

2015-25 Long-Term Plan

Adopted 25 June 2015

Rangitikei
DISTRICT COUNCIL





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■ Message from His Worship the Mayor

We are fortunate to live in or visit the Rangitikei District which is a remarkable and beautiful place. The District, for a long time, has faced the issues of a declining and aging population and we have responded to those challenges by looking at the nature of future services and affordability issues around the provision of infrastructure. However, the latest census figures have shown, for the first time in 20 years, there has been an increase in our population; we are attracting new residents and business to our District.

The LTP has been developed after extensive pre-consultation within our district including, for the first time, meetings in some of our more distant rural communities. My thanks go out to these groups and to the many people involved in that process and to the submitters to our LTP. The key messages received were for Council to take a lead role in promoting economic development; maintenance of our key infrastructure, particularly roading; and to make the District more affordable in terms of our rating position.

The Council has taken to heart these messages; we are delivering an average rate increase next year of only 1.67%, while at the same time, investing in key infrastructure work and providing for major new multi-purpose community facilities in our main towns.

There are many people, such as the community groups and steering groups, who need to be thanked for their efforts in the revitalisation of our towns.

Despite changing population levels in our smaller centres, we remain committed to working with our local communities to provide the most appropriate solutions for the continued delivery of essential services, and we will continue to advocate to Central Government for assistance with that.

Council will also continue to strongly advocate on the matter of earthquake prone buildings legislation and we have already put policies in place to assist those businesses which could be impacted.

A year ago it seemed likely that the co-investment from government in local roads (the Financial Assistance Rate, or 'FAR') would be reduced. Thanks to strong pressure from councils like ours, this did not occur, and the base rate has increased, from 58% to 62% in 2015/16 and 63% thereafter. However, Council will be increasing the roading reserve since the way emergency works will be funded is uncertain. This provision was made in the budgets before the substantial damage to the roading network over the weekend of 20-21 June 2015. The cost of that remedial work may require a draw on that reserve and Council will reassess the way the reserve is built up again during the 2016'17 Annual Plan.

The submission process was important also in highlighting a number of specific problems. In some cases, such as the access roads to the Taihape Kindergarten and to Dudding Lake, budget has been earmarked for the required work. In other cases, particularly on footpaths, investigation will be undertaken for further consideration before any additional funding is committed.

The challenge in any plan is to deliver on it, and this Long Term Plan has those challenges. Apart from those projects noted above, a critical area is getting all the wastewater plants to full compliance with their resource consents (including addressing the issue of disposal of leachate from the Bonny Glen landfill). Another critical area is finding a sustainable approach to providing a good standard of community housing in the Rangitikei. Part of the challenge is to manage the debt necessary to fund the major capital projects and to keep close to the projected rate increases (which average 2.47% over the next ten years).

The next decade holds considerable promise for the Rangitikei. Later this year the Government announces the Manawatu-Wanganui Regional Growth Study and action plan. This project will provide opportunities for our District to prosper and grow, and we need to work together to turn those opportunities into reality. In the next two years, the Plan includes the development of a multi-purpose civic centre in Bulls on the site of the existing Criterion Hotel. There are plans for similar development in Marton and Taihape in later years of the Plan, which we look forward to developing further in partnership with our communities. Rangitikei is your District and we want you to continue to be interested and involved with Council and to help shape its future.

I would like to conclude by thanking my councillors, the Chief Executive and staff, for the work that has been involved in this Plan, which I believe paves the way for future sustained growth of the District.

■ Disclosure of the potential impact of the rainfall event on 20-21 June 2015

The substantial rainfall during the weekend of 20-21 June 2015 in the central North Island caused substantial damage to the Rangitikei District Council's roading network. As at 3.00pm on 22 June 2015, 20 roads were either entirely closed or had closed segments. While a detailed assessment of the remedial work needed has yet to be undertaken, the cost is likely to fall within the range of \$10 to \$15 million. There was no significant damage to the Council's water, wastewater and stormwater infrastructure.

There are two uncertainties on how funding this work will impact on the budgets included in this Long Term Plan – particularly for 2015/16:

- The starting point for the estimated cost of repairing the roading network is the extent of work done in response to the 2004 flood event. However, preliminary investigation suggests that the nature of the damage – dropouts and slip faces – will be more expensive. There is also the Te Hou Hou road bridge to be replaced – currently arrangements are being finalised to lease a bailey bridge to enable that road to open
- The level of co-investment by the New Zealand Transport Agency (NZTA) is unclear. This event occurred during 2014/15, and costs to rectify that would be treated by an insurer as relating to that date. However, NZTA rules relate to claims for work undertaken, and at this time it appears that claims submitted on or before 30 June 2015 will be assessed on the current criteria for emergency works, while those submitted from 1 July 2015 will be assessed under the new criteria. If that position holds, the local share for repairs to the roading network could require funding from Council of up to \$2 million or more.

Once the full costs of making good the damage on the roading network and the level of co-investment from NZTA are known, Council may decide to make an amendment to this Long Term Plan

Audit Opinion

To the reader

Independent auditor's report on Rangitikei District Council's 2015/25 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). I have carried out this audit using the staff and resources of Audit New Zealand. We completed the audit on 25 June 2015.

Opinion

In my opinion:

- the plan provides a reasonable basis for:
 - long-term, integrated decision-making and coordination of the Council's resources; and
 - accountability of the Council to the community;
- the information and assumptions underlying the forecast information in the plan are reasonable; and
- the disclosures on pages 323 to 333 represent a complete list of the disclosures required by Part 2 of the Local Government (Financial Reporting and Prudence) Regulations 2014 and accurately reflect the information drawn from the Council's audited information.

Uncertainties due to the potential impact of the recent rainfall event

Without modifying our opinion, we draw your attention to the disclosures on page 3, about the potential impact of the recent rainfall event. As a result of the rainfall event the Council's roading assets have sustained significant damage. However, the Council has been unable to determine the cost of repairing the damage prior to the adoption of its plan. Once this information is known the Council may need to amend its plan.

In drawing your attention to this issue, we are not commenting on the merits of the policy content that it reflects. We consider the disclosures in the plan to be adequate.

2015.05 LTP opinion for Rangitikei DC (issued by ORG)

Basis of Opinion

We carried out our work in accordance with the Auditor-General's Auditing Standards, relevant international standards and the ethical requirements in those standards.¹

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 audit procedures, we assessed the risk of material misstatement and the Council's systems and processes applying to the preparation of the plan.

Our audit 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 over the next 30 years;
- the information in the plan is based on materially complete and reliable asset and activity information;
- the Council's key plans and policies have been consistently applied in the development of the forecast information;
- the assumptions set out within 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 within the plan.

¹ The International Standard on Assurance Engagements (New Zealand) 3000 (Revised): Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and The International Standard on Assurance Engagements 3400: The Examination of Prospective Financial Information.

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.

The Council is also responsible for the publication of the long term plan, whether in printed or electronic form.

I am responsible for expressing an independent opinion on aspects of the plan, 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

We have followed the independence requirements of the Auditor-General, which incorporate those of the External Reporting Board. Other than our work in carrying out all legally required external audits, we have no relationship with or interests in the Council or any of its subsidiaries.



Debbie Perera, Audit New Zealand
On behalf of the Auditor-General, Palmerston North, New Zealand

2015.55 LP update for Rangitikei DC | Internal for ORG

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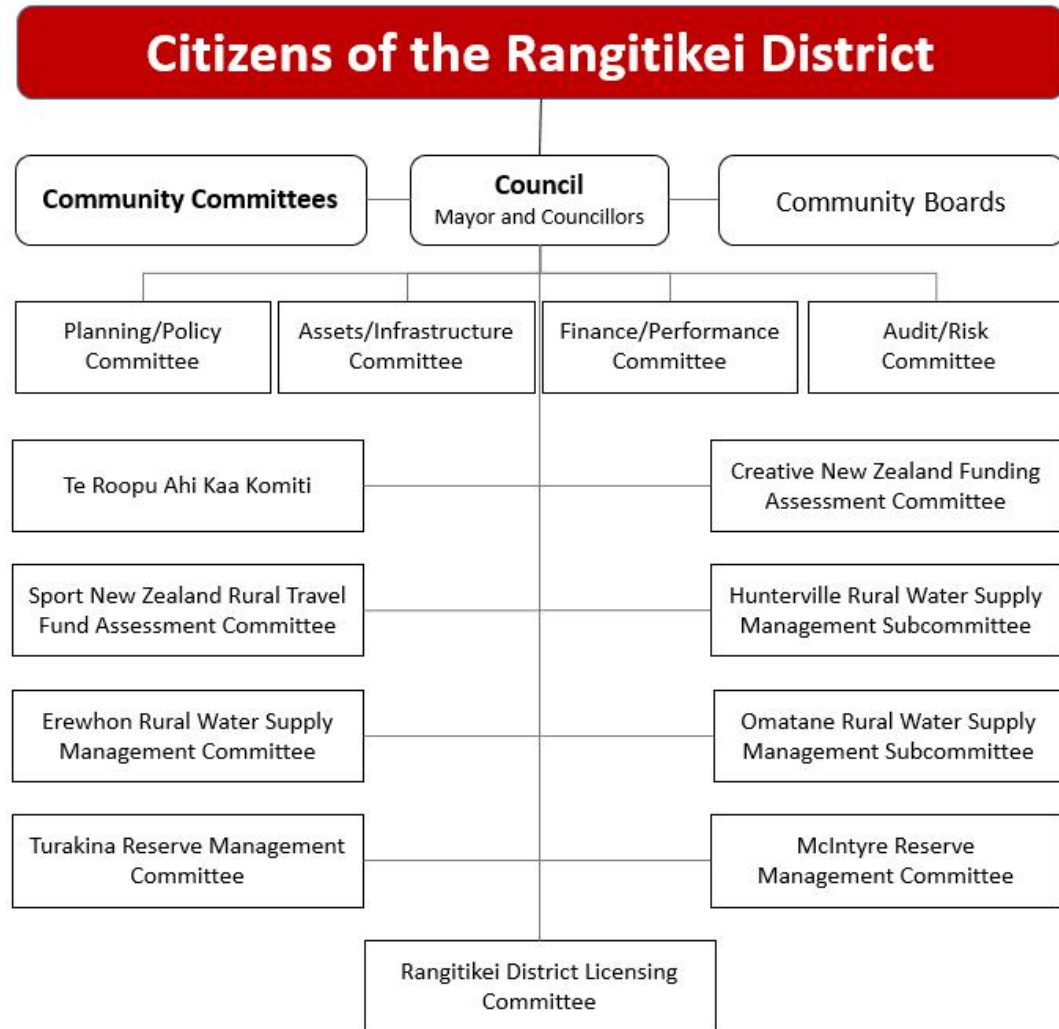


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SECTION 02

Governance structure

Council Structure



■ What is the Long-Term Plan?

Each local authority is required to have a long-term plan, or LTP, and to review it every three years. The LTP sets out what Council plans to do over at least the next ten years, 2015 to 2025. The first three years are discussed in detail, and the following seven are an outline. The purpose of an LTP is prescribed by section 93 of the Local Government Act 2002. It must:

- (a) describe the activities of the local authority; and
- (b) describe the community outcomes of the local authority's district or region; and
- (c) provide integrated decision-making and co-ordination of the resources of the local authority; and
- (d) provide a long-term focus for the decisions and activities of the local authority; and
- (e) provide a basis for accountability of the local authority to the community; and

The information provided in this LTP is presented in the following sections:

Section 4 contains the financial strategy which sets out how Rangitikei District Council plans to manage its financial performance over the next 10 years. It provides a guide as to how the Council will consider and approach funding and expenditure proposals when undertaking activities and determining which activities it should undertake. The benchmark disclosures prescribed by legislation form an important part of this strategy and the measures set by council for these benchmarks will provide evidence on how successful council has been.

Section 5 contains the infrastructure strategy which 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; and
- the Council's current preferred scenario for infrastructure provision.

Sections 4 and 5 together provide the basis for integrated decision-making and co-ordination of the resources available to the Council together with the significant forecasting assumptions (section 3) that Council has made in preparing this Plan.

SECTION 03

What is the Long-Term Plan?

Section 6 looks at the key characteristics of the District and its communities. These include the characteristics of the land (topography), the economy and the population (demographics). Some analysis has been undertaken to look at the connection between the economic development and labour force projections that could affect population decline.

Section 7 looks at the current strategic environment to provide the context for this LTP. It summarises what Council has achieved over the course of the previous LTP to provide the starting point for this document. It then identifies the priority issues for Council during the current planning cycle. This section details the strategic intents and community resilience policies that Council will use to manage its activities and, finally, the community outcomes that Council is hoping to achieve with its activities and services.

Sections 6 and 7 together provide the context for a long-term focus for Council's decisions and activities.

Section 8 describes the key choices that Council took out to the public for consultation before the adoption of the final LTP, the submissions that were received to these and any other issue identified by the submitter, analyses the submissions received and details Council's response to the submissions.

Section 9 describes in more detail the activities that Council will undertake in order to achieve its community outcomes. These are organised in eight "Groups of Activities" – four of which are prescribed by the Local Government Act - and each group comprises one or more contributing activity. This section identifies any issues that relate specifically to each activity and how it contributes to Council's overall strategic direction. It outlines what Council will do (the "level of service") and the major programmes of work that will be undertaken. Finally, the cost associated with each Group of Activities is summarised and the sources of income (rates, fees and charges, external funding etc.) that Council intends to use to pay for those activities in the Group.

Section 9 also contains the "Statement of Service Provision". This outlines the key services that Council will deliver, the standard of service that our community can expect from us and our performance targets. Each year we will report against these in our Annual Report. This ensures that the LTP meets the legislative requirements to provide the basis for our accountability back to our communities.

Section 10 provides the full whole-of-Council financial information, financial policies and ten year budgets. This section, combined with Section 7, fully describes the activities of the Council.

Section 11 provides other information that has been used in the development of the LTP and is useful as background or supporting material. In addition to the revenue and financing policy, there are two further statutory policies which the Local Government Act requires councils to include in the LTP. These are the "Statement on the development of Maori capacity to contribute to Council's decision-making" and a summary of the "Significance and Engagement Policy". This section also includes (i) an outline

of the changes to levels of service that Council is proposing between this LTP and the preceding year (2014/15) and (ii) details of any variations between this LTP and two key service planning documents – the assessment of water and sanitary services and the waste management and minimisation plan.

Finally, Section 12 provides required information on the Manawatu Wanganui LASS – the vehicle through which regional territorial authorities secure shared services that provide benefits to all member Councils. To date the LASS has delivered efficiencies in the areas of valuation and insurance services, vehicle fleet management, GIS mapping, archives services and subscription to economic information and databases. This section also shows Council’s management structure.

■ Significant Forecasting Assumptions

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

Forecasting assumption	Risk	Level of uncertainty (in respect of the LTP)	Reasons and Financial Effect of Uncertainty
1 Government			
That the current Territorial Authority boundaries are unchanged i.e. that Rangitikei District continues to be a separate administrative entity	A government drive towards amalgamation sets aside the normal processes for communities to determine the boundaries for their local government. The Council will waste time and money worrying about this	Medium	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.	Medium	There has been vacillation over these discussions. 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.

Forecasting assumption	Risk	Level of uncertainty (in respect of the LTP)	Reasons and Financial Effect of Uncertainty
<p>Governance – the structure of the elected representation will not change from that adopted for the 2013 elections.</p>	<p>There is a review of representation required in 2018. Review will reduce councillor numbers and/or change ward boundaries and/or remove community boards in Taihape and Ratana and/or introduce community boards in other communities.</p>	<p>Low</p>	<p>Costs are unlikely to change significantly if councillor numbers change because of the mechanism whereby the Remuneration Authority determines salaries for elected members.</p> <p>Community boards generally increase the costs to the community it serves by up to \$25,000. Community Committees are voluntary and unpaid</p>
<p>That implementation of the Drinking Water Standards remains mandatory for the Council’s water supply schemes</p>	<p>Council does not achieve compliance with its six urban water supply schemes by the amended prescribed dates.</p> <p>Financial penalties could be imposed, and a revised capital programme (i.e. adjusted priorities) or increased borrowing to enable the prescribed dates to be met</p>	<p>Low</p>	<p>Council has committed to an upgrade programme which will enable compliance to be gained by the prescribed times</p>
<p>That the rules established under the Emissions Trading Scheme will not change.</p>	<p>That the amount of acreage eligible for exemption or inclusion in the ETS changes to include/exclude Council.</p>	<p>Low</p>	<p>Council’s forestry holdings are minor and carbon credits have been purchased for blocks declared deforested.</p>
<p>That there will be increasingly rigorous standards for earthquake strengthening of public buildings, particularly in the District’s CBDs.</p>	<p>That the additional requirements to meet higher standards for earthquake proofing will require strengthening or demolition of many Council buildings, affect the viability of local businesses, cause a loss of heritage buildings and increase</p>	<p>High</p>	<p>An estimate undertaken in 2014 for Local Government New Zealand was a likely cost in the range of \$20 to \$35 million for Council-owned buildings. Detailed costings have been undertaken for the Taihape Town Hall</p>

Forecasting assumption	Risk	Level of uncertainty (in respect of the LTP)	Reasons and Financial Effect of Uncertainty
	costs to the ratepayer, that central government does not respond positively to requests for a national approach to these costs.		and the Bulls Library: these totalled \$2.725 million. Council can budget for the strengthening of its major assets (or demolishing them and relocating operations to other safer premises or new ones) even though this would present major costs. However, the wider impact of across local businesses may expedite the decline of the main towns in the District.
Resource Consents – Conditions on Council’s resource consents renewals will be met and all consents will be renewed.	That conditions on resource consents are changed to the point that the investment required from the community is too high/unaffordable. Council may face substantial fines (and even litigation) for continuing non-compliance. Investigations before a resource consent is granted may push upgrade costs beyond what has been budgeted	Low/ Medium	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 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.
The new criteria for emergency works will leave a funding shortfall despite the enhanced basic Funding Assistance Rate	Council will require greater ratepayer contribution to ensure the necessary emergency	High	Council has increased its flood damage roading reserve as a contingency against the

Forecasting assumption	Risk	Level of uncertainty (in respect of the LTP)	Reasons and Financial Effect of Uncertainty
(or 'FAR') from NZTA (62% in 2015/16 and 63% in subsequent years)	works. Note: the implications of the One Network Road Classification are not yet certain, but do not take effect until 2018/19.		shortfall from NZTA.
The Government subsidy of rates for ratepayers on low income will remain at current levels.	The Government reduces or abolishes this ratepayer subsidy.	Medium	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.
2 Demographics			
Population Change – The population of the District will decline in accordance with the medium projections from the Statistics NZ projections based on 2013 Census. This equates to a decline of 150 people in the five years to 2018 rising to 650 people in the five years 2038-2043	There is a possibility that the decline in population is substantially more than that projected by Statistics NZ. A smaller risk is that the District experiences a population increase over the ten-year period. This could mean over- or under-provision of facilities and services. A greater than expected population decline would increase pressure on remaining ratepayers.	Low	Previous projections from Statistics New Zealand have proved reasonably accurate for the Rangitikei.
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 by the declining 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, not least to ensure it is able to provide emergency management and rural fire services. The new community well-being Group of Activities attempts to focus on some of the factors affecting community resilience.
Numbers of households – the number of households will not decrease by more than 5%	The number of households decreases by more than 5%.	Low	Previous projections on household numbers in the Rangitikei have proved reasonably accurate.
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.	Medium	The impact of rebuilding Christchurch on recruitment and retention of skilled staff and engaging contractors with proven competency is not yet clear. It may cause these costs to rise.
3 Physical and natural environment			
Climate change - An increasing number of storm events will mean greater damage to the roading network, heavier demand on stormwater systems and more call on staff and volunteers to be available for emergency	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.	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.

Forecasting assumption	Risk	Level of uncertainty (in respect of the LTP)	Reasons and Financial Effect of Uncertainty
management and rural fire activities			
Fuel prices will rise in line with BERL projections¹ , allowing the present use of roads as the predominant mode of transport within the District for goods and people will continue to be viable.	<p>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.</p> <p>The ratepayer base could fall as a result.</p>	Low	BERL estimates have been carefully researched. However, there has been a historical volatility to petroleum prices on the world market.
Natural Disasters – 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> <p>Currently Council is part of a mutual insurance scheme with the local assurance protection programme for below ground assets.</p>	Medium	The timing and scope of natural disasters cannot be predicted. However, government subsidies and Council’s own reserves provide some assurance that there will be sufficient funds for emergency work.
4 Financial environment			
Inflation – The financial information is based on inflation figures from 2016/17	That inflation (CPI) is greater than predicted or that operational costs do not vary in line with the	Medium	The current economic conditions mean such

¹See extract from the BERL 2014 update on p.20. This reproduces Table 3 – Adjustors: % per annual change

Forecasting assumption	Risk	Level of uncertainty (in respect of the LTP)	Reasons and Financial Effect of Uncertainty
onwards using the BERL indices for inflation ² .	BERL estimates.		predictions are somewhat unreliable.
Interest – Interest on external borrowing is calculated at 5% for the first year 5% for the second year, 5.5% for the third year, 6% for the fourth and fifth years, and 7% thereafter. Interest on Council’s few remaining investments is assumed to average 1% less than the rate for external debt.	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	Medium	The current economic conditions mean such predictions are somewhat unreliable. If interest rates increased (or decreased) by 1% in 2024/25 (the year of highest debt level in this Long Term Plan), total interest payable would increase (or decrease) by \$377,080 which represents 1.5% of the projected rates for 2014/15.
Revaluation of assets – for 2017, 2020 and 2023 for assets other than 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.	Medium	BERL’s estimates have been carefully researched – but they are made in an uncertain economic climate.
Revaluation of land and building assets –assumes no material change in the value of Council owned land and buildings over the term of this Plan.	That the assumption of no change in value of these assets over the period of the Plan is incorrect – the actual revaluation may be greater or less than this.	Low	The Rangitikei District is suffering declining population and over the last two district-wide revaluations of land and buildings there has been an overall reduction in values. In the Council’s last revaluation of its land and buildings, the overall reduction on book values was 2.3%

²Figures used in this printed document have been calculated using the Forecasts of Price Level Change Adjustors produced by BERL

Forecasting assumption	Risk	Level of uncertainty (in respect of the LTP)	Reasons and Financial Effect of Uncertainty
<p>Exit from forestry – that Council will divest its forestry assets except in cases where (re)forestation is required to protect catchment areas</p>	<p>That timber product commodity prices fall dramatically and Council is unable to divest itself of these assets in the short to medium term.</p>	<p>Low</p>	<p>The annual revaluation of forestry assumes that trees will be replanted at the same rate as those logged (so the value remains the same over the ten years). Whilst this is somewhat weather dependent, Council’s decision to exit forestry means that it can choose the best conditions under which it will divest these assets.</p>
<p>Community and leisure assets and network utilities: that Council will progressively rationalise its assets in these areas in response to predicted population change and that it will have fewer assets after ten years than at present</p>	<p>That population change does not occur as predicted and so these assets are inadequate to meet the community need.</p> <p>That Council and communities are unable to decide how and which assets are to be rationalised.</p>	<p>Low/ Medium</p>	<p>Population change is increasingly well-documented and evidenced.</p> <p>Council has identified this as priority and so asset and activity management plans have been developed to meet changing needs.</p>
<p>Capital Works Contracts – There will be no variations in terms of price and performance of capital works programmes.</p>	<p>There is significant change in price levels of capital works programmes which may affect the affordability and/or level of service provided.</p>	<p>Low</p>	<p>Council’s capital works contracts have tight provisions governing price variations.</p>
<p>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.</p>	<p>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.</p>	<p>Medium</p>	<p>The current economic conditions mean such predictions are somewhat unreliable.</p>

Forecasting assumption	Risk	Level of uncertainty (in respect of the LTP)	Reasons and Financial Effect of Uncertainty
That increases in prices for roading will align with the NZTA 2.5% inflation factor on a three yearly.	That the NZTA inflation factor is insufficient to cover the real inflationary costs associated with and that there is unbudgeted expenditure associated with these inflationary increases.	Medium	The current economic conditions mean such predictions are somewhat unreliable.
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 public has had three years to absorb the initial variations in rates payable for services. The move to District-wide/public good funding should ensure that future cost peaks are evened out.
5 Council performance			
Levels of Service – Changes in customer expectations regarding level of service will impact on assets development and operating costs, and that Council has anticipated and/or planned for these changes.	That Council has not consulted adequately with communities to understand fully their expectations and so has planned to deliver Levels of Service that are not acceptable to the ratepayer (too high or too low).	Low	There has been significant pre-consultation work to identify customer expectations on levels 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 the partners: proposals for change may create tension and ill-feeling which will be counter-productive. Joint ventures (Council and Iwi) may fail.	Low/ Medium	The Ngāti Apa claim was settled in 2010 and 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.

Forecasting assumption	Risk	Level of uncertainty (in respect of the LTP)	Reasons and Financial Effect of Uncertainty
<p>Liaison with the Samoan community (Marton) – that there will be progressive inclusion and engagement of the Samoan community in Marton.</p>	<p>The urgency and extent of engagement will be viewed differently by the partners: proposals for change may create tension and ill-feeling which will be counter-productive.</p>	<p>Medium</p>	<p>The Samoan community is increasingly well-established within Marton and finding its voice to engage effectively with Council and other statutory stakeholders.</p>
<p>Replacement of existing assets does not mean an increase in levels of service, unless otherwise stated</p>	<p>Technological advances in replaced assets or higher national standards lead to increase levels of service</p>	<p>Low</p>	<p>Such changes would typically be highlighted in a report to Council seeking approval for the upgrade or replacement.</p>
<p>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>	<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>	<p>Medium</p>	<p>Asset data is nearing completion, and the asset management plans have been greatly improved. The financial impact of this uncertainty is that:</p> <p>major previously unknown faults are identified needing urgent attention;</p> <p>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 predicted savings in operating costs are not realised because performance of the assets has been wrongly assessed.</p>

Forecasting assumption	Risk	Level of uncertainty (in respect of the LTP)	Reasons and Financial Effect of Uncertainty
<p>Depreciation rates on 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.</p>	<p>Once costs for specific items are known, the depreciation may turn out to have been over-/under-stated.</p>	<p>Low</p>	<p>Because of the long lifespan of infrastructural assets, any changes in actual depreciation compared to forecast should be minimal.</p>
<p>Funding Sources for the future replacement of significant assets disclosed in the Revenue and Financing Policy, Financial Strategy and Infrastructure Strategy are achievable.</p>	<p>Some user charges may not be achievable. Ratepayers may press for a different ‘mix’.</p>	<p>Low</p>	<p>There has been considerable work in modelling funding sources in preparing for this LTP.</p>
<p>External funding will continue to be sourced to supplement Council funding for activities in the District that contribute to community outcomes.</p>	<p>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.</p>	<p>Medium</p>	<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>Technology – Council will not integrate untested or experimental technology (including computer hardware, software, plant or devices) where it may significantly impact on the delivery of Council services.</p>	<p>Funding requirements for upgrades or migration to new systems may be greater than budget.</p> <p>Council may be unresponsive to market developments, becomes ‘stuck’ with outmoded technology and a declining level of technical support, does not use technology which aligns well with the community’s expectations and preferences or implements technological change</p>	<p>Low</p>	<p>Council’s track record in implementing technology gradually makes these risks unlikely. Major upgrades would always be subject to formal consideration and Council’s procurement policy requirements.</p>

Forecasting assumption	Risk	Level of uncertainty (in respect of the LTP)	Reasons and Financial Effect of Uncertainty
	which is unsuccessful.		
That plant pests will not extend their hold on Council owned properties over the course of the LTP	That controlling plant pests will become increasingly difficult and expensive and that a suitable regimen for control may be unaffordable for the community	Low/medium	Council will be a responsible landowner. Adequate provision will be made within its budgets to ensure that the problem of plant pests is controlled on an ongoing basis.
Shared Services Arrangements: Rangitikei District Council will continue to seek shared services arrangements where the needs of the community are best served by such arrangements.	Existing Shared Services arrangement may prove less attractive than when they were entered into. The cost and the needs of the Rangitikei community may not best served by such arrangements	Low	These arrangements are typically flexible and have exit provisions.
5 Economic performance			
That Council is able to influence small scale changes in the local economic environment which will add up to make an impact on the District's economic development	That Council will apply resources to secure economic development but is ineffective in the face of global economic trends	Medium	Council will take a measured, evidence-based and risk averse approach to economic development initiatives.

Extract from BERL Forecasts of Price Level Change Adjustors – 2014 Update

Table 3: Adjustors: % per annum change

	Road	Property	Water	Energy	Staff	Other	Earth-moving	Pipelines	Private sector wages
Year ending	%pa change								
Jun 12	5.2	3.3	6.0	15.4	2.3	2.4	4.7	3.1	2.1
Jun 13	1.1	1.7	-2.8	-1.8	2.1	2.9	2.1	-2.7	1.9
Jun 14	0.7	1.9	-2.1	1.3	1.9	1.8	2.8	-2.5	1.7
Jun 15	0.4	1.9	4.7	4.2	1.6	1.5	1.7	1.8	1.7
Jun 16	1.2	2.2	5.2	3.5	1.8	2.3	1.8	2.1	1.7
Jun 17	1.4	2.4	3.8	3.8	1.9	2.5	2.6	2.5	1.8
Jun 18	2.2	2.5	3.0	3.9	2.0	2.6	2.4	2.6	1.9
Jun 19	2.4	2.6	3.2	4.1	2.1	2.7	2.0	2.8	2.0
Jun 20	2.5	2.8	3.3	4.3	2.2	2.9	2.1	2.9	2.1
Jun 21	2.7	2.9	3.5	4.5	2.3	3.0	2.3	3.1	2.1
Jun 22	2.8	3.0	3.7	4.7	2.4	3.1	2.4	3.2	2.2
Jun 23	3.0	3.2	3.8	4.9	2.5	3.3	2.5	3.4	2.3
Jun 24	3.1	3.3	4.0	5.1	2.6	3.4	2.9	3.5	2.4
Jun 25	3.3	3.4	4.2	5.3	2.7	3.6	3.1	3.6	2.5
20-year avge %pa	3.2	2.9	3.5	4.7	2.4	3.0	3.0	3.0	2.2

Source: BERL

SECTION
04

Financial
Strategy

■ A. Introduction

Local government must be financially sustainable to continue delivering services to its communities. This involves a balancing act of keeping the services it delivers 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.

In addition to these challenges, local government is a large and quite complicated business, which provides many different services, for its communities now, but also into the long-term future. Further, some members of our community have an expectation that the Council will continue to undertake new projects and increase levels of service. The changing requirements of central government, in terms of financial management and reporting requirements as well as new policy and legislative requirements, have significant influence on the Council's performance.

As a result of this environment:

- Overall expenditure is not forecast to decrease in the foreseeable future
- Council has adopted a conservative approach to its borrowings with relatively low levels of borrowing
- Council has focussed on delivering the 'must haves' "just in time" in order to minimise rates increases, and acknowledges these decisions are not always easy or popular
- Trade-off decisions will continue to be required in the future given the Council's forecast expenditure and affordability of rates.

This strategy elaborates on these challenges and outlines how they influence financial decision-making.

The Financial Strategy sets out how Rangitikei District Council plans to manage its financial performance over the next 10 years. It provides a guide as to how the Council will consider and approach funding and expenditure proposals when undertaking activities and determining which activities it should undertake. The benchmark disclosures prescribed by legislation form an important part of this strategy and the measures set by council for these benchmarks will provide evidence on how successful council has been.³

³The full benchmark disclosure statement is in Section 10.

We strive for the Rangitikei be a great place to live as we stretch from the coast to the central plateau with Scenic Mountain and river as a backdrop to the pastoral landscapes. With this geographical spread of our District and, like many other rural councils, there are some significant challenges for Rangitikei District Council to manage. These include:

- having many small, sometimes relatively isolated communities that are dispersed across a geographically challenging district
- significant income and wealth disparity among members of our community, where some earn and own much more than others
- members of our communities having different needs and wants and ability to pay for services, which reflects the geography and disparity in disposable income amongst our community
- our geography which requires services to be provided separately to different communities across a large area (towns such Marton, Bull and Taihape are serviced by separate reticulated sewerage and water schemes instead of one centralised scheme) makes these services more expensive to deliver than if we could build one system.
- Some small communities with separate reticulation schemes may need to consider alternative approaches to ensure the services remain affordable.
- being susceptible to frequent extreme weather events which often come at significant cost to roading networks and stormwater systems.
- the population growth forecast for the District are variable between different towns;
- the cost of providing local government services (the local government cost index “LGCI”) continuing to increase at a higher rate than the consumer price index often as result of increased compliance costs
- subsidies, such as Ministry of Health subsidies for sewerage schemes not continuing
- the devolution of responsibilities from central government (such as alcohol and gambling regulation) and increased standards (such as building codes) placing more mandatory requirements onto the Council, which ultimately come at a cost and with changes in central government policy affecting the funding we receive, such as the funding central government provides for our roading network which may decrease substantially.

It is against this challenging geographic, political and fiscal environment that a financial strategy needs to be set and followed by Council.

In line with many rural councils in New Zealand, Rangitikei District Council currently carries low or no debt on its balance sheets although this has not always been the case and has led in the past to the

sale of Council's interest in the Bonny Glen landfill. This low level of debt implies that current rates payers have funded future ratepayer's benefits. In the 2012 Long Term Plan there was a signal to move away from that with the level of borrowing which for the current year (2015 year) forecasted to be around \$13 million. This borrowing has not occurred due to changes in the scope and nature of the underlying projects and prudent fiscal management during that period.

■ B. Background and equity

Many of the assets that the Rangitikei District Council own and operate provide benefits to their respective communities over long period of time. Assets are typically constructed before future ratepayers consume the services provided by those assets.

Setting the appropriate rates levels for Council requires balancing how much expenditure should be funded by current rate payers (through rates and charges) and how much by future ratepayers (by borrowing). Council aims to fund its expenditure each year from rates, fees and charges, subsidies and grants relating to that year. Operating expenditure includes provision for depreciation (i.e. spreading the cost of an asset over its useful life). Funding taken for depreciation of an asset will be used in the first instance to repay the principal of any loan taken out for the development of that asset. Interest on loans for capital expenditure (i.e. new assets) is funded from rates. In recent benchmarking exercises and a review of rural councils' financial statements this trend is consistent with other rural councils in New Zealand which have adopted conservative funding strategies' for funding their assets.

As Council is seeking external debt, its security for borrowing will be aligned with the Liability Management Policy. This policy states that Council offers a charge over rates or rate revenue as security for general borrowing programmes.

■ C. Key strategy

The key financial strategy element is that Council retains its current position that it does not borrow large sums as a matter of course and funds depreciation on infrastructure in order that this infrastructure is maintained and renewed. This acknowledges the benefit to future generations. This "low borrowing and funding depreciation strategy" is consistent with many rural councils in New Zealand and Rangitikei District Council's current practice and position on this continuum. It is also a key intersection with the infrastructure strategy where simply borrowing to build assets would not be a prudent option. For example if council adopts a debt limit of \$2,500 per capita for the district this means that there is an absolute limit based on population statistics of 14,600 people in the district of around \$36.5 million of debt.

This strategy means that for some communities where demographic changes indicate there is likely to be population reduction this low debt level strategy will restrict borrowing for major scheme works and that other solutions will be found: this may mean changes in the delivery of levels of service.

External debt will peak at \$37.71 million in 2024/25 if all capital projects proceed as planned. The result of Council's capital works programme will be more resilient infrastructure, and the Council aims to have achieved a marked improvement in compliance with the relevant national standards for water and wastewater. Community and leisure assets are likely to be fewer in number, but of better quality, with less deferred maintenance and more fit-for-purpose for the District's population.

This Long Term Plan contains a capital programme totalling \$135 million over ten years to renew or create new assets. Of this proposed expenditure, \$120 million is specifically for network infrastructure, as follows:

- **Roading \$59.6 million**
- **Water \$36.9 million**
- **Wastewater \$20.6 million**
- **Stormwater \$2.9 million**

■ D. Managing risk

Council has previously committed to funding a roading reserve of up to \$1.5 million, with annual contributions of \$100,000 once the reserve exceeds \$1 million. This is the position in the current year. However, given the uncertainties of how emergency works funding will occur from 2015/16, Council considers it is prudent to increase that reserve to \$3.5 million and increase the annual contribution. Over the next five years it is proposed to transfer, on average, \$360,000 to the reserve each year - funded from rates. This is achievable without any significant increase in the roading rate, because of the increase in the base Funding Assistance Rate from 58% to 62% in 2015/16 and 63% thereafter.

In addition, while Council covers insurance cover for below and above-ground assets, consideration is being given to having a debt facility in place for up to \$10 million to fund emergencies over and above existing reserves.

■ E. Funding 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 (where Council is looking at other options for this activity) and the Rural Water Schemes where the participants pay for all the maintenance. This had the effect of collecting funds from current ratepayers

to be invested in the District in the future which is a low risk conservative strategy. However, the dollars collected in nominal terms on 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.⁴

F. Current and proposed benchmarks

Rates (income) affordability	Current measure	Proposed measure
This consists of measuring actual rates income to, and comparing it with, the quantified limit set on rates in the financial strategy in the long-term plan. Unfortunately, there was no quantified limit in dollar terms on rates income set, but there was a limit on increases as noted below in the next benchmark. To provide a base upon which to compare the actual, the actual rates collected for each prior year will be inflated by the quantified limit on increases.	Annually calculated based on ratio below. (000)'s Limit 2014 \$20,286 Actual 2014 \$19,735	
Rates (increases) affordability	10% excluding inflation for three years	LGCI +2% per annum. This equates to about 4.5% in 2015. (Note this was a 6.66% limit in 2014 with 3.76% actual)
Debt affordability (total interest cost)	Total interest expense on net external debt will not exceed 15% of total rates income	No change (this was 0.52% in 2014)
Debt affordability (total interest gearing)	The ratio of net external debt to annual rates income will not exceed 150%.	No change (note this was -49.8% based on available cash or near cash investments)

⁴Minor improvements (which are matters like smoothing corners, introducing roundabouts, changing Y intersections to T intersections) continue to be funded as renewals (as they have from some years). Technically, however, they increase the levels of service.

Rates (income) affordability	Current measure	Proposed measure
<p>Debt affordability (total interest per capita)</p>	<p>Net external debt will not exceed \$2,500 per capita</p>	<p>No change from Financial strategy (This was -4 for 2014) <i>Note with declining demographics this could reduce total debt limits over time.</i></p>
<p>Balance budget benchmark The benchmark is displayed as a percentage calculated by dividing revenue by expenses.</p>	<p>This benchmark is met if Council's revenue for the year exceeds its operating expenses.</p>	<p>No change (2014 was 107%) (note effect of large valuation movements)</p>
<p>Essential services benchmark The benchmark is displayed as a percentage calculated by dividing capital expenditure by depreciation</p>	<p>This benchmark is met if Council's capital expenditure (whether renewals or new capital) is equal to, or greater than, its depreciation charge for that year.</p>	<p>No change (2014 was 121%) Applies only to core council services</p>
<p>Debt servicing benchmark The benchmark is displayed as a percentage calculated by dividing borrowing costs by revenue.</p>	<p>This benchmark is met if Council's borrowing costs for the year are equal to, or less than, 10% of its revenue. Revenue excludes contributions, vested assets, gains on derivatives of revaluation of property, plant and equipment.</p>	<p>No change (2014 was 0.3%)</p>
<p>Debt control benchmark The benchmark is displayed as a percentage calculated by dividing actual net debt by planned net debt.</p>	<p>This is met if actual net debt at the end of the year is less than, or equal to, the net debt planned for the end of the year</p>	<p>No change</p>

Rates (income) affordability	Current measure	Proposed measure
	<p>in its long-term plan. This tends to emphasise the need to get it right in the long-term plan! There is no opportunity to use revised figures from annual plans in the intervening years.</p>	<p>(2014 was -79%)</p>
<p>Operations control benchmark This benchmark is displayed as a percentage calculated by dividing actual net cashflow from operations by the planned net cash flow from operations</p>	<p>This benchmark is met if the actual net cash flow from operations for the year equals, or is greater than, the planned operations for the year.</p>	<p>No change (2014 was 122%)</p>

Council’s projected performance against these benchmarks is contained in the Benchmarks Disclosure Statement (page 322).

G. Other operational considerations

Council will continue to take a District-wide approach to rating across all activities as being the fairest mechanism. “District-wide” means that an urban property valued at (say) \$200,000 on 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. The only Community Services rate remaining is to fund the two Community Boards (in Taihape and Ratana).

Where fees and charges are applied for services and facilities (i.e. building consents, hall hire), the full cost of these is not usually met by the fee or charge. A proportional fee or charge is calculated using the principles set out in the Revenue and Financing Policy.

The preparation of the LTP, triennial elections, and reviewing the District Plan are examples of expenditure spikes in particular years. The Council’s approach is to smooth these out over the life of the project.

Each year Council makes provision for an operational surplus to allow for the accumulation of general or special reserves as well as emergency funds. Such reserves totalled \$4.868 million at 30 June 2014.

Council holds various short term and longer term investments such as equities, property, forestry, loans and advances and financial investments. Income from investments is used to reduce the rates requirement. The first call on the investment principal is to cover financial reserves. The balance is used to offset rates or capital expenditure. It is Council's objective to protect its investments and to optimise returns in the long term while balancing risk and return considerations. As a prudent public authority, investments are low risk. Council's Investment Policy sets out the parameters that Council must consider when investing in a new investment. When investments mature, since Council is now borrowing, investments must yield a return greater than the borrowing rate. Some areas of its investment, such as non-commercial properties, do not provide a market rate of return. Such investments are held for strategic purposes or public benefit.

■ H. 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 "What's the Plan Rangitikei...?" for this Long term Plan, Council resolved that it is financially prudent for the 2015/25 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.

⁵Council, 30 March 2015 (reconvened from 26 March 2015): 15/RDC/084. This resolution was confirmed at Council's meeting on 25 June 2015, prior to adopting the Long Term Plan.

The Council does not fully fund the depreciation for all Council assets and, as a result, this Long Term Plan shows operating deficits for some years. This is driven by:

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

62% (63% from 2016/17) of most of the maintenance and renewal costs of Roothing is funded by the New Zealand Transport Agency (NZTA) by way of a grant. This grant covers the majority of the depreciation funding required for our largest asset group. Council funds the balance (38% in 2015/16 and 37% from 2016/17) of the depreciation on roads through rates. Deficits 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. This would mean an increase of approximately 1% in rates each year for the next ten years. Council already has budgeted to build up reserves of \$3.5 million to meet unforeseen emergency repairs on the roading network.

- Council 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;

Housing, pools and real estate: Council considered that these assets would not be replaced and therefore depreciation did not need to be funded.

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.

Council has budgeted for surplus and deficits as follows:

	2014/15 Annual Plan (\$000)	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)
Operating surplus (deficit) before tax	1,294	713	1,151	(821)	452	(911)	(1,026)	(612)	(1,084)	(947)	(1,005)

SECTION 05

Infrastructure Strategy

■ A. Introduction

Infrastructure accounts for over 80% of the Council's operating expenditure and around 90% of the Council's capital expenditure. This expenditure provides the foundations on which the Rangitikei community is built – it is essential for the District's economy, the health of the community and its visitors, and critical for people's enjoyment of life in the District. However, there are critical choices to make so that these benefits are achieved to the greatest possible extent. This means there will be increasing prioritisation of those assets serving the most people and/or the areas of greatest economic significance.

This infrastructure 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; and
- the Council's current preferred scenario for infrastructure provision.

The strategy covers:

- roading network – 796 km of sealed and 429 km of unsealed – valued (as at 30 June 2014) at \$325 million, with an estimated replacement cost of \$525 million;
- water supplies – 6 urban (potable) treatment and reticulation systems and 4 rural (non-potable) reticulation systems – valued (as at 30 June 2014) at \$42 million, with an estimated replacement cost of \$82 million;
- wastewater (i.e. sewage and the treatment and disposal of sewerage) – 7 reticulated systems – valued (as at 30 June 2014) at \$26 million, with an estimated replacement cost of \$48 million;
- stormwater – valued (as at 30 June 2014) at \$15 million; and an estimated replacement cost of \$24 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 2014) at \$13 million.

Not surprisingly, the roading network is Council's most significant asset. Because of the rural nature of the District, around one third of properties rely on their own arrangements for potable water and disposal of sewerage. The relevant assets management plans include consideration of the quality of

assets, in terms of performance and capability. The Statement of Service Provision (page 227) contains the performance framework which provides a number of measures about actual and perceived performance of the assets as well as Council staff and contractors who manage them.

For the past five years, the management of Council's roading and water infrastructure has been through a shared services arrangement led by Manawatu District Council. Such arrangements will continue or change to ensure high value for the Rangitikei community.

