service partners, government agencies, and education providers in the provision of a fit for purpose youth space

LEVEL OF SERVICE	MEASUREMENTS AND TARGETS
Year 1	Very satisfied – 70%
Year 2	Very satisfied – 70%
Year 3	Very satisfied – 70%
Years 4-10	Very satisfied – 70%
<b>Council's intended Level of Service is to:</b>	<b>#Ensure competency in discharging Civil Defence responsibilities</b>
<b>Performance measure</b>	<b>Timing of self-assessment when the Emergency Operations Centre is activated and of continued civil defence training exercises</b>
How we will measure	Self-assessment of responsiveness and recovery following activation of the Emergency Operations Centre Number of civil defence exercises undertaken
Year 1	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
Year 2	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
Year 3	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
Years 4-10	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

# **SECTION 5:** **Financial Statement and Policies**

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# 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.<sup>38</sup> 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:

<sup>38</sup>The only Community Services rate (a rate levied on a particular community) remaining funds the two Community Boards (in Taihape and Ratana).

- 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:

- **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<sup>39</sup>), 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.<sup>40</sup> 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.<sup>41</sup> 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.

<sup>39</sup> Section 22(2), Local Government (Rating) Act 2002 requires this.

<sup>40</sup> 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.

<sup>41</sup> 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 20112.

- **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.

- **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 Roothing 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.

<sup>42</sup> From 2013/14

<sup>43</sup> From 2013/14

- **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<sup>42</sup>, 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<sup>43</sup>. 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**

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.

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.

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).

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.

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.

- **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
<b>Community Leadership</b>						
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
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
<b>Roading and Footpaths</b>						
Roading (i.e. Pavements, Bridges, Traffic services, Stormwater drainage and Vegetation management)	50:50 to 40:60 <sup>44</sup>	Targeted rate (District-wide) based on capital value, except Defence land where rate is based on land 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. Roothing 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 except Defence land where rate is based on land value.	Fines and infringement fees	These activities contribute to safer and more attractive towns. The whole community benefits from this.		Not envisaged

<sup>44</sup>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
<b>Water Supply</b>						
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 (i) each separately used or inhabited part of every residential rating unit which is connected and (ii) every non-residential rating unit which is connected, except Hunterville (metered supply) 5-15% of cost recovered from extraordinary users <sup>45</sup> and bulk supplies	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 facilities and businesses dependent on potable water and who have access to such supplies during shortages or emergencies and affordability.	To be determined by Council on a case-by-case basis, following consultation with affected communities	Not envisaged
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 land value (set in consultation with each scheme and recovered as rates)			Not envisaged

<sup>45</sup> 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
<b>Sewerage and the Treatment and Disposal of Sewage</b>						
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. <sup>46</sup> 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 or as separately agreed)	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
<b>Stormwater Drainage</b>						
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 separately used or inhabited parts of every rating unit in Marton, Bulls, Taihape, Mangaweka, Ratana, Hunterville (as identified on rating maps available to view on Council's website)	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

<sup>46</sup>This is modified by Council's current policy on remission of rates on multiple toilet pans. This provides that where the Council has set a rate per number of water closet and urinals (toilet pans) within the rating unit or part of the rating unit the Council will remit the rate according to the following formula:

- The first two pans will receive only one charge
- 3-10 toilet pans: 50% of the value of the Fixed Annual Charge for each pan
- 11+ toilet pans: 75% of the value of the Uniform Annual Charge for each pan.

ACTIVITY	FUNDING SPLIT PUBLIC: PRIVATE	PUBLIC MECHANISM	PRIVATE MECHANISM	RATIONALE FOR FUNDING MECHANISMS	VARIATION FOR NEW CAPITAL EXPENDITURE	VARIATION PROJECTED AFTER 2020/21
<b>Community and Leisure Assets</b>						
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	100:0 to 90:0					
Includes litter bins						
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
<b>Rubbish and Recycling</b>						
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
<b>Environmental and Regulatory services</b>						
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)	40:60 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
District Plan	100:0	General rate		Benefits potentially across the whole District primarily related to property.	Not applicable	Not envisaged
<b>Community Well-being</b>						
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

# Prospective Statement of Comprehensive Revenue and Expenses

For the years ending 30 June 2019 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
<b>Revenue</b>		<b>4.23%</b>	<b>5.90%</b>	<b>5.31%</b>	<b>5.64%</b>	<b>4.63%</b>	<b>3.36%</b>	<b>3.94%</b>	<b>3.18%</b>	<b>3.07%</b>	<b>2.25%</b>
Rates	20,796	21,676	22,955	24,175	25,539	26,721	27,620	28,709	29,621	30,529	31,217
Subsidies and grants	10,558	9,341	11,303	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
<b>Total operating revenue</b>	<b>34,308</b>	<b>33,627</b>	<b>36,923</b>	<b>34,551</b>	<b>36,398</b>	<b>37,836</b>	<b>39,000</b>	<b>40,281</b>	<b>41,489</b>	<b>42,711</b>	<b>43,747</b>
<b>Expenditure</b>											
Depreciation and amortisation expense	10,488	10,677	10,842	11,457	11,554	11,680	12,270	12,314	12,397	13,019	13,044
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	490	818	1,137	1,614	1,855	2,290	2,793	2,883	3,248
Other expenses	16,978	17,524	18,789	19,119	19,549	20,120	20,508	20,896	21,519	21,986	22,587
<b>Total operating expenditure</b>	<b>31,157</b>	<b>32,039</b>	<b>34,013</b>	<b>35,352</b>	<b>36,269</b>	<b>37,515</b>	<b>38,812</b>	<b>39,759</b>	<b>41,053</b>	<b>42,319</b>	<b>43,403</b>
<b>Operating surplus (deficit) before tax</b>	<b>3,151</b>	<b>1,588</b>	<b>2,910</b>	<b>(801)</b>	<b>129</b>	<b>321</b>	<b>188</b>	<b>522</b>	<b>436</b>	<b>392</b>	<b>344</b>
Income Tax Expense	-	-	-	-	-	-	-	-	-	-	-
<b>Operating surplus (deficit) after tax</b>	<b>3,151</b>	<b>1,588</b>	<b>2,910</b>	<b>(801)</b>	<b>129</b>	<b>321</b>	<b>188</b>	<b>522</b>	<b>436</b>	<b>392</b>	<b>344</b>
<b>Other comprehensive revenue and expense</b>											
<i>Items that could be reclassified to surplus(deficit)</i>											
Gain on revaluation of property, plant and equipment	-	-	26,356	-	-	27,457	-	-	34,647	-	-
<b>Total other comprehensive revenue and expense</b>	<b>-</b>	<b>-</b>	<b>26,356</b>	<b>-</b>	<b>-</b>	<b>27,457</b>	<b>-</b>	<b>-</b>	<b>34,647</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive revenue and expense</b>	<b>3,151</b>	<b>1,588</b>	<b>29,266</b>	<b>(801)</b>	<b>129</b>	<b>27,778</b>	<b>188</b>	<b>522</b>	<b>35,083</b>	<b>392</b>	<b>344</b>
* Rates revenue includes water by volume of	1,456	1,266	1,298	1,328	1,360	1,393	1,427	1,464	1,503	1,543	1,586



# Prospective Statement of Changes in Net Assets/Equity

For the years ending 30 June 2019 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
Equity balance at 1 July	490,108	500,341	501,929	531,195	530,394	530,524	558,301	558,489	559,011	594,095	594,486
Comprehensive income for year	3,151	1,588	29,266	(801)	129	27,778	188	522	35,083	392	344
<b>Equity Balance 30 June</b>	<b>493,259</b>	<b>501,929</b>	<b>531,195</b>	<b>530,394</b>	<b>530,523</b>	<b>558,302</b>	<b>558,489</b>	<b>559,011</b>	<b>594,094</b>	<b>594,487</b>	<b>594,830</b>
<b>Components of Equity</b>											
Retained Earnings at 1 July	439,662	449,029	445,916	448,826	448,025	448,154	448,474	448,662	449,184	449,621	450,012
Net Surplus/(Deficit)	3,151	1,588	2,910	(801)	129	321	188	522	436	392	344
<b>Retained earnings 30 June</b>	<b>442,859</b>	<b>445,915</b>	<b>448,826</b>	<b>448,025</b>	<b>448,154</b>	<b>448,475</b>	<b>448,662</b>	<b>449,184</b>	<b>449,620</b>	<b>450,013</b>	<b>450,356</b>
Asset Revaluation Reserves at 1 July	45,731	46,643	46,642	72,998	72,998	72,999	100,456	100,456	100,456	135,103	135,103
Revaluation Gains	-	-	26,356	-	-	27,457	-	-	34,647	-	-
<b>Revaluation Reserves 30 June</b>	<b>45,731</b>	<b>46,643</b>	<b>72,998</b>	<b>72,998</b>	<b>72,998</b>	<b>100,456</b>	<b>100,456</b>	<b>100,456</b>	<b>135,103</b>	<b>135,103</b>	<b>135,103</b>
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	-	-	-	-	-	-	-	-	-
<b>Council created Reserves 30 June</b>	<b>4,669</b>	<b>9,371</b>	<b>9,371</b>	<b>9,371</b>	<b>9,371</b>	<b>9,371</b>	<b>9,371</b>	<b>9,371</b>	<b>9,371</b>	<b>9,371</b>	<b>9,371</b>
Trust Funds at 1 July	-	-	-	-	-	-	-	-	-	-	-
Transfers to / (from) reserves	-	-	-	-	-	-	-	-	-	-	-
<b>Council created Reserves 30 June</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Equity at 30 June</b>	<b>493,259</b>	<b>501,929</b>	<b>531,195</b>	<b>530,394</b>	<b>530,523</b>	<b>558,302</b>	<b>558,489</b>	<b>559,011</b>	<b>594,094</b>	<b>594,487</b>	<b>594,830</b>

# Prospective Statement of Financial Position

As at 30 June 2019 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
<b>ASSETS</b>											
<b>Current Assets</b>											
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	3,135	3,204	3,275	3,350	3,427	3,509	3,597	3,691	3,790
Prepayments	115	65	65	65	65	65	65	65	65	65	65
<b>Total Current Assets</b>	<b>7,477</b>	<b>7,636</b>	<b>7,703</b>	<b>7,772</b>	<b>7,843</b>	<b>7,918</b>	<b>7,995</b>	<b>8,077</b>	<b>8,165</b>	<b>8,259</b>	<b>8,358</b>
<b>Non-Current Assets</b>											
Plant, property and equipment	503,906	510,306	546,620	552,093	561,424	591,939	598,847	605,102	641,729	643,189	643,389
Intangible assets	38	80	80	80	80	80	80	80	80	80	80
Forestry assets	304	194	92	92	92	92	92	92	92	92	92
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
<b>Total Non-Current Assets</b>	<b>506,868</b>	<b>510,650</b>	<b>546,862</b>	<b>552,335</b>	<b>561,666</b>	<b>592,181</b>	<b>599,089</b>	<b>605,344</b>	<b>641,971</b>	<b>643,431</b>	<b>643,631</b>
<b>TOTAL ASSETS</b>	<b>514,345</b>	<b>518,286</b>	<b>554,565</b>	<b>560,107</b>	<b>569,509</b>	<b>600,099</b>	<b>607,084</b>	<b>613,421</b>	<b>650,136</b>	<b>651,690</b>	<b>651,989</b>
<b>LIABILITIES</b>											
<b>Current Liabilities</b>											
Creditors and other Payables	5,786	4,779	4,846	4,915	4,986	5,060	5,137	5,221	5,309	5,402	5,501
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
Other Financial Liabilities	-	379	379	379	379	379	379	379	379	379	379
<b>Total Current Liabilities</b>	<b>8,319</b>	<b>5,688</b>	<b>5,755</b>	<b>5,824</b>	<b>5,895</b>	<b>5,969</b>	<b>6,046</b>	<b>6,130</b>	<b>6,218</b>	<b>6,311</b>	<b>6,410</b>
<b>Non-Current Liabilities</b>											
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	10,359	17,304	23,578	32,780	35,517	42,238	47,971	49,514	50,581	50,438
<b>Total Non-Current Liabilities</b>	<b>12,767</b>	<b>10,669</b>	<b>17,614</b>	<b>23,888</b>	<b>33,090</b>	<b>35,827</b>	<b>42,548</b>	<b>48,281</b>	<b>49,824</b>	<b>50,891</b>	<b>50,748</b>
<b>TOTAL LIABILITIES</b>	<b>21,086</b>	<b>16,357</b>	<b>23,369</b>	<b>29,712</b>	<b>38,985</b>	<b>41,796</b>	<b>48,594</b>	<b>54,411</b>	<b>56,042</b>	<b>57,202</b>	<b>57,158</b>
	493,259	501,929	531,196	530,395	530,524	558,303	558,490	559,010	594,094	594,488	594,831
<b>EQUITY</b>											
Retained Earnings	442,859	445,915	448,826	448,025	448,154	448,475	448,662	449,184	449,620	450,013	450,356
Asset Revaluation Reserves	45,731	46,643	72,998	72,998	72,998	100,456	100,456	100,456	135,103	135,103	135,103
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	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL EQUITY</b>	<b>493,259</b>	<b>501,929</b>	<b>531,195</b>	<b>530,394</b>	<b>530,523</b>	<b>558,302</b>	<b>558,489</b>	<b>559,011</b>	<b>594,094</b>	<b>594,487</b>	<b>594,830</b>

# Prospective Statement of Cash Flows

For the years ending 30 June 2019 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
<b>Cash flows from operating activities</b>											
Receipts from rates revenue	20,796	21,676	22,887	24,106	25,468	26,646	27,543	28,627	29,533	30,435	31,117
Receipts from other revenue	13,162	11,730	13,743	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)	(21,352)	(22,612)	(23,008)	(23,508)	(24,145)	(24,609)	(25,073)	(25,775)	(26,325)	(27,011)
Interest paid	(280)	(8)	(490)	(818)	(1,137)	(1,614)	(1,855)	(2,290)	(2,793)	(2,883)	(3,248)
<b>Net Cashflow from Operating Activity</b>	<b>13,596</b>	<b>12,266</b>	<b>13,753</b>	<b>10,656</b>	<b>11,682</b>	<b>12,002</b>	<b>12,458</b>	<b>12,836</b>	<b>12,833</b>	<b>13,410</b>	<b>13,388</b>
<b>Cash flow from investing activities</b>											
Receipts from sale of property, plant and equipment	-	50	102	-	-	-	-	-	-	-	-
Receipts from sale of investments	1,065	714	689	233	90	266	216	233	90	311	169
Acquisition of investments	-	-	-	-	-	-	-	-	-	-	-
Purchases of property, plant and equipment	(28,593)	(28,245)	(21,489)	(17,163)	(20,975)	(15,004)	(19,394)	(18,802)	(14,466)	(14,790)	(13,413)
	-	-	-	-	-	-	-	-	-	-	-
<b>Net Cashflow from Investing Activity</b>	<b>(27,528)</b>	<b>(27,481)</b>	<b>(20,698)</b>	<b>(16,930)</b>	<b>(20,885)</b>	<b>(14,738)</b>	<b>(19,178)</b>	<b>(18,569)</b>	<b>(14,376)</b>	<b>(14,479)</b>	<b>(13,244)</b>
<b>Cash flow from financing activities</b>											
Proceeds from borrowings	13,389	10,215	6,945	6,274	9,203	2,737	6,720	5,733	1,543	1,067	-
Repayment of borrowings	(1,155)	-	-	-	-	-	-	-	-	-	(143)
<b>Net Cashflow from Financing Activity</b>	<b>12,234</b>	<b>10,215</b>	<b>6,945</b>	<b>6,274</b>	<b>9,203</b>	<b>2,737</b>	<b>6,720</b>	<b>5,733</b>	<b>1,543</b>	<b>1,067</b>	<b>(143)</b>
Net Increase (Decrease) in Cash Held	(1,698)	(5,000)	-	-	-	1	-	-	-	(2)	1
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
<b>Closing Cash Balance</b>	<b>3,642</b>	<b>4,503</b>	<b>4,503</b>	<b>4,503</b>	<b>4,503</b>	<b>4,504</b>	<b>4,503</b>	<b>4,503</b>	<b>4,503</b>	<b>4,501</b>	<b>4,504</b>
Closing Balance made up of 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

# Notes – Reserves

		Balance 2018 (\$000)	Deposits (\$000)	With-drawals (\$000)	Balance 2019 (\$000)
<b>Special and restricted reserves (* denotes restricted reserves)</b>					
<b>Name of reserve and (activity)</b>	<b>Purpose</b>				
Aquatic (Swimming pools)	Replacement of swimming pools	300	75	0	375
Bulls courthouse* (Property)	Maintenance of courthouse building	52	2		54
Flood damage (Roading)	Road maintenance due to flooding	728	218		946
General purpose	Capital works	2,402	0		2,402
Haylock park* (Parks)	Additional reserve area at park	27	1		28
Hunterville rural water (Water)	Future loop line	190	10		200
Keep Taihape beautiful* (Property)	Enhancement of Taihape	20	0		20
Marton land subdivision* (Parks)	Improvements to recreational land	407	22		429
Marton marae* (Property)	Marton Marae project	4	0		4
McIntyre recreation* (Parks)	Maintenance or upgrades of park	19	1		20
Putorino rural water (Water)	Maintenance of scheme dam	20	1		21
Ratana sewer (Sewerage)	Capital works	24	1		25
Revoked reserve land (Parks)	"Offset costs of other revoked land and buildings"	238	0		238
Rural housing loan (Property)	No longer required	150	0		150
Rural land subdivision* (Parks)	Improvements to reserves land	181	11		192
Santoft domain* (Parks)	Maintenance or upgrades of park	87	5	0	92
<b>Total special and restricted reserves</b>		<b>4849</b>	<b>347</b>	<b>0</b>	<b>5196</b>

		Balance 2017 (\$000)	Revaluations (\$000)	Balance 2018 (\$000)
<b>Asset revaluation reserves</b>				
Land		2,709	1,754	4,463
Buildings		5,469	3,202	8,671
Sewerage systems		6,640	1,448	8,088
Water supplies		9,476	7,189	16,665
Stormwater network		7,003	1,482	8,485
Roading network		0	0	0
		<b>31,297</b>	<b>15,075</b>	<b>46,372</b>
Fair value through equity		273	-4	269
<b>Total asset revaluation reserves</b>		<b>31,570</b>	<b>15,071</b>	<b>46,641</b>

# Reconciliation of Funding Impact Statement to Comprehensive Revenue and Expenses

For the years ending 30 June 2019 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
<b>Income</b>											
Prospective Statement of Comprehensive Income	34,308	33,627	36,923	34,551	36,398	37,836	39,000	40,281	41,489	42,711	43,747
<b>Summary Funding Impact Statement</b>											
Total Operating Funding	27,378	27,864	29,276	30,636	32,144	33,480	34,539	35,798	36,889	37,988	38,879
Add Sources of Capital Funding											
Sources of capital funding	6,930	5,763	7,646	3,915	4,254	4,356	4,461	4,484	4,600	4,723	4,866
<b>Total Revenue</b>	<b>34,308</b>	<b>33,627</b>	<b>36,922</b>	<b>34,551</b>	<b>36,398</b>	<b>37,836</b>	<b>39,000</b>	<b>40,282</b>	<b>41,489</b>	<b>42,711</b>	<b>43,745</b>
<b>Expenditure</b>											
Prospective Statement of Comprehensive Income											
Operating Expenditure	31,157	32,039	34,013	35,352	36,269	37,515	38,812	39,759	41,053	42,319	43,403
<b>Summary Funding Impact Statement</b>											
Total applications of operating funding	20,670	21,366	23,168	23,895	24,713	25,835	26,545	27,446	28,652	29,301	30,360
Add Provision Aftercare	(1)	(4)	3	(1)	2	-	(3)	(1)	4	-	-
Add Depreciation and Amortisation Expense	10,488	10,677	10,842	11,457	11,554	11,680	12,270	12,314	12,397	13,019	13,044
<b>Total Expenditure</b>	<b>31,157</b>	<b>32,039</b>	<b>34,013</b>	<b>35,351</b>	<b>36,269</b>	<b>37,515</b>	<b>38,812</b>	<b>39,759</b>	<b>41,053</b>	<b>42,320</b>	<b>43,404</b>

# Rangitikei District Council: Funding Impact Statement for years ending 30 June 2019 to 2028 – *Whole of Council*

	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
<b>Sources of Operating Funding</b>		<b>1.78%</b>	<b>5.90%</b>	<b>5.32%</b>	<b>5.64%</b>	<b>4.63%</b>	<b>3.36%</b>	<b>3.94%</b>	<b>3.18%</b>	<b>3.07%</b>	<b>2.25%</b>
General rates, uniform annual general charge, rates penalties	6,495	7,006	6,549	6,987	7,633	8,789	8,815	8,726	9,196	9,418	9,393
Targeted rates	14,801	14,670	16,405	17,188	17,906	17,932	18,805	19,983	20,425	21,111	21,823
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, and other receipts	121	467	477	488	499	510	522	535	548	563	578
<b>Total Operating Funding (A)</b>	<b>27,378</b>	<b>27,864</b>	<b>29,276</b>	<b>30,636</b>	<b>32,144</b>	<b>33,480</b>	<b>34,539</b>	<b>35,798</b>	<b>36,889</b>	<b>37,988</b>	<b>38,879</b>
<b>Applications of Operating Funding</b>											
Payments to staff and suppliers	20,414	21,352	22,678	23,077	23,578	24,222	24,686	25,154	25,864	26,419	27,112
Finance costs	280	8	490	818	1,137	1,614	1,855	2,290	2,793	2,883	3,248
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>20,694</b>	<b>21,360</b>	<b>23,168</b>	<b>23,895</b>	<b>24,715</b>	<b>25,836</b>	<b>26,541</b>	<b>27,444</b>	<b>28,657</b>	<b>29,302</b>	<b>30,360</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>6,684</b>	<b>6,504</b>	<b>6,108</b>	<b>6,741</b>	<b>7,429</b>	<b>7,644</b>	<b>7,998</b>	<b>8,354</b>	<b>8,232</b>	<b>8,686</b>	<b>8,519</b>
<b>Sources of capital funding</b>											
Subsidies and grants for capital expenditure	6,929	5,762	7,646	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	10,215	6,945	6,274	9,203	2,737	6,720	5,733	1,543	1,067	(143)
Gross proceeds from sale of assets	1,065	714	689	233	90	266	216	233	90	311	169
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>20,212</b>	<b>16,691</b>	<b>15,280</b>	<b>10,422</b>	<b>13,547</b>	<b>7,359</b>	<b>11,396</b>	<b>10,449</b>	<b>6,233</b>	<b>6,102</b>	<b>4,893</b>
<b>Applications of capital funding</b>											
<b>Capital expenditure</b>											
- to meet additional demand	-	3,842	2,948	4,046	8,772	-	1,445	2,843	-	-	-
- to improve the level of service	13,733	2,081	1,441	1,771	1,449	1,483	1,643	3,189	1,491	1,531	1,511
- to replace existing assets	14,861	22,322	17,100	11,346	10,754	13,521	16,306	12,771	12,974	13,258	11,902
Increase (decrease) in reserves	(1,698)	-	-	-	-	-	-	-	-	-	-
Increase (decrease) of investments	-	(5,050)	(102)	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>26,896</b>	<b>23,195</b>	<b>21,387</b>	<b>17,163</b>	<b>20,975</b>	<b>15,004</b>	<b>19,394</b>	<b>18,803</b>	<b>14,465</b>	<b>14,789</b>	<b>13,413</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(6,684)</b>	<b>(6,504)</b>	<b>(6,107)</b>	<b>(6,741)</b>	<b>(7,428)</b>	<b>(7,645)</b>	<b>(7,998)</b>	<b>(8,354)</b>	<b>(8,232)</b>	<b>(8,687)</b>	<b>(8,520)</b>
<b>Funding Balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>(1)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1)</b>	<b>(1)</b>