B. Assumptions and capital expenditure drivers

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

- When should renewals take place – i.e. when does *replacement* (i.e. “like for like”) need to be scheduled?
- When should new infrastructure be *added* and when should existing infrastructure be abandoned?

National standards will increasingly specify the requirements for local infrastructure. A critical assumption is that the long-term projections of a declining and aging population means that the infrastructure built to service towns of (say) over 2,000 (such as Taihape and Bulls) may be servicing resident populations only two thirds or even half that number of people in 30 years' time. There are two exceptions to this. The first, and most significant and certain, is roads, as the need to transport goods and services to and from farms is likely to increase as the anticipated increases in productivity are realised. The second, and less certain, is the expansion of the rural (non-potable) water schemes. The uncertainty is more round the nature of Council ownership and management rather than the expansion of such schemes.

Specific assumptions

The specific assumptions made by the Council (and the confidence in each of these and potential effects of uncertainty) for this infrastructure strategy are:

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 (f not increase) demand for high quality rural roads	Certain	
There will be increasing prioritisation on those assets serving the most people and/or the areas of greatest economic significance	Fairly certain.	This could lead to decline in service/handover of assets to community groups/individuals to manage

Assumption	Confidence	Potential effects of uncertainty
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	Certain. However, the implications of this are	

Assumption	Confidence	Potential effects of uncertainty
environmental impacts will become stricter.	unclear, in terms of reticulated systems and/or implementation 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 Roothing 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.	

(i) 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 information 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.

Roading

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

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

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

A Highly reliable B Reliable

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

Water, wastewater and stormwater

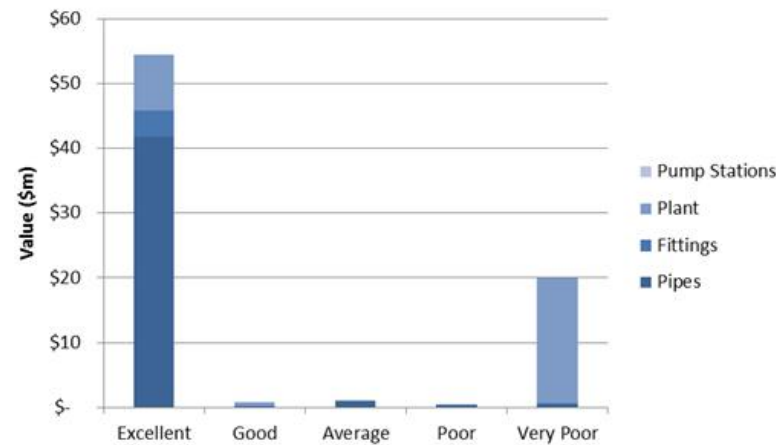
Council owns assets that in some cases are more than 100 years old, so a considerable portion of the infrastructure was created by the former Rangitikei County Council, Taihape Borough Council and Marton Borough Council.

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 are currently being digitised through Archives Central.

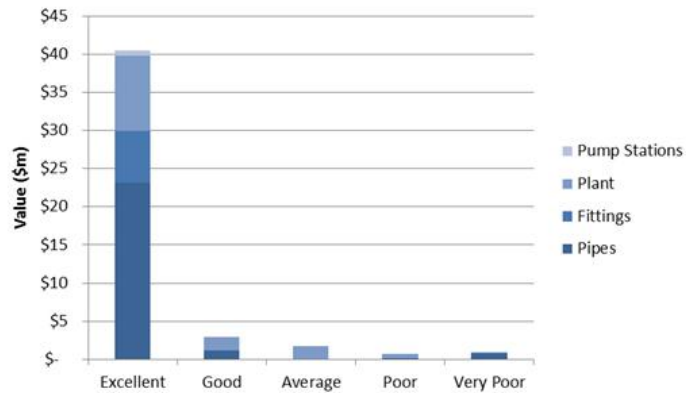
Figure A shows the confidence levels on the asset information held on our water assets. Most of the information is graded "Excellent". There is, however, a significant amount of assets for which information has been graded "Very Poor".

Figure A: Data confidence – Water



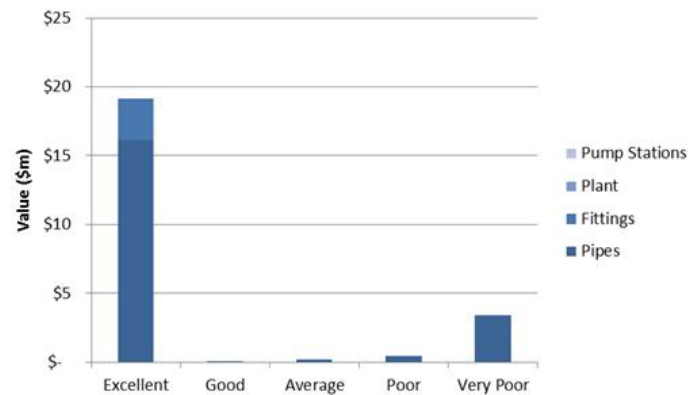
Confidence gradings for information on wastewater assets are given in Figure B. As can be seen, most wastewater asset information is reliable and has been graded “Excellent”. However, there are some assets for which the information is less reliable. MWH consultants carried out componentisation work on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

Figure B: Data Confidence – Wastewater



Data confidence for stormwater assets in Rangitikei is shown in Figure C. Similar to water, the confidence in asset information for stormwater is mostly “Excellent”, but with a significant amount graded “Very Poor”. The stormwater assets for which information is “Very Poor” are all pipes.

Figure C: Data Confidence – Stormwater



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 LTPs 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.

(ii) Lifelines

The main causes of large-scale failure of the Council's infrastructure are earthquake and river flooding, with severe storms and landslides causing most site specific failures. With roads, the consequences are primarily social and economic, with isolation and restricted access being the main issues. Despite this, there is more redundancy within the road network than any of the other lifeline utilities. This means that the roading hierarchy is not synonymous with lifelines. The major bridge risk is at Kakariki, although the SH-1 crossing at Bulls may continue to be available. The parts of the roading network most vulnerable to flooding are Kawhatau Valley Road, Te Moehau Road/Spooners Hill and Kauangaroa Road. If any of these roads is closed, practical alternative routes will provide access to some properties only. While water and wastewater treatment plants are typically out of immediate flood zones or protected by bunds, below-ground reticulation systems are vulnerable to earthquakes. Council manages this risk through its membership of the Local Assurance Protection Plan. Because an earthquake would not affect all part of the District, there is potential to cart water to locations affected by loss of supply.

Volcanic ash falling on roads is disruptive to transportation, reducing visibility because the ash is easily raised in clouds by passing vehicles. Even in relatively small ash falls, contamination of open water supplies occurs. Because the District's water takes are primarily from the Rangitikei River or bores, falling ash will have minor impact on Council's potable water supplies. The exception is Marton, but its distance from likely volcanic activity means it is unlikely to be much affected. The Calico Line bore could be used in such an emergency. However, volcanic ash falls can damage wastewater and stormwater systems because the ash is easily washed off impervious surfaces, such as roads, car parks and buildings, into these systems. Close monitoring would be undertaken.

All components of the reticulated water supply network are considered lifelines, but the trunk mains are the most critical as they are the source for fire hydrants in the towns.

■ C. When should infrastructure be replaced?

The expected asset lives of council's assets are set out in detail in the statement of accounting policies, Section 10 of the Long-Term Plan. More detail is provided in the asset management plans.

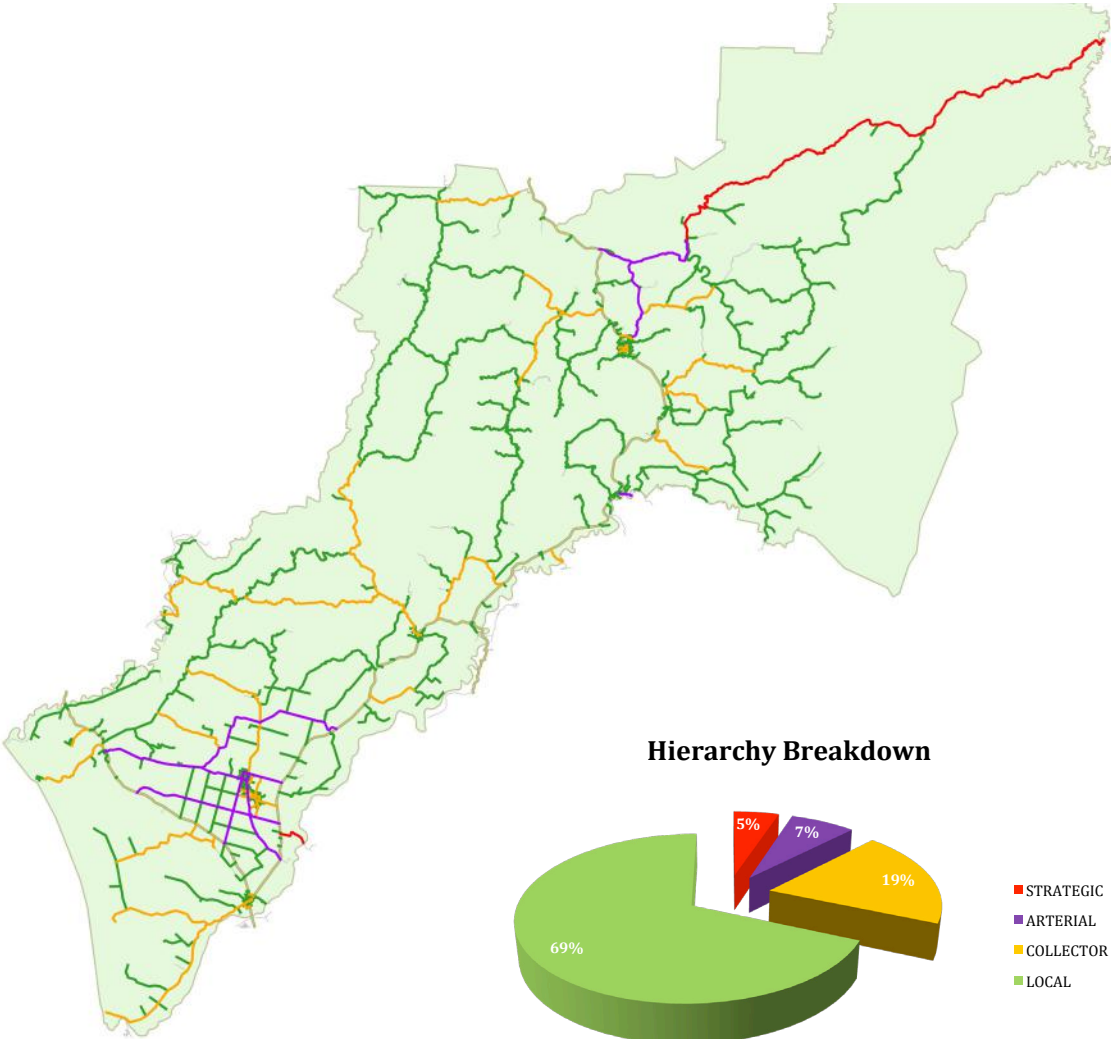
Roading and Footpaths

Council's road hierarchy is depicted in the map on the following page.

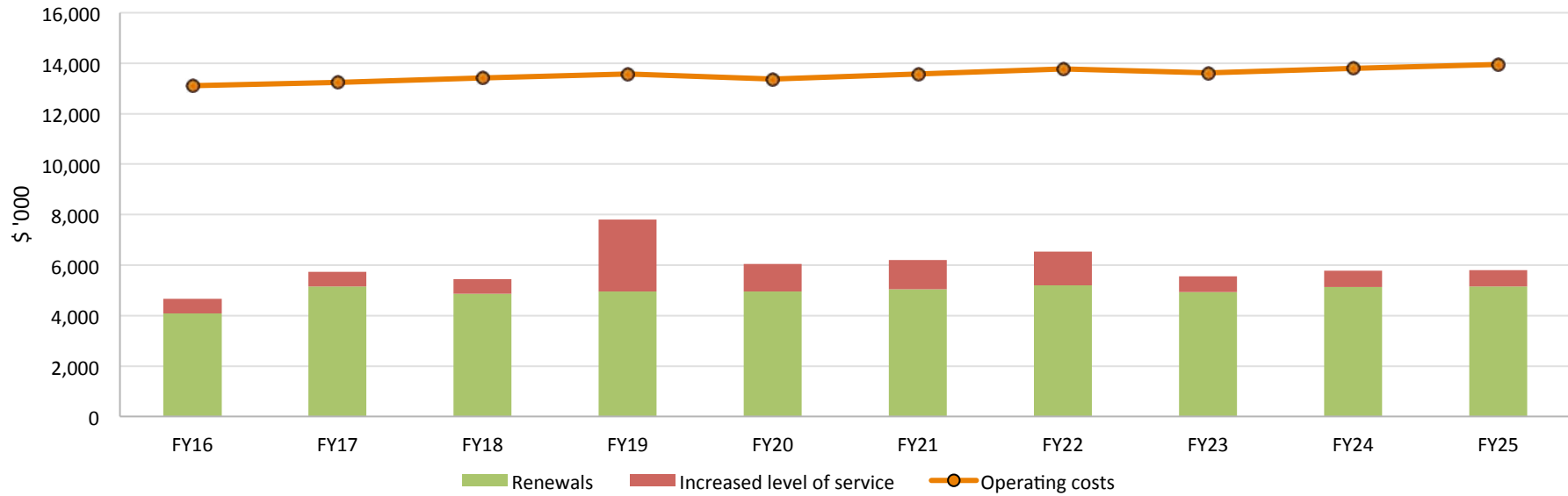
The annual renewal programme for roads includes resealing and road rehabilitation (i.e. a rebuild). The programme is determined by review of data maintained in RAMM and by physical inspection. It gives effect to Council's assumption that there will be increased demand for high quality rural roads. Council will have a closer focus on the maintenance of unsealed roads and urban footpaths. The chart on page 45 projects a steady pattern of expenditure.

Greater frequency and severity of such events and the reduced level of grants from New Zealand Transport Agency for 'emergency works' may require a larger budgetary provision from rates to restore damaged roads to their previous condition. Council's approach to this risk is noted in the financial strategy (page 25) - increasing the roading reserve to \$3.5 million and consideration to a debt facility to fund emergencies where the response would exceed reserves. Roothing and footpaths will continue to be funded on a District-wide basis.

Harvesting of large tracts of pine forests typically requires a period of intensive maintenance followed by a programme of road reconstruction after the peak harvesting load has passed. Council has considered using a change to the District Plan or using a bylaw to encourage logging in the dry months to reduce that damage and to use resource consent conditions to ensure that forestry block owners carry a fair share of the cost in maintaining the network. However, since there is a national working party considering this matter, adopting a specific approach has been postponed until the results of that work have been released and evaluated.

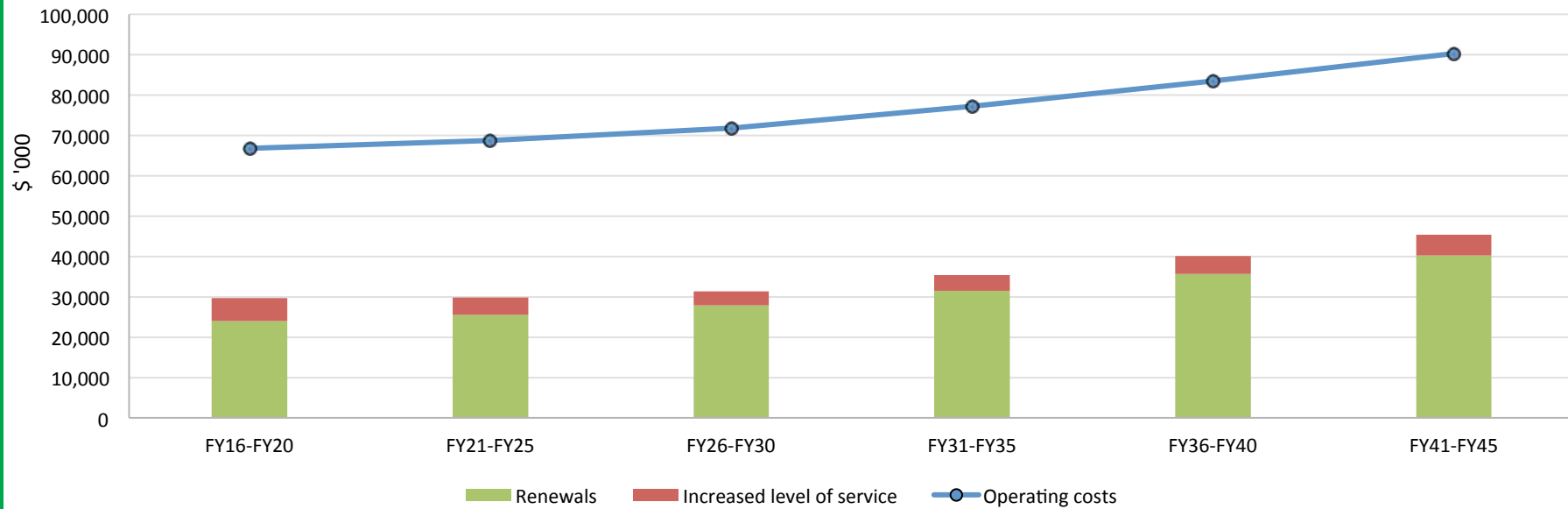


Roads and Footpaths Capex and Opex - 10 Years



The chart above shows the projected annual costs for roading for the first ten years of this LTP. The second chart (following page) shows projected costs in five year blocks over thirty years (including the first ten years).

Roads and Footpaths Capex and Opex - 30 Years



Water, wastewater and stormwater

Decisions on asset renewal use a combination of condition assessment and hydraulic modelling results, together with a capacity/criticality assessment. The table below details possible selection criteria for asset renewal. In the main towns, levels of demand are likely to decline slowly in accordance with projected demographic change. However, the level of service will increase for urban water supplies as Council gives stronger emphasis to ensuring urban drinking water is safe in accordance with national standards and not wasted. There will also be a great emphasis on responsiveness to reported faults.

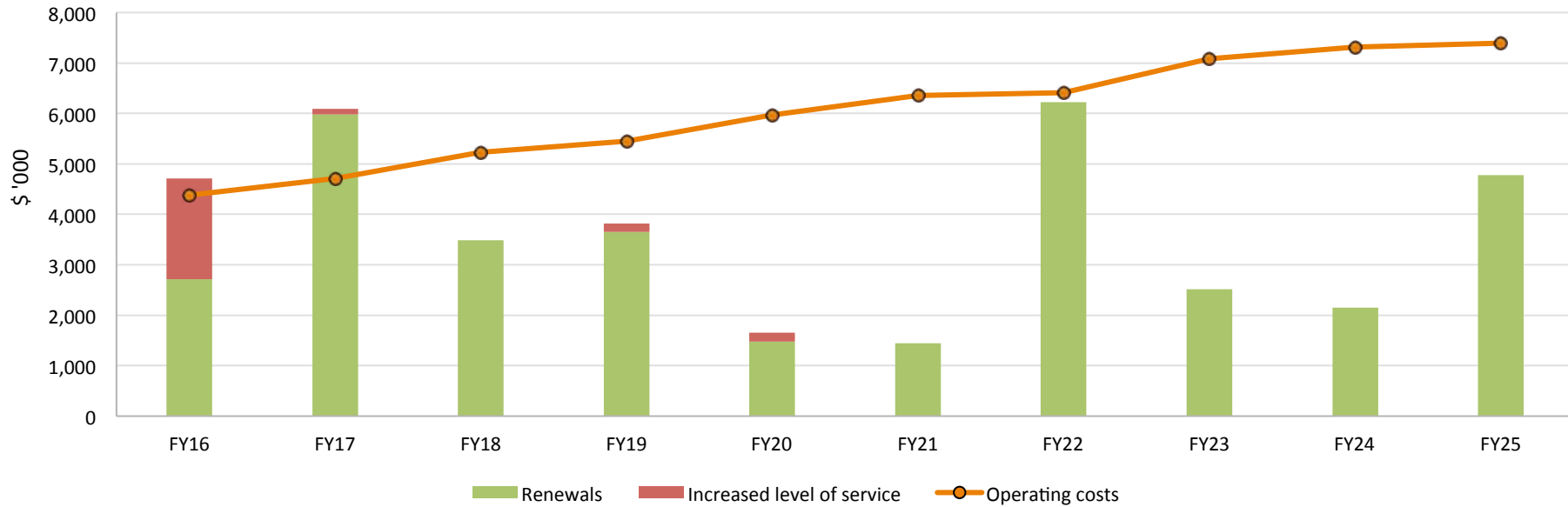
Renewal Selection Criteria

Priority	Renewal Criteria
1 (high)	<ul style="list-style-type: none"> Asset failure has occurred and renewal is the most cost effective option Asset failure of a critical system or component is imminent Does not meet level of service Does not meet legislative requirement Fault has, or is liable to become a public health risk
2	<ul style="list-style-type: none"> Failure of non-critical asset is imminent and renewal is the most efficient lifecycle cost alternative Fault causes repeated problems Road upgrading scheduled for the current financial year Complaints, re-leaks, water shortages, dirty water
3	<ul style="list-style-type: none"> Reticulation maintenance is high Difficult to repair, due to fragile nature of material, or obsolescence
4	Existing assets have a low level of flexibility and efficiency compared with replacement alternative
5 (Low)	Existing asset materials or types are such that known problems will develop in time

Renewal forecasts are generated by Council's AssetFinda system, which calculates renewal programmes based on asset age, remaining useful life and condition. The graphs on the following pages show projected operating and capital costs for the Council's water, sewer and stormwater reticulation. The first shows the annual costs projected for the first ten years of the Plan. The second shows projected costs in five-year blocks over thirty years (including the first ten years). In practice, it is not critical that every particular pipe is replaced in the specific year indicated by AssetFinda. Where

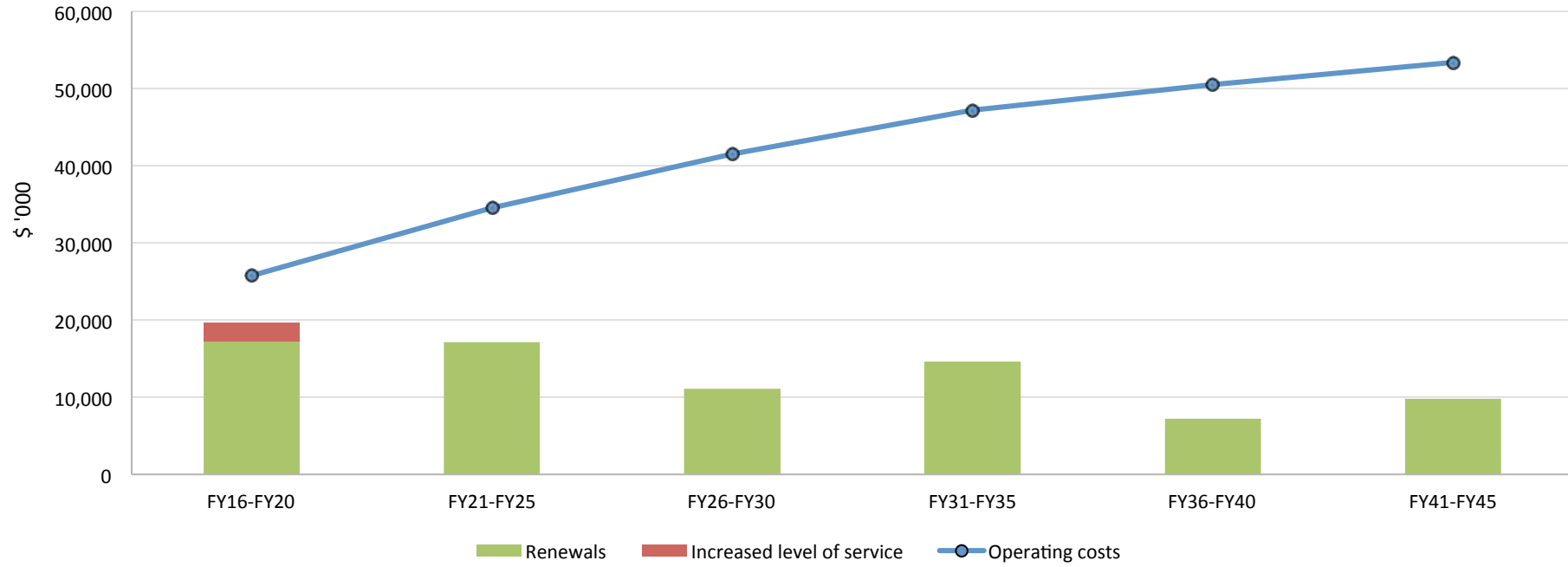
feasible, Council has further smoothed the planned replacement programmes over successive years so that funding demands on ratepayers are kept as even as possible. Work that affects street surfaces will be integrated with the Council's street resealing programme.

Water Capex and Opex - 10 Years



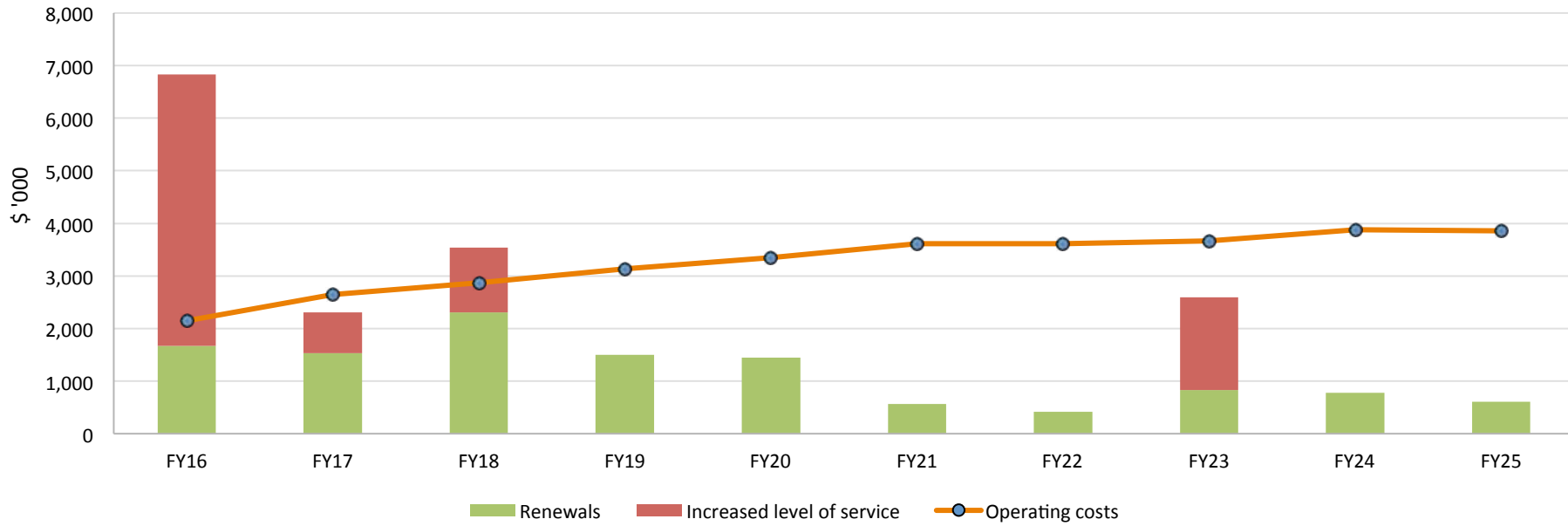
The spike in 2016/17 is the projected cost of upgrading the Marton wastewater treatment plant ahead of the expiry of the consent.

Water Capex and Opex - 30 Years

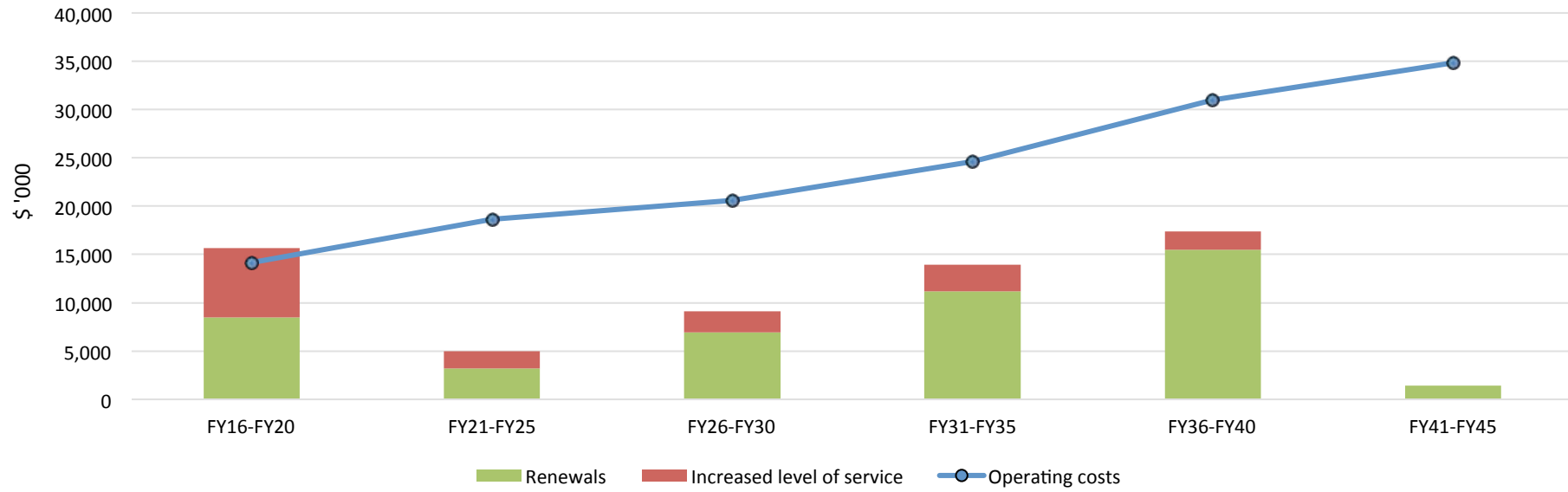


Wastewater

Sewerage and Disposal of Sewage Capex and Opex - 10 Years

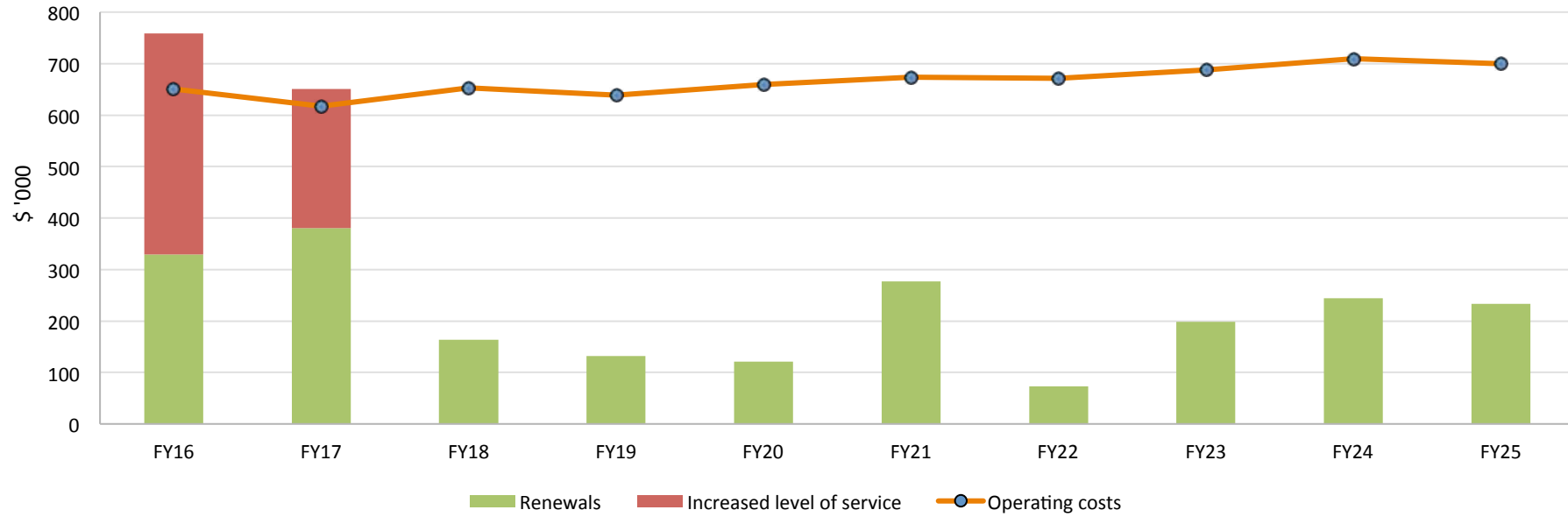


Sewerage and Disposal of Sewage - 30 Years

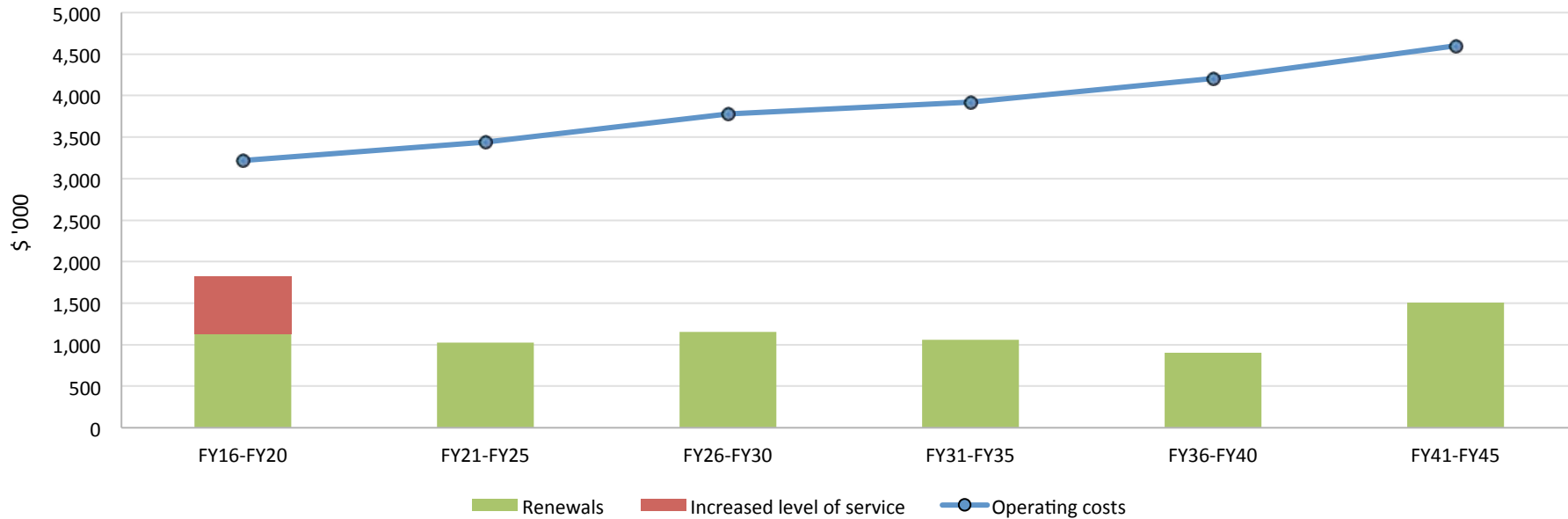


Stormwater

Stormwater Drainage Capex and Opex - 10 Years



Stormwater Drainage Capex and Opex - 30 Years



In making these projections, Council has assumed that the current state of engineering technology remains unchanged. Undoubtedly, there will be use of new materials in construction and maintenance of assets, but the characteristics of such materials and their availability after suitable testing is conjectural. This means that projections of the cost of renewal are likely to be higher than will prove the case. There will continue to be developments that both lower the cost of replacing pipes, for example by using trenchless construction technologies, and allow pipes to be treated in ways that extend their lives for several decades, for example by inserting new linings in existing pipes. In addition, these projections assume all existing schemes – with the exception of Mangaweka wastewater - will continue until 2045/46. The considerations noted in the likely scenarios suggest this is unlikely to be the case so, to that extent, the projections may be higher than is actually the case.

Council uses a combination of physical inspection and CCTV to construct its knowledge of the condition of the water, wastewater and stormwater networks. For example, it has revealed that much of the Hunterville wastewater reticulation was subject to inundation. CCTV is not practical for water pipes.

These charts show higher investment during the first decade (particularly the first three years) followed by a lower level over the ensuing 20 years. Further work is being done to check the feasibility of spreading this work over a longer period.

Typically storm water pipes have a longer life than water and sewer pipes. Therefore, over the life of this strategy, there is a relatively constant storm water renewals programme. Over half the projected investment is for Taihape's network, which is more dense than in Bulls and Marton because of the much steeper gradients and consequent high-flow velocities. In addition, Taihape was originally built with a combined stormwater/wastewater system which is currently being separated. CCTV has shown up a number of illegal connections to the stormwater network.

By contrast, the projected operational costs for these activities are stable during this thirty year period.

The financial strategy notes Council's commitment to a District-wide approach to funding. This helps smooth the costs and keeps systems affordable. The revenue and financing policy provides that 20-25% of the costs of Council's urban reticulation systems will be funded by each separately used or inhabited part of a rating unit.

Community and leisure assets

In the 2012/22 Long Term Plan, Council limited funding depreciation for parks, halls and public toilets to 50%. This is in line with its intention to rationalise its portfolio of these assets and have fewer facilities in the future. However, given its other intent, to have better facilities, when a particular asset is earmarked to be retained, and when it is at the end of its useful life, then it will be replaced. Most of the asset management undertaken in the past 5 years has been to bring these assets back to a good condition and to ensure that they are structurally sound. This has "bought time" for Council and the community to have the conversations about which assets will be refurbished or redeveloped and which will be let go. During this time, virtually no refurbishment or upgrade has been undertaken. Indeed, Council has stated that no major refurbishments will be undertaken until an assessment of the need for the facility, including exploration of alternative options for provision, has been undertaken.

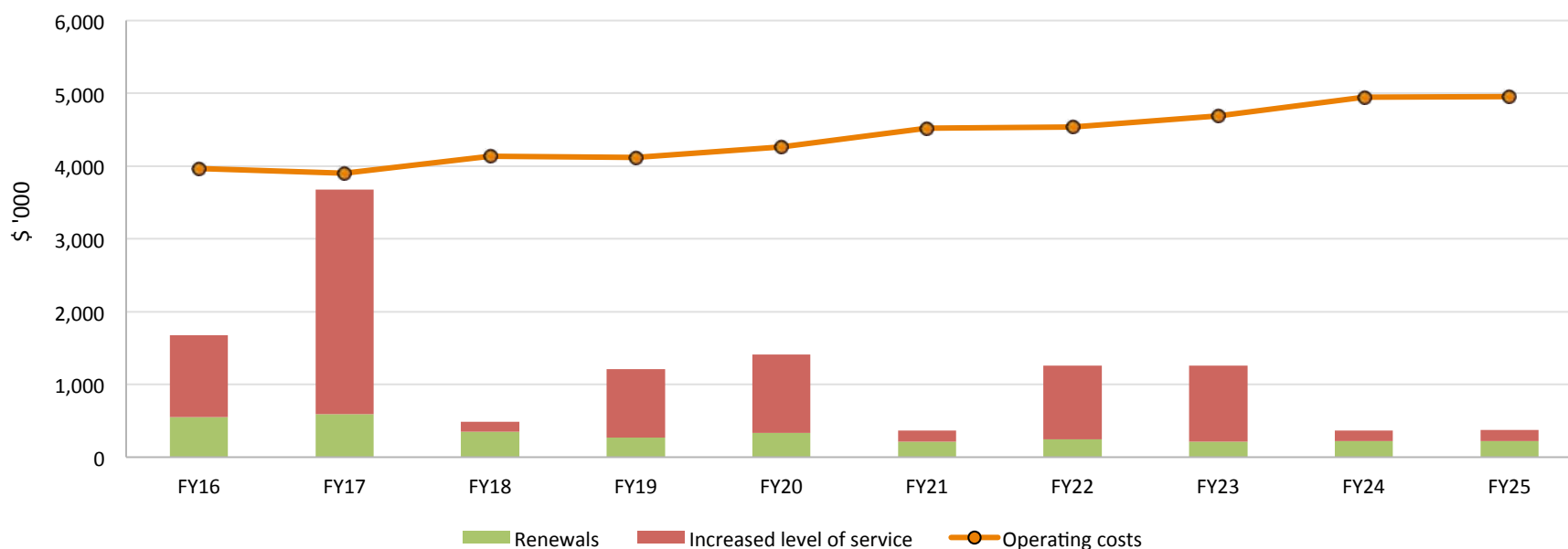
There is no funded depreciation for pools, although a contribution of \$75,000 to an aquatic strategy reserve has been in place since 2013/14. Council has committed to attempting to increase use of pools and is exploring the feasibility of different levels of service for pools. It has yet to consider whether this aquatic reserve will be accumulated to enable a new facility to be built in time, or whether it will be used to renew the existing facilities to extend their useful life.

There is also no funded depreciation for community housing. Council is currently considering whether this is an activity that it should continue to deliver. However, Council funds depreciation for libraries at 100% demonstrating that public libraries are a key community facility that it intends to keep. Council is intending to increase use of its libraries through extending the services that are provided to include as a community hub.

The rationalisation of community and leisure assets forms a key choice for consultation in developing this LTP. This infrastructure strategy will be updated to reflect Council’s decisions as work continues with the draft Long-Term Plan.

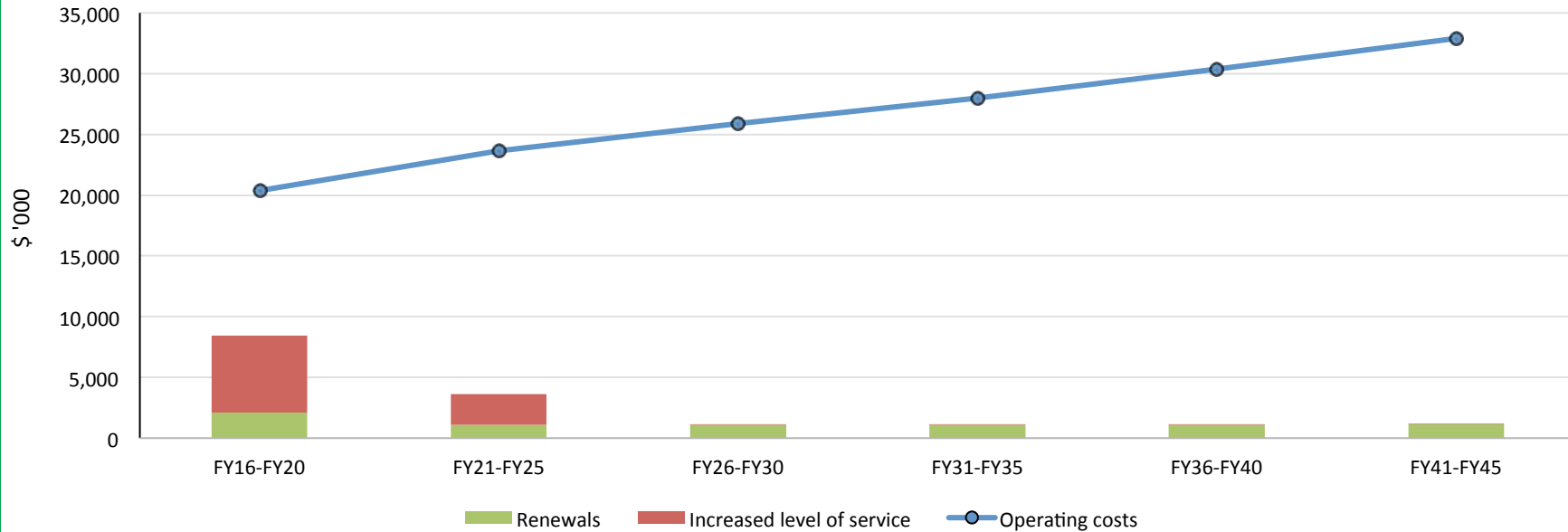
The following charts show projected operating and capital costs. The first shows the annual costs projected for the first ten years of the Plan. The second shows projected costs in five-year blocks over thirty years (including the first ten years)⁶.

Community and Leisure Assets Capex and Opex - 10 Years



⁶The spikes are due to the projected timing of civic centre redevelopment in Bulls, Marton and Taihape.

Community and Leisure Assets Capex and Opex - 30 Years



D. When should the Council add to existing infrastructure or abandon it?

There are five reasons why the Council would change existing infrastructure services. These are responding to District specific issues as well as national policy considerations:

- growing economy;
- changing demographics;
- rising environmental expectations;
- climate change; and
- earthquake resilience.

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. However, 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 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. However, following consideration of views from the submission process, Council will invest \$100,000 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. Any new water takes would be subject to resource consent.

It is also possible that 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. It is likely that Council's capital funding is likely to be minimal, if any, so no provision is included in the financial estimates.

A major prompt for the town centre development projects in Bulls, Marton, Hunterville and Taihape is to provide greater appeal to visitors to stop as well as creating a civic heart around which retail business is more likely to thrive.