# Rate Types For the year ending 30 June 2019

SOURCE OF FUNDING	CATEGORIES OF LAND	CALCULATION BASE	RATE OR CHARGE (INC GST)	FUNDING REQUIRED (INC GST)
<b>NOTE: SUIP = separately used or inhabited part of a rating unit</b>				
<b>General Rate</b> (funds activities listed on next pages)	All rating units (excluding Defence lands)	Capital value	\$0.000814	\$3,442,221
	Defence land	Land value	\$0.001242	\$6,385
<b>Uniform Annual General Charge</b> (funds activities listed on next pages)	All rating units	Fixed amount per SUIP	\$578.62	\$4,378,447
<b>Targeted Rates</b>				
<b>Community Services</b> (funds Taihape and Ratana Community Boards)	All rating units in Taihape Community Board area	Fixed amount per rating unit	\$36.12	\$60,610
	All rating units in Ratana Community Board area	Fixed amount per rating unit	\$188.58	\$20,367
<b>Solid Waste Disposal</b> (funds Rubbish and Recycling)	All rating units	Fixed amount per SUIP	\$93.83	\$710,001
<b>Roading</b> (funds Roothing and Footpaths)	All rating units (excluding Defence lands)	Capital value	\$0.001767	\$7,470,107
	Defence	Land value	\$0.002696	\$13,857
<b>Wastewater public good</b> (funds Sewerage)	All rating units	Fixed amount per SUIP	\$85.08	\$643,907
<b>Wastewater connected</b> (funds Sewerage)	Rating units connected to wastewater schemes within the District	Fixed amount per number of water closets and urinals in the rating unit	\$431.04	\$1,931,721
<b>Water public good</b> (funds Water)	All rating units	Fixed amount per SUIP	\$125.74	\$951,608
<b>Water connected</b> (funds Water)	Rating units connected to Marton, Bulls, Taihape, Mangaweka, Ratana schemes: Residential	Fixed amount per SUIP	\$639.81	\$2,479,896
<b>Water connected</b> (funds Water)	Rating units connected to Marton, Bulls, Taihape, Mangaweka, Ratana schemes: Non-Residential	Fixed amount per rating unit	\$639.81	\$374,929
<b>Water by volume</b> (funds Water)	Marton, Bulls, Taihape, Mangaweka, Ratana schemes	Fixed amount per cu metre in excess of 250m <sup>3</sup> per annum	\$1.99	\$401,951
	Bulls Riverlands	Fixed amount per cu metre in excess of 250m <sup>3</sup> per annum	\$1.39	\$210,793
<b>Hunternville urban</b> (funds water)	Connecting rating units	Fixed amount per cu metre	\$3.58	\$103,581
<b>Hunternville rural</b> (funds water)	Connecting rating units	Fixed amount per unit or part unit***	\$316.25	\$557,359

SOURCE OF FUNDING	CATEGORIES OF LAND	CALCULATION BASE	RATE OR CHARGE (INC GST)	FUNDING REQUIRED (INC GST)
<b>Erewhon rural</b> (funds water)	Connecting rating units	Fixed amount per unit or part unit***	\$121.05	\$231,047
<b>Omatane rural</b> (funds water)	Connecting rating units	Fixed amount per unit or part unit***	\$70.08	\$6,673
<b>Putorino rural</b> (funds water)	Connecting rating units	Land value	\$0.000764	\$7,165
<b>Stormwater public good</b> (funds Stormwater)	All rating units	Fixed amount per SUIP	\$24.08	\$182,189
<b>Stormwater urban</b> (funds Stormwater)	Marton, Bulls, Taihape, Mangaweka, Ratana, Hunterville (as identified on rating maps available on Council's website)	Fixed amount per rating unit	\$131.93	\$546,568
<b>Total Rates Required</b> <b>***Fixed amount per unit or part unit: A unit of water is equivalent to 365m<sup>3</sup></b>	<b>(inclusive of GST)</b>			<b>24,731,380</b>

<b>Reconciliation</b>	Total Rates per Comprehensive Income	21,676,216
	Less Penalties	200,000
		<b>21,476,216</b>
	Plus GST	3,221,432
		<b>24,697,648</b>

### Separately Used or Inhabited Part (SUIP)

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

### Residential Rating Units

Any rating unit primarily used for residential purposes and those parts of a rating unit that are used as residences. It includes all non-rateable properties that are liable for water, wastewater and refuse collection charges under section 9 of the Local Government (Rating) Act 2002 which, if rateable, would be primarily used for residential purposes or have parts of a rating unit that are used as residences.

### Non-Residential Rating Units

Any rating unit that is not included in the residential category. It includes all non-rateable properties that are liable for water, wastewater and refuse collection charges under section 9 of the Local Government (Rating) Act 2002 which, if rateable, would not be included in the residential differential.

## Lump Sum Rates

The Council does not accept lump sum contributions in respect of any targeted rate.

## Unit of water in the rural water schemes

A unit of water is equivalent to 365m<sup>3</sup> annually.

## Allocation of UAGC to Activities

### For the year ending 30 June 2019

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

<b>Community Leadership</b>	<b>\$2.39</b>
<b>Community &amp; Leisure Assets</b>	
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
<b>Environmental and Regulatory</b>	<b>\$51.78</b>
<b>Public Refuse Collection - Litter</b>	<b>\$19.86</b>
<b>Total</b>	<b>\$578.62</b>
<b>Reconciliation – As per Rate Type</b>	<b>\$578.62</b>

## Allocation of General Rate to Activities

### For the year ending 30 June 2019

The table below shows how the general rate is apportioned to activities per \$100,000 of capital value and after adjustments for Treasury proceeds.

<b>Community Leadership</b>	<b>\$23.78</b>
<b>Community Wellbeing</b>	
Civil Defence	\$5.53
Community Awards	\$0.07
District Promotions	\$13.91
Information Centres	\$6.89
Rural Fire	\$1.49
<b>Community &amp; Leisure Assets</b>	
Cemeteries	\$0.46
Community Housing	\$0.41
Domains	\$5.02
Forestry	\$0.07
Halls	\$0.91
Public Toilets	\$0.56
Real Estate	\$0.28
Swim Centres	\$3.66
<b>Environmental and Regulatory</b>	
Building	\$7.54
District Planning	\$3.52
Health	\$2.49
Resource Consent	\$2.13
<b>Roading &amp; Footpath</b>	<b>\$2.70</b>
<b>Total</b>	<b>\$81.40</b>
<b>Reconciliation – As per Rate Type</b>	<b>\$81.40</b>

# Examples of Impacts of Rating Proposals

## All Rates GST Inclusive

					YEAR 1				YEAR 2			
		Old Capital Value	New Capital Value	Change Valuation	Rates 'Comparative AP	Rates 'Forecast	Dollar Change Total	% Change Total	Rates 'Comparative Year 1	Rates 'Forecast	Dollar Change Total	% Change Total
<b>Koitiata</b>												
Wainui St	Koitiata	205,000	230,000	25,000	1,552	1,501	(51)	(3.28%)	1,501	1,698	197	13.10%
Omana St	Koitiata	130,000	160,000	30,000	1,348	1,320	(28)	(2.05%)	1,320	1,530	209	15.86%
Wainui St	Koitiata	132,000	165,000	33,000	1,353	1,333	(20)	(1.49%)	1,333	1,542	208	15.64%
Omana St	Koitiata	100,000	125,000	25,000	1,266	1,230	(36)	(2.87%)	1,230	1,446	216	17.54%
<b>Taihape Commercial</b>												
Hautapu St New Super Market	Taihape	2,000,000	2,370,000	370,000	8,352	9,124	772	9.25%	9,124	9,208	83	0.91%
Hautapu St	Taihape	500,000	410,000	-90,000	3,891	3,635	(256)	(6.58%)	3,635	4,006	371	10.20%
Hautapu St	Taihape	220,000	175,000	-45,000	3,130	3,029	(101)	(3.23%)	3,029	3,442	413	13.65%
Hautapu St	Taihape	265,000	215,000	-50,000	2,870	2,701	(169)	(5.87%)	2,701	3,040	339	12.55%
Hautapu St	Taihape	180,000	146,000	-34,000	2,639	2,523	(116)	(4.38%)	2,523	2,874	351	13.93%
Tui St	Taihape	139,000	112,000	-27,000								
Kuku St	Taihape	117,000	104,000	-13,000	2,467	2,415	(53)	(2.14%)	2,415	2,774	359	14.87%
Huia St	Taihape	360,000	325,000	-35,000	3,128	2,985	(143)	(4.57%)	2,985	3,304	319	10.69%
<b>Taihape Non Commercial</b>												
Pukeko St	Taihape	265,000	330,000	65,000	2,870	2,998	128	4.47%	2,998	3,316	318	10.61%
Pukeko St	Taihape	180,000	225,000	45,000	2,639	2,727	88	3.35%	2,727	3,064	337	12.36%
Huia St	Taihape	155,000	190,000	35,000	4,578	4,615	36	0.80%	4,615	5,231	616	13.35%
Paradise Tce	Taihape	103,000	128,000	25,000	2,429	2,477	47	1.95%	2,477	2,831	355	14.32%
Swan St	Taihape	112,000	139,000	27,000	2,454	2,505	51	2.09%	2,505	2,858	353	14.08%
Titi St	Taihape	265,000	350,000	85,000	2,870	3,049	180	6.27%	3,049	3,364	314	10.31%
Kaka Rd	Taihape	39,000	48,000	9,000	2,255	2,270	15	0.66%	2,270	2,639	369	16.26%
Linnet	Taihape	40,000	50,000	10,000	2,258	2,275	17	0.77%	2,275	2,644	369	16.21%
<b>Hunterville Commercial</b>												
Milne Street	Hunterville	390,000	455,000	65,000	5,303	5,321	19	0.35%	5,321	5,984	662	12.45%
Bruce Street	Hunterville	335,000	265,000	-70,000	3,547	3,447	(100)	(2.81%)	3,447	3,919	472	13.69%
Bruce Street	Hunterville	245,000	285,000	40,000	2,154	2,206	52	2.41%	2,206	2,472	267	12.08%
Bruce Street	Hunterville	51,000	59,000	8,000	1,626	1,623	(4)	(0.24%)	1,623	1,930	307	18.95%
High Street	Hunterville	40,000	75,000	35,000								

					YEAR 1				YEAR 2			
		Old Capital Value	New Capital Value	Change Valuation	Rates 'Comparative AP	Rates 'Forecast	Dollar Change Total	% Change Total	Rates 'Comparative Year 1	Rates 'Forecast	Dollar Change Total	% Change Total
<b>Hunternville Non- Commercial</b>												
Feltham Street	Hunternville	270,000	370,000	100,000	2,222	2,425	203	9.15%	2,425	2,676	251	10.35%
Feltham Street	Hunternville	190,000	23,000									
Milne Street	Hunternville	114,000	137,000	23,000	1,798	1,824	26	1.46%	1,824	2,117	293	16.08%
Main Road	Hunternville	115,000	127,000	12,000	1,307	1,235	(72)	(5.51%)	1,235	1,450	215	17.43%
Milne Street	Hunternville	87,000	104,000	17,000	1,724	1,739	14	0.84%	1,739	2,038	299	17.21%
Kotukutuku St	Hunternville	58,000	70,000	12,000	1,152	1,088	(64)	(5.57%)	1,088	1,314	226	20.74%
<b>Marton Commercial</b>												
High St	Marton	225,000	180,000	-45,000	4,987	5,154	167	3.35%	5,154	5,860	706	13.70%
Broadway	Marton	280,000	200,000	-80,000	4,714	4,552	(162)	(3.44%)	4,552	5,112	560	12.30%
Broadway	Marton	175,000	121,000	-54,000	2,594	2,422	(172)	(6.61%)	2,422	2,778	355	14.66%
Wellington Rd	Marton	160,000	155,000	-5,000	2,553	2,510	(43)	(1.69%)	2,510	2,859	349	13.91%
Broadway	Marton	160,000	126,000	-34,000	3,375	3,291	(84)	(2.50%)	3,291	3,738	447	13.58%
Broadway	Marton	100,000	61,000	-39,000	2,581	2,483	(98)	(3.81%)	2,483	2,883	400	16.10%
<b>Marton Industrial</b>												
Russell St	Marton	680,000	810,000	130,000	4,350	4,631	282	6.48%	4,631	4,929	298	6.43%
Station Rd	Marton	1,200,000	1,450,000	250,000	7,007	7,792	784	11.19%	7,792	8,209	417	5.35%
Wellington Rd	Marton	420,000	455,000	35,000	3,260	3,284	24	0.75%	3,284	3,579	295	8.97%
<b>Marton Non- Commercial</b>												
Mcilwaine Pl	Marton	385,000	410,000	25,000	3,165	3,168	3	0.11%	3,168	3,471	303	9.56%
Mcilwaine Pl	Marton	445,000	455,000	10,000	3,328	3,284	(44)	(1.31%)	3,284	3,579	295	8.97%
Armagh Terrace	Marton	260,000	320,000	60,000	2,825	2,936	111	3.93%	2,936	3,255	319	10.87%
Calico Line	Marton	205,000	270,000	65,000	2,676	2,807	131	4.91%	2,807	3,135	328	11.69%
Grey St	Marton	175,000	235,000	60,000	2,594	2,717	123	4.73%	2,717	3,051	335	12.32%
Pukepapa Rd	Marton	123,000	175,000	52,000	2,070	2,131	61	2.94%	2,131	2,409	278	13.06%
Maunder St	Marton	133,000	235,000	102,000	2,480	2,717	237	9.55%	2,717	3,051	335	12.32%
Wellington Rd	Marton	123,000	175,000	52,000	2,453	2,562	109	4.45%	2,562	2,907	345	13.48%
Ross St	Marton	124,000	175,000	51,000	2,455	2,562	106	4.33%	2,562	2,907	345	13.48%
Oxford St	Marton	80,000	119,000	39,000	2,336	2,417	82	3.49%	2,417	2,773	356	14.71%
Barton St	Marton	80,000	119,000	39,000	2,336	2,417	82	3.49%	2,417	2,773	356	14.71%
Alexander St	Marton	65,000	100,000	35,000	2,295	2,368	73	3.19%	2,368	2,727	359	15.16%
Fergusson Street	Marton	52,000	86,000	34,000	2,260	2,332	72	3.21%	2,332	2,694	362	15.50%

					YEAR 1				YEAR 2			
		Old Capital Value	New Capital Value	Change Valuation	Rates 'Comparative AP	Rates 'Forecast	Dollar Change Total	% Change Total	Rates 'Comparative Year 1	Rates 'Forecast	Dollar Change Total	% Change Total
<b>Bulls Commercial</b>												
Bridge St	Bulls	1,000,000	1,100,000	100,000	5,028	5,164	136	2.71%	5,164	5,376	212	4.10%
High Street	Bulls	430,000	450,000	20,000	3,287	3,271	(16)	(0.48%)	3,271	3,567	296	9.04%
Bridge St	Bulls	280,000	280,000	0	4,504	4,380	(124)	(2.76%)	4,380	4,911	532	12.14%
Bridge St	Bulls	210,000	230,000	20,000	2,689	2,704	15	0.54%	2,704	3,039	335	12.41%
Bridge St	Bulls	155,000	180,000	25,000	2,540	2,575	35	1.38%	2,575	2,919	345	13.38%
<b>Bulls Non- Commercial</b>												
High Street	Bulls	590,000	875,000	285,000								
Gorton	Bulls	240,000	300,000	60,000	2,771	2,884	114	4.10%	2,884	3,207	323	11.19%
Mansell Cres	Bulls	200,000	250,000	50,000	2,662	2,755	93	3.51%	2,755	3,087	332	12.04%
Meads Pl	Bulls	147,000	180,000	33,000	2,518	2,575	57	2.26%	2,575	2,919	345	13.38%
Flower St	Bulls	143,000	175,000	32,000	2,507	2,562	55	2.18%	2,562	2,907	345	13.48%
Bridge St	Bulls	143,000	200,000	57,000	2,507	2,626	119	4.76%	2,626	2,967	341	12.98%
Watson St	Bulls	117,000	147,000	30,000	2,436	2,489	53	2.18%	2,489	2,840	351	14.08%
Hammond ST	Bulls	76,000	95,000	19,000	2,325	2,355	30	1.31%	2,355	2,715	360	15.28%
<b>Turakina</b>												
Simpson St	Turakina	131,000	144,000	13,000	1,351	1,279	(72)	(5.30%)	1,279	1,399	120	9.39%
Franklin St	Turakina	195,000	215,000	20,000	1,525	1,462	(62)	(4.09%)	1,462	1,569	107	7.33%
<b>Ratana</b>												
Taitokorau St	Ratana	136,000	165,000	29,000	2,646	2,725	79	2.98%	2,725	3,076	351	12.89%
Ratana Rd	Ratana	72,000	86,000	14,000	2,472	2,521	49	1.98%	2,521	2,886	365	14.50%
Waipounamu St	Ratana	63,000	76,000	13,000	2,447	2,495	48	1.94%	2,495	2,862	367	14.72%
Kiateri St	Ratana	52,000	62,000	10,000	2,417	2,459	41	1.71%	2,459	2,828	370	15.04%



					YEAR 1				YEAR 2			
					Rates 'Comparative AP	Rates 'Forecast	Dollar Change Total	% Change Total	Rates 'Comparative Year 1	Rates 'Forecast	Dollar Change Total	% Change Total
					Old Capital Value	New Capital Value	Change Valuation					
<b>Rural North</b>												
Farm Properties	Erehon	20,800,000	20,800,000	0	62,542	59,157	(3,386)	(5.41%)	59,157	56,269	(2,887)	(4.88%)
Farm Properties	Erehon	9,600,000	11,400,000	1,800,000	30,106	33,084	2,978	9.89%	33,084	31,606	(1,478)	(4.47%)
Farm Properties	Erehon	9,650,000	11,500,000	1,850,000	28,253	31,528	3,274	11.59%	31,528	29,739	(1,789)	(5.67%)
Farm Properties	Erehon	5,291,000	6,269,000	978,000	16,403	18,029	1,625	9.91%	18,029	17,187	(842)	(4.67%)
Farm Properties	Erehon	5,020,000	5,927,000	907,000	14,672	16,239	1,566	10.68%	16,239	15,313	(926)	(5.70%)
Farm Properties	Ruanui	3,050,000	3,570,000	520,000	10,311	11,064	752	7.29%	11,064	10,710	(353)	(3.19%)
Farm Properties	Awarua	1,800,000	2,125,000	325,000	6,913	7,335	421	6.09%	7,335	7,243	(92)	(1.25%)
Farm Properties	Te Kapua	1,220,000	1,435,000	215,000	4,342	4,647	305	7.01%	4,647	4,534	(113)	(2.43%)
Farm Properties	Erehon	690,000	5,650,000									
Rural Properties	Kiwitea	500,000	590,000	90,000	2,385	2,466	81	3.41%	2,466	2,506	40	1.63%
Rural Properties	Awarua	400,000	460,000	60,000	2,113	2,131	18	0.84%	2,131	2,194	64	2.99%
Rural Properties	Ruanui	265,000	265,000	0	1,746	1,627	(119)	(6.79%)	1,627	1,726	99	6.08%
Onslow Rd	Ohingaiti	235,000	260,000	25,000	1,664	1,614	(50)	(3.00%)	1,614	1,714	100	6.18%
Rural Properties	Awarua	215,000	235,000	20,000	1,610	1,550	(60)	(3.73%)	1,550	1,654	104	6.73%
Onslow Rd	Ohingaiti	62,000	68,000	6,000	1,194	1,119	(75)	(6.29%)	1,119	1,254	135	12.03%
SH3	Turakina	165,000	180,000	15,000	1,443	1,372	(71)	(4.93%)	1,372	1,485	114	8.28%
<b>Mangaweka</b>												
Kawakawa	Mangaweka	106,000	127,000	21,000	2,437	2,474	37	1.50%	2,474	2,829	355	14.34%
Mangawara.	Mangaweka	82,000	98,000	16,000	2,372	2,399	27	1.14%	2,399	2,759	360	15.01%
Main Rd	Mangaweka	57,000	68,000	11,000	2,304	2,322	18	0.76%	2,322	2,687	366	15.74%
Main Rd	Mangaweka	45,000	54,000	9,000	2,272	2,286	14	0.62%	2,286	2,654	368	16.10%

					YEAR 1				YEAR 2			
		Old Capital Value	New Capital Value	Change Valuation	Rates 'Comparative AP	Rates 'Forecast	Dollar Change Total	% Change Total	Rates 'Comparative Year 1	Rates 'Forecast	Dollar Change Total	% Change Total
<b>Rural South</b>												
Farm Properties	Rangitoto	15,850,000	19,500,000	3,650,000	49,055	55,766	6,711	13.68%	55,766	53,113	(2,653)	(4.76%)
Farm Properties	Rangatira	13,350,000	14,460,000	1,110,000	41,264	41,852	588	1.43%	41,852	39,965	(1,887)	(4.51%)
Farm Properties	Rangitoto	3,580,000	4,270,000	690,000	10,727	11,926	1,200	11.19%	11,926	11,300	(627)	(5.26%)
Farm Properties	Rangatira	3,800,000	11,410,000									
Farm Properties	Porewa	5,730,000	6,750,000	1,020,000	18,560	20,141	1,581	8.52%	20,141	19,358	(783)	(3.89%)
Farm Properties	Whangaehu	3,070,000	3,610,000	540,000	10,335	11,131	796	7.70%	11,131	10,769	(361)	(3.24%)
Farm Properties	Porewa	4,060,000	4,820,000	760,000	14,020	15,161	1,140	8.13%	15,161	14,726	(434)	(2.86%)
Farm Properties	Pukepapa	1,770,000	2,090,000	320,000	5,806	6,301	495	8.52%	6,301	6,069	(232)	(3.68%)
Farm Properties	Pukepapa	1,125,000	1,310,000	185,000	4,794	5,060	266	5.55%	5,060	5,040	(19)	(0.38%)
Farm Properties	Porewa	1,250,000	1,470,000	220,000	4,393	4,701	308	7.02%	4,701	4,581	(120)	(2.55%)
Farm Properties	Whangaehu	740,000	4,900,000									
Farm Properties	Pukepapa	760,000	895,000	135,000	3,061	3,217	156	5.11%	3,217	3,201	(16)	(0.49%)
Rural Properties	Porewa	600,000	660,000	60,000	2,626	2,611	(15)	(0.57%)	2,611	2,637	27	1.02%
Rural Properties	Pukepapa	375,000	415,000	40,000	2,644	2,618	(26)	(0.99%)	2,618	2,748	130	4.97%
Residential	Scotts Ferry	305,000	320,000	15,000	1,824	1,733	(90)	(4.96%)	1,733	1,914	180	10.41%
Residential	Scotts Ferry	155,000	165,000	10,000	1,416	1,333	(83)	(5.84%)	1,333	1,542	208	15.64%
Residential	Scotts Ferry	140,000	145,000	5,000	1,375	1,282	(93)	(6.80%)	1,282	1,494	212	16.55%
Residential	Scotts Ferry	130,000	135,000	5,000	1,348	1,256	(92)	(6.83%)	1,256	1,470	214	17.03%
Residential	Otakapu	131,000	144,000	13,000	1,351	1,279	(72)	(5.30%)	1,279	1,399	120	9.39%
Residential	Rangitoto	300,000	300,000	0	1,810	1,682	(128)	(7.10%)	1,682	1,773	92	5.46%
Residential	Rangitoto	55,000	61,000	6,000	1,144	1,065	(79)	(6.92%)	1,065	1,200	135	12.69%
<b>Rural Dairy/Pastoral</b>												
Rural Properties	Otairi	1,600,000	1,477,000									
Rural Properties	Whangaehu	1,230,000	1,554,000	324,000	3,344	4,010	666	19.93%	4,010	3,729	(281)	(7.01%)
Rural Properties	Rangatira	3,890,000	7,200,000	3,310,000	12,564	20,395	7,831	62.33%	20,395	19,384	(1,011)	(4.96%)
Rural Properties	Rangatira	9,000	10,500	1,500	24	27	3	10.75%	27	25	(2)	(7.01%)
Rural Properties	Rangatira	2,500,000										
Rural Properties	Porewa	4,110,000	4,830,000	720,000	13,162	14,279	1,117	8.49%	14,279	13,697	(582)	(4.08%)
<b>Rural South Industrial</b>												
	Porewa	4,840,000	4,870,000	30,000	14,782	14,115	(668)	(4.52%)	14,115	13,438	(676)	(4.79%)
	Greatford	10,350,000	11,100,000	750,000	29,131	29,552	421	1.45%	29,552	27,689	(1,863)	(6.30%)
	Rangitoto	2,600,000	2,620,000	20,000	8,063	7,669	(394)	(4.89%)	7,669	7,340	(328)	(4.28%)