Changing demographics

Projected decline in population (and in the number of households) mean 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. So, shrinkage of the area being served and possible closure is likely to be the result, depending on the comparative costs of alternatives.

These changing demographics also impact on the Council's community and leisure assets. 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 contributions from 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, it is open to the possibility that it may be a viable long-term with a specialist provider.

An area of uncertainty exists around the requirements in the future for transport options to provide access to community and leisure facilities in nearby towns where this provision is not provided locally (for example all year round swimming pools, theatres, museums etc.). Council will need to continue to monitor whether the provision of services in the District is a more effective option than expecting residents to travel further afield for this provision.

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

Environment expectations

The main area in which this is likely to affect the Council is in the discharge of waste water. Of particular significance is Policy 6-11 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".⁷

⁷The preferred discharge is to land.

In addition, during the next thirty years there is very likely to be consents required for stormwater discharges 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 on page 61 shows the expiry dates for Council's current consents from Horizons Regional Council.

While in some parts of the country, shifting from forestry to pastoral farming can have an impact on water quality, with potential pressure for improved waste and stormwater discharge. This is not seen as a significant factor for change in the Rangitikei.

Climate change

The Ministry for the Environment suggests that local councils 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 impact will be more significant in 50 years' time. Even so, part of 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. However, these inundations are projected to fall across the area currently used for the village's oxidation ponds.

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 this risk is noted in the financial strategy (page 25) - increasing the roading reserve to \$3.5 million and consideration to a debt facility to fund emergencies where the response would exceed reserves.

Upgraded bridge structures are influenced by this consideration.

Earthquake resilience

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.

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

Upgraded bridge structures are also influenced by this consideration.

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

Expiry of resource consents

	Water	Wastewater
Expired	Marton abstraction bores	Bulls and Ratana
2014		
2015		
2016	Marton - discharge sludge	
2017	Mangaweka - river water take	
2018		
2019		Marton - discharge to water (and air)
2020	Taihape - river water take; Ratana -abstraction bores	
2021		
2022		
2023		
2024		Mangaweka - discharge to Mangatera Stream; Koitiata - discharge from oxidation ponds to land
2025		
2026		

	Water	Wastewater
2027	Marton - abstraction well; Erewhon - abstraction from stream and dam; Omatane - surface water take; Putorino surface water takes	Taihape - discharge into Hautapu
2028		
2029		
2030		
2031		
2032	Marton abstraction Tutaenui Stream	
2033		
2034		
2035		
2036		
2037	Huntermville - river water take and diversion for infiltration gallery	Huntermville - discharge to land, water and air
2038		
2039		
2040		

	Water	Wastewater
2041		
2042		
2043		
2044		
2045		

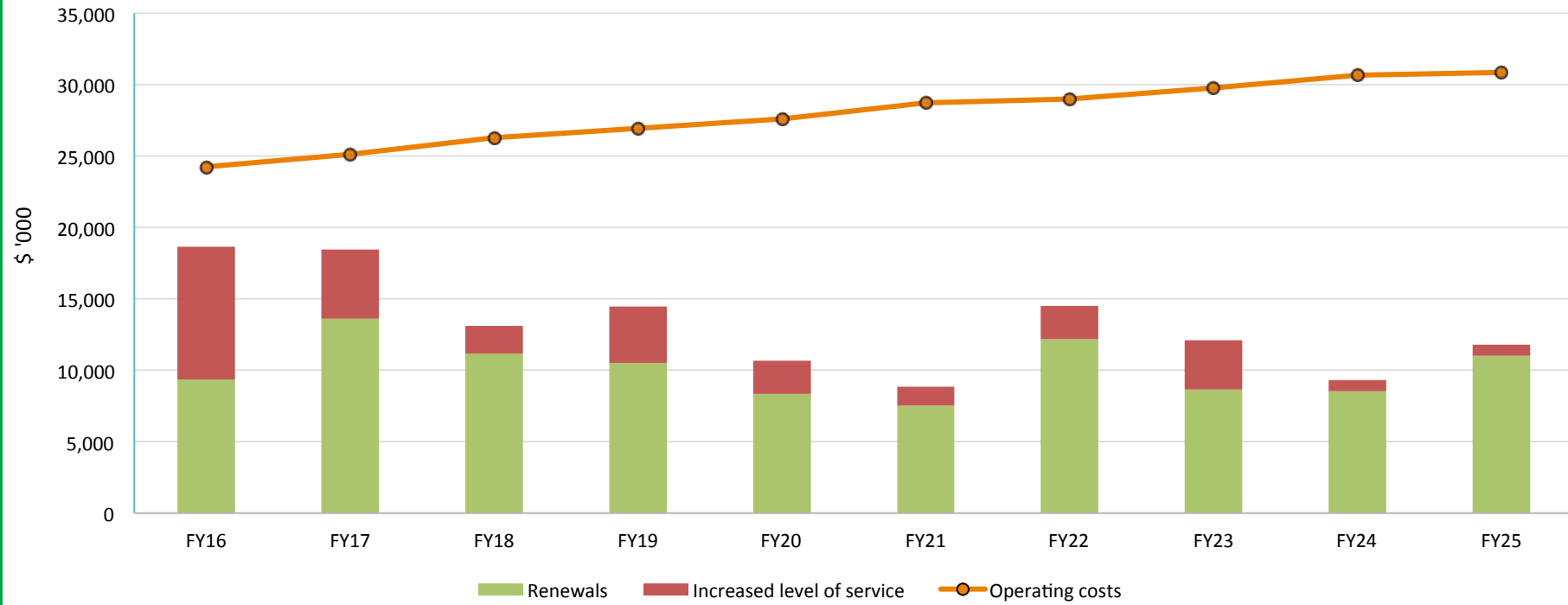
■ E. Most likely scenario

Note: The timing for any expansion of the roading network and the District’s rural water supply systems have not been estimated as they are subject to decisions made by the respective parties and/or by the Government.

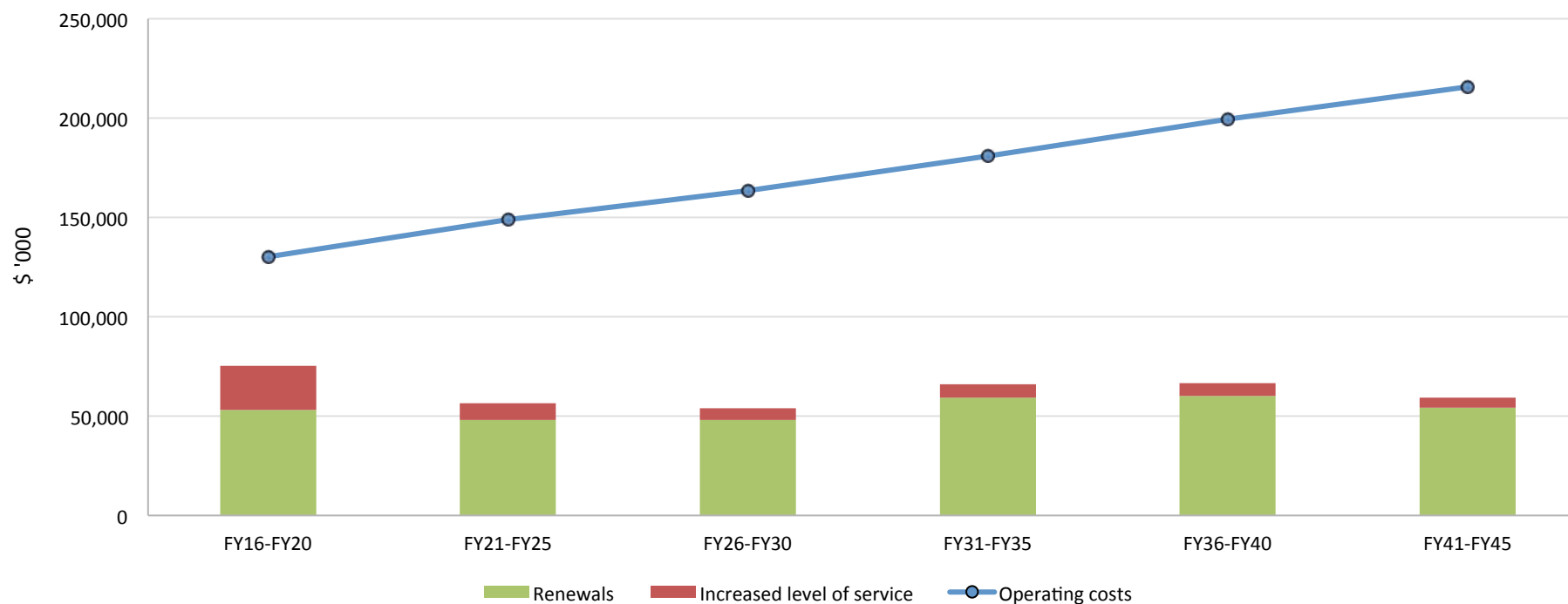
Overall cost of most likely scenario

The following graphs shows the projected operating and capital costs of the most likely scenario. The first shows the annual costs projected for the first ten years of the Plan. The second shows projected costs in five-year blocks over thirty years (including the first ten years).

Consolidated Capex and Opex - 10 Years



Consolidated Capex and Opex - 30 Years



The significant decisions

Council has an ongoing renewals and capital upgrade programme for its infrastructure driven primarily by asset condition and consideration of future life in considering whether to replace like for like or upgrade. This programme is subject to modification by adverse events and re-prioritisation. Such decisions are rarely significant, apart from (possibly) the effect on Council’s finances.

The significant decisions arise in three main circumstances:

- when considering the available options when consents for wastewater discharges expire and require renewal for the discharge to continue;
- when considering options for the provision of Council’s service facilities in the main towns and how they might support their economic and civic rejuvenation
- when considering reductions in or withdrawal from the provision of services and facilities.

The projects identified as entailing significant decisions⁸ are:

Project	Probable year of decision	Probable Year of Construction	Most Likely Scenario
Bulls wastewater upgrade	2014/15	2015/16	\$1.5 m
Bulls civic centre redevelopment	2014/15	2015/16-2016/17	\$3.61 m ⁹
Community housing upgrade	2014/15	2015/16-2017/18	\$0.3 m
Ratana wastewater upgrade	2014/15	2015/16	\$1.5 m
Marion civic centre redevelopment	2015/16 Initial concept and timeline	2018/19-2019/20	*\$1.64 m ¹⁰
Taihape civic centre redevelopment	2015/16 Initial concept and timeline	2021/22 to 2022/23	*\$1.78 m ¹¹

⁸There are also renewals planned in Marion's and Taihape's water supply reticulation during 2018/19 to 2021/22.

⁹This is the total estimated cost of the Bulls facility. Council has capped its financial contribution to \$1.6 million.

¹⁰This is Council's projected contribution to a Taihape facility. The total cost may be more, but no estimate is feasible until specific site(s) and structure(s) are determined.

¹¹As for Marion

Project	Probable year of decision	Probable Year of Construction	Most Likely Scenario
Mangaweka Bridge replacement ¹²	2017/18	2018/19	*\$2.232 m
Marton wastewater upgrade to meet new consent conditions	2015/16	2015/16 to 2017/18	\$3.0 m
Future-proofing Hunterville Rural Water Supply -	2016/17	2017/18 But could be consulted on in the 2018/28 LTP	\$1.101 m
Mangaweka wastewater upgrade to meet new resource consent conditions	2021/22	2022/23	\$1.768 m
Taihape wastewater upgrade to meet new resource conditions	2024/25	2025/26 to 2026/27	\$2.165
Hunterville wastewater upgrade to meet new resource conditions	2033/34	2034/35 to 2035/36	\$2.824

*denotes Council's contribution (as distinct from the total project cost)

Decisions on these projects beyond the initial three years will be confirmed in subsequent long-term plans.

■ Specific projects

1 Bulls wastewater upgrade (2015/16)

The **most likely scenario** is to upgrade the plant to deal with discharge from the town only. The projected cost for this is \$1.5 million¹³. The main aspects of the upgrade are to (a) install a meandering wetland in place of the narrow ditch as the passage from the treatment plant to the Rangitikei River

¹²This is a boundary bridge. Manawatu District Council is the lead.

¹³This includes the consent application process, the upgrade and a provision for desludging.

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.

The **principal alternative** is to extend the capacity of the upgraded plant to deal with wastewater from Sanson. However, the costs of doing this seem likely to be higher than for upgrading that town's system, although Horizons Regional Council would prefer a combined discharge. So it is unlikely to proceed. 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.

Another option would be to pump to Marton and decommission the Bulls plant.

2 Bulls civic centre development (2015/16 to 2016/17)

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 is timed for 2015/16 to 2016/17. It has a projected capital cost of \$3.61 million, but part of this will be offset by the sale of the present town hall and information centre sites, subdivision of the site for compatible community facilities, contributions from the local community, and (potentially) a lotteries grant. 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.

3 Community housing upgrade (2015/16 to 2017/18)

The **most likely scenario** is to upgrade the housing units so that they are at an appropriate standard to attract tenants – and potentially to interest a community-based organisation with greater expertise in operating such facilities. This is a significant decision, as community housing is one of Council's strategic assets, and would be subject to separate consultation. The total cost of the upgrade over three years is estimated at \$300,000.

The **principal alternative** would be to maintain the current arrangements. As depreciation is unfunded, only essential maintenance would be carried out. The low occupancy in Marton (largely because of obsolete design) would not be addressed.

4 Ratana wastewater upgrade (2015/16)

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 \$1.5 million. There is no government subsidy available to assist with this cost. 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 wastewater upgrade (2015/16 to 2017/18)

The **most likely scenario** to meet the conditions of the new resource consent is to upgrade the plant to meet new consent conditions and continue to service the whole urban area,. The estimated cost of this is \$3.0 million. Whether this would include leachate disposal from the Bonny Glen landfill has yet to be determined. A resource consent application has been made to expand the capacity of the Bonny Glen landfill: if agreed to, this will means a longer time to manage the disposal of leachate. It is envisaged that the additional costs from accepting leachate would be acknowledged through a combination of capital contribution and trade waste levy. Alternatively, the operators of the landfill could arrange pre-treatment.

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. However, this alternative is improbable since It is unlikely that such changes in use of the network and available technology will occur in the next five years.

Another option is to refuse trade waste which has high ammoniac nitrogen impact on the Tutaenui Stream. This could have a wider impact than the operations of the Bonny Glen landfill.

6 Marton civic centre development (2018/19 to 2019/20)

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. Council envisages the project starting in 2018/19 and being completed the following year. Council funding of \$1.64 million is provided from 2020/21 (loan funded projects are rated in the year following). However the full cost of the project is not yet established, nor are the necessary external funds to make it viable. This project will be further developed and consulted on in the 2018-28 Long Term Plan. It is likely to have a similar impact on capital funding and debt as the proposed Bulls civic/community centre.

The **principal alternative** is to refurbish the existing library and administration building, which would bring both buildings up to 33% of earthquake standard. This option does not allow the flexibility from a single multi-purpose facility that can stimulate regeneration of the CBD.

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, 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.

7 Taihape civic centre development (2021/22 to 2022/23)

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 \$1.78 million spread over two years from 2021/22 to help implement any agreed solutions (\$298,819 will come from depreciation reserves that will have been built up by 2023/24). Again, this will be further developed in a future 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)

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. As this is considerably longer than the normal projected useful life, there is no viable alternative. New Zealand Transport Agency funding has yet to be confirmed.

9 Future-proofing the Hunterville Rural Water Supply Scheme – provisional (2017/18)

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. It may prove to be a topic for consultation in the 2018/28 Long Term Plan. However, earlier progress is possible, especially if the application for a government subsidy to review the provision of town supply for Hunterville is successful and a suitable alternative source of supply to the rural supply is found.

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. The budget provision of \$1.101 million in 2018/19 is for a new intake – i.e. the status quo.

10 Mangaweka wastewater upgrade (2022/23)

The **most likely scenario** 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. Depending on the extent of upgrade work required and the viability of other options for safe disposal of human waste, the estimated cost is \$1.768 million (based on a hypothetical solution to install septic tank systems on all connected properties).

The **principal alternative** is to replace the existing plant (commissioned in 2006) to meet new resource consent conditions and for Rangitikei ratepayers to bear the full cost.

11 Taihape wastewater upgrade (2025/26 to 2026/27)

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 \$2.165 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 \$2.824 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.

■ District Topography¹⁴

The Rangitikei District comprises 4,500 square kilometres of mainly lush 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. Approximately half of the District's land is characterised by extensive rolling hill country.

The sand plains extend inland from the coast to Bulls, where the Santoft Forest is a key feature. The forest was first established along the coast to stabilise the sand dunes. The area has a range of soil types and been developed for a wide range of agricultural activities including dry stock farming, cropping, horticulture and dairying.

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

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 and support important indigenous forests, tussock land and wetlands.

There are a number of significant rivers within the District, particularly the Rangitikei, Whangaehu and Turakina. The fluvial forces of these rivers and their tributaries have shaped the region, eroding channels through the soft mudstone and sandstones of the region. This has resulted in numerous valley systems with terraces, cliffs and gorges with their associated remnants of native vegetation.

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 majority of the land associated with the catchment is used by agricultural purposes and contains more than 28% indigenous vegetation, which is mostly found in the Conservation Estate in the upper catchment. 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.

¹⁴Sources: Department of Conservation (1995) Rangitikei Ecological Region: Survey Report for the Protected Natural Areas Programme and the 2012-2022 LTP

SECTION 06

District Overview

Over the last fifteen years, surface water use for agricultural purposes has significantly increased and there is scope for further increases. Groundwater is also an important resource for the agricultural sector, with abstraction increasing in recent years, with scope for further increases, although the resource is not yet well understood.

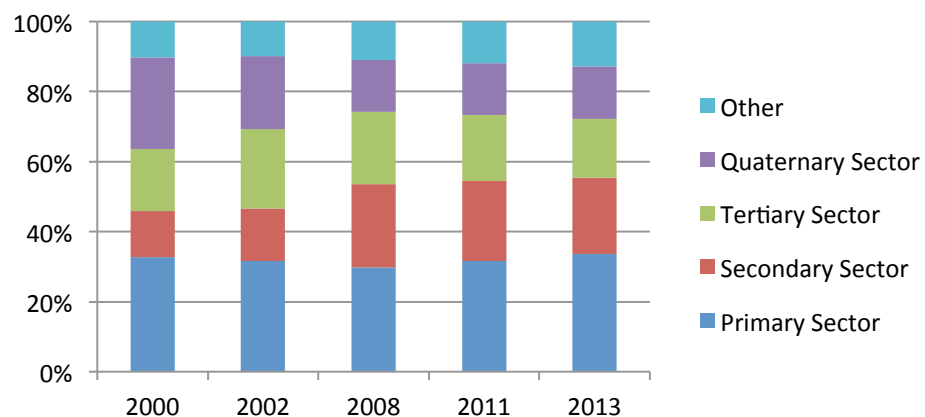
■ District Economy

Overall, the Rangitikei economy (as measured by GDP) has not grown apace with the rest of New Zealand. Over the past ten years, the growth in GDP has been 1% compared to 1.8% for New Zealand as a whole. The primary sector to the Rangitikei economy¹⁵ continues to dominate providing almost 35% of the District's GDP. Diversity in the local economy can be good (less vulnerable to adverse events such as climatic conditions and commodity price fluctuations) but can also indicate that an economy is not investing enough in its strengths. It is important to understand why certain industries have a comparative advantage in an area, for example, natural assets, location, skilled labour force etc. Currently, the higher share of GDP within the primary sector (based on high commodity prices) means that the local economy is less diverse than at almost any time over the period of review.

The breakdown of the broad sector groups for the periods of peaks and troughs are illustrated in chart below. This shows that whilst the primary sector has remained within 30-35% of the GDP for the District, secondary sector industries have increased (from 14% in 2000 to 22-24% since 2004) at the expense of the quaternary sector (knowledge intensive industries) which has dropped its share of GDP from 28% in 2000 16% since 2004.

¹⁵The 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

Breakdown of GDP by broad sector groups, Rangitikei District, 2000, 2002, 2008, 2011, 2013



In other words, over the past ten years, there has been an exchange for share of local GDP between the secondary and quaternary sectors which, combined with poor commodity prices, provided flashes of greater economic diversity. This can in large part be explained by the establishment of the meat processing facilities in Bulls and Marton, rather than any decrease per se in the knowledge intensive businesses forming the quaternary sector. But it does mean that there is now a greater dependency on manufacturing and processing than knowledge based industries.

Central government's intention is to double primary sector exports by 2025 nationwide, and to double the agribusiness exports from the Manawatu/Whanganui region in the same timeframe. It has commissioned a Regional Growth Study which is due to report in mid-June 2015.

Approximately 40% of the District GDP is for export markets, compared to 25% for New Zealand generally. Most of this export contribution (90%) is derived from the primary and secondary economic sectors - with the secondary sector responsible for over 70% of export GDP from the District. It would seem unlikely that the District is going to attract significant additional secondary sector agribusiness activity, particularly given the dairy processing facilities at Pahiatua and Hawera. It may be hoped that the meat processing plants in Marton and Bulls will be strengthened by a drive to double exports from the Horizons region. It may be possible to increase the comparative advantage that Rangitikei District derives from some industries within the agribusiness sector. For example, dairy farming has a relatively low comparative advantage in Rangitikei, compared to sheep and beef cattle farming, and horticulture and fruit growing in the District has the same comparative advantage as for Palmerston North City. It must also be remembered that without productivity gains, switching from one primary product which

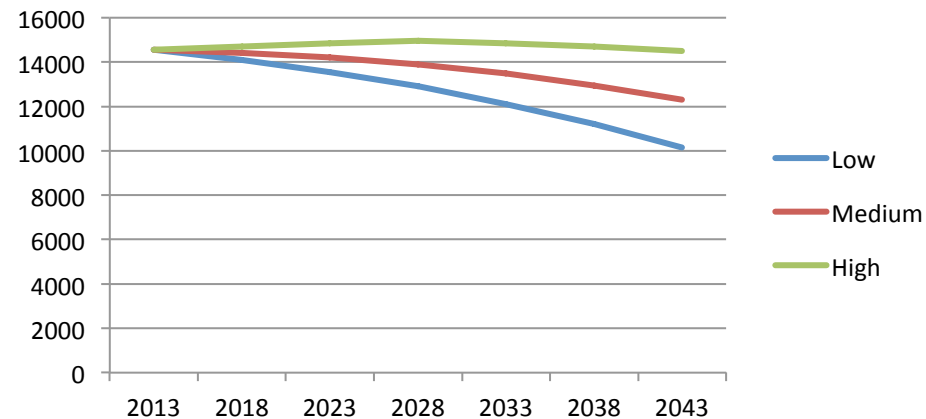
is processed within the District to another which is processed elsewhere will not lead to GDP growth, and in fact could result in a drop in GDP.

Demographic Change

The key demographic changes researched in depth for the 2012-22 LTP continue to be relevant for the District. That is a generally declining population, with an increasing average age but where a higher proportion of younger people identify as Maori. The latest population projections based on 2013 Census data, extend to 2043. Two datasets are available at local government level. The first is projections of the various demographic characteristics - total population, births, deaths, net migration, and median age. The second is the projected population by 5-year age groups and sex. High, medium and low projection rates are provided.

Population projections from Statistics New Zealand (2013 Census base)

Population projections (NZ Statistics based on 2013 Census)



During the pre-consultation meetings for the LTP, particularly in the rural areas, Councillors heard that local people felt that population decline in the rural areas has run its course and that the productivity of the land will continue to support the population at about the current level. These latest projections appear to support that view. The migration figures from the 2013 Census indicate that there is still an

urbanisation of the population. This is seen locally in that the greatest out-migration from the District is to Palmerston North, Whanganui or Manawatu, and the greatest in-migration to our District is from Ruapehu, Tararua and Horowhenua. This is likely to accelerate the drift from north to south of the District. There is some evidence of a small reverse trend of counter-urbanisation – that is where people leave crowded inner-city areas for a more rural lifestyle.

Council will take the medium-term projected population figures for use in planning for this LTP. It is also aware of a number of key determinants and trends which affect future population change in the Rangitikei¹⁶:

Global Trends:

The global trends indicate that significant growth is unlikely for New Zealand generally as time proceeds. The diminishing pool of youth in the other 57 OECD countries is the pool within which New Zealand competes for many of its skilled migrants. Increasing competition for these migrants - within and between countries, regions and industries - will make it increasingly difficult for New Zealand (and the Rangitikei) to achieve desired migration targets. Attention is increasingly turning to the developing countries where there is still – and will remain for the foreseeable future - a significant excess supply of young people. However, attracting them to, and retaining them in New Zealand/Rangitikei will require more attention to settlement issues, including where migrants might most usefully settle, and education and equity in terms of the recognition of equivalent qualifications. As one of the youngest of the developed countries, those migrants who New Zealand attracts and trains will be of ever-greater interest to our structurally older counterparts – as will young New Zealanders themselves (including young people from the Rangitikei).

Diminishing role of natural increase:

The trends are consistent with the national picture at territorial authority level and thus unlikely to differ markedly from the projected situation. However, the contribution to natural increase by Māori is somewhat greater in absolute terms than for the European-origin population, despite the latter's larger size. If young Māori became less likely to leave the region, their higher than average birth rates and earlier age at childbearing would assist in keeping natural increase relatively high for a longer period.

¹⁶Reproduced here from the 2014 Review of Demographic and Labour Force Projections for the Bay of Plenty Region 2013-2063, National Institute of Demographic and Economic Analysis Waikato University (April 2014).

As structural population unfolds, the Rangitikei will have some advantages over other TLAs because of our relatively high proportions of Māori. Strong affiliation to whanau and turangawaewae may see young Māori less desirous of moving than non-Māori. Employment opportunities opening up with the ageing and retirement of the disproportionately older European-origin population could see young Māori encouraged remaining in the District and thus reducing the age-specific migration rates underlying the population projections.

Increasing role of migration:

As natural increase declines, it is likely that the New Zealand Government will increase both its migration targets and its activities in attracting international migrants. Any increase in international migration could see an increase in ethnic diversity for the Rangitikei. However as structural ageing increases, migrants will increasingly replace natural increase (i.e., offset natural decline), rather than greatly augment and grow the population.

■ Population and Labour Force Projections

A key factor in ensuring that people will remain in the District is to ensure that there are a range of jobs available that will enable people to remain in the District and enjoy our rural lifestyle. It is also important for economic development to have a good supply of labour. In considering future scenarios, Council has undertaken an analysis of the labour force projections under optimistic and pessimistic scenarios of participation rates by women and older people. The Regional Growth Study may be able to provide a realistic target for job creation but in the meantime, the potential labour force has been applied to the current job market in the District. The gap between the projected labour force and the potentially required labour force may indicate where population decline may be arrested. This is particularly relevant in the context of a renewed emphasis by Council on economic development and District promotion¹⁷.

The analysis firstly reproduces where possible for Rangitikei, the analysis used in the report “2014 Review of Demographic and Labour Force Projections for the Bay of Plenty Region

¹⁷The limits of this analysis need to be recognised. The information has been taken from data that is publically available and has not been subjected to expert analysis for robustness. The limitations of the population projections provided by Statistics New Zealand for the purposes of helping territorial authorities to plan for the 2015 LTP 30 year infrastructure strategies have also been previously noted.

2013-2063” commissioned from the National Institute of Demographic and Economic Analysis (NIDEA)¹⁸ at Waikato University for the Bay of Plenty Region. The analysis determines the potential labour force derived from the Statistics New Zealand population projections under four scenarios:

- A decrease in youth unemployment which leads to a greater work force in the 15-24 age group
- An increase in labour force participation rates amongst women
- An increase in labour force participation rates by older workers¹⁹
- All of the above assumptions are included in the final scenario

Under the most optimistic scenario, the potential labour force from the projected population falls by 8%. This compares to the projected overall decrease in the population of 15%.

Secondly, the analysis considers employment in the District and the distribution of jobs between the various sectors. The community has previously provided feedback to Council that it believes that employment in the agribusiness sector is reasonably secure, providing some stability to rural populations. For the purposes of the analysis, it is assumed that:

- Employment in the primary and secondary sectors in the District remain constant in the foreseeable future
- Employment in the tourism sector, although a relatively small contributor to overall employment, remains at current levels since tourism is likely to continue even in a period of population decline
- The remainder of the employment in the District is dependent upon population and therefore will be lost as population declines

The analysis indicates that up to 20% of the local labour force travels outside of the District for employment. Under business-as-usual scenarios for both economic activity and labour force participation, labour shortages could occur as soon as 2023. The projected population at this point is 14,200 (cf. 14,550 at 2013 Census). Anecdotal evidence indicates that some local employers, including public sector agencies, already experience difficulty in recruiting locally for certain skilled positions.

¹⁸The methodology used is based on “, National Institute of Demographic and Economic Analysis, Waikato University (April 2014). No stochastic projections have been undertaken.

¹⁹These latter two scenarios reflect consistent recent trends

Labour force participation at 60+ years in both New Zealand and the Rangitikei is already relatively high in global terms, suggesting that employment rates at these ages are unlikely to undergo further dramatic increase. The declining ratio of labour market entrants to exits may on the other hand see a decline in unemployment rates, especially at younger ages. This means that the most likely labour force scenario may be the one in which participation rates are increased in the 15-24 age group. This scenario, with business-as-usual economic activity, is unlikely to markedly affect the projected population because of the smaller and declining numbers of people in this age group and their significantly lower labour force participation rates.

If labour force participation follows recent trends (increasing participation by women and older people), then under business-as-usual economic activity, labour shortages may not occur.

The District's natural resources means that the primary sector will continue to be the key driver of the local economy but this sector will not drive growth in jobs. Targeted economic growth as part of a wider Agribusiness Strategy should aim in the first instance to at least meet the additional demand for jobs from younger and older workers and women, and, potentially provide additional job opportunities that could drive inward migration. However, this could require that focus is put on retraining women and older people to meet local skill shortages.

■ The Starting Point

This LTP has been in preparation almost since the previous Long-term Plan (LTP) was adopted in June 2012. That Plan identified a programme of work for the period 2012 – 2015 which has laid the foundations for the programme of work outlined in this LTP. Main achievements from 2012 - 2015 are:

- **Roading network maintenance and upgrades:** Council has maintained the roading network to the high standard required to drive the rural economy. The Council manages the network to industry best practice based on a renewal cycle of 12 years for re-seals and 70 years for rehabilitation. The challenge is to balance the disproportionately increasing costs of the roading activity with maintaining the network to this standard. The recent review of the Funding Assistance Rate (FAR) by the New Zealand Transport Agency (NZTA) has increased the subsidy available to the District from central government for certain aspects of the roading network from 59% to 63% in 2015/16. However, the review has also signalled changes to the level of funding that will mean lower subsidies available for emergency works following storm events etc. In addition, this will be further affected by NZTA implementing its One Network Road Classification (ONRC) which could limit the level of service that it will support through the FAR subsidy for different classifications of roads. This issue is discussed in more detail in Section 8: Response to Submitters and Section 9: Roding Group of Activities.
- **Infrastructure renewals:** Council has not progressed its programme of renewal for the ageing infrastructure in the water, wastewater and stormwater networks as much as it may have hoped. The key determinant of the requirement for these renewals is the consent arrangements with Horizons regional council and Council is working in close liaison with the regional council to determine the best delivery time for the renewals. One unexpected but beneficial consequence of the delay in some of the major infrastructure renewal programmes is that Council entered the 2014/15 financial year with no debt, compared to a predicted debt in the 2012-22 LTP of \$15.642 million.
- **Community and leisure assets:** In the 2012-15 LTP, Council highlighted that the District has too many ageing and run-down assets and that Council can afford to neither maintain nor replace them²⁰. It also signalled a more determined approach to quitting under-used assets in order to help

²⁰Affordable and appropriate scale of facility provision district-wide and within each community' was a goal in Rangitikei Leisure Plan - Active, Passive, Arts and Culture (August 2005): 'Each community... should consider development of a leisure hub specifically designed to meet the majority of leisure needs in the town, thereby creating economies of scale and a greater chance of funding investment from a larger number of smaller and isolated initiatives'. This plan was undertaken with funding assistance from SPARC (now Sport New Zealand).

SECTION 07

Strategic Environment for this Long Term Plan

fund improved facilities – particularly those which are highly valued such as the swimming pools – and entering into partnerships with other stakeholders to get better value from those assets which are well-used – for example, divesting of its community housing in discussion with other social housing providers. During the past three years, Council has undertaken town centre planning in Bulls, Taihape, Marton and Hunterville where most of its assets are located. This is an area of key choice for the community and one which has been consulted upon, particularly over the past 18 months. This issue is discussed in more detail in Section 8: Response to Submitters and Section 9: Community and Leisure Assets Group of Activities.

- Partnership projects: Council introduced a new activity of community partnerships in the previous LTP which pulled together agencies from across the District to look at working smarter to bring more and better value services to our residents and ratepayers. Council has been involved for several years in shared services arrangements with Manawatu District Council, Horizons Regional Council and the Local Authorities Shared Services (LASS) in infrastructure and utilities, animal control, emergency management and archives activities. This has been extended to a shared service with Wanganui District Council in policy and planning activities. This provides, for example, a 5-day planning enquiry service that Council was not able to provide with its current part-time planning function.

However, the main partnership programme, the Path to Well-being, has been operating for 5 years through themed multi-agency groups that align to the Council's community outcomes (page 91). The initiative was shortlisted for a Local Government Excellence Award in 2014. This LTP identifies those aspects of partnership working for focus over the coming few years and is detailed Community Well-being Group of Activities on page 206.

Common Statement on Regional Growth and Prosperity for Council LTPs in the Horizons Region

Councils in the Horizons region are collaborating to facilitate economic growth and prosperity for our communities. This collaboration has seen central Government invest in a Regional Growth Study for the Horizons Region completed in April 2015. This study identified key opportunities for growing our regional economy. Government has highlighted the importance of Council's collaborating with each other and with industry and iwi to facilitate growth.

Councils in the region have also invested in the Central New Zealand Agribusiness Strategy. The strategy is an implementation plan that takes opportunities identified from the growth study and puts them into practice. The base strategy will be completed in June 2015.

The strategy builds on the strength the region has in agribusiness from primary producers through to processors and research and development. Collectively the Councils in the Horizons Region see significant advantages in building on our agribusiness base and aim to double the region's agribusiness exports by 2025. As the results of the growth study and agribusiness strategy are put in place, Councils are likely to continue to invest in growing our prosperity.

■ Current Priority Issues

Six key issues were identified as the priority issues for the triennium 2013-16. The LTP, particularly the Financial Strategy and the Infrastructure Strategy, aims to address these. Many of them formed the key choices available to Council and the community in preparing this Plan.

1 Infrastructural service levels

Council is concerned that the expectations in the community of maintaining present levels of service in the provision of roading, water, wastewater and stormwater services will prove excessive because:

- the level of government subsidy on local roads is uncertain and likely to reduce for roads that are not arterial or strategic, and for emergency works following, for example, storm events;
- the government's (and thus the regional council's) requirements over wastewater disposal will inevitably increase; and
- there is significant renewal work required in the reticulation networks in all the District's towns

Council wants to ensure that future infrastructure service levels are based on clear assessments of

- comparative benefit (i.e. public health and wealth creation);
- benefits to significant users of the infrastructure and any additional costs or damage arising from that use; and
- realistic options or alternatives to the present level of service.

The demands on domestic use of water and wastewater services are likely to decline (but there may be an increase from industrial and/or rural businesses).

Impact of demographic change: An ageing population will require more attention to the provision of footpaths which are safe for mobility scooters. Population change in itself will have minimal impact on the use of local roads.

2 Economic development

Council is concerned that the opportunities for business are being missed – both in terms of existing businesses and attracting new ones. In the past two years, Council has made a significant investment in the Strategic Water Assessment which identifies the potential for greater water extraction in the District to support primary production and downstream processing. It also invests in the provision of high-class infrastructure, town centre development and District promotion through visitor information services and community and leisure assets.

Council wants to ensure that the maximum potential for economic growth in the District is realised by a consistent Council focus on:

- being explicit on how the District makes best use of its natural advantages;²¹
- being a business-friendly organisation;
- being an advocate to potential businesses coming to the District while nurturing existing businesses;²²
- developing its community and leisure facilities to a high standard; and
- securing ultra-fast broadband.

Impact of demographic change: Acknowledging the projected population change does not imply that the District's wealth will diminish, simply because the number of locally-based consumers will be smaller. The natural advantages of the District are not affected by such change and there may be potential for business activity reflecting that change, such as a retirement village/complex.

3 Unused facilities/rationalisation

Council is concerned that there are too many under-used community facilities and that the pace of rationalisation must accelerate to:

- reflect what the community wants;
- provide facilities which will be useful in the coming decades;
- secure viable alternative management or ownership arrangements; and
- find alternative uses (or demolish) surplus facilities to avoid the spectre of poorly maintained and vandalised buildings.

²¹Irrigation is one of these, tourism is another

²²Including schools

Council wants to ensure that there is a process agreed with the community to evaluate and give effect to the realistic future for all community and leisure assets. It would be feasible to prioritise this work on the basis on Council's current investment in these categories. However, communities may prefer a whole-of-town approach.

Impact of demographic change: Population change is one factor in rethinking what will be useful community facilities. Even more important is the changing needs of the community, already evident in reduced use of halls and new uses within libraries.

4 Earthquake-prone buildings

Council is concerned that the cost of meeting the expected earthquake-prone building standards will:

- add significantly to ratepayers costs (because of the state of Council's own buildings and the need to fund preliminary assessment of all other commercial/industrial buildings²³); and
- result in withdrawal of business (especially on the urban centres) and an increase in the number of abandoned and vandalised buildings.

Council wants to ensure that the financial impact of the government's projected requirements over earthquake strengthening is minimised by strong and persistent advocacy for:

- a risk-based regime which has regard to likely number of people at risk in low population areas and heritage values;
- financial assistance and longer-time frames which have regard for the likely business return in a strengthened building in low population areas; and
- improved information on available options for strengthening.

Impact of demographic change: A declining population means fewer local customers and thus represents a risk to the economic viability to retail businesses in the urban centres.

²³The assessment by Rationale in 2014 estimated that cost to Council as \$2 million. The actual strengthening work was estimated at \$30 million – which included an allowance for 10% of such building being abandoned or demolished.

5 Communication/engagement and collaboration

Council is concerned that it has not given enough attention to letting people within the District (and others potentially interested) know what it is doing. The consequences of this isolation are:

- over-reliance on statutory consultative processes;
- excessively technical plans, reports and other publications;
- misunderstanding by the community of Council's intentions, its achievements and the issues it faces;
- minimal governance engagement with shared services initiatives with other local councils; and
- loss of partnership opportunities from community groups and businesses

Council wants to strengthen its profile with the people in the District, as well as neighbours and the local government sector generally by:

- providing regular communication of plans and programmes;
- improving feedback on submissions and requests for service;
- looking for stronger engagement with Community Boards and Community Committees;
- looking for (potentially different) opportunities to engage and collaborate with older people and youth;
- leading or supporting initiatives for shared services with other councils; and
- mixing with other industry groups.

Impact of demographic change: Population change – particularly an increasing proportion of older people and an increasing number of Maori youth – implies more targeted communication/engagement and collaboration.

Rates level/affordability/value

Council is concerned that the level of rates is perceived to be high by comparison with larger, urban councils – yet the range of services delivered is less. While the mandatory benchmarking being introduced for this Long Term Plan will give the Council a chance to tell its story, there are underlying tensions, especially:

- affordability (given the comparatively lower income profile in the District);
- urban and rural differences (given the different availability of services); and

- value for money (given the tendency towards district-wide or even multi-district and whole-of-government contracts, and the sense that their commitment is less than a local provider/contractor)

Council wants to give greater attention to securing affordable level of rates and a high value for money proposition by:

- undertaking a test of relevance in all new or reviewed policies and programmes;
- engaging fully with the benchmarking comparisons being introduced by the government;
- requiring (and publicising) evaluation of whole-of-government procurement and local procurement as options where the annual contract value exceeds \$50,000;
- requiring (and publicising) information on the monitoring of performance of all contracts which have been approved by Council;
- having access to accurate data and the ability to model rates impact on all properties in the District so that the range within the mean increase/decrease is explicit; and
- advocating to government for larger rates rebates for rural communities

Impact of demographic change: The projected decline in population is likely to mean fewer ratepayers since there is no expectation of a compensating increase in non-residential ratepayers (cf. Ruapehu or Thames-Coromandel). So the rates burden on each ratepayer would most probably increase, even if the total rates required were unchanged year on year. This also impacts on Intergenerational equity: From 2006, Council recognised that the backlog of renewal and maintenance that was required could not be funded from rates and, in the 2009 LTCCP, alerted ratepayers to the necessity of borrowing money to fund the essential infrastructure renewals discussed above. The feedback from the community at the time was that this was acceptable for major capital programmes where the longevity of the asset meant that future generations should contribute to them (this is known as intergenerational equity). However, in a period of population decline, it is also important that future generations are not saddled with an unaffordable level of debt.

■ Strategic Intents

Council has developed a practical framework for its non-statutory policymaking²⁴ so that it can properly meet the purpose of local authorities to:

²⁴Council's Policy Framework

“play a broad role in meeting the current and future needs of their communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses”²⁵.

Under the Act, good-quality means local infrastructure, local public services, and performance of regulatory functions that are “efficient, effective and appropriate to present and anticipated future circumstances”²⁶.

This framework includes strategic intents that guide its activity and asset management. These are:

- To provide core services to meet the purpose of local government, other relevant legislation and local government industry standards.

Council is required to meet minimum levels of service under various statutes, bylaws and sector standards. Where Council decides to provide a higher level of service than this minimum, it will clearly explain its reasons for doing so. This will enable customers and stakeholders to assess the compliance of Council’s level of service and performance.

- Actively seek to improve the value-for-money and cost-effectiveness of its services.

Council can obtain better outcomes from activity management planning with a relatively modest additional investment from the ratepayer, for example by identifying opportunities for cost and resource sharing (both internally and with external partners)

- Particularly seek to deliver its services and activities to maximise the contribution to its five strategic policy intents.

The five strategic policy intents are to:

- Support recreation, creative and cultural pursuits
- Support for economic development
- Sustain the natural environment
- Support social participation and cohesion
- Contribute to personal and public safety
- Manage the risk of failure in its activity and asset management planning.

²⁵The Local Government Act 2002 s10 (1)(b)

²⁶The Local Government Act 2002 s10 (2)

Council has adopted the Joint Australian New Zealand International Standard – Risk management – Principles and guidelines (AS/NZS ISO 31000-2009). Council formally adopted this framework in July 2009 and revised in June 2011. It allows Council to focus on the areas of greatest risk and to manage/mitigate that risk.

- Identify performance indicators at governance and operational level to support delivery of agreed levels of service.

Performance measures will be explicit at an appropriate level. This means that the LTP will contain performance measures for major aspects of groups of activities. Council will regularly monitor these targets and indicators.

■ Community Resilience

Bearing in mind the predicted demographic change outlined in the District Overview on page 76, Council, and its representative bodies, decided that it would focus, as far as possible, on promoting the District as a place to retire in or to, and as a great place to raise a family. It also recognised the importance of supporting our local Iwi and hapu to encourage more Māori with tribal affiliations to the District to stay or return here. Council commissioned a desk survey, “Making Rangitikei Home: Strategies on how to keep families, retirees and indigenous people”²⁷, to collate the experiences of other areas from all over the world.

The report found that the quality of life in rural areas is an important consideration in the decision to migrate to or remain in such areas with a desire to improve one’s well-being. Important criteria include:

- Employment opportunities
- Affordable housing
- Higher education availability
- Lifestyle, family and social ties
- The personal touch - a sense of belonging in the community

²⁷Impact Business Research Ltd., May 2011 (available on www.rangitikei.govt.nz)

Council has therefore developed a number of Community Resilience Policies which enable it to play the broad role envisaged by the LGA 2002 whilst ensuring that its activities remain focussed on being good quality (i.e. efficient, effective and appropriate) and cost-effective for households and businesses. The Community Resilience Policies are:

1 Arts Policy

To promote the District as an “arts friendly community” where those who create original works of the imagination feel appreciated. This policy sits under the key strategic intent “to support recreation, creative and cultural pursuits”. Council will provide support for cultural arts and expression and celebrating the diversity within communities.

2 Heritage Policy

To celebrate the cultural heritage of the Rangitikei and to support heritage groups and individuals to conserve, display and promote this diverse heritage. This policy sits under the key strategic intent “to support recreation, creative and cultural pursuits”. Council will conserve sites, artefacts and memories of cultural and historic heritage significance and provide archival services.

3 Events Policy

To develop a sense of place in the Rangitikei through iconic events that reflect the diversity of the Rangitikei communities and add to the attractiveness and vibrancy of the District towns to attract businesses, residents and visitors. This policy sits under the key strategic intent “to promote economic development”. Council will promote the District as a great place to live.