	Old Capital Value	New Capital Value	Change Valuation	YEAR 1				YEAR 2				
				Rates 'Comparative AP	Rates 'Forecast	Dollar Change Total	% Change Total	Rates 'Comparative Year 1	Rates 'Forecast	Dollar Change Total	% Change Total	
<b>Utilities</b>												
Telecommunications	12,490,000	11,050,000	-1,440,000	34,948	29,423	(5,526)	(15.81%)	29,423	27,569	(1,854)	(6.30%)	
Telecommunications	420,000	380,000	-40,000	2,136	1,888	(248)	(11.62%)	1,888	1,965	77	4.10%	
Electrical Supply	8,250,000	7,290,000	-960,000	23,422	19,720	(3,702)	(15.81%)	19,720	18,546	(1,173)	(5.95%)	
Electrical Supply	45,510,000	37,200,000	-8,310,000	124,713	96,905	(27,808)	(22.30%)	96,905	90,318	(6,588)	(6.80%)	
Gas Distribution	2,751,000	2,620,000	-131,000	8,473	7,669	(805)	(9.50%)	7,669	7,340	(328)	(4.28%)	
Gas Transmission	8,190,000	7,320,000	-870,000	23,259	19,797	(3,462)	(14.88%)	19,797	18,618	(1,179)	(5.95%)	
Postal Distribution	28,000	25,000	-3,000	1,071	972	(99)	(9.22%)	972	1,113	142	14.57%	
<b>Council Wastewater</b>												
Council Wastewater	18,860,000	20,040,000	1,180,000	52,265	52,622	357	0.68%	52,622	49,141	(3,481)	(6.62%)	
Council Stormwater	15,510,000	17,320,000	1,810,000	43,158	45,603	2,445	5.67%	45,603	42,614	(2,989)	(6.55%)	



Rangitikei River, photo supplied by Richard Aslett.

# 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 years ending 30 June 2019 to 30 June 2028. Actual financial results for the period covered are likely to vary from the information presented in this long-term plan and may be material.

## 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); they comply

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

These prospective financial statements comply with PBE FRS 42.

## 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.

## Comparative information

The 2017/18 Annual Plan (adopted by Council on 25 May 2017) has been provided as a comparator for these consolidated financial statements. The closing balance in this comparative differs from the opening position used to prepare these consolidated prospective financial statements which are based on the most up-to-date forecast information.

## Standards issued and not yet effective and not early adopted

The following amended or new standards have been issued but are not yet effective:

- PBE IFRS 9 Financial instruments. This is effective for periods beginning or after 1 January 2021. It addresses the classification, measurement and recognition of financial assets and liabilities and relaxes hedge accounting requirements. Council is yet to assess the impact of this standard but the impact is unlikely to be material.
- PBE IPSAS 34 (Separate Financial Statements), PBE IPSAS 35 (Consolidated Financial Statements), PBE IPSAS 36 (Investment in Associates and other ventures), PBE IPSAS 37 (Joint Arrangements) and PBE IPSAS 38 (Disclosure if Interests in Other Entities) are effective for periods beginning on or after 1 January 2019. This will take effect from the financial year beginning 1 July 2019. This currently relates only to MW LASS Ltd. The Council has yet to assess the impact of these new standards, although their impact is unlikely to be material.
- PBE FRS 48 – Service Performance Reporting. This takes effect from the financial year 1 July 2021 so will be built into the performance framework for the 2021-2031 Long Term Plan. Before that time there will be sector guidance from the Society of Local Government Managers, particularly in terms of explaining the choice of (non-mandatory) measures and the approach to take in measuring progress with community outcomes.
- All other standards, interpretation and amendments approved but not yet effective in the current year are either not applicable to the Council or are not expected to have a material impact on the Council's financial statements and, therefore, have not been disclosed.



## 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 substances 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. A receivable is considered to be uncollectable when there is evidence that the amount due will not be fully collected. The amount that is uncollectable is the difference between the amount due and the present value of the amount expected to be collected

## 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. For revalued assets, the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus or deficit. For assets not carried at a revalued amount, the total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss on a revalued asset is credited to other comprehensive revenue and expense and increases the asset revaluation reserve for that class of asset. However, to the extent that an impairment loss for that class of asset was previously recognised in the surplus or deficit, a reversal of the impairment loss is also recognised in the surplus or deficit.

For assets not carried at a revalued amount, the reversal of an impairment loss is recognised in the surplus or deficit.

#### **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.

## Significant judgements, estimates and assumptions

The preparation of the financial statements requires judgements, estimates and assumptions. Application is based on future expectations as well as historical, experience and other factors, as appropriate to the particular circumstances.

Significant judgements, estimates and assumptions have been applied in measuring certain provisions and property, plant and equipment revaluations. For example, 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.

See page 210 for the Council's significant forecasting assumptions.

## 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 210) 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 1 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.

# Long-Term Plan Disclosure Statement for the period commencing 1 July 2018 to 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.

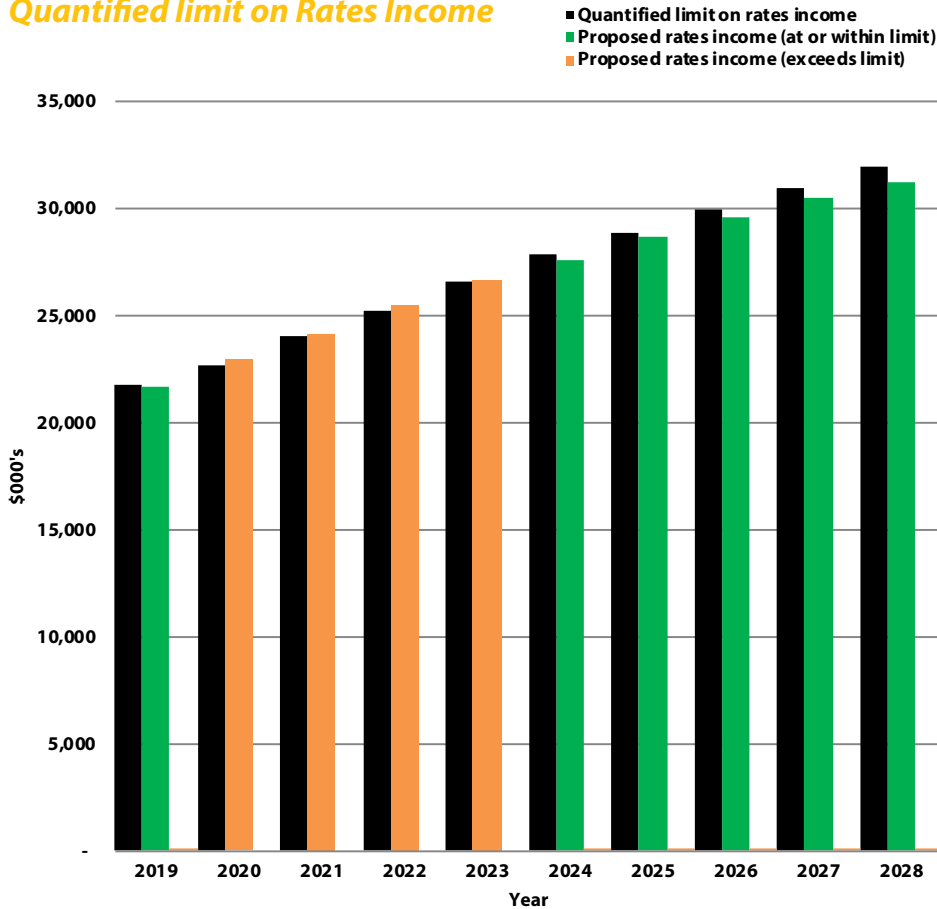


Parks staff member with new smart rubbish bin.

## 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. The quantified limit on rates in dollars is the rates income from the prior year adjusted by the maximum rate increase as outlined in the financial and infrastructure strategy on page 42.

### Quantified limit on Rates Income

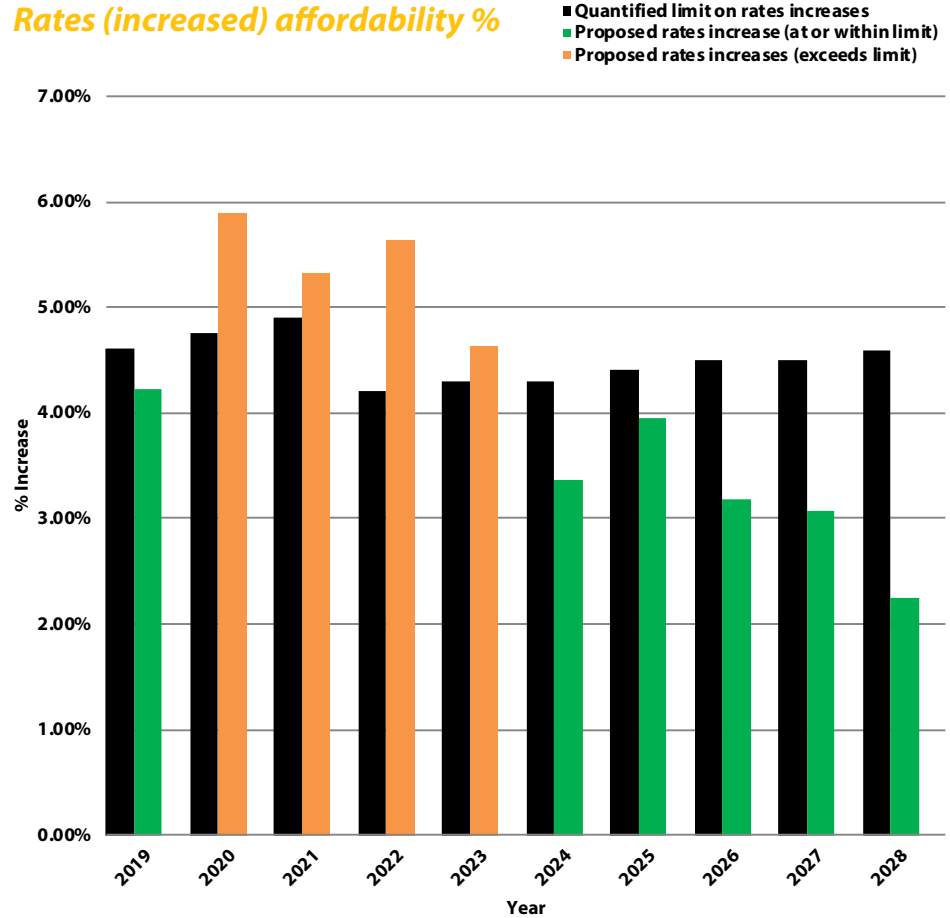


## Rates (increases) affordability

The following graph compares the Council's planned rates increases for the 10 years of the LTP with a quantified limit on rates increases as noted on page 42, in the combined infrastructure/financial strategy included in the council's 2018/2028 Long Term Plan.