4 Māori Landlocked Land Policy

Council recognises that landlocked land is a significant issue for Māori landowners in the Rangitikei. A landlocked block is one where the land surrounding the block of Māori land belongs to someone else, and the Māori owners have no legal access to their land. Access, and the extent of that access, is usually dependent on the consent of neighbouring landowners, which is not necessarily assured. A loss of connection with the land results from the inability of these Māori landowners to access their land. Not only are they prevented from visiting and enjoying their land, they are also unable to use its productive capacity. This policy sits under the key strategic intent “to promote economic development”.

5 Positive Ageing Policy

To encourage older people in the District to make the choice to live in the Rangitikei, through ensuring good access to appropriate services, and provision of community facilities that cater for the needs of older people. Decisions on infrastructure, assets and facilities are made in such a way that there is a real choice for people to stay in the District, or to relocate here. This policy sits under the key strategic intent “to support social participation and cohesion”. The Council will support, through its activities, a Positive Ageing Strategy.

6 Recreation Policy

To increase access to recreation opportunities and to maximise the number of residents participating in recreation activities in the Rangitikei. This policy sits under the key strategic intent “to support recreation, creative and cultural pursuits”. Council will provide and maintain sports and recreational facilities and events.

7 Youth Policy

To create a family-friendly District that is a great place to raise a family, where children and young people are valued for their contribution to the community and are given an experience of childhood and adolescence that they will want for their own children in due course. This policy sits under the key strategic intent “to support social participation and cohesion”. The Council will support, through its activities, an annual Youth Action Plan.

■ Community Outcomes

What are the District’s community outcomes?

As defined by the legislation, 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. Council has six community outcomes. They are:

1 Good access to health services

Access to health services has consistently come through as an issue of great concern to people within the Rangitikei. There are issues about being able to attract skilled and qualified health professionals to work in the District and also for residents to be able to access good public transport networks and routes to access services in nearby towns and cities. One-stop shop health and family/whanau centres or rural support services are examples of accessible health services.

2 A safe and caring community

This outcome primarily focuses on how the community cares for its most vulnerable members. It is about effective partnership with local policing, rescue services, neighbourhood support, other local welfare initiatives (for example, legal advice services, Victim Support, Rape Crisis, rehabilitation services, Age Concern) and services that provide guidance for disaffected members of society. Further to this is the role of injury prevention and safety awareness throughout the district.

3 Lifelong educational opportunities

This outcome includes the level of high school and tertiary qualifications attained by the population. It also captures the aspirations of residents to participate in lifelong learning opportunities. It is important that the District develops a strategic and coordinated approach to lifelong learning that meets the needs of all members of the community.

4 A buoyant district economy

The District economy is largely dependent upon agriculture and agricultural services, manufacturing and downstream processing, education and the service sector, including retail, hospitality and tourism. The key features of the majority of employment in these sectors are low income and low skills. Factors that underpin prosperity in the sectors are the natural and managed rural environments, excellent communications and transport infrastructure and attractive towns and settlements.

5 A treasured natural environment

The District's major natural and cultural resource is its rivers and waterways, particularly the magnificent Rangitikei River. The main threat to the quality of our landscapes and waterways is the District's major economic resource – intensive farming, and dairying conversions, which operate in an increasingly stringent regulatory framework. Initiatives driven by the community have been shown to be effective in reconciling environmental and economic considerations from the grassroots upwards. A community effort to improve water quality in a particular catchment would be an example of a project that would demonstrate a treasured natural environment.

6 Enjoying life in the Rangitikei

This community outcome reflects the “quality of life” aspects of the District with a distinct identity and a reputation as a viable and attractive place to live, work and play. Key factors revolve around availability of a full range of local facilities and services, an active and inclusive community and voluntary sector and a sense of pride in place and heritage.

How do Council activities contribute to community?

Council's activities make a contribution to the community outcomes and the social, economic, environmental, or cultural well-being of the community. These relationships are described in the figure on the following page.

Relationship between Council activities, community outcomes and strategic intents

Contribution to Council's strategic intents	Providing support for recreational, cultural and leisure activities	Supporting economic development	Contributing to social participation and cohesion	Contributing to personal and public health and safety	Supporting the sustainability of the natural environment
Community Leadership Group of Activities					
Strategic planning			Enjoying life in the Rangitikei		
Council			Enjoying life in the Rangitikei		
Community boards/Community committees			Enjoying life in the Rangitikei		
Elections			Enjoying life in the Rangitikei		
Iwi/Māori liaison			Enjoying life in the Rangitikei		
Roading Group of Activities					
Pavements		A buoyant District economy		A safe and caring community	
Bridges		A buoyant District economy		A safe and caring community	

Contribution to Council's strategic intents	Providing support for recreational, cultural and leisure activities	Supporting economic development	Contributing to social participation and cohesion	Contributing to personal and public health and safety	Supporting the sustainability of the natural environment
Traffic services		A buoyant District economy		A safe and caring community	
Stormwater drainage				A safe and caring community	A treasured natural environment
Pedestrian facilities			Enjoying life in the Rangitikei	A safe and caring community	
Vegetation management		A buoyant District economy			A treasured natural environment
Water Group of Activities					
Urban water supplies		A buoyant District Economy		A safe and caring community	A treasured natural environment
Rural water supplies		A buoyant District Economy			
Sewerage and the Treatment and Disposal of Sewage Group of Activities					
Wastewater services				A safe and caring community	A treasured natural environment
Stormwater Drainage Group of Activities					

Contribution to Council's strategic intents	Providing support for recreational, cultural and leisure activities	Supporting economic development	Contributing to social participation and cohesion	Contributing to personal and public health and safety	Supporting the sustainability of the natural environment
Stormwater services		A buoyant District Economy			A treasured natural environment
Community and Leisure Assets Group of Activities					
Parks	Enjoying life in the Rangitikei		Enjoying life in the Rangitikei		
Community buildings	Enjoying life in the Rangitikei		Enjoying life in the Rangitikei		
Community housing	Enjoying life in the Rangitikei		Enjoying life in the Rangitikei		
Swimming pools	Enjoying life in the Rangitikei		Enjoying life in the Rangitikei	A safe and caring community	
Libraries	Enjoying life in the Rangitikei	Lifelong Educational Opportunities	Enjoying life in the Rangitikei		
Public toilets		A buoyant District Economy			
Cemeteries				A safe and caring community	
Rubbish and Recycling Group of Activities					

Contribution to Council's strategic intents	Providing support for recreational, cultural and leisure activities	Supporting economic development	Contributing to social participation and cohesion	Contributing to personal and public health and safety	Supporting the sustainability of the natural environment
Waste management					A treasured natural environment
Waste minimisation					A treasured natural environment
Environmental and Regulatory Group of Activities					
District plan					A treasured natural environment
Consent processes		A buoyant District Economy		A safe and caring community	
Building consents		A buoyant District Economy		A safe and caring community	
Animal control				A safe and caring community	
Other regulatory functions		A buoyant District Economy		A safe and caring community	
Community Well-being Group of Activities					
Economic development and district promotion		A buoyant District Economy			

Contribution to Council's strategic intents	Providing support for recreational, cultural and leisure activities	Supporting economic development	Contributing to social participation and cohesion	Contributing to personal and public health and safety	Supporting the sustainability of the natural environment
Information centres		A buoyant District Economy			
Community partnerships	Enjoying life in the Rangitikei	A buoyant District Economy Lifelong Educational Opportunities	Access to health services Enjoying life in the Rangitikei	A safe and caring community Access to health services	A treasured natural environment
Emergency management and rural fire				A safe and caring community	

How will Council Monitor its Progress towards the Community Outcomes?

Council also has statutory requirements to report (in its Annual Report) the results of any measurement undertaken during the year of progress towards the achievement of community outcomes²⁸. Council has made the linkages between its activities and the community outcomes in the above table. It is proposing a performance framework to measure its performance in key aspects of service delivery. It will not be undertaking separate monitoring specifically for community outcomes.

Council will support multi-agency theme groups aligned to the strategic intents, community resilience policies or community outcomes and reporting to a Path to Well-being Partnership Board.

²⁸LGA 2002, Schedule 10, part 3, clause 23

■ Response to Submitters

This section of the LTP provides information on those activities where choices have been available to Council in developing the full ten year programme. In most of these areas of activity a degree of pre-consultation took place in mid-late 2014. A Mayoral roadshow travelled throughout the District, including many of the more isolated rural settlements. This pre-consultation led Council towards its preferred options for the key issues upon which it based its activity management plans.

Rangitikei District Council formally consulted upon its draft 2015-25 Long Term Plan (LTP) for written submissions between 4 April and 4 May 2015 and heard oral submissions on 8 and 9 May 2015. The main document forming the consultation, “What’s the Plan, Rangitikei...?”, focussed on the seven key issues that Council had identified as it prepared the Plan and specifically sought feedback on these issues. A second Mayoral roadshow revisited the communities that had provided initial input to specifically seek their views on Council’s preferred options.

The seven key issues identified by Council were:

- Issue 1: Should Council invest in Economic Development?
- Issue 2: Should Council invest in the rejuvenation of the town centres in Bulls, Marton and Taihape?
- Issue 3: Replacing reticulated water and wastewater schemes for smaller communities
- Issue 4A: What should we do with our swimming pools?
- Issue 4B: What should we do with our community housing?
- Issue 4C: What should we do about park upgrades?
- Issue 5: Should we increase rates to build a larger roading reserve fund?

Council also made available a number of other strategic planning documents, including the draft LTP and Asset and Activity Management Plans and submitters raised many other issues which they wished Council to consider, either for inclusion or exclusion in the final 2015-25 LTP.

Council considered all the submissions at a meeting on 14 May 2015. The deliberations process requires Council to weigh up arguments on their merit and not necessarily in response to the number of submitters on a particular topic or with a particular viewpoint. The number of submitters is an indication of the strength of feeling on a subject but not necessarily on the merits of their argument.

Council considered a final draft of the 2015-25 LTP on 28 May 2015. The final 2015-25 LTP was adopted with an unqualified audit opinion on 25 June 2015.

SECTION 08

Response to Submitters

Structure of this Section

This analysis is presented by group of activities. The particular responses to each of the seven key issues are analysed quantitatively and qualitatively within the relevant group of activities²⁹, as follows:

- Community Leadership, including submissions made to the Revenue and Financing Policy
- Roading, including Issue 5: Should we increase rates to build a larger roading reserve fund?
- Water supply
- Sewerage and the treatment and disposal of sewage, including Issue 3: Replacing reticulated water and wastewater schemes for smaller communities
- Community and Leisure Assets, including Issue 2: Should Council invest in the rejuvenation of the town centres in Bulls, Marton and Taihape?, Issue 4A: What should we do with our swimming pools?, Issue 4B: What should we do with our community housing? and Issue 4C: What should we do about park upgrades?
- Rubbish and Recycling
- Environmental and regulatory services
- Community Well-being, including Issue 1: Should Council invest in Economic Development?

²⁹No submissions were received relating to the Stormwater Drainage Group of Activities

Analysis of submissions

One hundred and twenty-seven written submissions were received by the closing deadline of 4 May 2015³⁰. This compares with 182 and 423 received respectively for the 2012 and 2009 Plans. A further two were received as late submissions – these are not included in this analysis but are recorded in the Council files. The characteristics of submissions are detailed below, including a comparison with the submissions analysed for the 2012 LTP and the 2009 LTCCP.

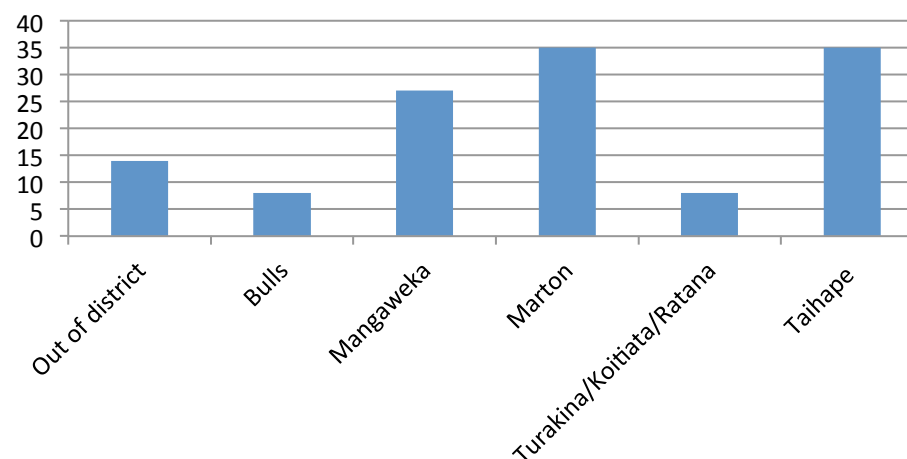
	2015		2012		2009	
Anonymous	1	1%	7	4%	116	27%
Organisations	44	35%	39	21%	39	9%
Individuals	83	65%	136	75%	268	63%

Assembly of God Churches, Mangaweka	NZ Forest Managers Ltd	Taihape Cricket
Bulls and District Community Trust	Physicians and Scientists for Global Responsibility	Taihape Dressage
Bulls Community Committee	Rangitikei College	Taihape Gym Sports
City of Stonnington	Rangitikei Environment Group	Taihape Kindergarten
Clubs Taihape Incorporated	Ratana Communal Board of Trustees	Taihape Netball
Duddings Lake Ltd	Ratana Community Board	Taihape Rugby and Sports Club
Federated Farmers	Southern Rangitikei Schools' Principals Cluster	Taihape Saturday Morning Rugby

³⁰A petition organised by a resident of Mangaweka was accepted into the record of submissions at Council on 28 May 2015. The petition was concerned with the key issue of the replacement of reticulated water and wastewater schemes for smaller communities and is included in the analysis relating to this issue.

Horizons Regional Council	Street Meet'n'Greet Group	Taihape Show Jumping
Huntermville Rural Water Supply Management Sub-Committee	Taihape A&P Association	Taihape Squash Club
Mangaweka residents	Taihape Area School	Treasured Natural Environment Theme Group
Marion Community Committee	Taihape Area School	Turakina Village Footpath Upgrade
Marion Youth	Taihape Bowling Club	Tutaenui Stream Restoration Society
Matua Flats	Taihape Community Board	Utiku Old Boys Rugby Club
McGuinness Institute	Taihape Community Development Trust	Whanganui District Health Board
Northern Wanganui Rugby Sub Union		Number of organisation submission = 44

Address of submitter (n=127)



Sixty-nine submissions confined their comments only to the issues raised by Council and addressed at least one of these. 28 submissions raised a mixture of issues raised by Council and other issues not raised by Council and 30 submissions did not address any of the issues raised by Council and only issues not covered by the consultation document.

Of those submitters who only addressed one issue raised by Council (n = 27), 13 were from residents in Mangaweka supporting Option 2 in issue 3 (“Wait and see” regarding replacement of water and wastewater reticulation in smaller communities).

Of those submitters who only addressed two issues raised by Council (n = 13), 11 were from user groups of Memorial Park, Taihape, in response to issue 2 (investment in town centre facilities) and issue 4C (should Council invest in park upgrades?).

The number of responses received to each issue raised by Council was reasonably evenly spread. The issue that received most responses was around replacement of reticulated water services in smaller communities (issue 3), followed by investment in town centres (issue 2) and park upgrades (issue 4c). This is likely to be as a result of the focus from residents from Mangaweka and Memorial Park user groups as described above.

At oral submissions, 29 submitters spoke to their written submissions. Of these, 15 were individual submissions and 14 were submissions from organisations.

Fifty-eight submissions raised one or more issues not included as a key issue in the consultation document but addressing issues specifically within one or other of Council’s groups of activities.

Submissions relating to Community Leadership

Seven submissions raised issues in the Community Leadership Group of Activities. Mainly these focussed on the affordability of rates and good promotion of the rate rebate scheme to alleviate this. Several submitters raised the question of debt: either for or against (limited) debt to meet capital requirements.

The submission from Federated Farmers, while acknowledging a reduction in rates for many rural properties in 2015/16, considered that the revenue and financing policy was flawed, through inadequate identification of benefit (and applying funding mechanisms to reflect that). For example, Federated Farmers suggests that urban footpaths and street-lighting only benefits urban residents and therefore should be funded solely by urban ratepayers through a differential rate. Their submission also suggested that Council should apply the highest rate allowable for the Uniform Annual General Charge (UAGC).

One submission from a national organisation requested that Council take a precautionary approach to the possible release of genetically modified organisms into the environment, including in foodstuffs sold in eating establishments.

Council's response

Council is keenly aware of issues of affordability of rates and has set limits to its spending in its financial strategy. Council has outlined in the financial strategy the prudent limits of its debt and debt management which take account of the liabilities that will accrue to future generations.

Council believes that amending the revenue and financing policy to reflect the views of Federated Farmers would mean a significant change in Council's approach, particularly towards district-wide funding and considerations of affordability. Differentials introduce complexity to the rating structure and assume greater accuracy about the assessment of comparative benefit than is usually verifiable. Most Council services and facilities have a mixed benefit – i.e. to individuals, to particular groups, to particular locations. Council is confident that the funding mechanisms in the revenue and financing policy have struck the right balance.

Council could take a lead role in addressing issues associated with genetic modification and the release of genetically modified organisms into the environment. However, this is not an issue that has been raised locally and Council will initially liaise with Horizons Regional Council, and other relevant agencies, over their views on addressing issues relating to genetic modification.

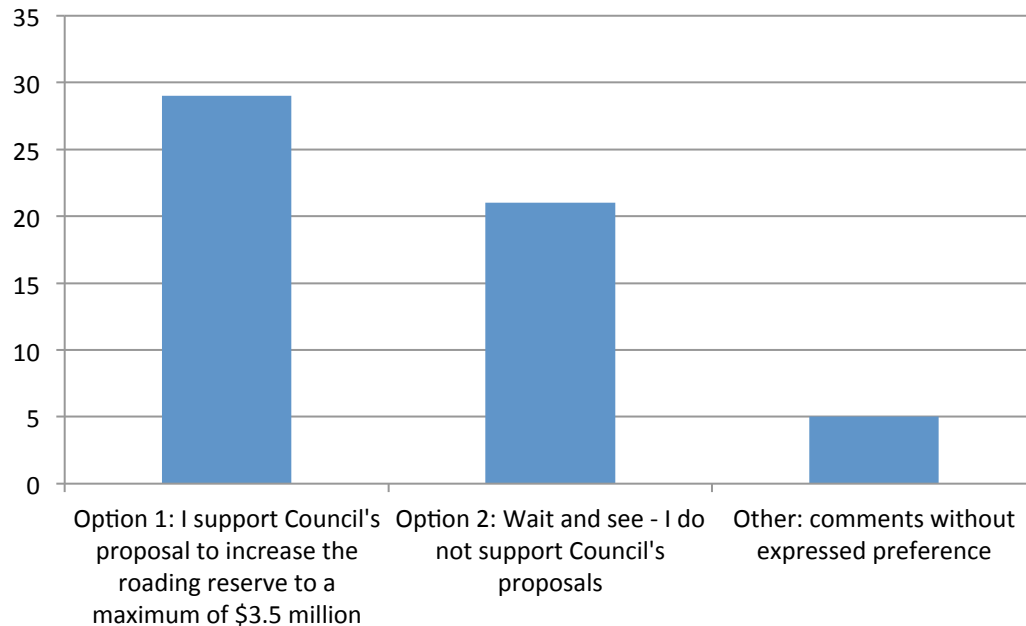
Submissions relating to Roothing

■ Should we increase rates to build a larger Roothing Reserve Fund?

The consultation document identified uncertainties over the future level of central government subsidy for roading emergency works as a key issue for the District due to the increasing incidence of storm and other weather events. It identified two options; the first (Council's preferred option) was to increase investment in a roading reserve to a maximum of \$3.5 million. The second option was to "wait and see" how the uncertainties resolved themselves.

Analysis of submissions Issue 5

Should we increase rates to build a larger Roding Reserve Fund? (n = 55)



Submitters in favour of Option 1 cited the essential nature of the roding infrastructure to the District and the need to make provision for emergency works. Several sought assurance that the funds would be used for the purpose prescribed.

Submitters in favour of Option 2 or “other” options added commentary around the need for central government to fund rural roding infrastructure, increasing a “user pays” element (heavy vehicle users – one submitter specifically mentioned waste disposal vehicles travelling to Bonny Glen - or speeding fines) and building the reserve fund at a slower pace to reduce the burden in the early years.

Council's response

There was a marginal majority support for Council's preferred option to build up the roading reserve through to \$3.5 million through increased rates contributions over the life of the 2015-25 Long Term Plan but focussed in the early years.

Council considered that, given recent spending on emergency works, there is urgency to make provision for an increased contribution from ratepayers as soon as practicable. Generally, Council believes that the additional contributions in years 1-5 are affordable and the risk of not making provision outweighs any short-term gains in terms of reduced rates in the immediate future.

Council has previously considered the impact of forestry logging trucks on the District's roads and whether or not the current rating system fairly attributes maintenance costs to different categories of users. This is reported upon in the draft LTP in Section 9 on the roading activity. Council has agreed that a report be prepared for the August 2015 meeting of Assets/Infrastructure Committee extending this discussion to the impact of various classes of vehicles on the costs of maintaining local roads.

Council confirmed that in year one (2015/16) of the 2015-25 LTP, the contribution to the roading reserve will be \$550,000, that the total contribution over the first five years will be \$1,800,000 (an average of \$360,000 per annum) and then reduce the contribution to \$100,000 per annum for the second five years to reach a maximum of \$3,500,000 by year 10; and that this contribution may be adjusted in intervening years if large withdrawals are required from the fund.

General submissions relating to roading

Four submitters requested Council support to reseal access roads on Council owned or administered reserve land: firstly at Dudding Lake (one submission) and secondly, at Taihape Kindergarten off Toroa Road (three submissions including a petition). Both submissions were brought to oral hearings. The company charged with management of Dudding Lake requested Council contribute 62% of costs and the Kindergarten offered to contribute \$20,000 from its own funds towards the renewal.

Five submitters requested specific actions in the roading activity. Four submissions wanted footpaths built;

- Bulls: from units 1-6, 136 High Street – 160 High Street
- Ratana: from the corners of Te Taitokerau and Seamer Streets along Rangatahi (and a streetlamp on Rangatahi)
- Turakina: general upgrade of footpaths in Turakina
- Taihape: walkway along State Highway 1 from Dixon Way

In addition, both the Ratana Communal Board of Trustees and the Ratana Community Board queried progress with the two speed humps programmed for 2014/15.

One submitter requested pedestrian crossings outside (or close) to all schools, kindergartens, childcare centres, parks and playgrounds.

Council's response

This LTP sees the separation of roading on parks and reserves from roading in general. A provision has been included in the Community and Leisure Assets budgets to renew roads on parks and reserves and cemeteries for the future. However, the renewal of these two particular roads (Dudding Lake access road and Toroa Street access way) may be seen as a historic issue^{31,32}.

Council agreed to make good the access road to Taihape Kindergarten/Mount Stewart Reserve, the net cost after a contribution from the Whanganui Kindergarten Association to be funded from the roading reserve up to a maximum of \$53,800.

Council agreed to make good the access road to Dudding Lake, the net cost after a contribution from the Duddings Lake Ltd to be funded from the roading reserve up to a maximum of \$6,200.

Thence, ongoing maintenance for these two roading assets will be included in the Parks and Open Spaces activity management plan (in consultation with the two relevant organisations).

The general upkeep of the footpaths in Turakina has been included in the 2015/16 programme, including the laying of chip seal. Progress will be reported to the Assets/infrastructure Committee. The two traffic calmers in Ratana will be installed by 30 June 2015.

³¹The roadway from Toroa Street to the kindergarten lay outside the area originally leased (by the Taihape Domain Board) in 1961. Once constructed, there is evidence on Council files that normal maintenance of the roadway, by way of patching and sealing, was carried out by Council as part of the normal roadwork schedule. The current lease was drawn up the Department of Conservation in 1995. It contains a provision that the lessee will maintain the roadway marked on the plan (still largely outside the area actually leased) to Council standards. This provided the Department with assurance; the files contain no comment from either the kindergarten or the Council, since their practice met that Departmental requirement. However, a literal reading of the lease without knowing the context could lead to a different conclusion, and resulted in the Council's roading contractor being instructed to cease work in 2012. The previous practice recognised that the roadway serves a wider group than the community, and it is reasonable to resume that.

³²The agreement Council has with Dudding Lake Ltd specifies that the Manager shall keep the roadway in repair but the Manager shall not be obliged to repair any seal that might be applied by the Council. Council last funded upgrade works to the access road during 2008/09. Given the increasing patronage secured by Duddings Lake Ltd, it is reasonable for Council to contribute to the suggested work on the roadway. It is not proposed to seal it at this time.

With respect to the submissions on new footpaths, none of the specific areas is currently identified in the footpath programme. Council agreed that cost-estimates will be provided to the September 2015 meeting of the Assets/Infrastructure Committee for inclusion in the draft 2016/17 Annual Plan.

Submissions relating to Water Supply

General submissions relating to water supply

There was one submission (from Whanganui District Health Board) requesting that the Council fluoridates its potable water supply.

Council's response

The capital cost of fluoridation at each treated water supply is estimated to be \$450,000, plus an ongoing additional operating cost of \$50,000 per annum.

The evidence for fluoridation of potable water to reduce tooth decay is compelling. However, this is a national, public health issue and should be addressed (and funded) by central government to provide the benefits equitably across New Zealand.

Council will advocate to the Whanganui District Health Board that fluoridation of potable water supplies is a matter for national policy setting and funding.

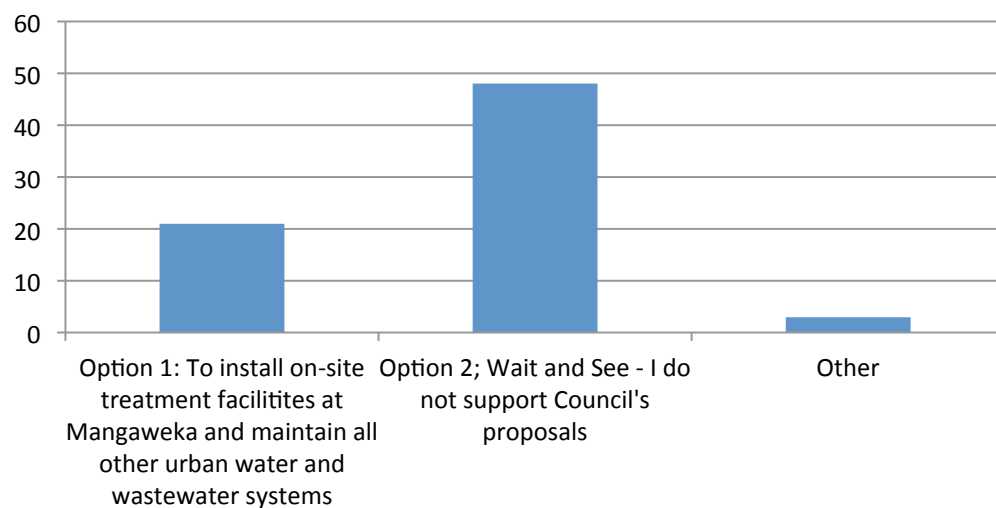
Submissions relating to Sewerage and the treatment and disposal of sewage

■ Replacing reticulated water and wastewater schemes for smaller communities

The consultation document outlined two options for replacing reticulated water and wastewater schemes for smaller communities. The consultation document had focussed on the decision needed before 2022/23 about whether or not to replace/upgrade the wastewater system in Mangaweka to meet the anticipated more stringent conditions when the consent is due for renewal. The first option (Council's preferred option) proposed the alternative of reverting to on-site treatment facilities whereas Option 2 adopted a "wait and see" approach.

Analysis of Issue 3

Replacing reticulated water and wastewater schemes for smaller communities (n=71)



This question elicited a specific response from Mangaweka residents and ratepayers. A breakdown of responses by location of submitter is given below:

	Option 1	Option 2	Other
Bulls	4	1	
Mangaweka		26 ³³	

³³This included three petitions with multiple signatures from Mangaweka and the wider Taihape community

	Option 1	Option 2	Other
Marton	11	7	1
Turakina/Koitiata/Ratana		2	1
Taihape	4	11	
Out of District	2	2	1
	21	49	3

Submitters in favour of Option 1 comment on the need to engage in discussions with the affected communities, advocate with central government to subsidise small communities, to be proactive to get good value and look at new, environmentally-friendly options.

Submitters in favour of Option 2 focussed on the specifics of the Mangaweka situation. Submitters felt there had been little or no consultation with the Mangaweka community before including the preferred option in the consultation document. Submitters commented that even a public debate about replacing the reticulated system with on-site wastewater disposal would immediately reduce property values in Mangaweka and accelerate population decline. They also questioned whether on-site disposal was a practical option (given local soil type and condition), and whether the consent conditions would really require that the current, relatively new system would need a major upgrade.

One submitter in favour of the “wait and see” option suggested a statement such as “Ongoing consultation with the community to decide the future of our Waste Water Treatment Plant” – this was echoed by other submitters particularly at oral hearings. Horizons Regional Council signalled its intention to continue working with the Council and local communities to find effective and affordable solutions.

Council’s response

The conversations held during oral submissions on this issue indicate that the community understands and recognises the difficulty of planning for replacing systems which may be too large and complex for the community in the future. The community is also aware that Council has to make some budgetary provision for the replacing or upgrading of existing systems where consents fall due for renewal within the ten years covered by the LTP.

A further consideration arises from the implications of District-wide rating for reticulated utilities. It is simply not affordable for small schemes to be fully charged back to the community that is served and that there has to be an element of subsidy from the bigger schemes to the smaller schemes³⁴. The District-wide targeted rate achieves this. However, it also means that there is an additional obligation upon Council to ensure that its solutions for smaller communities are also acceptable to contributors from the other schemes.

The Mangaweka wastewater treatment plant consent is due for renewal in 2024. The worst case scenario is that the plant is not able to meet new consenting requirements and must be replaced. Taking this scenario, Council costed the most expensive option (upgrade and renew the existing plant) and the least expensive option (replace with on-site disposal systems). No further investigation had been undertaken at this stage as there are still many uncertainties. These include the level of central government support, whether new consenting requirements will make the current infrastructure at Mangaweka obsolete and whether population change plays out as projected. All, or any, of these uncertainties will affect the options available to Council and the community during the consent renewal process. Council signaled its intent to consult fully with the community in the text of the consultation document.

However, the use of a specific example (Mangaweka wastewater treatment plant) to illustrate a more general issue (replacing reticulated infrastructure in communities that are shrinking) generated concern from within the Mangaweka community that was natural, albeit unfortunate.

In the adopted LTP, Council will clearly signal its intention to investigate all options for the replacement, where absolutely necessary, of reticulated water and wastewater schemes for smaller communities:

- In close consultation with affected communities, and
- Bearing in mind affordability of the schemes District-wide, and
- Advocating for and maximising the additional central government funding that can be leveraged to support small rural communities, and
- Using the best available technology to develop appropriate solutions

³⁴Since the move to District-wide rates, the cost of individual schemes is not separated from the total activity costs. However, in 2011/12 the budgeted costs of the Mangaweka wastewater scheme, if funded solely by those properties connected to it would have been \$1,570 per connected property compared to with the current rating requirement of \$511.

General submissions relating to wastewater treatment

Six submitters requested that Council take action to ensure that leachate from Bonny Glen was not accepted by Council into the District wastewater treatment plants and treated at the ratepayer's expense.

Council's response

The disposal of waste from landfills is a fact of modern day living. Whilst Council is not obliged to accept trade waste from any particular producer, such as MidWest Disposals Ltd, the operators of Bonny Glen landfill, the disposal of trade wastes from businesses in the District is a legitimate activity of Council. Council has the ability to charge the real costs of this service to the producers of trade waste through Trade Waste agreements established in the Water Services Bylaw 2013. Council has therefore requested that the Assets/Infrastructure Committee to review the management of the trade waste stream from Bonny Glen landfill, to ensure that the full costs of the service are born by MidWest Disposals Ltd and not ratepayers.

Irrespective of how Council deals with the leachate from Bonny Glen, there are still compliance issues with the Marton Wastewater Treatment Plant which need to be addressed.

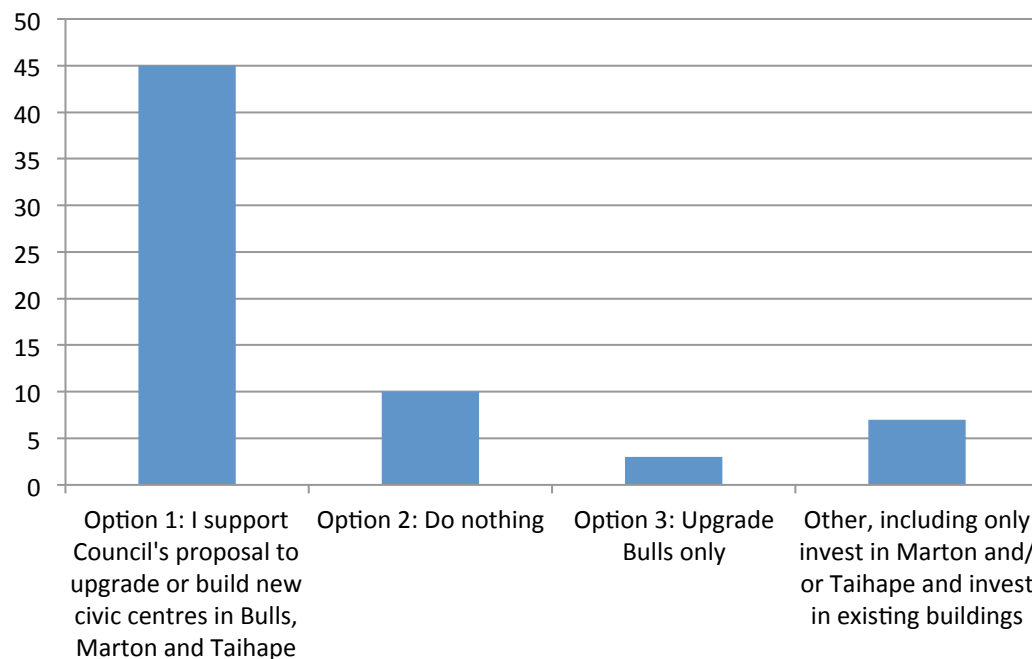
Submissions relating to Community and leisure assets

■ Should Council invest in the rejuvenation of the town centres in Bulls, Marton and Taihape?

The consultation document outlined three options for investment in the town centres of Bulls, Marton and Taihape. The first option (Council's preferred option) proposed to upgrade or build new civic / community centres in Bulls, Marton and Taihape with Council's capital contribution of \$1.6 million for Bulls, \$1.64 million for Marton and \$1.78 million for Taihape. Option 2 was a "do nothing" option and Option 3 was a compromise position, investing in Bulls but not in Marton or Taihape.

Analysis of Issue 2

Should Council be investing in the rejuvenation of the town centres of Bulls, Marton and Taihape? (n = 63)



Submitters in favour of Option 1 commented that the investment was necessary to secure the future for these communities. Two submitters supported the proposals in principle but had reservations about the support from within the communities of Marton and Taihape. Several submitters commented on the proposals around the Taihape Town Hall, two wanting more detail on the earthquake strengthening requirements and four suggesting that heating is provided in the intervening period. One submitter suggesting that the Taihape Area School could be used as the town's main civic function centre.

Submitters in favour of Option 2 wanted Council to focus on essential services as a priority or felt that with population decline, the investment was not warranted. Six of these ten submitters were from Mangaweka, three from Taihape and one from Marton.

Submitters in favour of one of the compromise solutions generally felt that the District could not afford three town centre renewals and proposed various reasons for including or excluding one or other of the main towns. Other submitters felt that existing buildings should be retained and improved and concerns were expressed about the possibility of existing buildings that are vacated being run down and abandoned.

Council's response

There was overwhelming support for Council's preferred option. Generally submitters concurred with Council's view that there was not yet enough clarity over the preferred options in Marton and Taihape and that more time is needed to develop these solutions in consultation with the local communities. Submitters also shared Council's concerns about the re-use of existing buildings to maximise their heritage contribution but not at the expense of function.

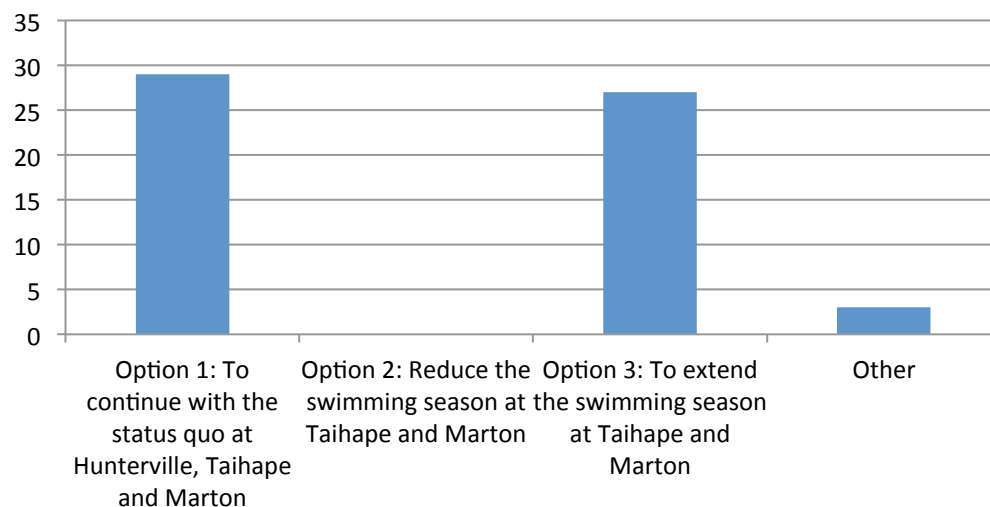
Council previously considered whether or not to invest in a permanent new heating system for Taihape Town Hall as part of the adoption of the Town Centre Plan. No new compelling information was provided by submitters to make Council reconsider this decision.

Council has confirmed its investment in the rejuvenation of the town centres in Bulls, Marton and Taihape at the level and in the timeframe proposed in the consultation document.

■ What should we do with our swimming pools?

Analysis of Issue 4A

What should we do with our swimming pools?
(n = 59)



The consultation document outlined three options for the future management of swimming pools. Option 1 (Council’s preferred option) was to maintain the status quo at Taihape, Hunterville and Marton pools. This includes some upgrades to heating and insulation to reduce energy costs and basic maintenance to keep the pools open for their current summer seasons. Option 2 was to support a reduction in the season length at Marton and Taihape pools and Option 3 was to extend the season at these pools.

Submitters were evenly divided between maintaining the status quo and extending the season at Marton and Taihape. Given that the issue is more pertinent for residents in Marton and Taihape, an analysis of the location of submitters is given below:

	Option 1	Option 2	Option 3	Other
Bulls	3			
Mangaweka	6		5	
Marion	7		12	
Turakina/Koitiata/Ratana	4			
Taihape	7		9	1
Out of District	2		1	
	29	0	27	1

Submitters in favour of Option 1 most often commented on the need for these facilities to teach children to swim and requested that they remain open for the scheduled school Easter break. The pools were also seen as essential facilities for recreation and well-being, including for families and older people. One submitter at oral hearings also noted the inconvenient opening time of Taihape Swim Centre during school holidays.

One submission from the Southern Rangitikei Principals Cluster Group emphasised the importance of the Swim-4-All programme whilst recognising the affordability of the programme without the fundraising support provided through Council. The submission requested that Council waive its entrance fees for school students undertaking swimming lessons at Council-owned Pools. The submitter suggested that when the Marion Pool was first built, there was an agreement for schools to enjoy free use of the pool. However, no paperwork to support this assertion was available³⁵.

³⁵In fact, a search of Council archives reveals correspondence from 1971-1975 between the Wanganui Board of Education and the Town Clerk for Marion Borough Council reaching various agreements about the level of subsidy from the Department of Education to the Borough Council for primary schools to use the Pool.

Submitters in favour of Option 3 felt that closing over the winter limited the potential of the facilities to maximise income³⁶. There were several submitters who suggested that more active marketing of the facilities could increase demand for an extended season. Where a preference was expressed it was for all-year round opening hours.

The current operators of both pools submitted on this issue. The Taihape Community Development Trust supported Option 1 that the current season remains as at present. Nicholls Swim Academy requested that Council at least consider carefully the case for extending the season at Marton Pool.

An “other” option suggested by one submitter (and echoed by two others who preferred Option 3) was to implement cost saving measures such as solar panels and insulated roofing, as planned, and look to use any savings to gradually extend the season.

One submitter suggested that the Marton Pool should be open during this winter whilst Makino Pool in Feilding is closed for refurbishment.

Council’s response

There was no clear “winner” from the submissions process on this issue.

Discussions with the operator at Marton Pool clarified that the maximum season for Marton Pool would be ten months – requiring two months for maintenance work (June/July when even seasoned swimmers are prepared to take a break³⁷). Council considered carefully the suggestion to open the 50 metre pool for 10 months from 1 August with reduced opening hours (closing at 6.00 pm rather than 8.00pm) and to leave the season as it currently is for the learner pool. With savings from the existing planned capital expenditure (closure of the dive well), and the introduction of the bulkhead to allow more programmed activities in 2 x 25 metre pools, the additional cost to ratepayers would be \$60,000 per annum³⁸.

After careful consideration, Council decided against this option and confirmed its intention to maintain the current level of service at the District’s swimming pools, ensuring that contractual arrangements

³⁶However, it is unlikely that the public pools will ever generate enough income to cover the cost. The longer each pool is open, the higher the cost to the ratepayer.

³⁷Many submitters believe that the perceived benefits of an extended season will accrue only through all-year round opening and that simply extending the season at each end may not accrue the same benefits. Mr Nicholls’ experience suggests that 10 months would be enough to accrue the benefits.

³⁸Swimming Pools are funded through a District-wide UAGC, so the additional expenditure of \$60,000 per year would add \$10 per year to the UAGC.

with the operators permit swimming in the pool in Marton from at least the end of term 3 to the beginning of term 2, including school holidays, and in Taihape, that pool opening hours enable customers to enjoy a regular programme to swim (for example, before work each weekday). The pool operator in Marton has since confirmed that with operational savings from the closure of the divewell, the Marton Pool will open on 1 September 2015 and close at the start of term 2 in 2016.

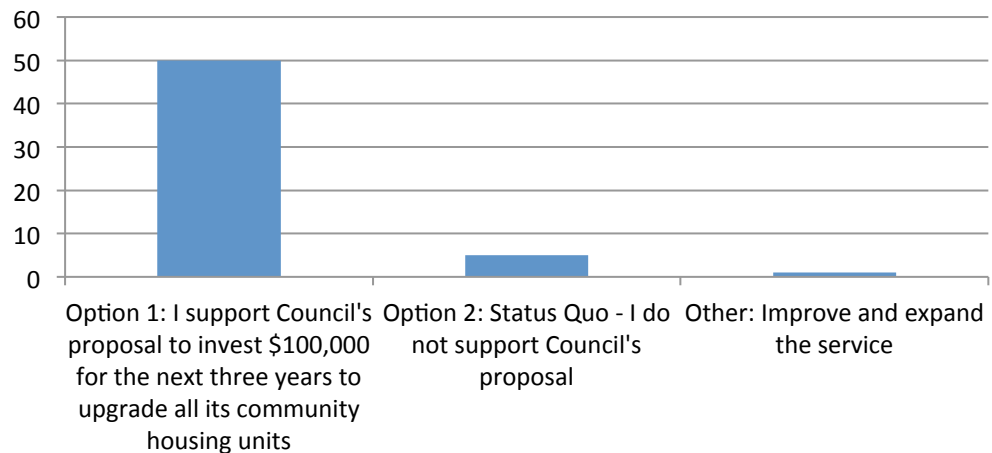
Council also agreed to waive all entry fees to schools in the District and to waive all entry fees for a pre-school child and an accompanying adult provided they are attending a swim school lesson.

■ What should we do with our community housing?

The consultation document outlined two options for the future management of community housing. Option 1 (Council's preferred option) was to invest \$100,000 annually for three years to upgrade the stock of community housing. Option 2 was to maintain the status quo (basic maintenance with no upgrades).

Analysis of Issue 4B

What should we do with our Community Housing?
(n = 56)



Submitters in favour of Option 1 generally felt that these assets were needed in the community as an affordable option for older people and that currently they were not maintained to an acceptable level. Submitters wanted this to be rectified.

Several submitters however wanted Council to take a more pragmatic approach – whilst supporting the investment to maintain the asset, they also felt that the community housing activity should be self-financing and possibly even a net contributor to Council funds. Submitters commented both that rents needed to be kept affordable and that the additional investment should be offset against increased rentals.

Age Concern Wanganui submitted specifically on this issue. Their submission outlined the services that Age Concern Wanganui offers in Marton, including the welfare service to Council tenants in community housing. In addition, the submission was supportive of Council's proposals to upgrade its stock of community housing and stressed the importance of full consultation with tenants. Finally the submission outlined the value of the community that is created by the housing and its contribution to their well-being.

A submission from the Eco Design Advisor Network requested that Council make budgetary provision for an Eco Design Advisor to be available for free or low cost in-home consultations with homeowners, free phone advice on new home or renovation plans, or on upgrading existing homes, and increasing the understanding of sustainable building in the local Council area.

Two submissions commented that the housing stock should be managed by a social landlord or specialist trust.

Council's response

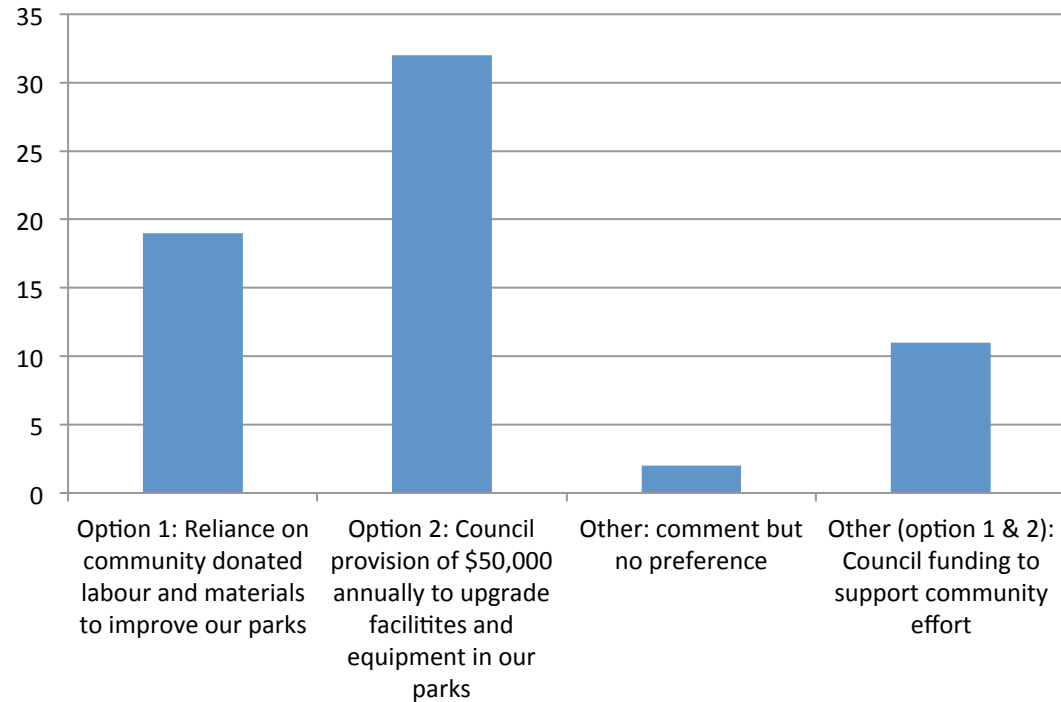
There was overwhelming support for Council's preferred option, and therefore it has confirmed its intention to invest \$100,000 per year for three years to refurbish the existing community housing stock and to continue to investigate partnerships with other agencies with a track record in managing social housing.

■ What should we do about park upgrades?

The consultation document outlined two options for the future management of community housing. Option 1 (Council's preferred option) was to rely on community donated labour and materials for improving our parks. Option 2 was to make an annual provision of \$50,000 to upgrade facilities and equipment at our parks.

Analysis of Issue 4C

What should we do about park upgrades? (n = 64)



Several submitters in favour of Option 1 qualified their support with comments that Council should partner with community groups in some way or other. Similarly several submitters in favour of Option 2 qualified their opposition to Council's preferred option by stating that community groups already contribute significantly and that financial support is needed from Council to maintain facilities and play equipment to a minimum standard.

A substantial minority of submitters (11) specifically suggested that a combination of both community and Council support was needed.

Three submitters from Taihape raised a number of other specific projects for park upgrades;

- A dog park in Robin Street, Taihape (one submission).
- Better drainage system for Taihape Gumboot Throwing Lane and the addition of a community playground in the Outback with the offer of community input to enhance the park (three submissions)
- Campground close to the Taihape CBD (one submission)
- Skatepark upgrade (one submission)
- Mountain Bike Trail/Fitness Challenge in Memorial Park (one submission)

Finally, a petition organised by Roman Strong for an extension to the skatepark at Centennial Park in Marton was considered as a submission to the 2015-25 LTP and has been included in this analysis.

Council's response

There was a strong majority in favour of Council contributing funding to park renewals and upgrades and also a majority recognition of the value of community input.

Council decided to allocate up to \$50,000 per year in a fund for park and reserve upgrades. The funding will be allocated to projects which contribute at least \$2 (in cash or in kind) for each ratepayer \$ so bringing in a total value of up to \$150,000 each year.

All of the proposals for upgrades to parks presented by submitters, as well as the proposals already received to upgrade play equipment at Wilson Park and skateparks at Bulls Domain and Centennial Park, Marton³⁹ could benefit from such a scheme. The Assets/Infrastructure Committee will consider the detail of such a scheme to allocate the fund created for Council-owned parks and reserves upgrades which will be matched (in cash or in kind) by the community, and communicate with submitters regarding their particular projects.

³⁹In Council's past consideration of, for example, upgrades to skateparks, it has suggested that a contribution from Council needs to be matched by community fundraising (including the donation of materials and labour in kind).

General submissions relating to community and leisure assets

Fourteen submitters requested that Council irrigate the Taihape Memorial Park playing fields. These submissions were elaborated on further at oral hearings. The user groups of Memorial Park are united in their request for this improvement costed at \$70,000 and indicated that they would be prepared to contribute funds from their sporting codes to match Council funding.

Four submissions requested that the public toilets on High Street, Marton be painted inside and that public toilets are made available at or near to Centennial Park, Marton.

Three submissions requested that the fence that runs through Ratana Urupa be renewed and that the shed on the Urupa site be demolished.

Two submissions supported the development of a new multi-purpose recreational facility on the site of the proposed leisure hub at Taihape, Memorial Park

One submission congratulated Council on the standard of upkeep at Taihape cemetery.

One submission supported the continued provision of libraries.

One submission requested that rural halls are managed in-house and that asset management plans are developed for each.

Council's response

The development of recreational facilities at Memorial Park is currently being consulted upon in Taihape through the Community Board and Council anticipated that this may bring forward submissions for funding urgently required during 2015/16.

That process led to the submissions, including at oral hearings, from multiple Memorial Park user groups indicating that irrigation of the playing surfaces would greatly enhance the amenity value of the Park. Submitters suggested that the groups themselves would be willing to contribute to establishing such a system. The group confirmed that their estimate of \$70,000 assumed a water supply was readily available.

Council staff will assess the most likely source of water and Council agreed that it would make available up to \$50,000 in 2015/16 to work with the Taihape Memorial Park users group to secure a water source for irrigating the playing surfaces of the Park. Any larger sum would be a matter for consideration in the 2016/17 Annual Plan.

Repainting the interior of the High Street public toilets in Marton will be undertaken during 2014/15 within existing budgets.

There is no provision for new public toilets at Centennial Park, Marton. It is intended that the refurbishment of the Shelton Pavilion will result in more groups using the facility. Its toilets will therefore be more accessible to the formalised sports groups which use the Park. However, this does not provide for the casual user, such as those using the skatepark. Council agreed that the availability of public toilets in Marton is addressed through the town centre plan process, for example, creating a map of public toilets and their availability, or reaching an agreement with a local service station similar to the agreement reached with Mobil in Turakina.

As part of its review of the Parks and Towns Maintenance Contract, Council decided to bring some functions of the contract back in-house and to maintain a separate contract for Ratana. It also agreed to review the current contract with the Ratana Communal Board and maintenance and upkeep of the Urupa will be incorporated in this review.

Council decided against bringing the management of rural halls in-house. The Dudding Trust has indicated that it is prepared to continue supporting rural halls if it can deal directly with the relevant local management committee. Council recognises that this supports its intention to rationalise its assets based on those assets that are most valued by the community. Undertaking to maintain rural halls irrespective of this local input will not facilitate the “fewer but better” approach to community and leisure assets.

Submissions relating to Rubbish and recycling

General submissions relating to rubbish and recycling

Two submitters requested that recycling bins are provided outside of the fencing at Ratana Waste Transfer Station to provide recycling bins outside closing hours.

These submitters also requested that the opening hours of Ratana Waste Transfer Station be extended. At present the WTS opens on Wednesday 2.30 pm to 4.30 pm and Saturday 9 am to 12 pm. The proposed opening hours are winter Tuesday 9.30 am to 11.30 am, Thursday 1.30 pm to 3.30 pm, Saturday 12pm to 3pm and summer Tuesday 9.30 am to 11.30 am Thursday 4 pm to 6 pm and Saturday 12 pm to 3 pm.

One submitter requested that Council apply premium disposal charge to Bonny Glen landfill operators for acceptance of waste from outside the District.

One submitter requested that Council establish a recycling bin up the Kawhatau Valley.

Council's response

One of the issues with recycling centres that are not within a managed environment (such as those proposed outside the fence of the waste transfer station at Ratana or a bin in the Kawhatau Valley) is the possibility of litter, dumping of non-recyclable material and vermin.

However, in the case of Ratana it may be possible to consider the management of a recycling site outside of the existing provision at the Waste Transfer Station as part of the review of the Maintenance Contract with the Ratana Communal Board and Council will include the maintenance of a recycling facility in the scope of the review.

The extension of opening hours and the change in operating days at Ratana Waste Transfer Station is subject to negotiation of an acceptable contract variation with the current contractor. Council staff will undertake this negotiation and report back to the Assets/Infrastructure Committee.

Finally, MidWest Disposal Ltd sets the charges for receipt of waste at Bonny Glen. Council has negotiated a rate for waste received from its Waste Transfer Stations but has no authority to influence the charges otherwise.

Environmental and regulatory services

General submissions relating to environmental and regulatory services

One submission was received relating to flood control and drainage, tree protection and the centralisation of compliance activities. The contention was the lack of appropriate regulatory control and oversight of activities in these areas and the need for better coordination with Horizons Regional Council.

Council's response

Council has minor responsibilities in the area of flood control and is undertaking its statutory duty with respect to drainage. Tree protection is not an issue for the LTP and is more properly dealt with through the District Plan review. Council has considered its regulatory and compliance activities and aims to achieve a balance between an overly intrusive level of oversight and diligent exercise of its duty of care. Council is confident that it maintains this balance.

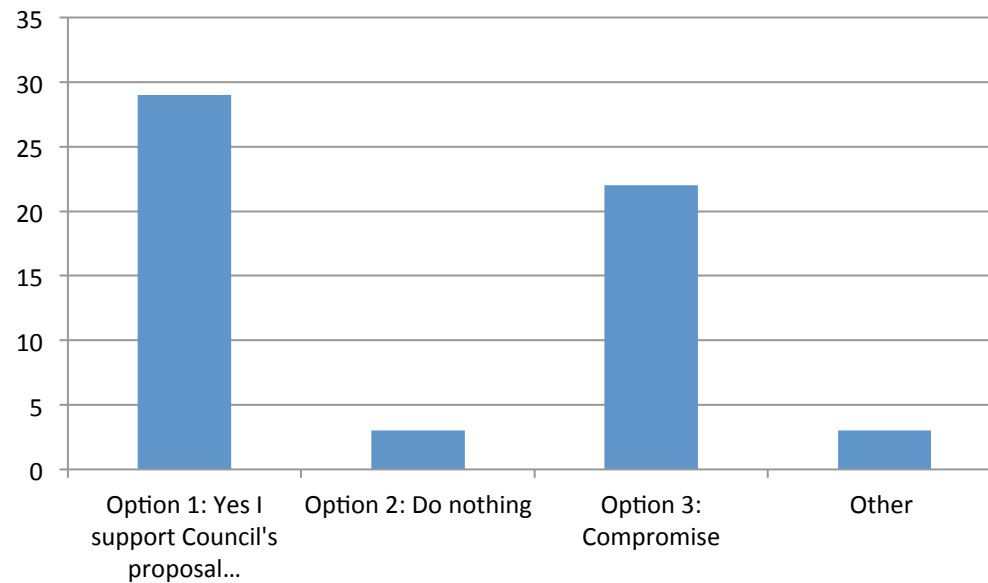
Submissions relating to Community Well-being

■ Should Council invest in Economic Development?

The consultation document outlined three options for investment in economic development. The first option (Council's preferred option) proposed to invest an additional \$205,000 per year - funded 50% from the general rate and 50% from the UAGC in a number of new economic development initiatives. Option 2 maintained the status quo and Option 3 was a compromise position, investing either \$100,000 in strategic research or \$105,000 for local initiatives.

Analysis of Issue 1

Should Council increase its investment in economic development? (n = 57)



Submitters in favour of Option 1 tended to comment that the Council should have a role and even a lead role in economic development whereas those in favour of Option 2 tended to think that economic development was outside of Council's role. Submitters who favoured Option 3 clearly felt that there was a role for Council but were divided about whether that should focus on strategic research or local initiatives.

Specific comments were made in the following areas:

- Two submitters who favoured Option 3 also suggested that Council should create a dedicated economic development role. The economic development role was seen as a District-wide promotional/coordinating role to bring in high profile events rather than to organise them.
- Two submitters felt that investment in broadband infrastructure should be a priority.
- Four submitters commented specifically on the events element of the Council's economic development activity. Two submitters requested a banner in Taihape across Hautapu Street to publicise events, one submitter requested that the Council include the 100 Anniversary celebrations at Ratana (2018) in its "iconic" events and one suggested that Council supported events should focus on those events which attract suppliers (e.g. market days) with discounted rates for local suppliers.

The submission from Federated Farmers (Option 1 but with preference for 50% UAGC and 50% targeted rate NOT general rate) provided the most detailed feedback on the Council's proposed economic development strategy and feedback on the draft Rangitikei Growth Strategy (currently being developed through the Buoyant Economy Theme Group).

Council's response

There was overwhelming support from submitters for increased investment by Council in economic development and majority support for Council's preferred option. There was an equal division of those who wanted investment in strategic projects and those who wanted investment in local projects.

Submitters generally supported Council investment in a facilitative and advocacy role. Submitters also generally felt that it was important for Council to actively promote the District. Council believes that its proposals reflect both these aspirations.

Council confirmed its preferred option for increasing investment in economic development by \$205,000 in 2015/16 and continue to develop the detail of the Rangitikei Growth Strategy, including the District Promotion Strategy and the Events Strategy, in consultation and collaboration with key stakeholders through the Regional Growth Strategy, the Buoyant District Economy Theme Group, the Lifelong Education Theme Group and the Enjoying Life in the Rangitikei Theme Group.

General submissions relating to community well-being

The Chief Executive of the McGuiness Institute provided detail and reports of recent work with young people to issues and actions to engage this group. Specifically the reports were Local NZ workshop, Project Strategy NZ, Project One Ocean, Project Talent NZ and Project Pandemic Management.

Other requests within this group of activities were:

- Two submissions requested support from Council funding to assist with travel for rural schools and sporting groups for sporting activities (to link in with the Sport NZ Rural Travel Fund). Both submissions were from Taihape.
- The Treasured Natural Environment Theme Group requested \$5,000 per annum to implement its programme of small projects.
- One submission requested \$10,000 support for the Tutaenui Restoration Society. The society would take responsibility for managing the landscape in and around the Tutaenui Dams. The financial contribution would complement the contribution of the community.
- One submission (from Rangitikei Environment Group) requested \$40,000 per annum towards the eradication of Old Man's Beard
- One submission requested that Council undertake the eradication of Field Horsetail from Fern Flats Road, indicating that the pest species had been introduced by Council's contractors during the last upgrade of the road.
- One submission recommended the creation of a dedicated Community Projects Officer to coordinate community projects across the District
- One submitter requested continued support for the Youth Action Plan (funded via Ministry of Youth Development).
- Two submissions requested that Council provide support (\$36,000 per annum) to Marton Youth Club
- Two submissions wanted the ICT Hub to be retained.
- Taihape Community Development Trust and Clubs Taihape Inc. valued the role of the Town Coordinators and TCDT requested increased support for the MOU agencies. TCDT included its proposed work programme in its submission.
- Three submitters thanked Council for its support (Rangitikei College Board of Trustees, Treasured Natural Environment Theme Group, Taihape Community Development Trust).
- Council's response

A brief survey of the current recipients of the Sport New Zealand Rural Travel Fund indicates that sparsity and distance from facilities is not factored into the allocation of this limited resource. It is allocated on a

per capita basis. Council will advocate to Sport New Zealand to suggest a fairer allocation of the Rural Travel Fund that includes a sparsity and distance factor.

Council felt that there are too many groups in the District that are disadvantaged by distance from relevant facilities and services for it to be able to address all inequalities caused by this in isolation. It is more properly left to central government to develop schemes that address sparsity and rurality on a national basis.

Council will accommodate the work programme put forward by the Treasured Natural Environment Theme Group within existing budgets, but this is not likely to be able to extend to an additional \$10,000 towards expenses in the restoration of the Tutaenui Stream. Council staff will liaise between the Tutaenui Stream Restoration Society and the Treasured Natural Environment Theme Group to agree the extent of work that can be accommodated within existing budgets and, if necessary, make a recommendation for additional funding through the 2016/17 Annual Plan process.

The draft budget also includes \$10,000 per annum to support the work of the Rangitikei Environment Group (REG). Council agreed to increase this provision to \$20,000 per annum, to allow for the REG team to undertake the roadside spraying which has proved more difficult than anticipated for the Council's roading contractor to do with the necessary accuracy.

Council has previously received briefings and information on the spread of Field Horsetail in the District. The issue is more widespread than the Fern Flats Road. Field Horsetail is spread through the waterways and rivers. Roding is particularly vulnerable because of the use of roding metal from the Rangitikei River. The issue of removing this pest species from areas where it has invaded is not one which the Council can tackle in isolation. Council has contributed funding to a national research programme to control the spread of the pest species and will continue to monitor advances in the management of this species via Horizons Regional Council.

It is considered premature to look at creating new staff positions to coordinate projects District-wide or to focus on economic development projects. Such a position may warrant consideration in due course. Currently, much of the coordination of community projects is facilitated by existing Council staff, the MOU partners or agencies involved through the Path to Well-being initiative.

Council will consider funding for the Marton and Taihape Youth Clubs/Youth Action Plan and consideration of the proposed work programmes from the MOU agencies separately, taking into account the expressed wishes of submitters. The information provided through the McGuinness Institute provides excellent background material for both the Youth Action Plan and the Rangitikei Growth Strategy.

Council was involved in establishing the Marton and Surrounds ICT Hub and provides premises at a peppercorn rent. It is represented on the governing body of the Hub Trust. Council has never funded operational costs of the ICT Hub (except through the Community Initiatives Fund for specific purposes) but keeps abreast of the funding situation through its position on the Trust Board.

■ Introduction

The Local Government Act 2002 states that the purpose of local government is—

- to enable democratic local decision-making and action by, and on behalf of, communities; and
- to meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.

The production of the LTP is one of the “checks and balances” which helps councils to deliver to these purposes. Particularly in relation to the groups of activities, the LTP must:-

- Identify the rationale for delivery of services and activities, including information on the intended level of service provision and performance targets
- Specify any intended changes to the level of service that was provided in the year before the first year covered by the plan and the reasons for the changes
- Outline any significant negative effects of the activities and the actions that Council will undertake in response
- Identify the assets required by the Group of Activities
- Identify the expenses associated with the delivery of these activities and how these expenses will be met (estimated revenue levels, other sources of funds, the reason for their inclusion) in detail for the first three years of the Plan and in outline for the remaining seven years.

This section outlines the activities that Council will undertake over the coming ten years in greater detail. These are presented as groups of activities. Council provides services in four of the five⁴⁰ mandatory groups of activities that territorial authorities must consider in their planning. These are:

- Roading
- Water Supply
- Sewerage and the treatment and disposal of sewage
- Stormwater drainage

Council also provides services in five other groups of activities: Community leadership, Community and leisure assets, Rubbish and recycling, Environmental and regulatory services and Community well-

⁴⁰The fifth is “flood protection and control works” which is the responsibility of Horizons Regional Council

SECTION 09

Council Activities

being. Within each group of activities are separate, related activities. Some groups of activities contain many individual activities. Community and leisure assets contains the activities of parks, community buildings, swimming pools, libraries, community housing, public toilets and cemeteries; whereas the sewerage and treatment and disposal of sewage group of activities has only one activity which is wastewater collection, treatment and disposal.

Each activity is guided by an activity management plan and these have been summarised in this section of the Plan. For each group of activities, a summary is provided showing the key strategic driver for the group of activities over ten years, the key contribution to the Council's strategic intents with any significant negative effects identified, the contribution to the community outcomes and the major aspect of the service that Council will include in its performance framework as part of the Statement of Service Provision.

Each activity within the group is then briefly described and a figure summarises the level of service that Council intends to provide across the group of activities. The figure also includes Council's considerations around ensuring that the selected level of service is appropriate to the purpose of local government and the rationale behind the delivery of the activity to the level described. In some groups of activities, Council is proposing a change to the level of service from that intended in 2014/15. These changes are summarised in Section 11.

Next, the strategic environment within each group of activities is considered including outlining any mitigation required to counter significant negative effects of the activities. Council's proposed responses to the strategic environment are included in this section.

The statutory requirements for the LTP do not specifically mention the compilation of asset management plans. However, there are a number of requirements which focus how the Council will identify its assets and how maintenance, renewal and replacement of assets will be met. Council has developed and adopted asset management plans covering the following groups of activities:

- Roading
- Water supply
- Sewerage and the treatment and disposal of sewage
- Stormwater drainage
- Community and leisure assets

⁴¹The asset management plans used to develop the activity management plans were adopted as at 30 June 2014. There will be a review during the latter part of 2015 and annually thereafter.

Council adopted previous asset management plans in June 2009 and in December 2011. The 2011 plan was reviewed by Waugh Infrastructure Management in May 2013. The Waugh review evaluated that the appropriate level of asset management practice which Council should aim to achieve as “Core”⁴². “Core” asset management practice is basic technical asset management planning undertaken at a level designed to meet minimum legislative and operational requirements for financial planning and reporting. Council’s Asset Management Plans have generally been prepared to a “Core” level⁴³. The Plans are available from Council service centres, by phoning 0800 422 522 or to download from www.rangitikei.govt.nz.

Finally the major programmes in each area are highlighted and the funding impact statement is provided showing the income and expenditure for each group of activities, including a breakdown for individual activities within the group.

The Statement of Service Provision is included in Section 9 and draws together the major aspects of the services from each group of activities that Council will monitor, measure and report against.

⁴²Rangitikei District Council: Selecting the Appropriate AM Level, Waugh Associates, March 2013.

⁴³The Roding Asset Management Plan aims to achieve “Core” asset management practice in most aspects with the exception of analysing future demand where an intermediate level of asset management planning is thought to be necessary. Community and Leisure Assets Management Plan has not yet achieved the “Core” level. This is because Council’s rationalisation strategy requires that all assets are reviewed prior to any renewal/upgrade. These reviews are being used to develop the asset management plan for each community and leisure asset to the “Core” level.

■ Community Leadership Group of Activities

Strategic driver over ten years	A Council that is more engaged with and connected to its communities, that represents, and is representative of, its residents
Contribution to strategic intents	This group of activities contributes to opportunities to participate in civic life and to have an impact over decisions which affect quality of life.
Significant negative effects on community well-being	No negative effects have been identified for this group of activities
Contribution to community outcomes	Enjoying life in the Rangitikei
Major aspect of the service for statement of service provision	Completion of annual plan actions on time Budget variance for capital programme

The community leadership group of activities is concerned with the local democratic and decision-making functions of Council. It comprises five separate activities:

Strategic Planning

The strategic planning activity enables Council to make considered and balanced decisions (rather than ad hoc ones) in which likely futures have been assessed and preferred options selected. It covers the LTP, Annual Plans and Annual Reports, Policy development and review, Bylaw development and review, and Legal compliance.

Council

The Mayor and Councillors are elected by the community to provide leadership and make decisions which are in the best interests of the communities in the District. The community expects consistent provision of basic services – such as roads, water, wastewater and stormwater, together with a range of facilities and services which enhance people’s lives. 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 is able to secure advice to help it make useful decisions and to then implement them.

Community Boards and Committees

Community Boards and Community Committees provide a channel for local people to be directly involved with decisions affecting them. In addition, they are provided with a small annual discretionary grant to undertake local projects without further Council approval. Community Boards are statutory bodies elected alongside Councillors at triennium elections and their members are paid, as are 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. Community Boards are required by statute to get involved in the LTP/Annual Plan process; Community Committees typically do so also. Neither usually contributes to policy development. Their primary contribution is as the “eyes and ears” of Council within communities to raise issues of concern – perhaps particularly when this requires Council to advocate on behalf of its residents to other agencies.

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 is also proposing to work more closely with Iwi and hapu in developing collaborative capacity building and has a small funding programme to support this. Council’s aim is to develop Memorandum of Understanding with individual Iwi in the District. MOUs have been signed with the Mokai Patea Iwi collective and with Te Runanga o Ngati Hauiti. It is anticipated that MOU with further Iwi will be in place in the next three years.

Elections

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

Council's intended level of service for the Community leadership Group of Activities

What people want	Council's intended Level of Service is to:	Meeting the purpose of local government	Rationale
Assurance that Council has sound planning for a positive future for the District, taking into account all reasonable and realistic projections	Follow its Significance and Engagement Policy in assessing the impact of its decision-making and involving affected parties appropriately	Council will differentiate between those issues and decisions which require greater or lesser public participation in its strategic planning	Surveys consistently demonstrate that most people expect to be consulted only on major issues. Undertaking unnecessary consultation detracts from major issues and wastes precious resources. Most individuals and groups have a limited capacity for involvement in consultation processes, and failure to acknowledge this can result in consultation fatigue
The Council to provide leadership to the District and make sensible and prudent decisions	Make decisions that are robust, fair, timely, legally compliant and address critical issues	Council will work to ensure that annual plans and annual reports receive an unqualified audit opinion	Unqualified audit opinions indicate that Council has undertaken its decision-making processes in accordance with legislative requirements and followed the various checks and balances that ensure it meets its purpose.
	Provide regular and effective communication to the community about Council activities and decisions	Governance processes must be consensual and Council will develop and implement communications strategy to ensure people are well-informed about Council's decision-making	Council will continue to develop its communication strategy to ensure that people are well-informed about the business of Council and are able to contribute and comment appropriately
The Council to be a strong and successful advocate for the District's interests	Be an obvious participant in discussions within the sector and central government on key matters affecting the Rangitikei	Council will develop and maintain constructive and cost-effective working relationships with neighbours and with peer councils, irrespective of their geographical proximity	Working across the sector to share resources and develop joint policy and position statements enables Rangitikei to have a stronger voice than "going it alone"

What people want	Council's intended Level of Service is to:	Meeting the purpose of local government	Rationale
	Host at least one gathering each year on key themes for the District which attracts nationally recognised speakers and media attention.	Council is the only public body with responsibilities that are contiguous with the whole District.	Ensuring a high profile for the District ensures that local issues are taken into account at regional and national level.
Community Boards which are responsive to local needs and improve the nature of Council's local facilities and service delivery	Provide full administrative support for Community Boards for bi-monthly meetings, with officer reports when appropriate, and opportunities to participate in strategic workshops	Within the Rangitikei District, the value for money proposition is likely to be a factor in the Representation Review to be done in 2018	It is difficult to see the added value intrinsically provided by Community Boards over Community Committees – each is dependent upon the quality of candidate/volunteer that is put forward. Whilst the variation in servicing levels exists, then Council has less discretion about the level of support that is provided to these bodies.
Community Committees which are responsive to local needs and able to liaise successfully with the Council	Provide secretarial assistance for Community Committees' bi-monthly meetings and opportunities for members to participate in strategic workshops	The value for money proposition is less of an issue for Community Committees	Members receive no remuneration. The administrative support from Council, following the establishment process prescribed after each triennial election, is confined to formatting agendas and minutes and distributing these
Collaborative and productive relationship between Council and tangata whenua	Develop well-serviced and functional relationship with Te Roopu Ahi Kaa	Tangata whenua and Maori are assuming increasing importance for the future well-being of the District	Council's primary approach for consultation and liaison with Māori will be through the Iwi-based Te Roopu Ahi Kaa
	Develop relationships with individual Iwi, hapu and the	Strong capable iwi/Maori organisations and good	Council and TRAK have reviewed the Statement on Maori capability to contribute to Council decision-making, and

What people want	Council's intended Level of Service is to:	Meeting the purpose of local government	Rationale
	Ratana community, recognising varying capacity to engage from iwi in pre- and post-settlement stages	engagement between Council and these organisations will contribute to future prosperity	want to differentiate between those iwi with stronger capability in post settlement phase and those currently focusing on achieving their settlements.
To know about the elections, the process for nomination, and an understanding of the roles of elected members	Pre-election material is readily accessible and the Council blog used to inform potential candidates - both for the local election itself and subsequent processes to establish Community Committees. In addition, public meetings are held in the main towns prior to 30 June of the election year	Council has to balance the need to provide a good opportunity for residents to participate in the elections, with the cost of trying to generate interest where there is none!	Maintaining good communication with the community over Council's role is the best way to encourage participation in local democracy and ensuring a good number of candidates for public office
To know who the candidates are, their electoral platform, the state of Council's finances, and the outcome of the polls (both the local election itself and for Community Committees)	Elections are well publicised locally and in accordance with law (including the pre-election report) and have results publicised promptly in the media and on Council's website	No valid query on the integrity of Council's processes in conducting the elections would imply that the election process was managed in a legally compliant manner	The major issue in this activity is when electronic voting will be introduced. The opportunity for people to provide the information for the 2013 Census is a clear signal of the inevitability of this development. Potentially it could lead to a substantial increase in voter participation.

Strategic Environment

Council needs to anticipate and respond to societal, environmental and technological change. Some of this change will be driven by central government – about what local government should (and should not) do. But evolving sector 'good practice' is also a factor, as is the Council's insights into the well-being of the District's communities. So, for example, there may be an increasing preference to see

converging priorities among neighbouring councils: a desire to see greater weight attached to Māori aspirations and needs⁴⁴, or greater emphasis on community and economic development compared with infrastructure maintenance.

Over the past two triennia, Council recognised that the District’s ageing infrastructure is the key liability for the District. Measures to keep rate increases low (lack of investment in strategic assets, lack of funding for depreciation) over many years has led to a backlog of investment that requires catch up. Strategic planning over the capital investment programme is the key focus for this Council, in the recent past and for the foreseeable future. The opportunity has been that Council can take a fresh look at its core services and infrastructure to reflect its preferred futures. In considering likely demographic change in the District, Council has agreed that its strategic priorities will be to promote the District as a great place to retire in or to retire to and as a great place to raise a family. It has also recognised the importance of tangata whenua to the District’s future and the need to work closely with Iwi and hapu to secure better outcomes for all its people. Whilst not diverting resources from core services and infrastructure, Council is working hard to ensure that every dollar of ratepayer money used outside of these areas is demonstrably delivering to these strategic priorities.

It is possible that in the medium to long term, the Rangitikei District Council will cease to be a distinct administrative entity. However, that has no practical effect on this LTP as the Council is certain that, irrespective of the nature of change in governance at a local level, local delivery of services will continue, from at least one if not all three towns where the Council has offices. Less certain is the nature of local democracy in a larger administrative entity, because it is unknown how strongly the Local Government Commission would regard retaining a ward structure and/or establishing community boards.

Major Programmes

Year 1	Annual Report 2014/15 Annual Plan 2016/17	Preparation for the 2016 local election				Key outcomes from Maori community development programme (to be identified)	Delivery of programme of policy and bylaw review	Preparation of order papers that ensure compliant decision-making
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⁴⁴Settlement of Treaty claims from District Iwi is likely to result in new business initiatives, including papakainga and tourism. Such initiatives may mean more employment opportunities for young Māori, thus stemming the drift to neighbouring urban centres and increasing the proportion of Māori in the District’s population.

Year 2	Annual Report 2015/16 Annual Plan 2017/18	Preparation of the pre-election report (for the 2016 election) Preparation and conduct of 2016 local election	Induction of Council, Community Boards/Committees for the triennium 2016-19	Preparation of Local Governance Statement and update Elected Members Handbook	Confirmation of Te Roopu Ahi Kaa membership for the 2016-19 triennium		Delivery of programme of policy and bylaw review	Preparation of order papers that ensure compliant decision-making
Year 3	Annual Report 2016/17 Long-term plan 2018/28					Review key outcomes from Maori community development programme for input into 2018-28 LTP	Delivery of programme of policy and bylaw review	Preparation of order papers that ensure compliant decision-making
Year 4	Annual Report 2017/18 Annual Plan 2019/20	Representation Review (for the 2019 election) commenced					Delivery of programme of policy and bylaw review	Preparation of order papers that ensure compliant decision-making
Year 5	Annual Report 2018/19 Annual Plan 2020/21	Preparation of the pre-election report (for the 2019 election) Preparation and conduct of 2019 local election	Induction of Council, Community Boards/Committees for the triennium 2019-22	Preparation of Local Governance Statement and update Elected Members Handbook	Confirmation of Te Roopu Ahi Kaa membership for the 2019-22 triennium		Delivery of programme of policy and bylaw review	Preparation of order papers that ensure compliant decision-making

Year 6	Annual Report 2019/20 Long-term plan 2021/31					Review key outcomes from Maori community development programme for input into 2021-31 LTP	Delivery of programme of policy and bylaw review	Preparation of order papers that ensure compliant decision-making
Year 7	Annual Report 2020/21 Annual Plan 2022/23						Delivery of programme of policy and bylaw review	Preparation of order papers that ensure compliant decision-making
Year 8	Annual Report 2021/22 Annual Plan 2023/24	Preparation of the pre-election report (for the 2022 election) Preparation and conduct of 2022 local election	Induction of Council, Community Boards/Committees for the triennium 2022-25	Preparation of Local Governance Statement and update Elected Members Handbook	Confirmation of Te Roopu Ahi Kaa membership for the 2022-25 triennium		Delivery of programme of policy and bylaw review	Preparation of order papers that ensure compliant decision-making
Year 9	Annual Report 2022/23 Long-term plan 2024-34					Review key outcomes from Maori community development programme for input into 2024-34 LTP	Delivery of programme of policy and bylaw review	Preparation of order papers that ensure compliant decision-making
Year 10	Annual Report	Representation Review (for the					Delivery of programme	Preparation of order papers

	2023/24 Annual Plan 2025/26	2025 election)						of policy and bylaw review	that ensure compliant decision- making
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Community Leadership

Funding Impact Statement For the years ending 30 June 2015 to 2025

	2014/15 Annual Plan (\$000)	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)
Sources of operating funding											
General rates, uniform annual general charge, rates penalties	1,072	1,069	1,134	1,124	1,138	1,209	1,209	1,245	1,320	1,335	1,372
Targeted rates	53	59	61	64	64	66	70	70	73	79	79
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	0	0	34	0	0	38	0	0	40	0	0
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total operating funding (A)	1,125	1,128	1,229	1,188	1,202	1,313	1,278	1,315	1,433	1,414	1,451
Applications of operating funding											
Payment to staff and suppliers	952	998	1,099	1,034	1,070	1,183	1,121	1,169	1,296	1,233	1,289
Finance costs	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads applied	179	178	186	201	180	185	206	196	194	218	199
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding (B)	1,131	1,176	1,285	1,235	1,250	1,368	1,327	1,365	1,491	1,451	1,488
Surplus (deficit) of operating funding (A - B)	(6)	(47)	(56)	(47)	(47)	(56)	(49)	(49)	(57)	(37)	(37)

	2014/15 Annual Plan (\$000)	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)
Sources of capital funding											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	0	0	0	0	0	0	0	0	0	0	0
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	0	0	0	0	0	0	0	0	0	0	0
Application of capital funding											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of service	0	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in reserves	(6)	(47)	(56)	(47)	(47)	(56)	(49)	(49)	(57)	(37)	(37)
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	(6)	(47)	(56)	(47)	(47)	(56)	(49)	(49)	(57)	(37)	(37)
Surplus (deficit) of capital funding (C - D)	6	47	56	47	47	56	49	49	57	37	37
Funding balance ((A - B) + (C - D))	0	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)

■ Roading Group of Activities

Strategic driver over ten years	The maintenance of the current roading network as close to the current standard as possible within budget constraints
Contribution to strategic intents	The roading group of activities provides safe, convenient and orderly network for road users (including pedestrians, cyclists and mobility scooter users) to travel throughout the towns and wider district. This contributes to economic vitality of the District and to public safety.
Significant negative effects on community well-being	Negative effects identified for this group of activities are road deaths, emissions to air from road transport and associated health impacts, traffic noise and vibration and stock effluent disposal. Mitigation steps are outlined on page 149.
Contribution to community outcomes	<ul style="list-style-type: none"> • Safe and caring community • Buoyant District economy • Enjoying life in the Rangitikei
Major aspect of the service for statement of service provision (including mandatory measures)	<p>The average quality of ride on a sealed local road network measured by smooth travel exposure</p> <p>Road maintenance</p> <p>The percentage of the sealed road network that is resurfaced</p> <p>The percentage of the unsealed road network which is remetalled during the year</p> <p>The percentage of footpaths within the District that fall within the level of service or service standard for the condition of footpaths</p> <p>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</p> <p>Residents perceptions of the provision and maintenance of footpaths, street-lighting and local roads (annual survey)</p> <p>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.</p>

The Roding group of activities is one of the statutory groups of activities that Council must include in its LTP. It accounts for about one third of all rates income and just less than half of all Council expenditure. It consists of six activities that contribute towards the community outcomes, as follows:

Pavements

The road network is made up of 1,225km of roads; 796km are sealed with 429km unsealed.

Pavements are the structural and wearing course layers of a road. They are regarded as the core components of the roading network's trafficable carriageways. A major failure of a section of pavement can result in the road becoming dangerous and/or impassable.

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, or likely to use, 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
- Has a structure suitable to carry legal weight, and most cases overweight, traffic.

Bridges

Council maintains a total of 253 bridges including 96 large culverts

Bridges vary from high standard concrete structures to very low standard wooden deck structures. Some have weight and speed restrictions on them.

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.

Traffic Services

Council manages 4,222 road signs and edge marker posts, 293km of road markings and 1,903 streetlights).

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.

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.

Stormwater 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. Poor drainage has been shown to lead to more long-term weaknesses or failure within pavement structure than any other form of damage.

Pedestrian Facilities

Council manages a total of 85km of footpaths in urban areas, 3km in rural areas with nearly 75% being of concrete construction.

There are bus shelters provided for the benefit of children waiting for the school bus services operating through the district. These are owned by Horizons Regional Council but maintained by Council.

The primary purpose of footpaths is

- To provide safe and convenient access for pedestrians and disabled vehicle users, around towns and communities without interfering with road traffic. NZ standards now state that any new footpath constructed should be a minimum of 1.4m wide wherever possible to allow users to pass each other without the need to step off into the road.

Vegetation Management

Vegetation is defined as grass, plant pests, shrubbery, exotic seedlings, plant growth or small trees up to 2.5m in height on sealed and unsealed roads or within the road reserve.

The vegetation is sprayed where it is:

- Obscuring abutments, headwalls, signs, etc.
- Affecting the functioning of the soak holes, kerb and channel etc.
- Affecting the aesthetics of the median, driveways, footpaths etc.

Mowing is carried out along most rural roads and at intersections under the Contract No. 903 Road Maintenance. The berm on both sides of each side road is mowed for a distance of 1.5m back from the edge of sealed carriageway aid in maintaining visibility of approaching traffic on the side roads and around bends. In addition to these intersections, some intersections of local roads are included in the schedule because of the problems with sight distances.

When vegetation grows out too far into the road reserve, it can become a safety hazard by obscuring vision along roads and around bends. Overhanging trees can easily collapse under their own weight during a storm event, heavy rain or wind creating a roadblock and possible risk of vehicle collision.

Council’s intended level of service for the Roading Group of Activities

What people want	Council’s intended Level of Service is to:	Meeting the purpose of local government	Rationale
A reliable roading network in the rural areas so the rural community can go about their economic activities	A safe roading network which allows people to travel from A to B, free of loose gravel or potholes and maintaining the level of sealed roads currently available	A lower level of service adds cost to the user through increased time/petrol/wear and tear on vehicles. The level of service offered attempts to balance the cost of using the roads between the ratepayer/taxpayer and the vehicle owner/traveller. Council is always looking for ways to manage its contracts to reduce costs to the ratepayer and provide maximum value for money	Allows people to easily go about their activities in a safe, convenient, efficiently and timely manner. Provides links throughout the district and to other regions, including strategic and efficient links to State Highways and inter-regional networks
Roads in towns to be attractive and well maintained allowing them to access goods and services	A functional road network that provides access to residential, commercial and retail premises and some beautification of road reserves		
To be able to efficiently travel throughout the District for social and recreational activities	A safe roading network which allows people to travel from A to B, free of loose gravel or potholes and maintaining the level of sealed roads currently available		
Safe and smooth footpaths that enable them to move about the District’s towns without needing to encroach onto the road and surveillance cameras to deter anti-social behaviour	Increased asset length and footpath renewal programme	Council is working with local communities to determine where to best focus its new footpath programme.	Increasing use of mobility scooters in the town centres has changed the pattern of stresses on footpaths, resulting in higher renewal costs. Council has reduced the length of rehabilitation carried out each year to maintain the existing budgets
	The percentage of footpaths within a territorial authority that fall within the level of service or service	Adequate provision and maintenance of footpaths	This is a new mandatory performance measure introduced by the LGA 2002 amendment 2010 and

What people want	Council's intended Level of Service is to:	Meeting the purpose of local government	Rationale
	standard for the condition of footpaths that is set out in the relevant document (e.g. LTP, AMP)		defined by the Department of Internal Affairs to take effect from 30 July 2014
	Work with local stakeholders including the New Zealand Police to ensure CCTV coverage of the CBD areas in Marton, Taihape and Bulls	Local communities have indicated that this is a key concern for them and Council believes that a partnership approach will deliver best value to the community	Deterring anti-social behaviour in CBD areas provides a sense of security to residents and business owners and supports New Zealand Police to prevent crime
Attractive and well-designed urban street lighting that makes them feel safe and secure when walking or driving	Maintenance of existing network. No upgrade or renewal	The District's towns are not growing and so the current level of service will be maintained	Street lighting provides night time visibility and assists in the safe passage of people through the townships

Strategic Environment

The roading network asset is a strategic asset that currently meets the needs of the district and ratepayer. The overall condition of the network is good with a smooth travel exposure of 96.5%. This may be difficult to maintain with the long term review of the financial subsidies and the pending One Network Road Classification (ONRC) system. These reviews may introduce a need to re-address levels of service for various categories of road hierarchy. The Funding Assistance Rate (FAR) from NZTA is increasing from 59% to 62%, in 2015/16, then a further 1% increase to 63% in 2016/17. However, this is countered by uncertainty over the FAR rate for emergency works and the subsidy that will be available through the ONRC. See Section 8: Response to submitters, for more details.

Another pressure on operating costs will come from non-budgeted repairs for damage caused by increased storm events resulting in emergency works expenditure. What remains is uncertainty over the funding support for unexpected Emergency Works events and the potential financial risk associated with this. In response to this, Council aims to increase its emergency road reserve from \$1.2 million to \$3.5 million over the next ten years.

Increases in fuel taxes and the potential of peak oil limitations are unlikely to affect requirement for personalised/individual transport using a roading network in rural areas. The more likely scenario is that alternative technologies will be developed (electric cars/biofuels etc.). It is also likely that the increase in high productivity motor vehicles (HPMV) for bulk transport of goods (even combined with lighter and more fuel efficient cars for individual transportation) will lead to higher renewal and maintenance costs of the roading network. It is assumed that central government will continue to invest in the state highway network and local road networks, including designated routes for HPMV.

The move to bigger and heavier vehicles plus the increase in logging traffic is having a detrimental effect on the roading network. Forestry is a significant form of land use in the Rangitikei and the current roading network is not constructed to handle this level of loading. Therefore, the HPMV routes in forestry blocks are going to partially drive the rehabilitation forward work programme which is managed through current funding now. Council has indicated that it will look at the option of introducing a differential roading rate which allocates the true costs of roading for a particular land use either during the 2018/28 Long Term Plan cycle or until national guidance for managing the impact of heavy vehicles on low volume roads is released by the Road Controlling Authorities Forum.⁴⁵

There are significant negative effects from this activity:

Effect	Mitigation
Road deaths	Undertake crash reduction studies
Air emissions from road transport and associated health impacts	Promote alternative transport systems
Traffic noise and vibration	Surface treatments to minimise noise
Stock effluent disposal	Provision of stock effluent disposal sites

Major Programmes

The Roding Group of Activities is set out below with the annual budget, as at 2015/16. This amount is allocated to the maintenance, renewal and capital programmes for each year of the LTP.