The quantified limit is the maximum % increase as outlined in the financial and infrastructure strategy (page 42), and where the reasons for breaching the limits is explained.

### Rates (increased) affordability %



## Debt affordability benchmark

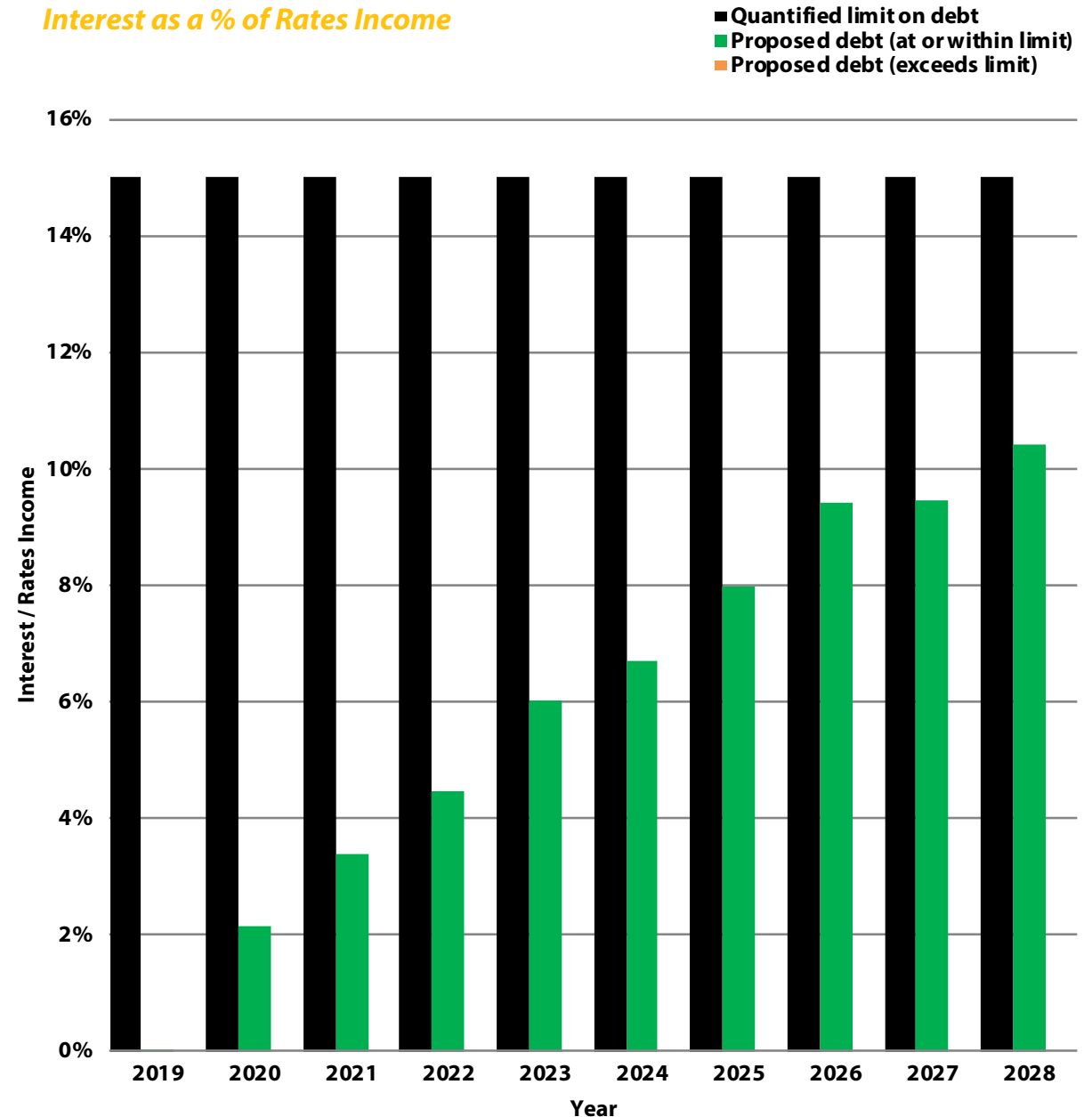
The Council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing.

The Council has three quantified limits on borrowing. For the 10 years of the LTP, these are contained in the financial and infrastructure strategy within this Long term Plan.

- 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

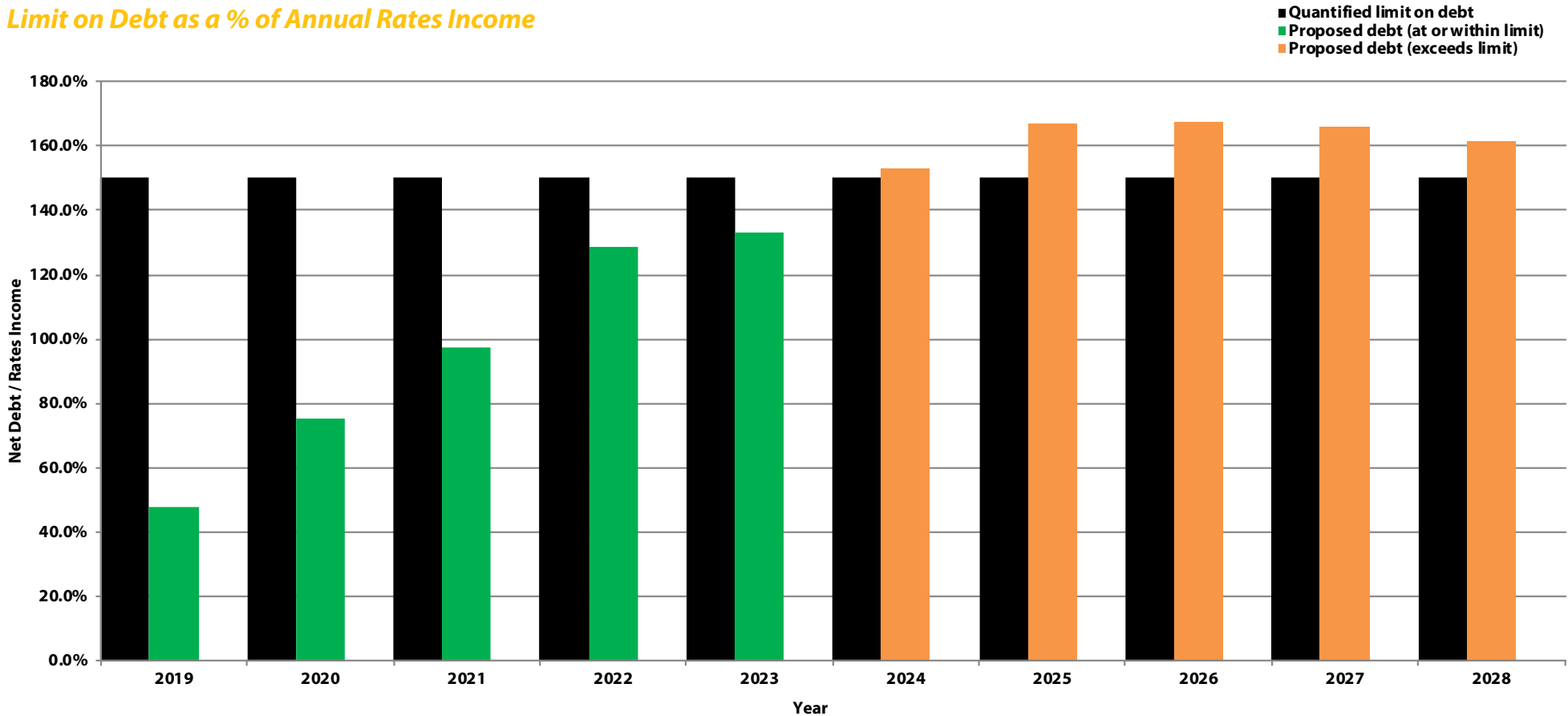
The following graph compares the Council’s planned interest expense on net external debt with the quantified limit on borrowing contained in this Long Term Plan. Net planned interest expense will not exceed 15% of total rates income. The quantified limit is planned interest expense will not exceed 15% of total rates income.

## Interest as a % of Rates Income



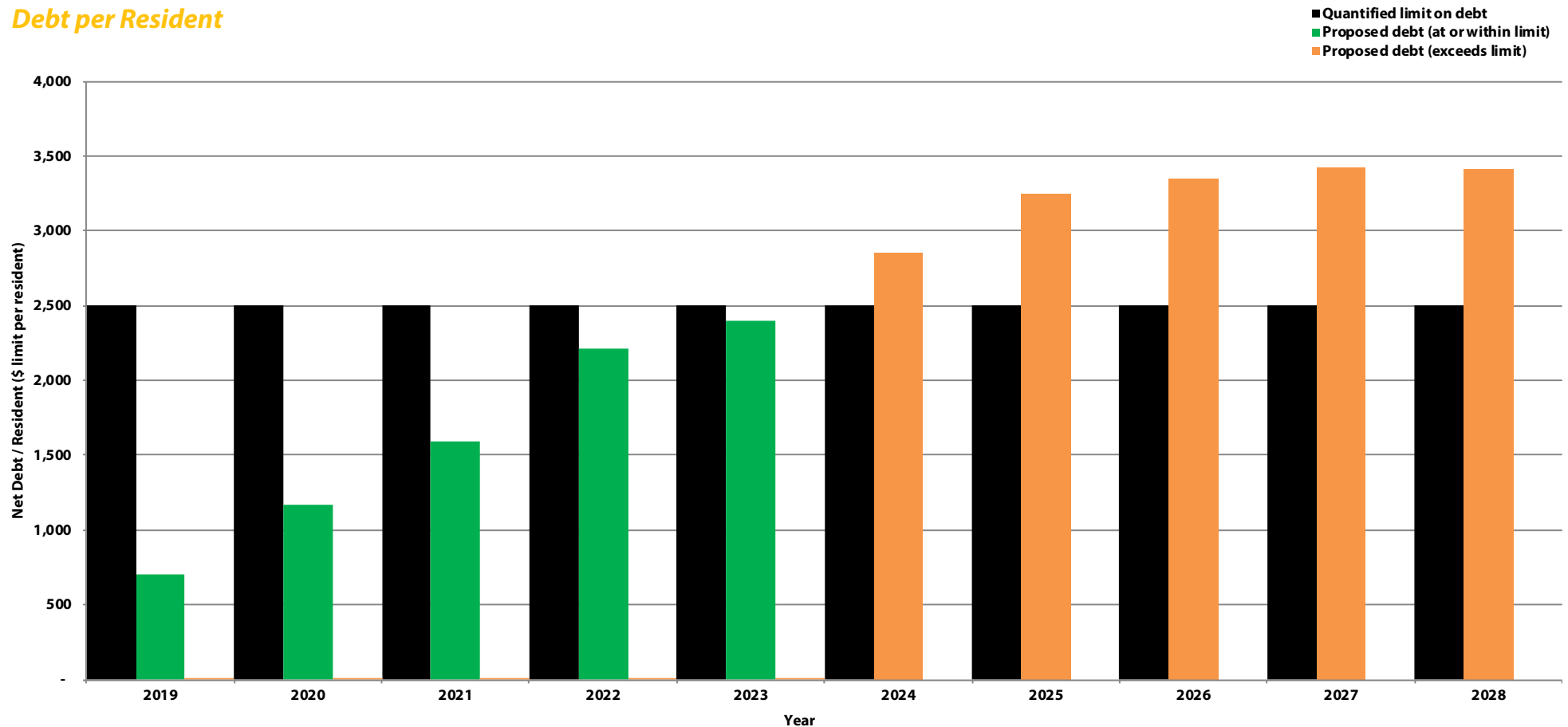
The following graph compares the Council’s planned net debt as a proportion of annual rates income with the quantified limit on borrowing contained in the financial and infrastructure strategy included in this Long Term Plan. The quantified limit is 150%. The increase in debt is because of the need to fund large infrastructure and community facilities projects. No assumption has been made about securing external funding assistance for these although Council will continue to advocate for this. Affordability is a critical issue for the Council so the limit has not been increased.

**Limit on Debt as a % of Annual Rates Income**



The following graph compares the Council's planned net debt divided by the total population of the district to provide a per capita outcome. The quantified limit is \$2,500 per resident. The reasons for exceeding the cap are those noted on the previous page.

### Debt per Resident





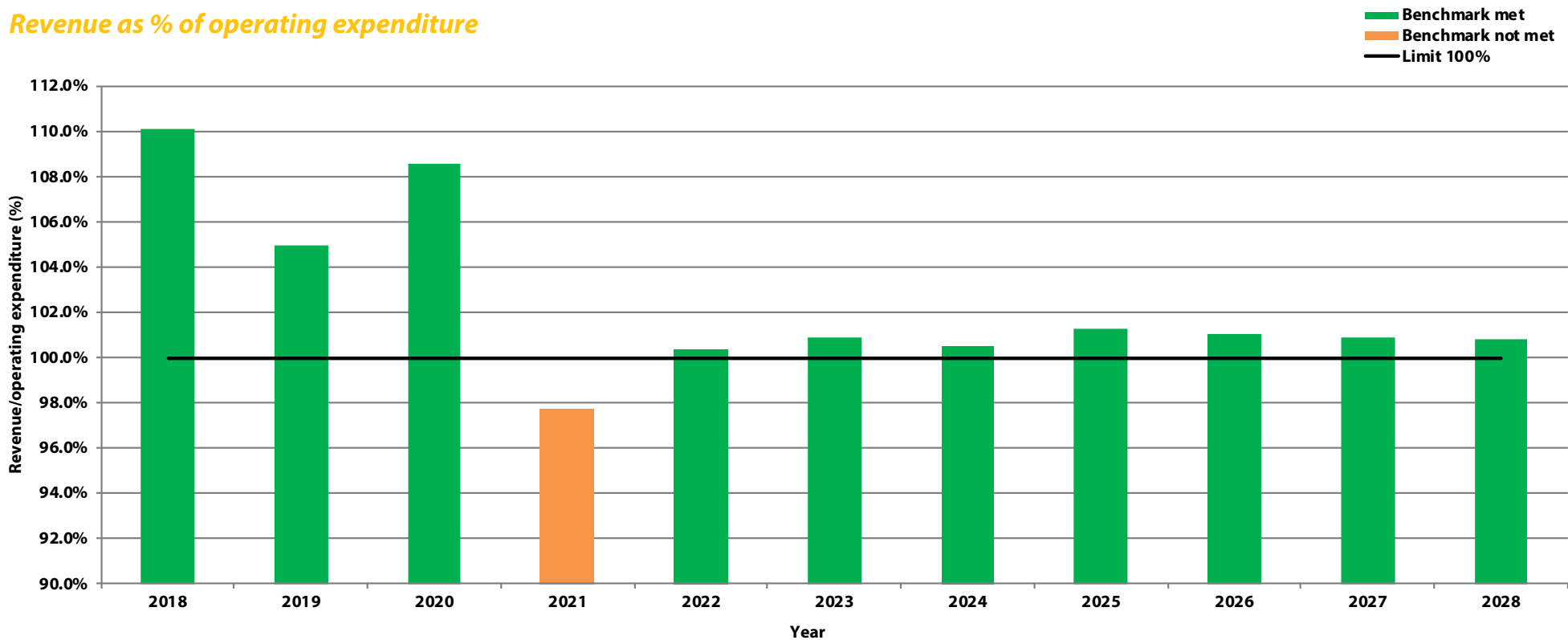
## Balanced budget benchmark

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.

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

### Revenue as % of operating expenditure



## 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.

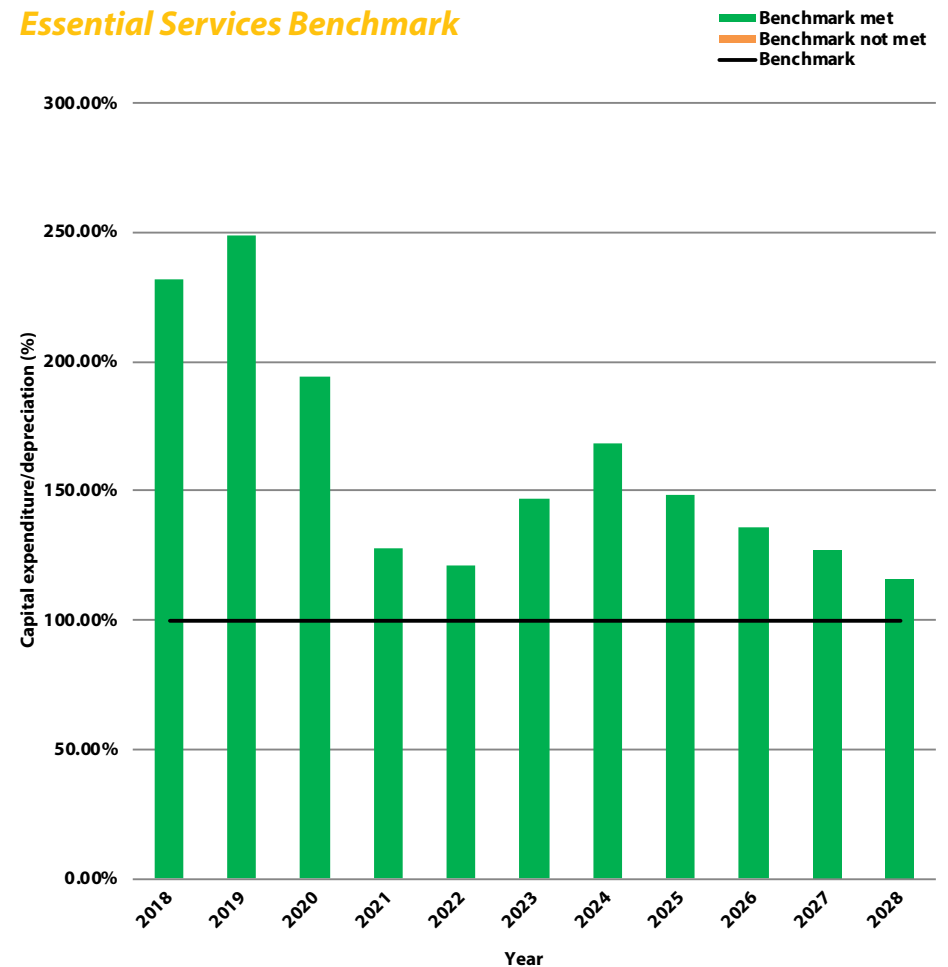
The Council considers this to be a prudent approach, and, to take more money from ratepayers than it is currently planned to do so, to fund this activity, would be not be in the best interest of its community.

## 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.

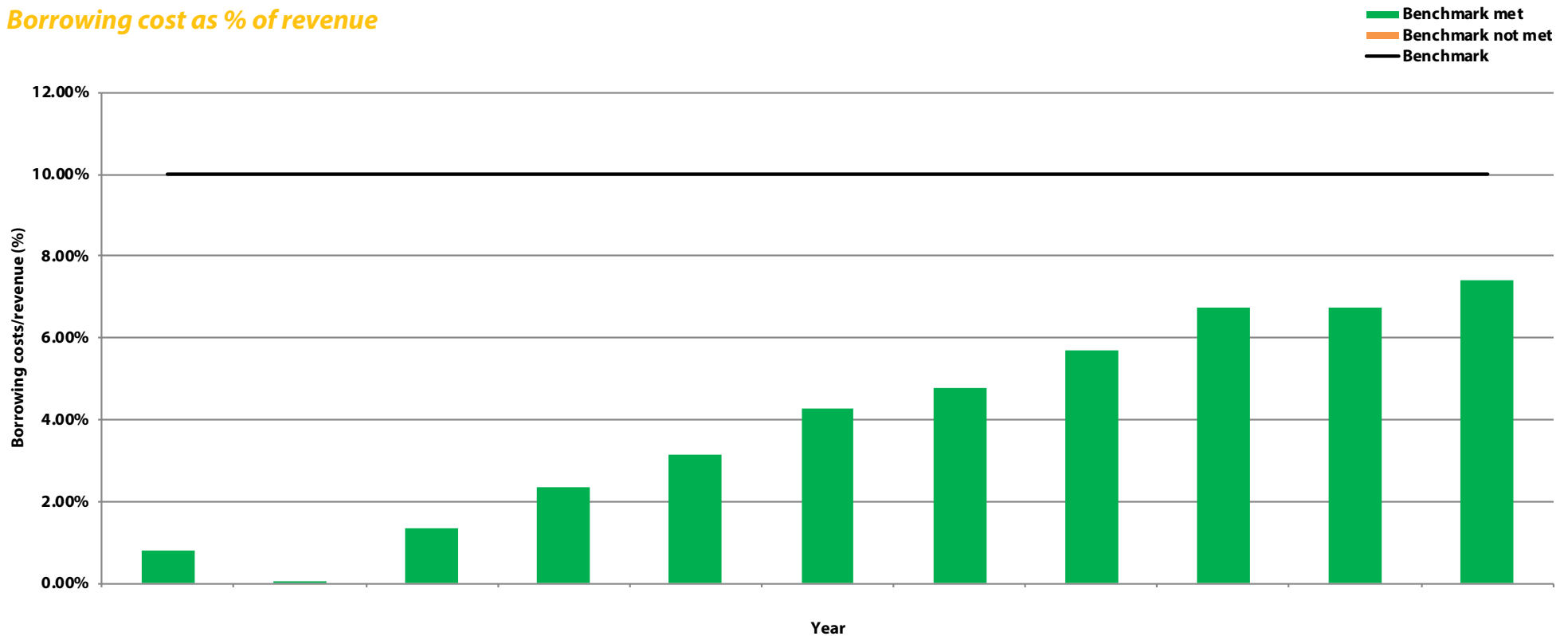
## Essential Services Benchmark



## 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.

### Borrowing cost as % of revenue



# **SECTION 6:** **Additional Information**

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# 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 2018<sup>47</sup>.

## 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.

<sup>47</sup> 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.



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 Aha 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.

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.

# 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 community<sup>48</sup>.

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 decisions<sup>49</sup>

- 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.

<sup>48</sup> Section 76AA

<sup>49</sup> Section 77

<sup>50</sup> Section 78

<sup>51</sup> Section 81

<sup>52</sup> See the Development of Maori Capacity to Contribute to Council Decision-making Policy

<sup>53</sup> Section 82

<sup>54</sup> Section 80 of the Local Government Act 2002

### The views of those affected<sup>50</sup>

- 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 Maori<sup>51</sup>

- Processes to encourage and foster participation in decision-making by Maori<sup>52</sup>

### Principles of consultation<sup>53</sup>

- 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 decision<sup>54</sup>.