⁴⁵15/RDC/035

Roading and Footpaths

Funding Impact Statement
For the years ending 30 June 2015 to 2025

	2014/15 Annual Plan (\$000)	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)
Sources of operating funding											
General rates, uniform annual general charge, rates penalties	0	0	0	0	0	0	0	0	0	0	0
Targeted rates	6,271	6,087	6,000	6,075	6,209	5,781	5,837	5,939	5,926	6,095	6,099
Subsidies and grants for operating purposes	2,666	3,263	3,229	3,229	3,310	3,310	3,310	3,393	3,393	3,393	3,477
Fees and charges	4	28	29	30	31	32	33	33	34	35	36
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	121	115	115	115	115	115	115	115	115	115	120
Total operating funding (A)	9,062	9,493	9,373	9,449	9,664	9,237	9,294	9,480	9,468	9,638	9,733
Applications of operating funding											
Payment to staff and suppliers	5,335	6,104	5,901	5,921	6,070	6,091	6,113	6,267	6,291	6,316	6,475
Finance costs	180	124	116	118	119	109	130	134	142	128	115
Internal charges and overheads applied	554	461	478	536	478	491	561	520	527	604	533
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding (B)	6,069	6,689	6,495	6,575	6,667	6,692	6,804	6,921	6,959	7,049	7,124
Surplus (deficit) of operating funding (A - B)	2,993	2,804	2,878	2,874	2,997	2,546	2,490	2,559	2,508	2,590	2,609

	2014/15 Annual Plan (\$000)	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)
Sources of capital funding											
Subsidies and grants for capital expenditure	4,463	2,766	3,480	3,295	4,774	3,661	3,754	3,961	3,343	3,471	3,494
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	299	(165)	(165)	(165)	(165)	39	55	113	(189)	(189)	(189)
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	4,762	2,602	3,315	3,130	4,609	3,700	3,810	4,074	3,154	3,282	3,305
Application of capital funding											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of service	1,512	591	592	594	2,841	1,097	1,153	1,324	630	631	647
- to replace existing assets	6,097	4,081	5,147	4,857	4,963	4,946	5,044	5,207	4,926	5,135	5,162
Increase (decrease) in reserves	146	734	454	553	(197)	203	103	102	107	106	105
Increase (decrease) in investments											
Total applications of capital funding (D)	7,755	5,406	6,193	6,004	7,606	6,246	6,299	6,633	5,662	5,872	5,914
Surplus (deficit) of capital funding (C - D)	(2,993)	(2,804)	(2,878)	(2,874)	(2,997)	(2,546)	(2,490)	(2,559)	(2,508)	(2,590)	(2,609)
Funding balance ((A - B) + (C - D))	0	0	(0)	(0)	0	0	(0)	(0)	(0)	0	0

Roading and Footpaths

Prospective Capital Works
For the years ending 30 June 2015 to 2025

Category	Designated projects	2014/15 Annual Plan (\$000)	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)
RENEWALS (i.e. to relace existing assets)												
Unsealed road metalling	Programmed renewals	341	460	460	460	472	472	472	483	483	483	496
Pavement rehabilitation'	Programmed renewals	2,874	684	1,627	1,689	1,731	1,731	1,731	1,774	1,774	1,774	1,819
Drainage	Programmed renewals	323	337	337	352	361	361	361	370	370	370	380
Structure components	Programmed renewals	252	189	189	189	194	194	194	199	199	199	204
Traffic services	Programmed renewals	220	225	225	225	231	231	231	236	236	236	242
Sealed road surfacing	Programmed renewals	2,002	2,040	2,159	1,789	1,818	1,797	1,892	1,975	1,691	1,895	1,841
Footpaths	Programmed renewals	85	145	149	152	156	160	164	168	172	177	181
Total renewals		6,097	4,081	5,147	4,857	4,963	4,946	5,044	5,207	4,926	5,135	5,162
CAPITAL (i.e. to improve the level of service)												
Roading	Minor safety projects	538	526	526	526	539	539	539	552	552	552	566
	Bridges reconstruction	910	0	0	0	2,232	486	540	697	0	0	0
Footpaths	New footpath construction	64	65	67	68	70	72	74	75	77	79	81
Total Capital		1,512	591	592	594	2,841	1,097	1,153	1,324	630	631	647

Water Supply Group of Activities

Strategic driver over ten years	To renew the current reticulation and treatment systems progressively to meet national quality standards in an affordable, rolling programme
Contribution to strategic intents	<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 also supports economic development in the District by enabling increased economic activity where supply is available.</p> <p>The Rural Water Supply activity supports economic development in the District by enabling increased economic activity where supply is available.</p>
Significant negative effects	Extraction and use of water resources can impact the life-supporting capacity of ecosystems. Council actively complies with resource consent conditions, promotes water conservation, and manages demand to ensure these resources are sustainable.
Contribution to community outcomes	<p>Safe and caring community</p> <p>A buoyant District economy</p> <p>A treasured natural environment</p>
Major aspect of the service for statement of service provision (including mandatory measures)	<p>The extent to which the Council’s drinking water supply complies with:</p> <p>Part 4 of the drinking water standards (bacteria compliance criteria)</p> <p>Part 5 of the drinking water standards (protozoa compliance criteria)</p> <p>Compliance with resource consents</p> <p>Number of unplanned water supply disruptions affecting multiple properties</p> <p>The percentage of real water loss from the Council’s networked urban reticulation system</p> <p>The percentage of real water loss from the Council’s rural water schemes</p> <p>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:</p>

	<ul style="list-style-type: none"> • attendance for urgent call-outs: from the time that the Council receives notification to the time that service personnel reach the site, and • resolution of urgent call-outs from the time that the Council receives notification to the time that service personnel confirm resolution of the fault of interruption • attendance for non-urgent call-outs: from the time that the Council receives notification to the time that service personnel reach the site, and • resolution of non-urgent call-outs from the time that the Council receives notification to the time that service personnel confirm resolution of the fault of interruption <p>The average consumption of drinking water per day per resident within the District</p> <p>Random flow checks at the different supplies</p>
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The Water Supply group of activities is one of the statutory groups of activities that Council must include in its LTP. This group of activities comprises:

Urban Water Supplies

Drinking water supplied via a reticulation system (pipes) to meet the domestic, commercial and fire-fighting requirements in the urban communities of the Rangitikei comprising Bulls, Marton, Taihape, Hunterville, Mangaweka and Ratana. The activity is consistent with and complies with Horizons Regional Council's resource consent conditions. The activity is sympathetic with the guidelines of Horizons' One Plan.

Rural Water Supplies

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

Council’s intended level of service for the Water Supply Group of Activities

What people want	Council’s intended Level of Service is to:	Meeting the purpose of local government	Rationale
To turn on the tap and get a reliable, safe and continuous supply of water	<p>Provide a reliable, accessible and safe water supply to properties on the urban reticulation systems</p> <p>Provide a reliable water pressure and flow, which complies with the NZ Fire Service Fire Fighting Water Supplies Code of Practice</p>	The investment in reticulated supplies provides the best balance for effective and efficient public services that provide the best value to householders and businesses.	<p>An effective and efficient water network and treatment process minimises risk to the health of residents in the community and to the environment</p> <p>There are fewer economies of scale as the service is supplied to lower population densities and this may affect the provision of this service in the future. This was a matter of the key choices presented in the consultation document.</p>
To have confidence that water resources are not being wasted	Minimise water loss from the potable water supply through active monitoring of water loss and appropriate response to reported leaks	Promoting and efficient use of water resources contribute to effective, affordable and high quality delivery of local services.	The introduction of mandatory measures to comment on water loss indicates that this is an increasing priority for government and for local residents
The efficient use of water resources available in the District to support primary and secondary production processes.	Administer and manage rural water supplies to support agribusiness in the District	Council’s investment in supporting this activity is limited. The schemes rely mostly upon user pays. However, Council believes that the provision of water for agribusiness enables it to meet the demand for public services in a sustainable way.	Council’s involvement in Rural Water Supplies provides access to economies of scale, and technical advice that would otherwise be difficult or expensive to procure.

Strategic Environment

Our water supplies are strategic assets. In line with Council's strategic priorities, the provision of this activity provides the basic infrastructure which enables the District to attract and retain people and businesses. With changes in population distribution and size across the District, Council will investigate all options for the replacement, where absolutely necessary, of reticulated water schemes for smaller communities:

- In close consultation with affected communities, and
- Bearing in mind affordability of the schemes District-wide, and
- Advocating for and maximising the additional central government funding that can be leveraged to support small rural communities, and
- Using the best available technology to develop appropriate solutions.

The focus for the next three years will be:

- Completion of the upgrade of the Marton water supply (for both quality and quantity) to meet statutory and community requirements.
- Completion of a major upgrade to the Ratana water supply, which will improve water quality and cater for the proposed new 60-lot subdivision.
- Achieving ongoing compliance with all Drinking Water Standards and resource consents.
- Renewal of ageing infrastructure as part of our ongoing programme of work.

Looking further ahead:

- Consent renewals are coming up for Bulls (expires 2022) and Taihape (expires 2020).
- Major work is required on the Erewhon Rural Water Supply to renew a river crossing.
- The Tutaenui Rd trunk main for Marton needs to be renewed. This is a major project that would be staged across several years (2018-2023).
- Other treatment and reticulation renewals are ongoing.
- The Asset Management Plan and Infrastructure Strategy are continually improved through adding more details.

Major Programmes

The programme noted below focuses on the priorities identified for urgent attention. The renewal and replacement programme is based on condition and performance of assets, assessed through a number of different methodologies including network modelling.

Water Supply

Funding Impact Statement For the years ending 30 June 2015 to 2025

	2014/15 Annual Plan (\$000)	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)
Sources of operating funding											
General rates, uniform annual general charge, rates penalties	441	96	99	110	101	104	117	110	112	127	115
Targeted rates	4,043	4,197	4,606	5,115	5,272	5,627	6,011	6,074	6,744	6,948	7,047
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total operating funding (A)	4,484	4,293	4,705	5,224	5,373	5,731	6,128	6,184	6,856	7,075	7,162
Applications of operating funding											
Payment to staff and suppliers	2,092	1,953	1,946	2,014	2,029	2,102	2,160	2,238	2,319	2,405	2,493
Finance costs	635	583	714	1,044	1,261	1,405	1,647	1,638	1,962	2,009	2,029
Internal charges and overheads applied	547	639	663	716	663	681	749	720	728	804	751
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding (B)	3,274	3,175	3,322	3,774	3,953	4,188	4,555	4,596	5,010	5,217	5,273
Surplus (deficit) of operating funding (A - B)	1,210	1,118	1,383	1,450	1,420	1,543	1,573	1,588	1,847	1,857	1,889

	2014/15 Annual Plan (\$000)	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)
Sources of capital funding											
Subsidies and grants for capital expenditure	900	975	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	2,569	2,624	4,584	1,893	2,186	34	(189)	4,535	567	187	2,777
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	3,469	3,598	4,584	1,893	2,186	34	(189)	4,535	567	187	2,777
Application of capital funding											
Capital expenditure											
- to meet additional demand	0										
- to improve the level of service	2,048	1,998	104	0	165	171	0	0	0	0	0
- to replace existing assets	2,732	2,710	5,983	3,483	3,657	1,480	1,441	6,224	2,511	2,152	4,778
Increase (decrease) in reserves	(101)	8	(120)	(139)	(217)	(74)	(57)	(101)	(98)	(107)	(111)
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	4,679	4,716	5,967	3,344	3,606	1,577	1,384	6,123	2,413	2,045	4,667
Surplus (deficit) of capital funding (C - D)	(1,210)	(1,118)	(1,383)	(1,450)	(1,420)	(1,543)	(1,573)	(1,588)	(1,847)	(1,857)	(1,889)
Funding balance ((A - B) + (C - D))	0	(0)	0	0	(0)	0	0	(0)	0	(0)	0

Water Supply

Prospective Capital Works
For the years ending 30 June 2015 to 2025

Category	Designated projects	2014/15 Annual Plan (\$000)	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)
RENEWALS (i.e. to replace existing assets)												
Marton	Treatment and reticulation	1,036	964	1,917	12	1,808	624	678	3,999	2,268	818	1,104
Taihape	Treatment and reticulation	1,141	436	1,942	1,576	189	304	102	1,947	32	6	330
Bulls	Treatment and reticulation	104	985	786	538	0	364	472	10	6	552	3,153
Mangaweka	Treatment and reticulation	68	140	851	0	2	8	14	0	25	600	0
Hunternville urban	Treatment and reticulation	43	7	108	115	186	0	2	18	0	0	2
Ratana	Treatment and reticulation	105	0	12	0	110	0	0	0	0	0	0
Erewhon	Treatment and reticulation	114	116	125	133	1,135	153	165	238	152	159	165
Hunternville rural	Treatment and reticulation	121	56	237	1,101	221	20	0	1	15	0	0
Omatane	Treatment and reticulation	0	5	5	6	6	7	8	10	13	17	23
Total renewals		2,732	2,710	5,983	3,483	3,657	1,480	1,441	6,224	2,511	2,152	4,778
CAPITAL (i.e. to improve the level of service)												
Marton	Reticulation upgrade	46	225	0	0	165	171	0	0	0	0	0
	Treatment upgrade	0	238	0	0	0	0	0	0	0	0	0
Taihape	Reticulation upgrade	402	100	104	0	0	0	0	0	0	0	0
	Treatment upgrade	0	475	0	0	0	0	0	0	0	0	0
Bulls	Backflow protection	77	128	0	0	0	0	0	0	0	0	0
	Reticulation upgrade	0	37	0	0	0	0	0	0	0	0	0
Mangaweka	Reticulation upgrade	19	10	0	0	0	0	0	0	0	0	0
	Reticulation upgrade	0	20	0	0	0	0	0	0	0	0	0
Hunternville urban	Backflow protection, pressure flow control	36	0	0	0	0	0	0	0	0	0	0
Ratana	Treatment upgrade	1,468	765	0	0	0	0	0	0	0	0	0
Total Capital		2,048	1,998	104	0	165	171	0	0	0	0	0

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

Strategic driver over ten years	To achieve compliance with consents in all wastewater treatment systems in an affordable, rolling programme
Contribution to strategic intents	This activity contributes to the personal and public health and safety and to sustaining the natural environment.
Significant negative effects	No negative effects have been identified for this group of activities, provided that discharges are in accordance with resource consents
Contribution to community outcomes	A buoyant District economy Safe and caring community A treasured natural environment
Major aspect of the service for statement of service provision (including mandatory measures)	<p>Compliance with the Council’s resource consents for discharge from its sewerage system measured by the number of</p> <ul style="list-style-type: none"> • abatement notices • infringement notices • enforcement orders, and • convictions <p>Routine compliance monitoring of discharge consents</p> <p>Number of overflows from each network (response/ resolution time)</p> <p>The number of dry weather sewerage overflows from the Council’s sewerage system, expressed per 1000 sewerage connections to that sewerage system</p> <p>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</p> <ul style="list-style-type: none"> • attendance time: from the time that the Council receives notification to the time that service personnel reach the site, and • resolution time: from the time that the Council receives notification to the time that service personnel

	<p>confirm resolution of the fault of interruption</p> <p>The total number of complaints received by the Council about any of the following:</p> <ul style="list-style-type: none"> • sewage odour • sewerage system faults • sewerage system blockages, and • the Council’s response to issues with its sewerage systems
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The sewerage and treatment and disposal of sewage group of activities is one of the statutory groups of activities that Council must include in its LTP. This group of activities comprises:

Wastewater Collection, Treatment and Disposal

The activity provides for the process of collecting wastewater and treating it to an acceptable standard for discharge into the environment. Wastewater treatment systems are maintained in Taihape, Mangaweka, Hunterville, Marton, Koitiata, Ratana and Bulls. The age of existing infrastructure, and stricter compliance requirements, triggers the need for upgrade work as well as ongoing renewals.

Council’s intended level of service for the Sewerage and the treatment and disposal of sewage Group of Activities

What people want	Council’s intended Level of Service is to:	Meeting the purpose of local government	Rationale
A wastewater system that produces an effluent which may be disposed of without causing trouble or harm to the communities and prevent pollution	Provide a reliable reticulated disposal system that does not cause harm or create pollution	The investment in reticulated supplies provides the best balance for effective and efficient public services that provide the best value to householders and businesses.	This activity falls into the category of an activity to multiple property ownerships which requires a co-ordinating authority to provide economies of scale and other efficiencies

Strategic Environment

The Council's reticulated wastewater networks are strategic assets. In line with Council's significance policy, the provision of this activity provides the basic infrastructure which enables the District to attract and retain people and businesses. The costs of compliance are increasing, and Council faces the challenges of providing a number of distinct wastewater schemes across the District that must meet stringent discharge conditions with limited funding. Water quality is one of the "Big Four" critical environmental issues of Horizons region that are covered by the One Plan. Conditions set out in the One Plan rules are designed to reduce the impact on surface and groundwater quality from a wide range of farming and growing activities, industrial discharges, domestic wastewater management, and wastewater treatment plants. Council is working closely with Horizons Regional Council on wastewater compliance issues. In addition to these issues, Council faces the prospect of needing to extend its networks in some areas, while shrinking them in others when alternative solutions can be found. Council will investigate all options for the replacement, where absolutely necessary, of reticulated wastewater schemes for smaller communities:

- In close consultation with affected communities, and
- Bearing in mind affordability of the schemes District-wide, and
- Advocating for and maximising the additional central government funding that can be leveraged to support small rural communities, and
- Using the best available technology to develop appropriate solutions.

The focus for the next three years will be:

- Hunterville Wastewater Treatment Plant (WWTP) upgrade to meet consent conditions. Preferred option is the installation of a lamella plate separator.
- Marton WWTP upgrade to achieve compliance. The major compliance issue for Marton is nitrogen, exacerbated by the treatment of leachate from the Bonny Glen landfill. Options are currently being investigated.
- Review the Trade Waste agreement with MidWest Disposal Ltd
- Desludging of the anaerobic lagoon at Marton WWTP.
- Marton WWTP discharge consent renewals. Consents for discharge to water and air expire in 2019. Renewal is programmed for 2017-2018.
- Ratana WWTP upgrade to meet current consent conditions as well as likely future conditions, and cater for growth from the proposed 60-lot subdivision.

- Renewal of the Ratana WWTP discharge consent. Consent expires 2018, with renewal programmed for 2016-2017.
- Upgrade of the Taihape WWTP in 2015-2016 in order to address compliance issues around quality and quantity.

Looking further ahead:

- Consent renewals for discharge are coming up at Koitiata and Mangaweka (both expire 2024) and decisions need to be made as a result of these consent renewals about whether to continue with a centralised wastewater treatment system or look at alternative options and in the case of Koitiata possibly extending the scheme.
- There are a number of reticulation renewals which are ongoing.
- The Asset Management Plan and Infrastructure Strategy are continually improved through adding more details.

Major Programmes

Given the urgent and major programmes outlined above, the programme noted below focuses on these priorities. The renewal and replacement programme, as outlined for the water supply group of activities, is based on condition and performance of assets, assessed through a number of different methodologies including network modelling.

Sewerage and Treatment and Disposal of Sewage

Funding Impact Statement
For the years ending 30 June 2015 to 2025

	2014/15 Annual Plan (\$000)	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)
Sources of operating funding											
General rates, uniform annual general charge, rates penalties	174	0	0	0	0	0	0	0	0	0	0
Targeted rates	1,908	2,306	2,401	2,613	2,871	3,077	3,334	3,519	3,564	3,758	3,730
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	169	242	251	259	267	276	285	296	307	320	332
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total operating funding (A)	2,251	2,548	2,652	2,872	3,138	3,353	3,619	3,815	3,872	4,077	4,062
Applications of operating funding											
Payment to staff and suppliers	935	1,055	1,084	1,120	1,159	1,200	1,243	1,288	1,336	1,387	1,440
Finance costs	289	201	489	618	834	869	1,042	1,007	947	1,034	993
Internal charges and overheads applied	255	218	226	254	226	233	267	246	249	287	252
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding (B)	1,479	1,475	1,800	1,993	2,220	2,301	2,551	2,541	2,532	2,709	2,685
Surplus (deficit) of operating funding (A - B)	772	1,073	853	878	918	1,051	1,068	1,274	1,340	1,369	1,377

	2014/15 Annual Plan (\$000)	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)
Sources of capital funding											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	4,311	4,816	256	2,660	587	401	(506)	(687)	1,081	(387)	(751)
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	4,311	4,816	256	2,660	587	401	(506)	(687)	1,081	(387)	(751)
Application of capital funding											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of service	4,591	5,167	779	1,229	0	0	0	0	1,768	0	0
- to replace existing assets	696	1,667	1,530	2,308	1,503	1,450	560	417	825	779	612
Increase (decrease) in reserves	(204)	(945)	(1,200)	1	2	2	2	170	(173)	203	14
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	5,083	5,889	1,108	3,539	1,505	1,452	562	587	2,420	982	626
Surplus (deficit) of capital funding (C - D)	(772)	(1,073)	(853)	(878)	(918)	(1,051)	(1,068)	(1,274)	(1,340)	(1,369)	(1,377)
Funding balance ((A - B) + (C - D))	0	0	(0)	(0)	0	0	0	(0)	0	0	(0)

Sewerage and the Treatment and Disposal of Sewage

Prospective Capital Works
For the years ending 30 June 2015 to 2025

Category	Designated projects	2014/15 Annual Plan (\$000)	2015/1 6 (\$000)	2016/1 7 (\$000)	2017/1 8 (\$000)	2018/1 9 (\$000)	2019/2 0 (\$000)	2020/2 1 (\$000)	2021/2 2 (\$000)	2022/2 3 (\$000)	2023/2 4 (\$000)	2024/2 5 (\$000)
RENEWALS (i.e. to replace existing assets)												
Marton	Treatment and reticulation	394	941	78	946	403	92	325	216	95	448	325
Taihape	Treatment and reticulation	90	205	493	1,076	1,088	976	131	95	0	323	100
Bulls	Treatment and reticulation	127	268	137	9	1	11	45	99	95	9	47
Mangaweka	Treatment and reticulation	40	25	0	0	0	0	0	0	0	0	0
Hunterville	Treatment and reticulation	21	220	284	270	0	77	59	7	0	0	34
Ratana	Treatment and reticulation	21	5	526	7	12	259	0	0	0	0	107
Koitiata	Treatment and reticulation	3	3	12	0	0	35	0	0	635	0	0
Total renewals		696	1,667	1,530	2,308	1,503	1,450	560	417	825	779	612
CAPITAL (i.e. to improve the level of service)												
Marton	Treatment plant upgrade	1,438	1,387	779	802	0	0	0	0	0	0	0
Taihape	Treatment plant upgrade	0	450	0	0	0	0	0	0	0	0	0
Bulls	Treatment plant upgrade	3,153	1,500	0	0	0	0	0	0	0	0	0
Mangaweka	Treatment plant upgrade	0	0	0	0	0	0	0	0	1,768	0	0
Hunterville	Treatment plant upgrade	0	200	0	0	0	0	0	0	0	0	0
Ratana	Treatment plant upgrade	0	1,500	0	0	0	0	0	0	0	0	0
Koitiata	Reticulation upgrade	0	130	0	428	0	0	0	0	0	0	0
Total Capital		4,591	5,167	779	1,229	0	0	0	0	1,768	0	0

■ Stormwater Drainage Group of Activities

Strategic driver over ten years	To renew the current reticulation systems progressively in an affordable, rolling programme
Contribution to strategic intents	This activity primarily protects people and property from damages caused by flooding (contributing positively to the local economy) and sustains the natural environment.
Significant negative effects	No negative effects have been identified for this group of activities
Contribution to community outcomes	A buoyant District economy, A treasured natural environment
Major aspect of the service for statement of service provision (including mandatory measures)	<p>Compliance with the Council's resource consents for discharge from its stormwater system measured by the number of</p> <ul style="list-style-type: none"> • abatement notices • infringement notices • enforcement orders, and • convictions <p>Number of habitable dwellings which remain uninhabitable for over 24 hours in a heavy rain events (1 in 20-year storm)</p> <p>The number of flooding events that occurred in the District</p> <p>For each flooding event, the number of habitable floors affected (expressed per 1,000 properties connected to the Council's stormwater system)</p> <p>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</p> <p>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.</p>

The Stormwater Drainage group of activities is one of the statutory groups of activities that Council must include in its LTP. This group of activities comprises:

Stormwater Drainage

The activity provides a collection and disposal system for surface and, in some instances, sub-surface water linking both private and public reticulation through the urban communities of the Rangitikei comprising Bulls, Marton, Taihape, Hunterville, Mangaweka and Ratana. There are also stormwater assets on a smaller scale in communities such as Utiku, Koitiata, Rakautaua and Scotts Ferry. In addition to the assets owned for the Stormwater activity, the Roading activity owns assets for drainage of roads, Horizons has an extensive network to prevent flooding, and there are also privately owned assets that connect with these other networks.

The stormwater system needs to be able to take water from surrounding environs within accepted design parameters. There is also a need to provide this activity to a standard that ensures public safety within acceptable limits including a level of property protection. The activity provides a degree of environmental protection from excessive surface run-off, either naturally or as a result of development. The activity endeavours to be consistent with or comply with Horizons Regional Council's standards and guidelines (Horizons' One Plan): these will be influenced by the National Policy Statement on Freshwater Management 2014 which requires consideration of all contaminants entering rivers and streams, including contaminants from stormwater discharges.

Council's intended level of service for the Stormwater drainage group of activities

What people want	Council's intended Level of Service is to:	Meeting the purpose of local government	Rationale
A stormwater system that is effective, integrated and efficient at disposing of stormwater whilst minimising the damage to buildings, roads and the environment during significant events	Provide a reliable collection and disposal system to each property during normal rainfall	The investment in reticulated supplies provides the best balance for effective and efficient public services that provide the best value to householders and businesses.	This activity falls into the category of an activity to multiple property ownerships which requires a coordinating authority to provide economies of scale and other efficiencies

Strategic Environment

In line with Council's strategic priorities, the provision of this activity provides the basic infrastructure which enables the District to attract and retain people and businesses. The significant challenge for this activity is the change in compliance requirements. The National Policy Statement for Freshwater is likely to also apply to stormwater run-off. Council is generally supportive of this because of the potential damage that stormwater runoff can do to water quality in our rivers. Council is not currently required to hold any consents for stormwater discharge. However, we are working with Horizons Regional Council on collecting baseline information to determine whether one will be required for Marton. Once this exercise is complete, similar investigations may be done in other urban centres within the District. We are planning ahead for these new measures and making provision for increased costs in this activity. As the detailed requirements for enhanced stormwater management become clearer, we will signal these and the associated costs in our future plans.

There is also work to do around the linkages between Council's networks, Horizons' networks, and private networks. This includes coming to arrangements with private landowners, Horizons, and other parties about responsibility for maintenance of specific assets.

The focus for the next three years will be:

- Improving the quality and quantity of information we hold on Horizons assets, private assets, and our own networks.
- Modelling of stormwater networks and issues to assist with the development of levels of service.
- Upgrading or expanding networks as required, including areas that are currently under-serviced.
- Working with Horizons on demonstrating compliance with the One Plan. There may also be requirements to apply for stormwater consents in urban areas, depending on baseline data that will be collected. Investigations with Horizons into Marton stormwater discharges are already underway.
- Improvements at key locations in the Marton stormwater network.
- Ongoing renewal of assets where and when required.

Looking further ahead:

- The Asset Management Plan and Infrastructure Strategy are continually improved through adding more details.
- Following on from investigations into levels of service based on improved network modelling, there may be continuing projects to increase capacity and/or extend our networks.
- Ongoing renewals work is forecast to be minor.

Major Programmes

Renewal of ageing stormwater assets is ongoing. The major work for this activity is around defining levels of service, and ensuring that these are met. This may involve increasing capacity of assets that are renewed, and adding to existing networks in some cases.

Stormwater Drainage

Funding Impact Statement
For the years ending 30 June 2015 to 2025

	2014/15 Annual Plan (\$000)	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)
Sources of operating funding											
General rates, uniform annual general charge, rates penalties	61	0	0	0	0	0	0	0	0	0	0
Targeted rates	674	729	765	735	636	657	671	669	684	706	696
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	2	2	2	2	2	3	3	3	3	3	3
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total operating funding (A)	737	731	767	737	639	660	674	671	687	709	699
Applications of operating funding											
Payment to staff and suppliers	359	349	262	270	279	289	299	309	321	333	346
Finance costs	7	(17)	4	16	5	(5)	(19)	(21)	(38)	(48)	(55)
Internal charges and overheads applied	120	59	61	74	61	63	78	67	68	84	66
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding (B)	486	392	328	361	346	347	358	355	350	370	357
Surplus (deficit) of operating funding (A - B)	251	339	440	376	293	313	316	316	337	340	342

	2014/15 Annual Plan (\$000)	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)
Sources of capital funding											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	121	(44)	(44)	(44)	(44)	(44)	(44)	(44)	(44)	(44)	(44)
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	121	(44)	(44)	(44)	(44)	(44)	(44)	(44)	(44)	(44)	(44)
Application of capital funding											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of service	173	430	270	0	0	0	0	0	0	0	0
- to replace existing assets	387	329	381	163	132	121	277	73	199	244	234
Increase (decrease) in reserves	(188)	(464)	(255)	169	116	147	(6)	199	94	51	65
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	372	295	395	332	249	268	272	272	293	296	298
Surplus (deficit) of capital funding (C - D)	(251)	(339)	(440)	(376)	(293)	(313)	(316)	(316)	(337)	(340)	(342)
Funding balance ((A - B) + (C - D))	0	0	0	(0)	(0)	(0)	0	0	0	0	(0)

Stormwater Drainage

Prospective Capital Works
For the years ending 30 June 2015 to 2025

Category	Designated projects	2014/15 Annual Plan (\$000)	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)
RENEWALS (i.e. to replace existing assets)												
Marton	Reticulation	259	309	358	64	55	93	0	73	32	192	27
Taihape	Reticulation	42	20	22	99	61	0	277	0	40	53	27
Rural	Reticulation	38	0	0	0	0	0	0	0	0	0	0
Bulls	Reticulation	23	0	0	0	17	29	0	0	0	0	8
Mangaweka	Reticulation	8	0	0	0	0	0	0	0	0	0	0
Huntermville	Reticulation	11	0	0	0	0	0	0	0	0	0	0
Ratana	Reticulation	6	0	0	0	0	0	0	0	127	0	172
Total renewals		387	329	381	163	132	121	277	73	199	244	234
CAPITAL (i.e. to improve the level of service)												
Marton	Culverts, drains and inlet protection	30	230	0	0	0	0	0	0	0	0	0
Taihape	Culverts, drains and inlet protection	38	100	119	0	0	0	0	0	0	0	0
Rural	Culverts, drains and inlet protection	57	0	0	0	0	0	0	0	0	0	0
Bulls	Culverts, drains and inlet protection	9	50	67	0	0	0	0	0	0	0	0
Mangaweka	Culverts, drains and inlet protection	10	0	16	0	0	0	0	0	0	0	0
Huntermville	Culverts, drains and inlet protection	20	50	67	0	0	0	0	0	0	0	0
Ratana	Culverts, drains and inlet protection	9	0	0	0	0	0	0	0	0	0	0
Total Capital		173	430	270	0	0	0	0	0	0	0	0

■ Community and Leisure Assets Group of Activities

Strategic driver over ten years	To progressively rationalise and update to achieve a portfolio of fit-for-purpose, well-maintained range of community and leisure assets across the District
Contribution to strategic intents	This Group of Activities provides opportunities for recreational, leisure and cultural pursuits and for social participation and cohesion. It also contributes to personal and public health and safety
Significant negative effects on community well-being	No negative effects have been identified for this group of activities
Contribution to community outcomes	A safe and caring community Lifelong educational opportunities Enjoying life in the Rangitikei
Major aspect of the service for statement of service provision	Progressive improvement in provision and maintenance through annual survey of key stakeholders Number of users of libraries Number of users of pools

Rangitikei District Council is the main provider of Community and Leisure Assets in the District. However, it is not the only provider. Housing New Zealand provides some subsidised housing. Some local schools provide halls, pools and sports fields which are available for community use, some community and church groups own buildings which are available for hire and there are also other providers of properties to lease.

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.

The Community and Leisure Assets group of activities also provide facilities for other services. Examples of this are libraries, information centres and swimming pools.

Council has commissioned research into “graceful decline”, a tool that is developing internationally to enable communities to come to terms with structural ageing and absolute population decline. The key element is to focus on quality of life outcomes for people living in a District, and to work in close consultation with residents about what community assets will enable them to have a great quality of life. Council has agreed that before undertaking any renewal or refurbishment work, it will look at the need for the particular asset, bearing in mind the availability of such facilities within the community. Council has taken a view in that it must manage a process of “graceful decline” for its portfolio of community and leisure assets. In other words that there will be fewer, but better, facilities in the future.

Parks

Council has a network of open spaces that are available for public use throughout the District for organised and non-organised sports activities, picnics and recreation. Depreciation for parks and open spaces is funded at 50% indicating that Council views this activity as one where rationalisation to have fewer, better assets can occur. Council is aiming to develop one specialised sports field for every major sporting code within the Rangitikei District.

A schedule of all Council-owned or administered reserves is contained within the Recreational Parks and Reserves Management Plan Part 1. All Council’s recreational parks and reserves are managed in line with this Part 1 plan. There are Part 2 management plans containing more detail for the four key recreational parks and reserves in the District⁴⁶. The major developed and maintained sports grounds cater for:

Taihape Memorial Park	Rugby, Football Netball, Tennis
Huntermville	Rugby
Marton Park	Rugby, Rugby League
Centennial Park Marton	Cricket, Netball, Football, Tennis
Bulls Domain	Rugby, Football, Tennis, Rugby League

Other codes do use Council parks on occasion but there are no formal arrangements for that nor are surfaces prepared or maintained to provide for it. Council will work to develop multi-purpose sports facilities at Centennial Park, Marton, Taihape Memorial Park and Bulls Domain, Bulls. In Marton, this will mean that at other parks, particularly at Marton Park and Wilson Park in Marton, Council will work to reduce the number and value of Council-owned improvements to the land.

⁴⁶Centennial Park and Wilson Park, Marton, Taihape Memorial Park, Taihape, Bulls Domain, Bulls

Trees were identified as a matter requiring action at several parks. Under-management of specimen trees and hedges in the past has led to the need for replacement and other major tree works across the District. There are also areas of roads that need remedial and renewal work.

Community Buildings

Community buildings provide accommodation for both community and civic activities. Council has a large number of community buildings, many of which are under-used and out-of-date. Council is struggling to maintain these buildings to an acceptable level of service. Depreciation for community buildings and halls is funded at 50% indicating that Council views this activity as one where rationalisation to have fewer, better assets can occur. Council is aiming to develop multi-purpose buildings which combine one or more functions (Library, community meeting spaces, information centres, service centres) to minimise the number of community buildings that are maintained and renewed. Council is developing bespoke options for each of its communities, particularly in Bulls, Taihape, Marton and Hunterville through the town centre planning process

In Bulls, this means a single multi-purpose building will be developed. Once this plan is implemented, operational costs for community buildings in Bulls will reduce and become comparable with the costs of operating Taihape Town Hall/Information Centre/Library. The key difference will be that the facility in Bulls will be modern and fit-for-purpose.

Rural Halls

This activity also covers the rural halls owned by Council but managed by voluntary community management committees. Council is moving to secure service agreements with the management committees of all its rural halls.

Swimming Pools

Three pools in the District are available for public recreation. The pools are managed under contract by three different organisations which receive an operating subsidy from the Council. Council remains responsible for maintaining the asset. Alternative facilities are in Wanganui and Feilding (and Palmerston North, somewhat further).

Depreciation for Swimming Pools is unfunded. However, Council has established a swimming pool reserve (\$75,000 per year) which will be built up to be available for major renewal or upgrade in the future. In the meantime, Council aims to maintain the current level of service at reduced costs. It

will achieve this through better and more efficient management of the asset, with improved energy management systems to reduce cost.

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. The library service includes the provision and maintenance of the physical infrastructure of libraries in Marton, Bulls and Taihape and operating expenses to provide for three staffed libraries in Marton, Taihape and Bulls and support for voluntary libraries in Mangaweka, Hunterville and Kawhatau. The Libraries do not charge for issues, fines 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 provides Community Housing units for rental in Taihape, Marton, Bulls and Ratana. Units are available for older people at very affordable rents linked to rates of NZ Superannuation. All units are located within reasonable distance of shopping, medical, and social facilities in each area. Depreciation for Community Housing is unfunded indicating that Council views this activity as one where divestment will occur over time. In the short-term, Council will invest some of the funds accrued in the depreciation reserve to upgrade the existing stock of community housing. It will continue to seek partnership with a social landlord to manage this asset with the aim that it will become self-financing in the medium- to long-term.

Public Toilets

Rangitikei District Council provides for Public Toilet facilities to be available in several locations across the District to meet the needs of residents and visitors. This service maintains and encourages good and appropriate standards of public health and also meets public health expectations of both residents and visitors to the District.

Council provides this service through a mix of Council-owned and leased premises. It also has contracts for service with one hospitality and one service business in the District to provide public toilets in Mangaweka and Turakina. Public toilets are also available during open times in the Libraries

and Information Centres in Taihape, Bulls and Marton. Toilets and changing facilities are available at some of Council's parks and reserves.

Depreciation for public toilets is funded at 50% indicating that Council views this activity as one where rationalisation to have fewer, better assets can occur.

However, the public demand for cleaner public toilets that are open 24/7 remains high. Council will work to manage these assets to a higher standard. This is likely to involve fewer, better assets and/or more joint ventures/service contracts with other service providers. Not least, it is anticipated that as multi-purpose hubs develop in the main towns, then standalone public toilets will no longer be necessary. However, this requires further research and assessment.

Cemeteries

Rangitikei District Council has direct management of six cemeteries in the District. These are situated at Taihape, Mangaweka, Marton (Mount View), Bulls (Clifton), Turakina, and Ratana.

The Ratana community maintains the cemetery as part of its overall maintenance contract for the Township and the other five cemeteries come under the care of Council's District-wide Park maintenance contract. Provision of burial plots seems to be adequate for needs over the next ten year period.

Trees were identified as a matter requiring action at all cemeteries. Under-management of specimen trees and hedges in the past has led to the need for replacement and other major tree works across the District. There are also areas of roads that need remedial and renewal work.

Commercial Property

Council has a number of properties that it leases out commercially. It also has a number of properties which are used by community organisations and which are not expected to yield a commercial return. It has a number of assets which have been declared to be surplus and which are available for sale by negotiation. Finally, it has a number of properties which are currently retained for strategic development.

Depreciation for Commercial Property (real estate) is unfunded, indicating that Council views this activity as one where either capital growth will ensure that Council's investment is secure, or where it is expected that divestment will occur over time.

The key community facilities in this activity are the Plunket Rooms maintained in Marton, Bulls and Hunterville and the Old Courthouse and Gaol (Historic Reserve) in Bulls. In this Plan, it is assumed that the Plunket Rooms in Bulls will be accommodated in the new multi-purpose facility.

Council's intended level of service for the Community and Leisure Assets Group of Activities

What people want	Council's intended level of Service is to:	Meeting the purpose of local government	Rationale
<p>An accessible, affordable, well maintained and pleasant range of community and leisure assets that provide for the cultural and social well-being of communities</p>	<p>Provide a "good enough" range of "good enough" community and leisure assets, specifically:</p> <p>60% of residents will have an open space available within 1.5 Km of their dwelling</p> <p>A specialised sports field for every major sporting code within the Rangitikei District</p> <p>60% of residents will have a community building available within 1.5 Km of their dwelling</p> <p>Pool-safe accredited pools in Marton and Taihape, with affordable access to the pool in Hunterville</p> <p>Library provision in Marton, Taihape and Bulls + community libraries in Hunterville, Mangaweka and Kawhatau</p> <p>Safe and comfortable Community Housing, with additional support services from Age Concern (cost \$1 per</p>	<p>Council will not embark upon major refurbishments or renewal of any of its assets until it has fully explored:</p> <p>a) the ongoing need for the facility within the District-wide portfolio of community and leisure assets, and</p> <p>b) the potential to develop partnerships with e.g. Ministry of Education, Regional Sports Trusts, individual sporting codes (local and national clubs), local organisations such as churches and hobby groups, to increase the investment in local community and leisure assets without a cost to the ratepayer</p>	<p>Changing demographics and modern-day lifestyles mean that the portfolio of Council-owned and ratepayer-funded community and leisure assets will need to change to focus on the needs of:</p> <p>a) older people, and</p> <p>b) young people and families</p> <p>The District cannot maintain its historical investment in current assets AND provide new modern facilities. Therefore, hard but rational choices need to be made about the historical/nostalgic value of existing facilities and the needs of future generations</p>

What people want	Council’s intended level of Service is to:	Meeting the purpose of local government	Rationale
	week/per unit), within Bulls, Taihape, Marton and Ratana at no less than 1: 60 population A safe, clean public toilet within 100 m radius of CBD		

Strategic Environment

As outlined in the strategic environment sections of the Long Term Plan, the population of the District is slowly declining and ageing (structural ageing). Therefore, Council’s strategic driver for the group of activities is to progressively rationalise (reduce) and update to achieve a range of fit-for-purpose, well-maintained community and leisure assets across the District. Council has considered demographic change predicted for the District and agreed to strategic priorities of promoting the District as a place to retire to (or to stay for retirement) and as a place to raise a family. Council has recorded the importance of the community and leisure assets group of activities in enabling these priorities.

This group of activities represents a huge historical investment by the District’s ratepayers. Many local people have very fond memories of these assets going back over many decades. The loss of some of these facilities is going to be difficult to accept by many within the community. Council wants to take a District-wide strategic approach to the management of this group of activities over the lifetime of the LTP; building on the historical investment the community has made in these assets, but not being restricted by it in terms of developing assets that are fit-for-future purpose. It assumes there will not be public transport to enable residents to easily access provision elsewhere and therefore, centralisation of all facilities in one town is not an option.

In future, Council will not undertake major programmes until a review of the potential to partner/ collaborate with other stakeholders has been undertaken. It is 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 options. This reflects an assumption that rationalisation will result in fewer assets in this activity⁴⁷.

In summary, the main proposals are:

- 1 Concentrate civic amenities in a single, multi-purpose facility, one each in Bulls, Marton and Taihape

This is in line with the trend, worldwide, of revamping libraries as community hubs in the form of multi-use facilities and as part of a wider community resource e.g. art galleries, out-of-district services (drivers licensing), youth spaces, event/meeting rooms with full technology suites etc. Libraries as Community Hubs are becoming the focal point in urban/community regeneration. Libraries are no longer just about books; they offer versatile community spaces that are open to everybody and they have become a venue for community engagement and social connectedness, allowing people to interact and have access to a wide range of information and services.

- 2 Concentrate recreational amenities in a single, multi-purpose sports and recreational facility, one each in Bulls, Marton and Taihape

This is in line with the regional sports strategy being developed by Sport Whanganui, to provide multi-purpose sports and recreational facilities that spread rep-grade sporting code facilities throughout the region. The refurbishment of the Shelton Pavilion at Centennial Park in Marton as a cricket specialist ground is the first step and should be completed by June 2015. This offers an opportunity for Council to develop a new model of partnership with community organisations to manage these facilities to suit organised and informal recreational use. The situation in Taihape, where the development of a multi-purpose facility at Memorial Park has struggled to achieve critical mass, needs to be resolved through the Town Centre Plan process. The first step is to

⁴⁷Council has had this assumption for a while. The 2005 Rangitikei Leisure Plan included District hub facilities as the first of its key findings: 'The practicality of delivering district-focussed leisure facilities is difficult. Communities across Rangitikei are geographically isolated and lack the necessary critical mass for the development of large-scale district-wide opportunities. The reality appears to be the need for a focus on township based leisure facility initiatives that service the local community. An over-abundance of older and often under-used facilities and open-space will require rationalisation.'

develop an irrigation scheme for the Park which ensures that the playing fields can accommodate a number of sporting codes, all year round. In Bulls, the Domain provides an opportunity for Council to support those organisations that already have facilities at Bulls Domain to develop complementary community facilities which recognise the proposed development of the new civic centre in the CBD. Council will also invest up to \$50,000 per year to fund upgrades in parks that are supported by the community and bring added value of at least \$100,000 (in cash or in kind).

- 3 Improve the provision of community housing availability and quality in the District over the period of the LTP.