## 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)<sup>55</sup>

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 Council<sup>56</sup>.

## 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			
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			

<sup>55</sup> Resource Management Act 1991, sections 36 and 36AA.

<sup>56</sup> 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.

## Strategic Assets

The following is a list of assets which are considered to be strategic assets<sup>57</sup>. 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
- 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
- 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
- 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 amenities
- Community housing<sup>58</sup>
- District libraries
- Marton administration building
- Emergency Operation Centres
- Recreation facilities
- District cemeteries

## 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.

<sup>57</sup>As required by section 76AA and required by section 76AA(3) of the Local Government Act 2002

<sup>58</sup>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)

## Schedule 1 - Public Participation Model

	COUNCIL DECIDES	COUNCIL SEEKS OPINIONS	DISCUSSION AND INVOLVEMENT	PARTNERSHIP	COMMUNITY DECIDES
<b>What does it involve</b>	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
<b>Types of issues it might be used for</b>	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)
<b>Tools Council might use</b>	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
<b>When the community might expect to be involved</b>	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.



RSA planting in Marton.





Recent roading project – Broadway, Marton.

## 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 (continued, modified, increased, decreased, new)	REASONS FOR CHANGE
<b>Community Leadership</b>		
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	<p>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.</p> <ul style="list-style-type: none"> <li>• Communication</li> <li>• Value for money</li> <li>• Satisfaction</li> <li>• Iwi</li> <li>• Engagement with sector excellence programmes</li> </ul>
<b>Roading</b>		
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
<b>Water Supply</b>		
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

LEVELS OF SERVICE - 2017/18 ANNUAL PLAN	LEVELS OF SERVICE - 2018/28 LONG TERM PLAN (continued, modified, increased, decreased, new)	REASONS FOR CHANGE
<b>Sewerage and the Treatment and Disposal of Sewage</b>		
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
<b>Stormwater Drainage</b>		
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
<b>Community and Leisure Services</b>		
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.
<b>Rubbish and Recycling</b>		
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).
<b>Environmental and Regulatory Services</b>		
Provide a legally compliant service	Continued	Not applicable
Provide regulatory compliance officers	Continued	Not applicable

LEVELS OF SERVICE - 2017/18 ANNUAL PLAN	LEVELS OF SERVICE - 2018/28 LONG TERM PLAN (continued, modified, increased, decreased, new)	REASONS FOR CHANGE
<b>Community Well-being</b>		
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.

# 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
<b>1 Government</b>			
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	<p>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</p> <p>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.</p>
Conditions on Council's resource consents renewals will be met and all consents will be renewed.	<p>That conditions on resource consents are changed to the point that the investment required from the community is too high/ unaffordable.</p> <p>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.</p>	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.



FORECASTING ASSUMPTION	RISK	LEVEL OF UNCERTAINTY (in respect of the LTP)	REASONS AND FINANCIAL EFFECT OF UNCERTAINTY
NZTA will extend the current financial assistance rate to footpaths	The programme will be determined by NZTA criteria rather than local preferences	Low	The extent of co-investment may change. Council may seek to increase the unsubsidised footpath or roading programme rather than treat the co-investment as reducing the local share (i.e. rates) requirement.
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 current levels.	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 which local councils can set a higher level of rates than would otherwise be the case.
<b>2 Demographics</b>			
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.

FORECASTING ASSUMPTION	RISK	LEVEL OF UNCERTAINTY (in respect of the LTP)	REASONS AND FINANCIAL EFFECT OF UNCERTAINTY
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.
<b>3 Physical and natural environment</b>			
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 volunteers to be available for emergency management and rural fire activities	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.  Capital work on water and wastewater plants may be delayed and mean Council is non-compliant with its resource consents..	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 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.

FORECASTING ASSUMPTION	RISK	LEVEL OF UNCERTAINTY (in respect of the LTP)	REASONS AND FINANCIAL EFFECT OF UNCERTAINTY
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.	<p>That there will be a major natural disaster requiring significant additional unbudgeted expenditure and financing.</p> <p>The present level of government subsidy for emergency roading works may be reduced.</p> <p>Council may not be able to obtain (or afford) insurance sufficient cover for its infrastructure assets.</p>	Medium	<p>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.</p> <p>Currently Council is part of an insurance scheme negotiated with neighbouring councils for above-ground and below-ground assets, so the risk is shared.</p>
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.
<b>4 Financial environment</b>			
Inflation – The financial information is based on inflation figures from 2019/20 onwards using the BERL indices for inflation. <sup>59</sup> 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 Other' inflation rates are based on LGCI, average annual % change (Total).	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.

<sup>59</sup> 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
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 buildings) 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.

FORECASTING ASSUMPTION	RISK	LEVEL OF UNCERTAINTY (in respect of the LTP)	REASONS AND FINANCIAL EFFECT OF UNCERTAINTY
That District-wide rates will continue throughout the period of this LTP, and that there will continue to be a “public good” component in funding for the network utilities	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 confused with affordability under either scenario.	Low	The uncertainty depends on the robustness of the estimated costs for upgrading and replacing the 3 waters infrastructure and community /civic centres.
<b>5 Council performance</b>			
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 Rangi settlement over the Whangaehu River has yet to be clarified.	Medium	The Ngāti Apa claim was settled in 2010. The Ngati Rangi 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 appointed a Strategic Adviser Iwi/hapu effective 11 June 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.

FORECASTING ASSUMPTION	RISK	LEVEL OF UNCERTAINTY (in respect of the LTP)	REASONS AND FINANCIAL EFFECT OF UNCERTAINTY
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	<p>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</p> <p>There will be insufficient (or excessive) provision of depreciation.</p>	Medium	<p>While there has been improvement in asset data capture and in asset management plans, but there are still uncertainties with the following:</p> <ul style="list-style-type: none"> <li>• major previously unknown faults are identified needing urgent attention;</li> <li>• information/data required to plan for future demand is not sufficiently accurate to ensure adequate provision i.e. that provision will exceed/not meet forecast demand; and</li> <li>• predicted savings in operating costs are not realised because performance of the assets has been wrongly assessed.</li> </ul>
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	<p>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.</p> <p>The relevance to the Provincial Growth Fund of Council's proposals for opening up land-locked land and improving community infrastructure and employment opportunities have yet to be determined</p>



FORECASTING ASSUMPTION	RISK	LEVEL OF UNCERTAINTY (in respect of the LTP)	REASONS AND FINANCIAL EFFECT OF UNCERTAINTY
<p>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.</p>	<p>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</p>	<p>Low</p>	<p>These arrangements are typically flexible and have exit provisions.</p>
<p><b>6 Economic performance</b></p>			
<p>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</p>	<p>That Council will apply resources to secure economic development but is ineffective in the face of global economic trends</p>	<p>Medium</p>	<p>Council will take a measured, evidence-based and risk averse approach to economic development initiatives and collaborate with neighbouring councils and relevant agencies.</p>



Table 3.2: Adjustors: % per annum change

Label	Adjustors				
	Planning and regulation	Roading	Transport	Community activities	Water and Environmental
	PR	RD	TR	CA	WE
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



July 2017 snow event.



Marton dam.

## Variation between the Council's LTP and its assessment of water and sanitary services and waste management plans<sup>60</sup>

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.

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<sup>60</sup> 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
<b>Bulls</b>	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.
<b>Hunterville Urban</b>	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.
<b>Mangaweka</b>		Pressure media filtration Cartridge filtration UV disinfection Chlorination	Aa <sup>-</sup>	Uu	Conformed to E.coli criteria but not the Protozoa compliance criteria.	Bacteriological: non-compliant for number of samples taken. Protozoal: non-compliant.
<b>Marton</b>	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 E. coli transgression, at Calico Line bore in Marton, which is not in use. Three follow-up samples were clear. Protozoal: non-compliant.

WATER SUPPLY	TREATMENT		DWSNZ GRADING		DWSNZ COMPLIANCE CRITERIA	
	2005	2018	2005	2018	2005	2018
<b>Rātana</b>	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.
<b>Taihape</b>	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.
<b>Erehon Rural Water Supply</b>	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.					
<b>Hunterville Rural Water Supply</b>						
<b>Omatane Rural Water Supply</b>						
<b>Putorino Rural Water Supply</b>						

## Current and Estimated Future Demand for Water Services within the District

WATER SUPPLY	CURRENT AND ESTIMATED FUTURE DEMAND	
	2005	2018
<b>Bulls</b>	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.
<b>Huntermville</b>	Huntermville water supply is sourced from the Huntermville Rural Water Supply (HRWS). Currently the urban water scheme purchases 370 m <sup>3</sup> /day, which is less than the peak demand of 380 m <sup>3</sup> /day. More water can be purchased from the HRWSS if required. However the treatment plant has a maximum sustainable production of 220 m <sup>3</sup> /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.
<b>Mangaweka</b>	Peak demand for water at Mangaweka at 190 m <sup>3</sup> /day frequently exceeds the maximum allowed by the resource consent for 90 m <sup>3</sup> /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.	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.



WATER SUPPLY	CURRENT AND ESTIMATED FUTURE DEMAND	
	2005	2018
<b>Marion</b>	<p>The scheme operates with sufficient capacity to supply the peak demand (4,500 m<sup>3</sup>/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 Marion 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 Marion 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 Marion.</p>
<b>Rātana</b>	<p>Peak daily demand for drinking water in Rātana is 185 m<sup>3</sup>/day, whilst the resource consent is limited to 130 m<sup>3</sup>/day. However this can be extended to 300 m<sup>3</sup>/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
<b>Taihape</b>	<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
<b>Bulls</b>	<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 m<sup>3</sup>/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
<b>Huntermville</b>	The resource consent for Huntermville currently allows a daily discharge of 175 m <sup>3</sup> /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.
<b>Mangaweka</b>	The newly constructed treatment plant at Mangaweka serves a resident population of 250 people. The resource consent limits discharge of effluent to 90 m <sup>3</sup> /day, with a peak flow of no more than 20 m <sup>3</sup> /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.
<b>Marton</b>	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 <sup>3</sup> /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 CBOD5, 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
<b>Rātana</b>	The Rātana scheme is limited to a discharge of 136 m <sup>3</sup> /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.
<b>Taihape</b>	The wastewater treatment plant at Taihape holds a consent to discharge 3,873 m <sup>3</sup> /day. However the total daily flow is 4,546 m <sup>3</sup> /day. It serves a population of approximately 2,200 people. The consent is currently under review by Horizons Regional Council.	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.
<b>Dudding Lake</b>	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 <sup>3</sup> /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.
<b>Koitiata</b>	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
<b>Bulls</b>	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.
<b>Huntermville</b>	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.
<b>Mangaweka</b>	<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 Horizons Regional Council. 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
<b>Marion</b>	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.
<b>Taihape</b>	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.
<b>Rātana</b>	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.
<b>Dudding Lake</b>	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.
<b>Koitiata</b>	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.
<b>Non-reticulated Communities</b>	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 this 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:<sup>61</sup>**



- 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 Department of Conservation 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.<sup>62</sup>
- 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.<sup>63</sup>
- drainage improvement works at Scotts Ferry be part of the 2018-28 Long Term Plan.<sup>64</sup>

<sup>61</sup> Resolutions 17/RDC/119-127.

<sup>62</sup> Resolution 17/RDC/273.

<sup>63</sup> Resolution 17/RDC/286.

<sup>64</sup> Resolution 17/RDC/287.

# **SECTION 7:** **Glossary of Terms**

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**AMP** – Asset Management Plan

**AS** – Australian Standards

**BERL** – Business and Economic Research Limited ([www.berl.co.nz](http://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](http://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 171).

**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







**RANGITIKEI**  
DISTRICT COUNCIL

*Making this place home.*