Council has considered two main options, both of which hand over the management of the existing community housing stock to a third party. In one option, the property remains in Council ownership and in the other it is transferred to a social housing trust. Both these options will require Council to invest heavily for the next three years in bringing the stock up to an acceptable standard. Council has set aside \$100,000 per year (\$300,000 in total) to do this. If Council decided it would be best to transfer ownership to a third party, specific consultation would be required. If Council then decide to proceed, Council's assets would drop by about \$3million. This is not significant within the general portfolio of Council's assets.

- 4 Improve the performance of the District swimming pools

Council has undertaken a strategic assessment of its existing swimming pool assets. Over the lifetime of this LTP, it is intended to maintain all three swimming pools at the current level of service (i.e. seasonal opening, covered pools in Taihape and Marton). Solar heating will be introduced to both Taihape and Marton (Hunterville already uses solar heating to a limited extent) and this will result in significant savings in energy costs. Further savings will be gained from the introduction of a bulkhead to divide the pool in Marton to gain additional space for programmed activities. Council will continue to work with the contracted operators to support the provision of more programmed activities, for example, it has agreed to waive entry fees to schools from the District undertaking programmed swimming lessons and for pre-school children taking part in swimming lessons.

Major Programmes

Year	Parks and open spaces	Community buildings and halls	Swimming Pools	Community Housing
1	<p>Repair seal on access road off Toroa Street, Taihape and re-metal access road to Dudding Lake</p> <p>Review maintenance Contract with Ratana Communal Board to look at increased scope of works around the Urupa maintenance and recycling facilities</p> <p>Implements community partnership scheme to achieve park upgrades of \$150,000 (in cash and in kind) from a Council contribution of \$50,000</p> <p>Investigate source of, and then supply water for irrigation to Memorial Park, Taihape up to maximum of \$50,000.</p>	<p>Develop multi-purpose facility in Bulls</p> <p>Repaint Koitiata Hall (exterior)</p>	<p>Urgent renewals for Taihape, Marton and Hunterville pools - including repainting and resurfacing pools as required.</p> <p>Close dive pool and create outdoor area at Marton pool, divide 50 m pool with bulkhead.</p>	<p>Invest in renewal of community housing stock as a pre-requisite to handing over ownership and/or management to a third party.</p>

Year	Parks and open spaces	Community buildings and halls	Swimming Pools	Community Housing
2	Demolish/upgrade Grandstand at Marton Park Implements community partnership scheme to achieve park upgrades of \$150,000 (in cash and in kind) from a Council contribution of \$50,000	Complete multi-purpose facility in Bulls - disposal of surplus sites (Town Hall and Info Centre), redevelop Library site	Space heating in Taihape Pool, refurbish changing rooms Fit solar heating to roof at Marton Pool	Invest in renewal of community housing stock as a pre-requisite to handing over ownership and/or management to a third party.
3	Implements community partnership scheme to achieve park upgrades of \$150,000 (in cash and in kind) from a Council contribution of \$50,000			Invest in renewal of community housing stock as a pre-requisite to handing over ownership and/or management to a third party.
4	Implements community partnership scheme to achieve park upgrades of \$150,000 (in cash and in kind) from a Council contribution of \$50,000	Develop multi-purpose facility in Marton/Taihape		
5	Dispose of Dunallen Park Implements community partnership scheme to achieve park upgrades of \$150,000 (in cash and in kind) from a Council contribution of \$50,000	Complete multi-purpose facility in Marton/Taihape	Re-roof Taihape Swim Centre, add solar heating	

Year	Parks and open spaces	Community buildings and halls	Swimming Pools	Community Housing
6	Implements community partnership scheme to achieve park upgrades of \$150,000 (in cash and in kind) from a Council contribution of \$50,000			
7	Implements community partnership scheme to achieve park upgrades of \$150,000 (in cash and in kind) from a Council contribution of \$50,000	Develop multi-purpose facility in Marton/Taihape		
8	Implements community partnership scheme to achieve park upgrades of \$150,000 (in cash and in kind) from a Council contribution of \$50,000	Complete multi-purpose facility in Marton/Taihape		
9	Implements community partnership scheme to achieve park upgrades of \$150,000 (in cash and in kind) from a Council contribution of \$50,000			

Year	Parks and open spaces	Community buildings and halls	Swimming Pools	Community Housing
10	Implements community partnership scheme to achieve park upgrades of \$150,000 (in cash and in kind) from a Council contribution of \$50,000			

Community and Leisure Assets

Funding Impact Statement
For the years ending 30 June 2015 to 2025

	2014/15 Annual Plan (\$000)	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)
Sources of operating funding											
General rates, uniform annual general charge, rates penalties	2,470	3,391	3,229	3,320	3,302	3,552	3,696	3,722	3,864	4,097	4,099
Targeted rates	715	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	32	108	34	34	35	36	37	39	40	41	3
Fees and charges	449	588	441	453	466	479	492	506	521	537	552
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total operating funding (A)	3,666	4,087	3,704	3,807	3,803	4,067	4,226	4,267	4,425	4,674	4,654
Applications of operating funding											
Payment to staff and suppliers	2,678	2,773	2,670	2,738	2,810	2,887	2,968	3,047	3,139	3,237	3,337
Finance costs	46	31	36	74	72	112	184	168	213	237	217
Internal charges and overheads applied	442	349	364	439	355	365	454	387	396	495	384
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding (B)	3,166	3,153	3,070	3,251	3,237	3,364	3,606	3,602	3,749	3,969	3,938
Surplus (deficit) of operating funding (A - B)	500	934	634	557	566	703	620	665	676	706	716

	2014/15 Annual Plan (\$000)	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)
Sources of capital funding											
Subsidies and grants for capital expenditure	0	106	1,501	53	54	55	57	58	59	61	62
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	16	(8)	643	(122)	687	791	(188)	688	385	(237)	(230)
Gross proceeds from sale of assets	0	0	565	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	16	98	2,709	(70)	741	846	(132)	746	445	(176)	(168)
Application of capital funding											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of service	218	1,123	3,092	139	942	1,079	150	1,011	1,049	142	155
- to replace existing assets	535	549	587	350	268	330	213	244	210	224	222
Increase (decrease) in reserves	(237)	(640)	(337)	(1)	97	140	125	155	(138)	163	171
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	516	1,032	3,342	487	1,307	1,549	488	1,411	1,121	530	548
Surplus (deficit) of capital funding (C - D)	(500)	(934)	(634)	(557)	(566)	(703)	(620)	(665)	(676)	(706)	(716)
Funding balance ((A - B) + (C - D))	0	0	(0)	0	0	(0)	0	(0)	0	(0)	0

Community and Leisure Assets

Prospective Capital Works
For the years ending 30 June 2015 to 2025

Category	Designated projects	2014/15 Annual Plan (\$000)	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)
RENEWALS (i.e. to replace existing assets)												
Property	Building refurbishment	0	0	27	8	9	4	0	0	0	0	0
Swimming pools	Building and plant	97	115	23	12	5	133	8	0	0	9	0
Libraries	Books, furniture and computers	132	108	181	132	116	120	123	147	130	133	137
Community housing	Flat refurbishment	25	100	100	100	5	6	6	6	6	6	6
Cemeteries	Paving and fences	15	23	24	24	26	27	27	29	30	30	31
Parks and reserves	Landscaping and playgrounds	155	68	75	37	25	25	26	27	28	28	29
	Bulls courthouse refurbishment	30	30	0	0	0	0	0	0	0	0	0
Toilets	Buildings refurbishment	0	7	0	0	0	0	7	0	0	0	0
Halls	Refurbishment	81	98	158	36	81	16	16	35	17	17	18
Total renewals		535	549	587	350	268	330	213	244	210	224	222
CAPITAL (i.e. to improve the level of service)												
Swimming pools	Capital improvements to plant	102	150	113	0	0	121	0	0	0	0	0
Libraries	New Marton library building	0	0	0	0	809	830	0	0	0	0	0
Cemeteries	Berms	16	8	16	34	26	18	36	19	29	20	30
	Land purchase Ratana	0	20	0	0	0	0	0	0	0	0	0
Parks and reserves	Mangaweka campground sewerage disposal	100	95	0	0	0	0	0	0	0	0	0
	Park upgrades	0	100	103	105	108	110	113	116	119	122	125
Halls	Bulls town centre	0	750	2,861	0	0	0	0	0	0	0	0
	Taihape town centre	0	0	0	0	0	0	0	876	901	0	0
Total Capital		218	1,123	3,092	139	942	1,079	150	1,011	1,049	142	155

■ Rubbish and Recycling Group of Activities

Strategic driver over ten years	To keep the amount of waste sent to landfill below 8,000 tonnes per year and to meet the public demand for recycling in an affordable manner
Contribution to strategic intents	Well managed disposal of waste protects the environment from harm and so sustains the natural environment
Significant negative effects on community well-being	No significant negative effects have been identified for this group of activities
Contribution to community outcomes	A treasured natural environment
Major aspect of the service for statement of service provision	Waste to landfill (tonnage) 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, territorial authorities are required to encourage effective and efficient waste management and minimisation and, since July 2012, must have in place a Waste Management and Minimisation Plan (WMMP). In effect, the activity management plan for this group of activities summarises the WMMP. It comprises:

Waste Management

The 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. This activity includes actively monitors five closed landfills in Marton, Bulls, Ratana, Hunterville and Taihape for compliance with current closed landfill consents.

Waste Minimisation

This covers the provision of services to aid the community to reduce the amount of waste for disposal. Currently Council offers the full range of waste minimisation initiatives/facilities at its waste transfer stations (see figure xx below). 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.

	Bottle glass/cans/paper/card/plastic 1-5	Gas Cylinders/Metal/oils/paint/hazardous substances/e-waste	Textiles	Green waste
Mangaweka				
Ratana				
Huntermuir				
Taihape				
Bulls				
Marotiri				
Marton				

Council’s intended level of service for the Rubbish and recycling Group of Activities

What people want	Council’s intended Level of Service is to:	Meeting the purpose of local government	Rationale
Efficient, affordable and convenient access to waste disposal services that can accept a range of different waste streams	Provide waste transfer stations under contract at Bulls, Marton, Ratana, Taihape, Hunterville and Mangaweka	Council will maintain fees and charges at comparable levels with neighbouring authorities in order to encourage recycling and to keep rates input to a minimum	Kerbside collection is not considered to be economical for this District and therefore private contractors operate. Alternatively, people take their rubbish directly to the waste transfer stations
Less waste to landfill, opportunities to recycle more locally.	Make recycling facilities available at waste transfer stations for green/biodegradable waste, glass, paper, metal, plastics, and textiles. Special occasions for electronics (e-waste)	Council will top up any income from the Waste Disposal Levy with rates to extend the range of recycling available in the District in response to public feedback	Local surveys indicate that Rangitikei residents and ratepayers want more opportunities for recycling and re-use of waste
Less waste to landfill, opportunities for green waste	Extend recycling facilities to include green/biodegradable waste facility incorporated at Taihape, Bulls and Hunterville waste transfer stations	It is estimated that up to 30% of the tonnage disposed to landfill is green waste, which can be collected separately and composted	Removing green waste from the waste stream disposed of to landfill could potentially enable Council to meet waste reduction targets very cost-effectively

Strategic Environment

There is a legal requirement to provide this activity as a core function of a territorial authority. Community expectation is for the territorial authority to provide for this activity to a greater or lesser extent. The waste transfer stations are managed by private operators under contract with a relatively small ratepayer subsidy.

Council receives a special rate for waste disposal at the Bonny Glen landfill due to the agreement that was put in place when Bonny Glen was sold by the Council. This special rate will last the lifetime of the Bonny Glen landfill site⁴⁸, and applies to tonnage below an annual quantity of 8000

tonnes. Nonetheless, Council has increased disposal charges at the waste transfer stations to reflect market prices. This means any benefit from increased 'profit' (because of the special rate) goes to all ratepayers. However, raised prices can increase the risk of illegal dumping and fly-tipping. This certainly detracts from the beauty of the Rangitikei District, and a greater awareness of the anti-social nature of such behaviour needs to be created.

The Waste Minimisation Act 2008 introduces a levy charged for each tonne of solid waste put to landfill. Half of this levy is returned to territorial authorities from central government on a per capita basis. Rangitikei District Council's share of this amounts to approximately \$45,000 per year. Council can use this income for "any matters to promote or achieve waste minimisation" and "in accordance with its waste management and minimisation plan"⁴⁹. The other half of the waste levy is put mostly into the Waste Minimisation Fund – a contestable fund open to applications from any organisation in accordance with published criteria. Council will aim to fund as much of its waste minimisation activity as possible from these two sources of funding, plus any revenue that can be generated from recycling activities. Completion of the programmes will depend upon securing sufficient external funding (including the territorial authority share of the Waste levy).

Major Programmes

Year	Waste Management	Waste minimisation
1	Taihape greenwaste handling and transport costs: variation to contract	Greenwaste Taihape site modification
	Investigate the potential to extend opening hours for the Ratana Waste Transfer Station	Horizons EnviroSchools programme
2	Solid waste analysis protocol (SWAP) - prerequisite for WMMP review-Due July 2018	Increase over previous year -Horizons EnviroSchools programme

⁴⁸Midwest Disposals has applied for consent to extend the consented landfill airspace volume by 10 million m³. This would extend the expected life of the landfill 30 years beyond the currently consented volume, to approximately 2054.

⁴⁹Section 32 Waste Minimisation Act 2008

Year	Waste Management	Waste minimisation
	Bulls greenwaste handling and transport costs- Variation to contract	Greenwaste Bulls site modification
3	WMMP Review due July 2018	
4	Review consent conditions of closed landfills	
5	Contract renewal/rollover for contract 882: WTS operations	
6		
7	Contract renewal/rollover for contract 882: WTS operations	
8	Solid waste analysis protocol (SWAP) - prerequisite for WMMP review-Due July 2024	
9	WMMP review due July 2024	
10		

Rubbish and Recycling

Funding Impact Statement For the years ending 30 June 2015 to 2025

	2014/15 Annual Plan	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Sources of operating funding											
General rates, uniform annual general charge, rates penalties	108	86	90	96	96	100	107	108	112	120	120
Targeted rates	435	443	441	441	432	438	459	457	469	503	491
Subsidies and grants for operating purposes	48	47	47	47	47	47	47	47	47	47	47
Fees and charges	359	370	382	393	405	417	429	442	455	468	482
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total operating funding (A)	950	947	960	978	981	1,002	1,042	1,054	1,083	1,139	1,140
Applications of operating funding											
Payment to staff and suppliers	974	955	965	951	973	998	1,024	1,053	1,080	1,108	1,138
Finance costs	(58)	(30)	(29)	(30)	(31)	(28)	(30)	(27)	(24)	(22)	(19)
Internal charges and overheads applied	104	54	55	75	56	57	80	61	62	87	56
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding (B)	1,020	979	992	996	997	1,027	1,075	1,087	1,117	1,173	1,174
Surplus (deficit) of operating funding (A - B)	(70)	(32)	(32)	(18)	(16)	(25)	(32)	(33)	(34)	(35)	(35)

	2014/15 Annual Plan (\$000)	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)
Sources of capital funding											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Application of capital funding											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of service	220	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	3	2	2	2	35	2	2	2	2	3	3
Increase (decrease) in reserves	(294)	(35)	(35)	(21)	(52)	(29)	(35)	(36)	(38)	(38)	(38)
Increase (decrease) in investments											
Total applications of capital funding (D)	(71)	(33)	(33)	(19)	(17)	(26)	(33)	(34)	(35)	(36)	(36)
Surplus (deficit) of capital funding (C - D)	70	32	32	18	16	25	32	33	34	35	35
Funding balance ((A - B) + (C - D))	0	0	(0)	0	(0)	0	0	(0)	(0)	0	(0)

Rubbish and Recycling

Prospective Capital Works
For the years ending 30 June 2015 to 2025

Category	Designated projects	2014/15 Annual Plan (\$000)	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)
RENEWALS (i.e. to replace existing assets)												
Public refuse collection	District litter bins	3	2	2	2	2	2	2	2	2	3	3
Waste transfer stations	Plant renewals	0	0	0	0	32	0	0	0	0	0	0
Total renewals		3	2	2	2	35	2	2	2	2	3	3
CAPITAL (i.e. to improve the level of service)												
Waste transfer stations	Marton access upgrade	220	0	0	0	0	0	0	0	0	0	0
Total Capital		220	0	0	0	0	0	0	0	0	0	0

■ Environmental and Regulatory Services Group of Activities

Strategic driver over ten years	The provision of the minimum legally compliant service that takes advantage of any opportunity to take a non-regulatory stance, balanced with obligations around the protection of the public good
Contribution to strategic intents	Through the legislation that this group of activities operates under, it contributes to both personal and public health and safety and sustains the natural environment. Council attempts to deliver an efficient service and so this also contributes to economic development
Significant negative effects on community well-being	No negative effects have been identified for this group of activities
Contribution to community outcomes	Safe and caring community A buoyant District economy A treasured natural environment
Major aspect of the service for statement of service provision	Timeliness of processing the paperwork (building control, consent processes, licence applications) Possession of relevant authorisations from central government Timeliness of response to requests for service for enforcement call-outs (animal control and environmental health); within prescribed response and resolution times

The Environmental and regulatory group of activities is concerned with the regulatory functions of Council. It comprises five separate activities, as outlined below:

Animal Control

A range of services related to the control of animals and their impact on the community, including, but not limited to, enforcement of the Dog Control Act 1996, Stock Droving Bylaw, and the Impounding Act 1955. Council provides this activity through a shared service agreement with Manawatu District Council allowing 24 hour/365 day cover.

Building Control

The purpose of the activity is to ensure safe, sustainable, durable and accessible building stock, by issuing and monitoring of building consents, building warrants of fitness and enforcing compliance with the Building Act 2004 and associated building code. Council service aims to achieve compliance in a manner that minimises “red tape” and costs to the community. For example, the provision of exemptions for low risk “tried and tested” structures, resulting in considerable saving of money and time. In order to keep providing this service Council as a Building Consent Authority has to achieve and maintain Building Accreditation every two years.

Planning Control

The development of a District Plan is a requirement of the Resource Management Act. The activity not only addresses this requirement but also includes enforcement, monitoring and development of the plan. It further includes giving due consideration and effect to Horizons Regional Council One Plan, National Policy Statements and National Environmental Standards. Council’s approach is to create an enabling regulatory environment which has limited impact on the individual’s ability to provide for his/her social and economic well-being in a sustainable manner. The District Plan is the communities’ forward-looking expression of permitted activities and methods to address land use requirements, for example, subdivisions.

The activity also includes the processing and monitoring of land use and subdivision consents under the Resource Management Act and District Plan within the required statutory timeframes as set by the Resource Management Act, and investigating complaints and breaches of the District Plan and Resource Management Act.

Registered and Licensed Premises Control

This activity includes the inspection and monitoring of all premises that are required to be licenced to trade under the Health (Registration of Premises) Regulations 1966, Food Act 1981 and Sale and Supply of Alcohol Act 2012 throughout the Rangitikei District. The activity also includes the implementation, education and grading of the Food Business Grading Bylaw 2014.

Other Regulatory Functions

Council has many responsibilities and functions under various legislation covering areas such as, noise control (RMA and District Plan), hazardous substances, litter , LIMS, bylaws, vermin, communicable disease, control of amusement devices, abandoned vehicles etc.

Council’s intended level of service for the Environmental and regulatory services Group of Activities

What people want	Council’s intended Level of Service is to:	Meeting the purpose of local government	Rationale
Rapid response to notification of a problem	Provide regulatory compliance officers	Enforcement undertaken by Council staff or contractors within towns to ensure rapid response	Range of call-outs requires that staff /contractors with particular experience and knowledge are on-hand to deal with various regulatory matters
Minimal regulatory control	Allow maximum level of exemption where appropriate	The best value for money will be achieved by the provision of the minimum legally compliant service, including (where necessary) the use of external consultants and/or shared services	Council has instructed staff to operate to a maximum level of exemption to reduce the costs of compliance for local ratepayers and businesses; balanced with need to maintain public safety
Prompt, efficient and low cost service for consents	Provide a legally compliant service	Staff aim to reduce the time taken as much as possible, but the aim is for at least 100% compliance	More permitted activities within the plan therefore less consents required. Decrease in economic activity may result in further decrease in demand
District Plan (and other) review processes conducted frugally	Continuous review process with a greater than required level of public and stakeholder engagement (longer submission timetables, greater pre-consultation)	Council has adopted a “if it isn’t broken, don’t fix it’ approach. This recognises the size of our District and the relative costs of major review and consultation processes	Minor suggestions have been captured to make the document more robust, user-friendly and less technical in nature (and so more accessible)

What people want	Council’s intended Level of Service is to:	Meeting the purpose of local government	Rationale
Prompt response to enquiries in plain understandable terms	Provide responses as soon as practicable (same day or next day)	Council will develop support processes and mechanisms in place to enable “self-service” enquiries with instant responses. E.g. “how to “ documents created	Council staff deal with enquiries over the phone or at the counter: may not always be at their desks but will get back as soon as possible. Access to consultants for more complex queries

Strategic Environment

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 statutory deadlines to meet in terms of, for example, processing building consents – and much of the work is prescribed by legislation. Council has little room for discretion and must apply the law equally across the District. Part of the challenge in providing this service is to achieve the balance between the reactive nature of the work (inability to predict and plan workloads accurately) and yet respond appropriately to requests as they come to Council’s attention.

This is an area of activity where Council is often called upon to act as referee over disputes between neighbours. Whilst there are genuine cases where Council intervention is required, often Council is viewed as a “first resort” with the consequence that the ratepayer can pick up the bill for resolving these neighbourhood disputes where more informal resolution between neighbours may be appropriate.

Rangitikei has taken a relatively minimalistic and pragmatic approach to regulatory matters – both to have minimum enforcement requirements and to enforce as a last option when other options have been exhausted. 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.

Constant change and evolution of the regulatory environment requires continual up-skilling of staff and refinement of processes to ensure legal compliance, and there may be additional costs – for example, the implementation in 2016 of the new Food Act 2014 and the phasing out over the following three years of the Food and Hygiene Regulations 1974 made under the Health Act 1956. Government has signalled that further changes in the current RMA will be implemented in 2015; it

is not yet certain whether there will be further consideration of the Dog Control Act 1996 during the current Parliamentary term.

The Council has reviewed its District Plan and this plan became operative on 3 October 2013. The District Plan is been monitored for any anomalies and during 2015/16 it is anticipated that there will be a Council-initiated plan change to address these, following a series of Council workshops. The key issue for the District in a “no-growth” phase is to encourage diversification into horticulture as well as other farming practices while protecting the District’s natural resources (landscapes and riverscapes).

Major Programmes

Year 1	Continuous monitoring of operative District plan for minor changes – Implementation to RMA
Year 2	Implementation of the Food Act 2014
Year 3	Building Accreditation Reassessment
Year 4	
Year 5	Start review of current operative DP
Year 6	
Year 7	
Year 8	
Year 9	
Year 10	

Environmental and Regulatory Services

Funding Impact Statement
For the years ending 30 June 2015 to 2025

	2014/15 Annual Plan (\$000)	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)
Sources of operating funding											
General rates, uniform annual general charge, rates penalties	863	851	875	823	700	722	777	779	809	860	853
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	808	870	891	914	939	966	995	1,026	1,060	1,096	1,133
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	11	15	16	16	17	17	18	18	19	19	20
Total operating funding (A)	1,682	1,736	1,782	1,753	1,656	1,706	1,790	1,823	1,888	1,976	2,006
Applications of operating funding											
Payment to staff and suppliers	1,061	1,101	1,128	1,158	1,190	1,224	1,261	1,300	1,342	1,387	1,433
Finance costs	27	4	(3)	(12)	(17)	(15)	(16)	(15)	(14)	(14)	(14)
Internal charges and overheads applied	500	491	517	541	506	521	557	551	561	603	587
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding (B)	1,588	1,595	1,642	1,688	1,679	1,730	1,802	1,836	1,889	1,976	2,006
Surplus (deficit) of operating funding (A - B)	94	141	141	66	(24)	(24)	(12)	(12)	(1)	0	0

	2014/15 Annual Plan (\$000)	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)
Sources of capital funding											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	0	0	0	0	0	0	0	0	0	0	0
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	0	0	0	0	0	0	0	0	0	0	0
Application of capital funding											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of service	0	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in reserves	94	141	141	66	(24)	(24)	(12)	(12)	(1)	(0)	(0)
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	94	141	141	66	(24)	(24)	(12)	(12)	(1)	(0)	(0)
Surplus (deficit) of capital funding (C - D)	(94)	(141)	(141)	(66)	24	24	12	12	1	0	0
Funding balance ((A - B) + (C - D))	0	0	0	0	(0)	(0)	(0)	(0)	0	0	0

■ Community Well-being Group of Activities

Strategic driver over ten years	To develop a culture of collaboration and partnership between agencies, organisations, communities and individuals to deliver community well-being to the District
Contribution to strategic intents	This group of activities is concerned with those activities where collaboration and partnerships can deliver more benefits than individual action alone. The Council is focused on those activities which deliver across all strategic intents and to all community outcomes
Significant negative effects on community well-being	No significant negative effects have been identified for this group of activities
Contribution to community outcomes	<p>Access to health services</p> <p>A safe and caring community</p> <p>Lifelong educational opportunities</p> <p>A buoyant District economy</p> <p>A treasured natural environment</p> <p>Enjoying life in the Rangitikei</p>
Major aspect of the service for statement of service provision	Annual survey of partners' view of how useful Council's initiatives and support has been

This group of activities is where Council acts primarily as an enabler and facilitator of action rather than as a provider of services or facilities. It is primarily those activities which are community-driven whether through individual voluntary effort or joining up activity across specific sectors. This group of activities contains activities that could be seen to be outside of Council's core services. There is the potential to create division within the community about the value from such investment of ratepayer funds. The rationale for this investment is contained in the Council's strategic intents (page 87), and Community Resilience Policies (page 89), and needs to be communicated so ratepayers and communities can understand the value. The Group comprises:

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. This includes applying for central government funding for specific projects. It also covers the administration of grant schemes and support for the Council-appointed Assessment Committees, both those schemes funded by Council (Community Initiatives Fund) and those funded by central government (Creative Communities Fund and Sport New Zealand's Rural Travel Fund).

The main vehicle for developing partnerships is through the Rangitikei – a Path to Well-being Partnership Board and Theme Groups.

Economic Development and District Promotion

Council promotes the economic well-being of its communities by carrying out its activities in a manner that will support rather than hinder business retention, development and expansion. In addition, Council is investing additional funds in to a Rangitikei Growth Strategy. Some of the economic development outcomes that Council is seeking are derived from its community partnership activity, perhaps specifically the Memorandum of Understanding with three agencies employing Town Co-ordinators (Marton, Bulls and Taihape) and Rangitikei Tourism. It is also the key focus for one of the Path to Well-being theme group: a Buoyant District Economy.

Information Centres

Council provides information centres in Taihape and Bulls, as gateways to the District. The centres showcase the District, by providing a range of information on local attractions and events for visitors to the District and for residents. They also provide a base for the Town Coordinators there. This means that, while providing a focus for visitors and an opportunity for local businesses to promote their services and attractions, they also serve as a community hub. Co-location with the library in Taihape reinforces that and, as has been noted earlier, it is intended during the course of this ten-year plan to work towards a one-stop-shop in Bulls as part of the development of a plan for Bulls CBD. An information centre service is also co-located at Marton Library, with local and national information provided along with a booking service for local and national accommodation, activities and events, and road, rail and sea transport. 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 and Rural Fire

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

Rangitikei District Council maintains and equips volunteer rural fire forces in Koitiata and Marton, and holds rural fire assets in other strategic locations throughout the District to support local responses to emergencies.

Council’s intended level of service for the Community well-being group of activities

What people want	Council’s intended level of Service is to:	Meeting the purpose of local government	Rationale
Advocacy to support the economic interests in the District at regional and national level	The Council actively promotes the District through multi-media advertising and the Mayor and Chief Executive undertake promotional tours on behalf of the District	This activity is carried out to meet Council’s obligation under the LGA 2002 to provide for the current and future needs of (businesses) for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective (for businesses). Council’s role is both to ensure that the infrastructure and services that it provides directly to businesses are of good quality and cost effective for businesses, and to advocate for and facilitate the provision of	Councillors have identified economic development as a key priority for the next few years. This is in response to concerns raised by the community. The community wants Council to take a leadership and advocacy role in promoting the District and its interests. Council is concerned to ensure that the Rangitikei is an active partner in regional growth, playing its part in implementing a strategy and also reaping the benefits of growth.
	That the Council is a lead partner in regional collaborative initiatives around economic development		
Timely and effective interventions that create economic stability, opportunity and growth	Council will increase its investment into economic development, e.g. partnering in rural water storage, seeding retail initiatives (‘pop-up shops’)		

What people want	Council’s intended level of Service is to:	Meeting the purpose of local government	Rationale
A wide range of gainful employment opportunities in the District	Council will facilitate and lead on a Rangitikei Growth Strategy that also aligns with and contributes to a regional Agribusiness Strategy	infrastructure and services to businesses that fall within the remit of other public entities.	
Attractive and vibrant towns that attract business and residents	<p>Provision of good infrastructure, well-maintained streets in the CBD of main towns</p> <p>Contract with local organisations to develop and deliver events, activities and projects to enliven the towns and District</p>	<p>Core services required by the LGA 2002.</p> <p>Experience over the past few years has shown the cost effectiveness of Council’s targeted support to community organisations, which can then leverage a range of external funding to support these activities at a lower cost to the ratepayer.</p>	<p>The infrastructure services are the major investment by ratepayers. Their contribution to the District's prosperity must be maximised.</p> <p>Council wants to ensure that these contracts with local organisations will focus more sharply on implementing the town centre plans in Bulls, Taihape and Marton.</p>
Up to date and relevant information for visitors and residents on a range of services, activities and attractions	<p>Maintain information centres in Taihape and Bulls, the gateways to the District.</p> <p>Develop an information centre in Marton as part of the “libraries as community hubs” concept.</p> <p>Contract with local organisations to provide a range of information, including:</p> <ul style="list-style-type: none"> * Up-to-date calendar of events, and * Community newsletters, for local distribution 	<p>One of Council's strategic priorities is to address demographic change through supporting cohesive, vibrant and family-friendly communities that have a positive vision for the future and an open acceptance of diversity.</p> <p>Targeted promotion of the District and the lifestyle that it offers is seen as one of the key functions for Council to ensure sustainable communities.</p>	<p>The District has a lot to offer to visitors and residents alike. This activity ensures that both are aware of the events, activities and attractions available to them in the District</p>

What people want	Council's intended level of Service is to:	Meeting the purpose of local government	Rationale
<p>An up to date, relevant and vibrant on line presence with information about services, activities and attractions, the District lifestyle, job opportunities and social media contacts</p>	<p>Maintain a website that provides information about Council and community services and activities</p> <p>Contract with local organisations to provide a website that is a gateway to the District, with links through to more local web pages, with information about living in the District and social media opportunities.</p>	<p>Research indicates that the use of on line services and social media is the most effective tool for promoting an area as a place to live.</p>	<p>Council has, in the past, funded Rangitikei Tourism to maintain a website that promotes the District as a tourist destination. Recently this has been refocused as a wider District promotion tool.</p> <p>The Council website includes a community database. This will be extended and maintained through the Information Centres.</p>
<p>Opportunities for residents to remain socially and physically active into their retirement years, to enable them to stay in the District for as long as possible</p>	<p>Council will facilitate and lead on a Positive Ageing Strategy that aims to enhance quality of life for older people in the District</p>	<p>Council could not afford to provide the range of services outlined in the activity description using only input from ratepayers.</p>	<p>The rationale for this activity is to maximise the services and facilities that are available to the community at the minimum ratepayer input.</p>
<p>Opportunities for people with children to access the quality of life they desire for their families</p>	<p>Council will facilitate and lead on a Youth Action Plan that aims to enhance quality of life for children and young people in the District</p>	<p>Experience over the past few years has shown the cost effectiveness of Council's targeted support for community economic development to community organisations, collaborative partnerships regionally,</p>	<p>Council will evaluate the added value for ratepayers from the investment made in collaboration and partnership working</p>
<p>A more equal and inclusive community where all young people are thriving, irrespective of their start in life</p>	<p>Council will facilitate and lead on a Community Charter that supports all young people in our District to become the best adult that they can</p>	<p>which can then leverage a range of external funding to support these activities at a lower cost to the ratepayer.</p>	

What people want	Council’s intended level of Service is to:	Meeting the purpose of local government	Rationale
Cohesive and resilient communities that welcome and celebrate diversity	Council will develop high trust contracts with agencies in each of the three main towns to undertake community development		
Funding schemes which have clear criteria, which are well publicised, and where there is a transparent selection process	Facilitate at least an annual opportunity for community organisations to apply for funding under the various grant schemes administered by the Council Publish the results of grant application process to a Council-run forum showcasing the results of grant application processes where successful applicants provide brief presentations and are open to questions	The rationale for Council funding grant schemes is that it is re-investing ratepayer funds back into the community, facilitating and leveraging volunteers’ commitment for a range of events and projects which make the District a more enjoyable, cohesive place to live, work and visit	Council’s administration of central government funded schemes is by request of those agencies. In the case of Creative New Zealand, the award of grants could be assigned to a community arts organisation but there is no such body in the District. These schemes provide crucial financial support for cultural and sporting initiatives and activities
To see Council civil defence volunteers and staff at times of emergency (confidence in the activity)	Contract with Horizons to provide access to a full-time Emergency Management Officer Arrange regular planning and operational activities Host and chair bi-monthly meetings of Rangitikei Emergency Management Committee ⁵⁰	Involvement contractually with the regional Civil Defence Group provides greater efficiencies, economies of scale and continuity not affordable to a District acting in isolation	An affordable level of service needs to be balanced with risk management. Contributes to social well-being (personal and public health and safety, and opportunities for participation and cohesion)

⁵⁰Representation from Iwi, Fire and Police services, Ministry for Social Development, District Health Board, Horizons Regional Council, St John’s, Red Cross and local volunteers.

What people want	Council’s intended level of Service is to:	Meeting the purpose of local government	Rationale
To be assured of adequately trained, resourced and responsive rural fire force to reduce the incidence of life and property threatening fire	Provide fully trained and adequately resourced volunteer personnel who are in a position to respond to rural fire call-out with the minimum of delay	Council maximises the use of its support for the rural fire service through a collaboration with Horizons Regional Council and other district authorities	An affordable level of service needs to be balanced with risk management. For example, Council provides fire permits free of charge, to encourage people to alert Council to the risk that may arise from their activity. Additionally, Council has input into joint fire/civil defence annual publication

Strategic Environment

Local government is increasingly under scrutiny – legislation requires local authorities to plan to meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses. The focus for Council is particularly those activities prescribed by the Local Government Act as core services⁵¹. Council has identified a number of key strategic priorities for the District which it believes are essential for it to play a broad role in delivering to its purpose. These are⁵²:

- Support our residents to remain socially and physically active into their retirement years, and enable them to stay in the District for as long as possible
- Encourage people with young families to live in the District
- Pay attention to the specific educational, training and social needs of young Maori

⁵¹These are defined as network infrastructure, public transport services, solid waste collection and disposal, the avoidance or mitigation of natural hazards, and libraries, museums, reserves, recreational facilities and other community infrastructure. (section 11A, Local Government Act 2002)

⁵²See Section 7 for full details

Council therefore hopes to be able to make a difference through this group of activities, particularly in the following areas:

- Maintaining locally accessible health and educational services
- Attracting (and retaining) sustainable businesses in the District;
- Attracting people to the Rangitikei to live (or to stay living here)
- Bi-cultural awareness and multi-cultural diversity

Major Programmes

Council’s role in this group of activities is as facilitator; the three major programmes that will be facilitated are the Rangitikei Growth Strategy, Path to Well-being Partnership Board Action Plan and the work programme for the MOU agencies. The Strategy, Plan and Programme will be reviewed annually as part of the Annual Plan process.

Path to Well-being Action Plan 2015/16 and as basis for work programme in 2016/17 and 2017/18

Access to Health Services and Safe and Caring Community		Lifelong Educational Opportunities	A Buoyant District Economy	A Treasured Natural Environment	Enjoying Life in the Rangitikei
Southern Rangitikei Health and Social Services Networking Group	Positive Ageing Strategy	Marton Community Charter	Sector development; agribusiness	Rangitikei River Accord	District Promotion and promotion of District lifestyle
Taihape Monthly Network	Falls Prevention Programmes	Sector development; education	Sector development; Maori economic development	Eradication of plant and animal pest	Events Strategy
Taihape Connections	Rangitikei Housing Advisory Group		Town Centre development	Walking Tracks	Youth Action Plan
Health and social services	Neighbourhood Support		Monitoring and evaluation	Environmental	Rangitikei

Access to Health Services and Safe and Caring Community		Lifelong Educational Opportunities	A Buoyant District Economy	A Treasured Natural Environment	Enjoying Life in the Rangitikei
closer to home	Emergency Management Welfare Committee			Education	Heritage

Work programmes agreed with MOU partners 2015/16 and as basis for work programme in 2016/17 and 2017/18

(i) Community Partnerships Activity

Council's intended Level of Service is to:	Contribution sought from BDCT	Contribution sought from Project Marton	Contribution sought from Rangitikei Tourism	Contribution sought from TCDT
Facilitate and lead on a Positive Ageing Strategy that aims to enhance quality of life for older people in the District.	Contribute as appropriate	Contribute as appropriate		Chair of Rangitikei Housing Action Group
Facilitate and lead on a Youth Action Plan that aims to enhance quality of life for children and young people in the District	Lead partner on delivery of Youth Action Plan	Contribute as appropriate		Contribute as appropriate

Council's intended Level of Service is to:	Contribution sought from BDCT	Contribution sought from Project Marton	Contribution sought from Rangitikei Tourism	Contribution sought from TCDT
<p>Develop high trust contracts with agencies in each of the three main towns to undertake community development</p>	<p>Report on initiatives within ABCD framework:</p> <ul style="list-style-type: none"> • Building skills and confidence • Developing networks and organisations • Positive action • Participation and influence 	<p>Report on initiatives within ABCD framework:</p> <ul style="list-style-type: none"> • Building skills and confidence • Developing networks and organisations • Positive action • Participation and influence 		<p>Report on initiatives within ABCD framework:</p> <ul style="list-style-type: none"> • Building skills and confidence • Developing networks and organisations • Positive action • Participation and influence <p>Chair of Enjoying Life in the Rangitikei theme group.</p> <p>Support and advice on community development in Marton and Bulls</p>

(ii) Economic development and District promotion Activity

Council's intended Level of Service is to:	Contribution sought from BDCT	Contribution sought from Project Marton	Contribution sought from Rangitikei Tourism	Contribution sought from TCDT
Contract with local organisations to develop and deliver events, activities and projects to enliven the towns and District.	Support for community-led place-making initiatives in Bulls Support for initiatives to facilitate retailer engagement with the footpath Delivery of two iconic events	Manage delivery of Marton as a Boutique Town, viz pop-up shops and engagement of retailers with the footpath. Support and advise on CBD revitalisation in Bulls and Taihape Delivery of two iconic events	Lead partner for dissemination of information promoting the District as a place to live, visit and do business in at iconic events	Support for community-led place-making initiatives in Taihape Support for initiatives to facilitate retailer engagement with the footpath Delivery of one iconic event
Contract with local organisations to provide a range of information, such as: * Up-to-date calendar of events, and * Community newsletters	Production and distribution of Bullitinn. Contribute to the maintenance of the calendar of events	Production and distribution of Marton Community News. Contribute to the maintenance of the calendar of events	Coordination and delivery of up-to-date calendar of events	Production and distribution of Talk Up Taihape Contribute to the maintenance of the calendar of events
Contract with local organisations to provide a website that is a gateway to the District, with links through to more local web pages, and social media opportunities.	Maintenance and development of http://unforgetabull.co.nz/ website and associated Facebook pages	Maintenance and development of www.martonNZ.com website and associated Facebook pages	Lead partner on District web-portal via www.rangitikei.com Maintenance and development of District-wide pages (with links to Bulls, Marton and Taihape websites)	Maintenance and development of www.taihape.co.nz website and associated Facebook pages

Draft work programme for Economic Development and District Promotion Activity

1 Sector development focussing on primary production

What?	Stakeholders	Council resources
The Mayor and Chief Executive to convene/support/facilitate sector groups on primary production and intensification/ diversification of rural production	Federated Farmers, Vision Manawatu, local businesses	Staff time (CE, Policy)
Investigation of realistic opportunities for further developing these sectors in the district e.g. detailed investigation of the additional rural (agricultural, horticultural, cropping, forestry, etc.) production potential of the district	Regional Growth Strategy (following Regional growth Study)	Staff time (CE, Policy) \$50,000 per annum from 2015/16
Identify specific initiatives from the Strategic Water Assessment and work with MPI further on co-funded programmes to ensure water availability for production purposes	Rangitikei Growth Strategy	\$75,000 investment 2015/16 and \$50,000 thereafter
Develop local procurement policy for Council’s own goods and services, including supporting local contractors to bid successfully for Council contracts, as far as practicable and in line with the procurement policy. Develop targets for local procurement.	Local contractors	Staff time (CE, Senior Management, Asset Managers)
Promote local procurement policy to other businesses in the District e.g. what services and industries do we need to develop/support locally	Local businesses	Staff time (CE, Policy)
Delivery of roading and network utility capital and renewal/maintenance programmes: particularly looking at strategic investment in new roads to ensure productivity gains for the primary sector/agribusiness	Rural landowners	Identified in existing AMPs for utility networks and roading

What?	Stakeholders	Council resources
Advocacy to central Government for infrastructural maintenance, upgrading and development programmes, including for transport links via rail, and improved public transport	NZTA, MBIE, MOH, Horizons, KiwiRail	Staff time (CE, Senior Management Team, Asset Managers)
Advocacy for maintenance and upgrading of utility services (power, ultrafast broadband etc.) throughout the district	Utility network providers, Spark, Chorus, etc.	Staff time (CE, Policy)

2 Sector development focussing on education sector

What?	Stakeholders	Resources
The Mayor and Chief Executive to convene/support/facilitate sector group with the different labour-market 'players' operating in the district on appropriate district policies to address the needs and issues	High schools, tertiary education, PTEs, Ministry of Social Development, ITOs, etc.)	Staff time (CE, Policy)
Investigation of realistic opportunities for further developing this sector in the district, specifically initiatives such as Flock House farm and Westoe (what can Council do to help these initiatives grow and flourish?)	High schools, tertiary education, PTEs, Ministry of Social Development, ITOs, etc.)	Staff time (CE, Policy)
Develop local procurement policy for Council's own goods and services, including supporting local contractors to bid successfully for Council contracts, as far as practicable and in line with the procurement policy. Develop targets for local procurement.	Local contractors	Staff time (CE, Senior Management, Asset Managers)
Promote local procurement policy to other businesses in the District e.g. how much of what is spent on the local education industry goes back into our local economy?	High schools, tertiary education, PTEs	Staff time (CE, Policy)

What?	Stakeholders	Resources
Continue the Rangitikei College scholarships (the original purpose was to support the Board of Trustees promote the College as the school of first choice for the southern Rangitikei) and extend to Taihape Area School	Rangitikei College Board of Trustees, TAS Board of Trustees	\$4,000 (4 x \$1,000)

3 Sector development focussing on Māori economic development

What?	Stakeholders	Resources
The Mayor and Chief Executive to seek Memoranda of Understanding with Iwi organisations to collaborate and progress Maori economic development	Iwi organisations in the District	Staff time (CE, Policy)
Investigation of realistic opportunities for further developing this sector in the district, support inclusion of Maori/iwi interests	Regional Growth Study	Staff time (CE, Policy)
Work with Iwi to open up landlocked land, particularly in the north of the District in line with Council's policy on Maori Landlocked Land.	Maori landowners in the District, adjoining landowners/landowners with potential to unlock land locked land	Staff time (CE, Policy)

4 Town centre development

What?	Stakeholders	Resources
The Mayor and Chief Executive to convene/support/facilitate (as appropriate) town centre development groups in Marton, Taihape and Bulls – in conjunction with Town Coordinators.	Town Centre Plan Steering Groups	Staff time (CE, Policy)

What?	Stakeholders	Resources
Ongoing implementation of the Town Centre Plans in Bulls, Taihape, Marton and Hunterville.	Town Centre Plan Steering Groups, CC/CBs, Project Marton, TCDT, BDCT	\$60,000 for each of 2015/16, 2016/17, 2017/18 and thereafter \$10,000 per annum
Develop and implement a strong vision for leisure and community assets across the District to provide for a quality lifestyle in the District.	Community groups, community facility owners	Identified in C&L AMP
Make an amount available to Community Boards/Committees to undertake local initiatives, including small works, that contribute (where appropriate) to the overall Town Centre Plans e.g. prototyping projects	CC/CBs	\$20,000 per annum
Contract with local agencies in line with identified priorities: <ul style="list-style-type: none"> • Stop traffic • Attract families • Grow businesses 	Project Marton, BDCT, TCDT	\$40,000 for contracts with MOU groups

5 District Promotion

What?	Stakeholders	Resources
The Mayor and Chief Executive to convene/support/facilitate a District Promotion group in conjunction with Town Coordinators and Rangitikei Tourism	Project Marton, TCDT, BDCT, Rangitikei Tourism	Staff time (CE, Community Services Team Leader)

What?	Stakeholders	Resources
<p>Provide visitor information centres in Taihape and Bulls as the gateways to our District, develop clear information centre identity for Marton. How much impact is derived from the Information available and IT connectivity for visitors and locals? Would strengthening the connections to other businesses and facilities within each town make a difference?</p>	<p>Rangitikei Tourism, community groups and organisations</p>	<p>Included in Information Centres activity management plan</p>
<p>A more coherent web presence for the District</p> <p>Update website to be more user friendly and contain resources and/or links to resources. Is the separation between RT’s website and Council’s helpful for the local community and visitors?</p> <p>An up-to-date “What’s On” calendar of events to be available on line, including all community events (large and small)</p>	<p>Rangitikei Tourism, Project Marton, TCDDT, BDCT</p>	<p>Included in IT activity management plan</p> <p>\$60,000 for contracts with MOU groups</p>
<p>Develop and implement an events strategy that showcases the District lifestyle, attracts residents and visitors to the District, heavily promote the District lifestyle at these events</p>	<p>Event organisers</p>	<p>\$25,000</p>
<p>Investigate and compile a portfolio of identified future industry/ business development opportunities for the district which includes:</p> <p>Develop promotional materials (such as a database of commercial property available in the District, for example, Kensington Road)</p>	<p>Real Estate Agents, property owners, businesses, business groups, Iwi organisations</p>	<p>Staff time (CE, Community Services Team Leader)</p>

What?	Stakeholders	Resources
		\$10,000
<p>Leverage off Destination Manawatu, Visit Ruapehu and Visit Wanganui’s programmes and initiatives. The promotion of the district must be done within a regional context⁵³.</p> <p>For these organisations, including Rangitikei (such as through the ‘Country Road’ promotion, extending cycle trails from Ruapehu through to Wanganui)) extends the range of visitor attractions.</p>	<p>Destination Manawatu, Visit Wanganui, Rangitikei Tourism</p>	<p>Staff time (CE, Community Services Team Leader)</p> <p>\$10,000</p>

6 Monitoring and evaluation

What?	Stakeholders	Resources
<p>Subscribe to InfoMetrics and other economic information databases as appropriate – including identification and evaluation of employer labour needs and labour supply issues - and report annually to Council/Finance/ Performance Committee on District economic performance</p>	<p>Whole District</p>	<p>Already subscribed - make information available through website</p>
<p>Good business works: ongoing conversation between the Mayor and Chief Executive and businesses within the District.</p> <p>Identifying business and industry development barriers in the district</p>	<p>High productivity businesses, Iwi, Agricultural sector, Businesses associated with the District's lifestyle, Businesses that capitalise on regional strengths and growth</p>	<p>Staff time (CE, Executive Officer)</p>

⁵³The well-established operators (e.g. River Valley, Mangaweka Adventure) do not need Rangitikei Tourism as a promotion vehicle. It’s doubtful whether smaller businesses see benefit in greater familiarity with other attractions in the District The Te Kahui Tupua initiative attempted to get all business operators into thinking about the bigger, regional picture

What?	Stakeholders	Resources
Develop and implement a “one-stop shop” in Council and promote this through website and Rangitikei Line	Local businesses, new businesses	In progress through "Working Together" plan
Ensure that Rangitikei District interests are fed into regional and national networks	Whole District	Staff time (CE, Senior Management Team, All staff

Community Well-being

Funding Impact Statement For the years ending 30 June 2015 to 2025

	2014/15 Annual Plan (\$000)	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)
Sources of operating funding											
General rates, uniform annual general charge, rates penalties	1,048	1,255	1,278	1,319	1,254	1,265	1,312	1,326	1,351	1,421	1,423
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	89	142	120	123	126	130	133	138	142	147	152
Fees and charges	81	54	55	57	58	60	62	64	66	68	70
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total operating funding (A)	1,218	1,451	1,453	1,499	1,438	1,455	1,508	1,527	1,558	1,636	1,645
Applications of operating funding											
Payment to staff and suppliers	1,079	1,211	1,211	1,238	1,212	1,242	1,274	1,308	1,345	1,385	1,419
Finance costs	6	1	1	1	1	1	1	1	0	0	0
Internal charges and overheads applied	178	200	208	228	203	209	234	220	214	242	218
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding (B)	1,263	1,412	1,420	1,467	1,416	1,451	1,509	1,529	1,560	1,628	1,637
Surplus (deficit) of operating funding (A - B)	(45)	39	33	32	22	3	(1)	(1)	(1)	8	8

	2014/15 Annual Plan (\$000)	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)
Sources of capital funding											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	(17)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	(17)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Application of capital funding											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of service	0	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	0	70	5	5	5	5	34	5	5	6	6
Increase (decrease) in reserves	(62)	(32)	26	25	16	(4)	(36)	(8)	(8)	1	1
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	(62)	37	31	30	21	1	(3)	(3)	(3)	7	7
Surplus (deficit) of capital funding (C - D)	45	(39)	(33)	(32)	(22)	(3)	1	1	1	(8)	(8)
Funding balance ((A - B) + (C - D))	0	0	0	(0)	(0)	(0)	(0)	0	(0)	0	0

Community Well-being

Prospective Capital Works
For the years ending 30 June 2015 to 2025

Category	Designated projects	2014/15	2015/1	2016/1	2017/1	2018/1	2019/2	2020/21	2021/2	2022/2	2023/2	2024/2
		Annual Plan	6	7	8	9	0	2	3	4	5	
		(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
RENEWALS (i.e. to replace existing assets)												
Rural fire	Motor vehicles and radios	0	70	5	5	5	5	34	5	5	6	6
Total renewals		0	70	5	5	5	5	34	5	5	6	6

■ 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 2012/22 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

One significant change from previous long-term plans is the Government’s requirement for all councils to report on a set of performance measures for roading, water, wastewater, stormwater and flood protection. 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.⁵⁴

There are two significant additions. First is measuring the loss of water from the networks, reflecting the Government’s concern that water resources are carefully managed. This 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). Second is measuring the average consumption of drinking water per day per resident. 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.

Targets for new mandatory measures are being set having regard for performance during the period July-December 2014. The benchmark for continuing measures is the result noted in Council’s 2013/14 Annual Report

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 resealed during the year and the way the rural water supply schemes are managed both in terms of water loss and time to respond to and resolve unplanned interruptions.

⁵⁴The mandatory measures are asterisked in the following analysis.

The performance framework used in the 2012/22 Long Term Plan for non-infrastructure activities will continue. 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 with the following changes:

- use an online response mechanism
- include both a satisfaction rating and a 'better/same/worse' score-card approach⁵⁵
- 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. New in this Long Term Plan is measuring use of staffed facilities (i.e. libraries and pools) by quantitative data.

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.

⁵⁵Satisfaction ratings will be reported in the Annual Report from 2015/16 onwards but do not form part of the Statement of Service Provision

Council's intended Level of Service is to:	Performance measure <small>* denotes mandatory measure</small>	How will we measure?	Benchmark	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 -2024/25
Community Leadership Group of Activities							
Make decisions that are robust, fair, timely, legally compliant and address critical issues, and that are communicated to the community and followed through	Completion of annual plan actions on time	Assessment using the amalgamated list of "major programmes" from each Group of Activities for the first three years of this LTP (as detailed from page 137)-	2013/14: 81% of Annual Plan actions substantially undertaken or completed, All groups of activities achieved at least 50% of identified actions	83% of Annual Plan actions substantially undertaken or completed during the year, all groups of activities to achieve at least 75% of identified actions	85% of Annual Plan actions substantially undertaken or completed during the year, all groups of activities to achieve at least 77% of identified actions	88% of Annual Plan actions substantially undertaken or completed during the year, all groups of activities to achieve at least 80% of identified actions	By 2025, the capital and renewal works required for network utilities and leisure and community assets have been achieved in an affordable and sustainable programme
	Completion of capital programme	As above for the capital programme: focusing on network utilities as areas of major capital expenditure	2013/14 58% of the planned capital programme achieved.	75% of planned capital programme expended, all network utilities groups of activities to achieve at least 60% of planned capital expenditure	80% of planned capital programme expended, all network utilities groups of activities to achieve at least 65% of planned capital expenditure	85% of planned capital programme expended, all network utilities groups of activities to achieve at least 70% of planned capital expenditure	

Council's intended Level of Service is to:	Performance measure <small>* denotes mandatory measure</small>	How will we measure?	Benchmark	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 -2024/25
Roading and footpaths Group of Activities							
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	<i>*Road condition</i> The average quality of ride on a sealed local road network measured by smooth travel exposure	The process defined in the Council's agreement with NZTA (NAASRA roughness counts)	2013/14: 96.5% achieved	96.5%	96.5%	96.5%	96.5% The roading network has been maintained as close to the current standard as possible within budget constraints
	<i>*Road maintenance</i> The percentage of the sealed road network that is resurfaced	Council and contractor records	2014/15 Annual Plan: 8% (i.e. 55 km of resealing and 8.8 km of road rehabilitation). The network has 796 km of sealed road.	8%	8%	8%	8%. The roading network has been maintained as close to the current standard as possible within budget constraints
	The percentage of the unsealed road network which is remetalled during the year	Council and contractor records	At least 75% of network remetalled each year– 12,000m ³	At least 75%	At least 75%	At least 75%	At least 75%

Council's intended Level of Service is to:	Performance measure <small>* denotes mandatory measure</small>	How will we measure?	Benchmark	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 -2024/25
	<p>*Footpaths</p> <p>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)</p>	<p>A five point grading system to rate footpath condition⁵⁶ based on visual inspections</p> <ol style="list-style-type: none"> 1) Excellent 2) Good 3) Fair 4) Poor 5) Very Poor <p>Footpaths will be assessed in approximately 100 metre lengths.</p> <p>The sample of non-CBD footpaths will include ten lengths in each of Bulls, Marton and Taihape, and four lengths in Mangaweka, Hunterville and Ratana.</p> <p>The assessments will normally be conducted in November and May</p>	<p>At least 80% of footpath lengths in CBD areas in Bulls, Marton, Hunterville and Taihape are at grade 3 or higher</p> <p>At least 65% of sampled footpaths lengths outside CBD areas are at grade 3 or higher</p> <p>At least 90% of sampled footpaths assessed at grade 5 are included in upgrade programme during the following two</p>	<p>At least 80% of footpath lengths in CBD areas in Bulls, Marton, Hunterville and Taihape are at grade 3 or higher</p> <p>At least 65% of sampled footpaths lengths outside CBD areas are at grade 3 or higher</p> <p>At least 90% of sampled footpaths assessed at grade 5 are included in upgrade programme during the following two</p>	<p>At least 80% of footpath lengths in CBD areas in Bulls, Marton, Hunterville and Taihape are at grade 3 or higher</p> <p>At least 70% of sampled footpaths lengths outside CBD areas are at grade 3 or higher</p> <p>At least 90% of sampled footpaths assessed at grade 5 are included in upgrade programme during the following two</p>	<p>At least 80% of footpath lengths in CBD areas in Bulls, Marton, Hunterville and Taihape are at grade 3 or higher</p> <p>At least 70% of sampled footpaths lengths outside CBD areas are at grade 3 or higher</p> <p>At least 90% of sampled footpaths assessed at grade 5 are included in upgrade programme during the following two</p>	<p>At least 85% of footpath lengths in CBD areas in Bulls, Marton, Hunterville and Taihape are at grade 3 or higher</p> <p>At least 75% of sampled footpaths lengths outside CBD areas are at grade 3 or higher</p> <p>At least 90% of sampled footpaths assessed at grade 5 are included in upgrade programme during the following two</p>

⁵⁶Such as that developed by Opus International Consultants.

Council's intended Level of Service is to:	Performance measure <small>* denotes mandatory measure</small>	How will we measure?	Benchmark	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 -2024/25
		of each year.	years.	years.	years.	years.	years.
	*Road safety The change from the previous financial year in the number of fatalities and serious injury ⁵⁷ crashes on the local road network expressed as a number	Police records of crashes on the Council's roading network	3 fatalities and 12 serious injury accidents ⁵⁸	No change or a reduction from previous year	No change or a reduction from previous year	No change or a reduction from previous year	No change or a reduction from previous year
Be responsive to community expectations over the roading network and requests for service	Adequacy of provision and maintenance of footpaths, street-lighting and local roads (annual survey)	"Report card" qualitative statements. Groups targeted for consultation: Residents where programmed renewal has taken place;	2014/15 13% believed it was better than last year, 65% about the same, 21% worse than last year (2% didn't know).	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council's service is getting better	A greater proportion (than in the previous year) or more than 10% of the sample believe that Council's service is getting better	A greater proportion (than in the previous year) or more than 10% of the sample believe that Council's service is getting better	A greater proportion (than in the previous year) or more than 10% of the sample believe that Council's service is getting better

⁵⁷"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.

⁵⁸For the period 1 July 2014 to 31 March 2015 there were two fatal crashes and nine serious injury accidents.

Council's intended Level of Service is to:	Performance measure <small>* denotes mandatory measure</small>	How will we measure?	Benchmark	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 -2024/25
		Community Boards/ Committees; Community group database; Business sector database					
	*Response to service requests The percentage of customer service requests relating to roads and footpaths to which the territorial authority responds within the time frame specified in the long-term plan. Note: Council	Contractor and Council records of requests for service.	2013/14 91% after-hour callout responded to within 12 hours; 71% callouts during work hours responded to within 6 hours; 96% of all callouts (i.e. completed) within one	95% after-hours callouts responded to within 12 hours 95% callouts during working hours, responded to within 6 hours 85% of all callouts resolved (i.e. completed) within one month of the	95% after-hours callouts responded to within 12 hours 95% callouts during working hours, responded to within 6 hours 85% of all callouts resolved (i.e. completed) within one month of the	95% after-hours callouts responded to within 12 hours 95% callouts during working hours, responded to within 6 hours 85% of all callouts resolved (i.e. completed) within one month of the	95% after-hours callouts responded to within 12 hours 95% callouts during working hours, responded to within 6 hours 85% of all callouts resolved (i.e. completed) within one month of the

Council's intended Level of Service is to:	Performance measure <i>* denotes mandatory measure</i>	How will we measure?	Benchmark	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 -2024/25
	measures resolution as well as initial attendance in response to such requests.		month of the request. ⁵⁹ The Contractor is required to respond to afterhours call-outs within 12 hours, and working hours call-outs within 6 hours	request. Specific reference to callouts relating to potholes	request. Specific reference to callouts relating to potholes	request. Specific reference to callouts relating to potholes	request. Specific reference to callouts relating to potholes
Water supply Group of Activities							
Provide a safe and compliant supply of drinking water	<i>*Safety of drinking water</i> The extent to which the Council's drinking water supply complies with part 4 of the						

⁵⁹There is a wide range of requests meaning resolution times will range from hours to several weeks or months, depending on urgency and work programming. While 96% was the result for 2013/14, it was 85% in 2012/13; this was also the result for the first nine months of 2014/15.

Council's intended Level of Service is to:	Performance measure <small>* denotes mandatory measure</small>	How will we measure?	Benchmark	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 -2024/25
	drinking water standards (bacteria compliance criteria) part 5 of the drinking water standards (protozoa compliance criteria)	Routine sampling and testing ⁶⁰ Water Outlook	No incidents of non-compliance No incidents of non-compliance	No incidence of non-compliance No incidents of non-compliance	No incidence of non-compliance No incidents of non-compliance	No incidence of non-compliance No incidents of non-compliance	No incidence of non-compliance No incidents of non-compliance
	Compliance with resource consents	Inspection reports from Horizons for the various water supplies. ⁶¹	2013/14 Two supplies complying; four not complying (two for insufficient abstraction data, two because of over abstraction)	No more than two incidents of non-compliance with resource consents	No more than one incident of non-compliance with resource consents	No incidents of non-compliance with resource consents	No incidents of non-compliance with resource consents

⁶⁰This is currently done on a weekly basis by Environmental Laboratory Services in Gracefield.

⁶¹Water Outlook allows Council to undertake internal monitoring of compliance.

Council's intended Level of Service is to:	Performance measure <i>* denotes mandatory measure</i>	How will we measure?	Benchmark	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 -2024/25
Provide reliable and efficient urban water supplies	Number of unplanned water supply disruptions affecting multiple properties	Council's request for service system.	2013/14 9 (affecting 108 properties)	Fewer unplanned water supply disruptions affecting multiple properties than in the previous year	Fewer unplanned water supply disruptions affecting multiple properties than in the previous year	Fewer unplanned water supply disruptions affecting multiple properties than in the previous year	Fewer unplanned water supply disruptions affecting multiple properties than in the previous year
	<i>*Maintenance of the reticulation network</i> The percentage of real water loss from the Council's networked urban reticulation system ⁶²	A sampling approach will be used. Water Outlook enables SCADA ⁶³ information to be interrogated in-house.	40%	Less than 40%	Less than 40%	Less than 40%	Less than 40%
	<i>*Demand management</i> The average consumption of	Water Outlook enables this information to be collected	1 July 2014 to 31 March 2015 600 litres per	600 litres per person per day	600 litres per person per day	600 litres per person per day	600 litres per person per day

⁶²A description of the methodology used to calculate this must be included as part of the report.

⁶³Supervisory control and data acquisition – i.e. automated remote monitoring.

Council's intended Level of Service is to:	Performance measure <i>* denotes mandatory measure</i>	How will we measure?	Benchmark	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 -2024/25
	drinking water per day per resident within the District	automatically.	person per day <i>This measure covers all consumption of the District's potable urban supplies and thus includes high-volume commercial and rural users. Because of this, the target for 2015/16 and later years is tied to the benchmark</i>				
Be responsive to reported faults and complaints	<i>*Fault response time</i> Where the Council attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the	The request for service system records time of notification, attendance/ response and resolution/comp-letion for each notification, and whether the times are within the prescribed	Specified standard a. 0.5 hour b. 24 hours c. 24 hours d. 96 hours Since the request for service system does not calculate the actual times taken, a median cannot be	Less than previous year (when recalculated as median times)	Less than previous year	Less than previous year	Less than previous year

Council's intended Level of Service is to:	Performance measure <small>* denotes mandatory measure</small>	How will we measure?	Benchmark	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 -2024/25
	<p>following <i>median times</i> are measured</p> <p>(a) attendance for urgent call-outs: from the time that the Council receives notification to the time that service personnel reach the site, and</p> <p>(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</p> <p>(c) attendance</p>	service standard.	determined. The benchmark used is the prescribed service standard. It is expected that the system will allow calculation of median times during 2015/16				

Council's intended Level of Service is to:	Performance measure <small>* denotes mandatory measure</small>	How will we measure?	Benchmark	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 -2024/25
	<p>for non-urgent call-outs: from the time that the Council receives notification to the time that service personnel reach the site, and</p> <p>(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</p>						
	<p><i>*Customer satisfaction</i></p> <p>The total number</p>	<p>The Council's request for</p>	<p>1 July 2014 to 31 March 2015</p>	<p>Total number of complaints is less than 45/1000</p>	<p>Total number of complaints is less than 45/1000</p>	<p>Total number of complaints is less than 45/1000</p>	<p>Total number of complaints is less than 45/1000</p>

Council's intended Level of Service is to:	Performance measure <small>* denotes mandatory measure</small>	How will we measure?	Benchmark	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 -2024/25
	of complaints (expressed per 1000 connections to the reticulated networks) received by the Council about <ul style="list-style-type: none"> a. drinking water clarity b. drinking water taste c. drinking water pressure or flow d. continuity of supply, and e. The Council's response to any of these issues 	service system	45/1000 The request for service system currently does not show all complaints for any one incident so there is potential under-reporting.				
Maintain compliant, reliable and	Compliance with resource consents	Inspection reports from Horizons for the	2013/14 Two supplies inspected	No incidents of non-compliance with resource	No incidents of non-compliance with resource	No incidents of non-compliance with resource	No incidents of non-compliance with resource

Council's intended Level of Service is to:	Performance measure <small>* denotes mandatory measure</small>	How will we measure?	Benchmark	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 -2024/25
efficient rural water supplies		various rural water supplies.	complying ⁶⁴ ;	consents	consents	consents	consents
	The percentage of real water loss from the Council's rural water schemes	A sampling approach will be used. Water Outlook enables SCADA ⁶⁵ information to be interrogated in-house.	40% No formal assessment has yet been undertaken of water loss in the rural (non-potable) schemes: the benchmark adopted is that used for urban (potable) water supplies.	Less than 40% k	Less than 40%	Less than 40%	Less than 40%
	Where the Council attends a call-out in response to a fault or unplanned interruption to its rural reticulation system, the following <i>median times</i> are	The request for service system records time of notification, attendance/ response and resolution/comp-letion for each notification, and whether the times are within the prescribed	Specified standard a. 24 hours b. 96 hours Since the request for service system does not calculate the actual times taken, a median cannot be determined. The benchmark used is	Less than benchmark (when recalculated as median times)	Less than previous year	Less than previous year	Less than previous year

⁶⁴The third rural supply was not inspected in 2013/14.

⁶⁵Supervisory control and data acquisition – i.e. automated remote monitoring.

Council's intended Level of Service is to:	Performance measure * denotes mandatory measure	How will we measure?	Benchmark	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 -2024/25
	measured (a) attendance time: from the time that the Council receives notification to the time that service personnel reach the site, and (b) resolution time: from the time that the Council receives notification to the time that service personnel confirm resolution of the fault of interruption	service standard	the prescribed service standard It is expected that the system will allow calculation of median times during 2015/16. However, given the nature of rural schemes, the target is to continue achieving the benchmark.				
Ensure fire-fighting capacity in urban areas	Random flow checks at the different supplies	Hydraulic modelling, installation of data loggers and annual flow	2013/14 98% compliant (based on maintenance)	98% of checked fire hydrant installations are in compliance	99% of checked fire hydrant installations are in compliance	100% of checked fire hydrant installations are in compliance	100% of checked fire hydrant installations are in compliance

Council's intended Level of Service is to:	Performance measure <small>* denotes mandatory measure</small>	How will we measure?	Benchmark	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 -2024/25
		checks of at least 20% sample of hydrants	history)				
Sewerage and the treatment and disposal of sewage Group of Activities							
Provide a reliable, reticulated disposal system that does not cause harm or create pollution within existing urban areas	<p><i>*Discharge compliance</i></p> <p>Compliance with the Council's resource consents for discharge from its sewerage system measured by the number of</p> <p>(a) abatement notices</p> <p>(b) infringement notices</p> <p>(c) enforcement orders, and</p> <p>(d) convictions received by the Council in</p>	Council's records (corroborated by those records maintained by Horizons and relevant correspondence)	<p>2013/14</p> <p>No abatement or infringement notices, no enforcement orders and no convictions</p>	No abatement or infringement notices, no enforcement orders and no convictions	No abatement or infringement notices, no enforcement orders and no convictions	No abatement or infringement notices, no enforcement orders and no convictions	No abatement or infringement notices, no enforcement orders and no convictions

Council's intended Level of Service is to:	Performance measure <i>* denotes mandatory measure</i>	How will we measure?	Benchmark	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 -2024/25
	relation to those resource consents						
	Routine compliance monitoring of discharge consents	Inspection reports from Horizons Regional Council for the various waste-water treatment plants ⁶⁶	2013/14 5 of 7 systems complied	5 of 7 systems comply	6 of 7 systems comply	6 of 7 systems comply	7 of 7 systems comply
	Number of overflows from each network (response/ resolution time)	Council's request for service system	2013/14 6 overflows in Taihape	No single network to experience more than 4 overflows during a 12 month period.	No single network to experience more than 3 overflows during a 12 month period.	No single network to experience more than 2 overflows during a 12 month period.	No single network to experience more overflows during a 12 month period] than the previous 12-month period.
	<i>*System and adequacy</i> The number of dry weather sewerage	Council's request for service system	One per 1,000 connections 1 July-2014 to31 March 2015	Not more than one per 1,000 connections	Not more than one per 1,000 connections	Not more than one per 1,000 connections	Not more than one per 1,000 connections

⁶⁶Water Outlook allows Council to undertake internal monitoring of compliance.

Council's intended Level of Service is to:	Performance measure <i>* denotes mandatory measure</i>	How will we measure?	Benchmark	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 -2024/25
	overflows from the Council's sewerage system, expressed per 1000 sewerage connections to that sewerage system		There are 4,226 sewerage connections in the District.				
Be responsive to reported faults and complaints	<p><i>*Fault response time</i></p> <p>Where the Council attends to sewerage overflows resulting from a blockage or other fault in the Council's sewerage system, the following <i>median times</i> are measured</p> <p>(a) attendance time: from the time that the</p>	The request for service system records time of notification, attendance/ response and resolution/compl etion for each notification, and whether the times are within the prescribed service standard.	<p>Specified standard</p> <p><i>attendance</i></p> <p>a. 0.5 hour</p> <p>b. 24 hours</p> <p><i>resolution</i></p> <p>c. 24 hours</p> <p>d. 96 hours</p> <p>Since the request for service system does not calculate the actual times taken, a median cannot be determined. The benchmark used is</p>	Improved timeliness compared with the benchmark (when recalculated as median times)	Improved timelinesss compared with theprevious year	Improved timelinesss compared with theprevious year	Improved timelinesss compared with theprevious year

Council's intended Level of Service is to:	Performance measure <i>* denotes mandatory measure</i>	How will we measure?	Benchmark	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 -2024/25
	Council receives notification to the time that service personnel reach the site, and (b) resolution time: from the time that the Council receives notification to the time that service personnel confirm resolution of the fault of interruption		the prescribed service standard It is expected that the system will allow calculation of median times during 2015/16. For this measure there will be two such median results..				
	<i>*Customer satisfaction</i> The total number of complaints received by the Council about any of the following:	Council's request for service system	1 July 2014 to 31 March 2015 18/1000 The request for service system currently does not show all complaints for any one incident	Less than 18/1000	Less than 18/1000	Less than 18/1000	Less than 18/1000

Council's intended Level of Service is to:	Performance measure <small>* denotes mandatory measure</small>	How will we measure?	Benchmark	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 -2024/25
	a. sewage odour b. sewerage system faults c. sewerage system blockages, and d. the Council's response to issues with its sewerage systems expressed per 1,000 connections to the Councils sewerage system.		so there is potential under-reporting.				
Stormwater drainage Group of Activities							
Provide a reliable collection and disposal system to each property during normal	* <i>Discharge compliance</i> Compliance with the Council's	Council's records (corroborated by those maintained by	Council currently has no resource consents for stormwater discharges	Not yet applicable	Not yet applicable	Not yet applicable	Not yet applicable

Council's intended Level of Service is to:	Performance measure <i>* denotes mandatory measure</i>	How will we measure?	Benchmark	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 -2024/25
rainfall	resource consents for discharge from its stormwater system measured by the number of (a) abatement notices (b) infringement notices (c) enforcement orders, and (d) convictions received by the Council in relation to those resource consents	Horizons)	Horizons Regional Council has indicated that 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				
	<i>*System adequacy</i> The number of flooding events ⁶⁷	Council's request for service system	Less than 1/1000 The targets in the 2012/22 Long Term Plan	Less than 1/1000	Less than 1/1000	Less than 1/1000	Less than 1/1000

⁶⁷The rules for the mandatory measures define a 'flooding event' as an overflow from a territorial authority's stormwater system that enters a habitable floor

Council's intended Level of Service is to:	Performance measure <i>* denotes mandatory measure</i>	How will we measure?	Benchmark	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 -2024/25
	<p>that occurred in the District</p> <p>For each flooding event, the number of habitable floors affected (expressed per 1,000 properties connected to the Council's stormwater system)</p> <p><i>Note:</i></p> <p><i>This is a District-wide assessment</i></p>		<p>were that in each event of a 1 in 20 year storm no more than 20 dwellings would be affected for more than 24 hours</p> <p>No such events occurred in 2013/14.</p>				
Be responsive to reported faults and complaints	<p><i>*Customer satisfaction</i></p> <p>The number of complaints received by the Council about the performance of its stormwater system, expressed per</p>	Council's request for service system	<p>15/1000</p> <p>1 July 2014 to 31 March 2015</p> <p>11/1000.</p> <p>The request for service systems currently does not show all complaints for any one incident so there is potential</p>	Less than 15/1000	Less than 15/1000	Less than 15/1000	Less than 15/1000

Council's intended Level of Service is to:	Performance measure <i>* denotes mandatory measure</i>	How will we measure?	Benchmark	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 -2024/25
	1,000 properties connected to the Council's stormwater system		under-reporting				
	<i>*Response time</i> 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.	The request for service system records time of notification, attendance/ response and resolution/compl etion for each notification. There are very few such events, so the targets set are identical with the benchmark	1 hour	1 hour	1 hour	1 hour	1 hour
Community and leisure assets Group of Activities							
Provide a "good enough" range of "good enough" community and leisure assets at an appropriate	Progressive improvement in provision and maintenance of community and leisure assets as	Public libraries:	2014/15: 15% believed it was better than last year, 63% about the same, 1% worse than	A greater proportion (than in the benchmark) or more than 10% of the sample	A greater proportion (than the previous year) or more than 10% of the sample believe	A greater proportion (than in the previous year) or more than 10% of the sample believe	A greater proportion (than in the previous year) or more than 10% of the sample believe

Council's intended Level of Service is to:	Performance measure <small>* denotes mandatory measure</small>	How will we measure?	Benchmark	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 -2024/25
proximity to centres of population	evident in the "report card" produced during March/April each year from a postal survey of residents ⁶⁸		last year (21% didn't know).	believe that Council's service is getting better	that Council's service is getting better	that Council's service is getting better	that Council's service is getting better
		Public swimming pools:	2014/15: 17% believed it was better than last year, 35% about the same, 5% worse than last year (44% didn't know).	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council's service is getting better	A greater proportion (than the previous year) or more than 10% of the sample believe that Council's service is getting better	A greater proportion (than in the previous year) or more than 10% of the sample believe that Council's service is getting better	A greater proportion (than in the previous year) or more than 10% of the sample believe that Council's service is getting better
		Sports fields and parks:	2014/15: 5% believed it was better than last year, 69% about the same, 10% worse than last year (16% didn't know).	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council's service is getting better	A greater proportion (than the previous year) or more than 10% of the sample believe that Council's service is getting better	A greater proportion (than in the previous year) or more than 10% of the sample believe that Council's service is getting better	A greater proportion (than in the previous year) or more than 10% of the sample believe that Council's service is getting better

⁶⁸It is intended to take the sample from the electoral roll for residents. During the previous three years the sample was taken from Council's ratepayer database.

Council's intended Level of Service is to:	Performance measure * denotes mandatory measure	How will we measure?	Benchmark	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 -2024/25
		Public toilets:	2014/15: 19% believed it was better than last year, 51% about the same, 18% worse than last year (11% didn't know).	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council's service is getting better	A greater proportion (than the previous year) or more than 10% of the sample believe that Council's service is getting better	A greater proportion (than in the previous year) or more than 10% of the sample believe that Council's service is getting better	A greater proportion (than in the previous year) or more than 10% of the sample believe that Council's service is getting better
		Community Buildings:	2014/15: 4% believed it was better than last year, 67% about the same, 10% worse than last year (18% didn't know).	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council's service is getting better	A greater proportion (than the previous year) or more than 10% of the sample believe that Council's service is getting better	A greater proportion (than in the previous year) or more than 10% of the sample believe that Council's service is getting better	A greater proportion (than in the previous year) or more than 10% of the sample believe that Council's service is getting better
		Community Housing:	2014/15: 0% believed it was better than last year, 33% about the same, 5% worse than last year (62%	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council's service	A greater proportion (than the previous year) or more than 10% of the sample believe that Council's service is getting	A greater proportion (than in the previous year) or more than 10% of the sample believe that Council's service is getting	A greater proportion (than in the previous year) or more than 10% of the sample believe that Council's service is getting

Council's intended Level of Service is to:	Performance measure <small>* denotes mandatory measure</small>	How will we measure?	Benchmark	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 -2024/25
			didn't know).	is getting better	better	better	better
Secure high use of staffed facilities	Number of users of libraries	Automated door count system	2013/14 124,801 people entered the libraries Bulls: 20,373 Marton: 49,967 Taihape: 56,461 Count adjusted to compensate for non-recording periods	An increase in use compared with the benchmark	An increase in the use compared with previous year	An increase in the use compared with previous year	An increase in the use compared with previous year
	Number of users of pools	Door count systems or till records	2014/15 season 19,445 in Marton 10,099 in Taihape	An increase in use compared with the benchmark	An increase in the use compared with previous year	An increase in the use compared with previous year	An increase in the use compared with previous year

Council's intended Level of Service is to:	Performance measure <small>* denotes mandatory measure</small>	How will we measure?	Benchmark	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 -2024/25
Rubbish and recycling Group of Activities							
Make recycling facilities available at waste transfer stations* for glass, paper, metal, plastics, textiles and green waste. Special occasions for electronics (e-waste) *Council intends to continue the operation (under contract) of existing urban waste transfer stations – Ratana, Bulls, Marton, Hunterville, Mangaweka, and Taihape.	Waste to landfill (tonnage)	Calibrated records maintained at Bonny Glen landfill	2013/14 4,693 tonnes from District waste transfer stations to landfill	4,500 tonnes to landfill	4,250 tonnes to landfill	4,000 tonnes to landfill	Progressive reduction in tonnage to landfill
	Waste diverted from landfill (tonnage and (percentage of total waste)	Records maintained at waste transfer stations	2013/14 555 tonnes (10.6%)	Percentage of waste diverted from landfill 12%	Percentage of waste diverted from landfill 14%	Percentage of waste diverted from landfill 16%	Annual increases in percentage of waste diverted from landfill of 3% to target of 27% of total waste diverted from landfill by 2021/22 (see Waste Management and Minimisation Plan)

Council's intended Level of Service is to:	Performance measure <small>* denotes mandatory measure</small>	How will we measure?	Benchmark	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 -2024/25
Environmental and regulatory services Group of Activities							
Provide a legally compliant service	Timeliness of processing the paperwork (building control, consent processes, licence applications)	Internal processing records	2013/14: 91% of building consents and 83% of resource consents were issued within the prescribed time;	At least 92% of the processing of documentation for each of Council's regulatory and enforcement services is completed within the prescribed times	At least 93% of the processing of documentation for each of Council's regulatory and enforcement services is completed within the prescribed times	At least 94% of the processing of documentation for each of Council's regulatory and enforcement services is completed within the prescribed times	Annual improvement in the percentage of documentation processed for each of Council's regulatory and enforcement services with aim to achieve 100% compliance across all enforcement/regulatory services by 2025
	Possession of relevant authorisations from central government ⁶⁹	Annual review of relevant documents	Accreditation as building consent authority	Accreditation as a building consent authority maintained	Accreditation as a building consent authority maintained	Accreditation as a building consent authority maintained	Accreditation as a building consent authority maintained
Provide	Timeliness of	Council's request	2013/14	Improvement on	Improvement on	Improvement on	Progressive

⁶⁹Excluding general authorisation through legislation where no further formal accreditation is specified

Council's intended Level of Service is to:	Performance measure <small>* denotes mandatory measure</small>	How will we measure?	Benchmark	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 -2024/25
regulatory compliance officers	response to requests for service for enforcement call-outs (animal control and environmental health); within prescribed response and resolution times	for service system	84% were responded to in time 61% were completed in time.	timeliness reported in 2013/14	timeliness reported in 2015/16	timeliness reported in 2016/17	improvement in timeliness reported in previous year with aim to achieve 100% timeliness of response and resolution across all enforcement call-out services by 2025
Community well-being Group of Activities							
Provide opportunities to be actively involved in partnerships that provide community and ratepayer wins	Partners' view of how useful Council's initiatives and support has been (annual survey)	"Report card" qualitative statements. Groups to be targeted for consultation: Participants in Path to Well-being Theme Groups Community group database	2013/14 16% thought Council's service was getting better, 37% thought it about the same, 8% thought it worse and 43% didn't know.	A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council's service is getting better	A greater proportion (than in the previous year) or more than 10% of the sample believe that Council's service is getting better	A greater proportion (than in the previous year) or more than 10% of the sample believe that Council's service is getting better	A greater proportion (than in the previous year) or more than 10% of the sample believe that Council's service is getting better

Council's intended Level of Service is to:	Performance measure <small>* denotes mandatory measure</small>	How will we measure?	Benchmark	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 -2024/25
		Public sector agency database Business sector database					
Identify and promote opportunities for economic growth in the District	<p>The three key indicators of success in the Council's adopted Rangitikei Growth Strategy- i.e.</p> <p>*The District's GDP growth</p> <p>*A greater proportion of young people living in the District are attending local schools</p> <p>*More people living in the District (than is currently projected by</p>		<p>In 2013, Rangitikei's GDP growth was - 0.8% and trending downwards with an increasing divergence from the national trend.</p> <p>Based on latest available Statistics New Zealand population estimates (June 2013) and school enrolments for 2014 (TKI), 56% of residents of high school age were enrolled in local schools and</p>	Turning the curve (in comparison with the benchmark) is evident in at least two of the key indicators	Turning the curve (in comparison with the previous year/updated official projections) is evident in at least two of the key indicators	Turning the curve (in comparison with the previous year/updated official projections) is evident in at least two of the key indicators	Turning the curve (in comparison with the previous year/updated official projections) is evident in at least two of the key indicators

Council's intended Level of Service is to:	Performance measure <small>* denotes mandatory measure</small>	How will we measure?	Benchmark	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19 -2024/25
	Statistics New Zealand)		trending upwards. Based on population projections from Statistics New Zealand (medium projection based on 2013 Census), the resident population is projected to decline from 14,450 in June 2013 to 13,900 in June 2028.				

Major programmes of work for the first three years of the LTP

	Year 1	Year 2	Year 3
Community Leadership			
Strategic Planning	Annual Report 2014/15 Annual Plan 2016/17	Annual Report 2015/16 Annual Plan 2017/18	Annual Report 2016/17 Long-term plan 2018/28
Elections	Preparation for the 2016 local election	Preparation of the pre-election report (for the 2016 election) Preparation and conduct of 2016 local election	
		Induction of Council, Community Boards/Committees for the triennium 2016-19	
		Preparation of Local Governance Statement and update Elected Members Handbook	
Iwi/Maori Liaison	Key outcomes from Maori community development programme (to be identified)	Confirmation of Te Roopu Ahi Kaa membership for the 2016-19 triennium	Review key outcomes from Maori community development programme for input into 2018-28 LTP
Council	Delivery of programme of policy and bylaw review	Delivery of programme of policy and bylaw review	Delivery of programme of policy and bylaw review
	Preparation of order papers that ensure compliant decision-making	Preparation of order papers that ensure compliant decision-making	Preparation of order papers that ensure compliant decision-making

	Year 1	Year 2	Year 3
Roading			
Unsealed Roads Metalling	12,000 m ³ re-metalling across network	12,000 m ³ re-metalling across network	12,000 m ³ re-metalling across network
Sealed Road Re-surfacing	61.6km	60.9km	57.4km
Drainage Renewals	Programmed kerb and channel and small culvert works in association with reseal and rehabilitation sites.	Programmed kerb and channel and small culvert works in association with reseal and rehabilitation sites.	Programmed kerb and channel and small culvert works in association with reseal and rehabilitation sites.
Pavement Rehabilitation	2.1km	4.95km	5.16km
Structure Components Replacements	Programmed retaining wall renewals, and guardrail upgrades in association with rehabilitation sites.	Programmed retaining wall renewals, and guardrail upgrades in association with rehabilitation sites.	Programmed retaining wall renewals, and guardrail upgrades in association with rehabilitation sites.
Traffic Services (Streetlight Renewals)	Barnett Drive, Blenneville Close, Hanalin Drive, High Street, Huia Street, Kaitere Street, Lambert Street, Taihauauru Street, Totara Street, Wellington Road, Wharekauri Street	Dunallen Place, Dunsinane Place, Kakapo Place, Kapuni Street, Koraenui Street, Lwr Bevan Street, Raumaewa Road, Wanganui Road, Wellington Road, Whangaehu Village Road, William Street	Calico Line, Goldfinch Street, High Street Hunterville, Kotare Street, Pukepapa Road
Footpath Renewals	Robin Street Taihape, Lower High Street Marton, Takahe Street Taihape bridge to Beach Road Turakina Investigate costs for new footpaths at Bulls (from units 1-6, 136 High Street – 160 High Street), Ratana (from the corners of Te Taitokerau and Seamer Streets along Rangatahi and a	Kaka Road Taihape, Kuku Street Taihape, Hautapu Street Taihape Hawke Street Taihape.	To be confirmed

	Year 1	Year 2	Year 3
	streetlamp on Rangatahi) and Taihape (walkway along State Highway 1 from Dixon Way. Monitor upgrade of footpaths in Turakina, including the laying of chipseal.		
Replacement of Bridge and other Structures			Scotts Road \$143,000 Te Hou Hou Road \$331,000
Minor Improvements - Safety	Rural intersection Flag lights, Various small bridge guardrails and terminal ends, Pungatawa Road curve improvements, Parewanui Road (RP 6.3 – 8.0km) seal widening	Taihape Napier Road guardrails, Various small bridge guardrails and terminal ends, Parewanui Road Seal (RP 1.5 – 2.0km) seal widening, Wanganui road/Skerman Street intersection improvements, Turakina Valley 3 – seal widening and curve improvements	Various small bridge guardrails and terminal ends, Parewanui road – guardrail, Tennants Road – seal widening, Parewanui Road (RP 9.5 – 9.7km) seal widening
New Footpath Capital	Vera Street Marton, Hammond Street Bulls, Rangitahi Road Ratana	Goldfinch street Taihape Tairawhiti Street Ratana, (2 sites)	To be confirmed
Water Supply			
District	WTP Seismic Investigations		
Bulls	Bore Water Oxidation Improvements		
Bulls	Filter Backwash to Sewer Mains		
Huntermville			Milne St Water Mains
Huntermville Rural			New Intake
Mangaweka	Consent Renewal – Rangitikei River Abstraction		

	Year 1	Year 2	Year 3
Mangaweka	Pressure Management		
Marton	Consent Renewal – WTP Discharge		
Marton	Renewals of M and E equipment at WTP		
Marton	King St Water Main Main St Water Main (Station Rd to Marumaru St) Wanganui Rd Water Main (to align with roading programme) ⁷⁰ Bridge Valves and Crossing Maintenance Broadway Water Main Duplication (High St to Signal St) Calico Line New Pressure Pump		
Ratana	Water Supply Upgrade – new reservoir, bore and treatment system		
Taihape	Pressure Management		Falling Main Renewal (Stage 3)
Sewerage and the treatment and disposal of sewage			
Bulls	Domain WWPS Control Upgrade High St Sewer Main (127 to 141)		
Hunterville	Ongo Rd Sewer Main Renewals	WWTP Desludging Sewer main renewals	Milne St Sewer Main Renewal
Koitiata	Wastewater Scheme Extension		Wastewater Scheme Extension
Mangaweka			
Marton	Broadway Sewer Main Renewal	Wanganui Rd Sewer Main Renewal	Consent Renewal – WWTP Discharges to Water and Air

⁷⁰Initially programmed for 2016/17 but brought forward to align with roading programme. This may mean deferral of one or more of the other projects noted for 2015/16.

	Year 1	Year 2	Year 3
Marion	Inlet tank New anaerobic pond Review the Trade Waste agreement with MidWest Disposal Ltd (Bonny Glen landfill waste stream)	WWTP Anaerobic Pond Desludging	WWTP Upgrade (final effluent improvements)
Ratana		Consent Renewal – WWTP Discharge	
Taihape -	Mataroa Rd Sewer Main Renewal	Linnet St Sewer Main Renewals Paradise Tce Sewer Main Renewals	
Huntermville	WWTP Upgrade – new clarifier		
Ratana	WWTP Upgrade – land application scheme		
Taihape	WWTP Upgrade – replacement clarifier		
Stormwater Drainage			
Marion	Broadway Stormwater Renewal Hammond St Stormwater Renewal Dunallen Ave Stormwater Upgrade Kapuni St Stormwater Upgrade	Hammond St Stormwater Renewal Wanganui Rd Stormwater Renewals	Milne St Stormwater Renewal
Taihape		Paradise Tce Stormwater Renewal	Missel St Stormwater Renewal
Community and Leisure Assets			
Parks and open spaces	Repair seal on access road off Toroa Street, Taihape and re-metal access road to Dudding Lake Review maintenance Contract with Ratana Communal Board to look at increased scope of works around the Urupa maintenance and recycling facilities Implements community partnership	Demolish/renew Grandstand at Marion Park Implements community partnership scheme to achieve park upgrades of \$150,000 (in cash and in kind) from a Council contribution of \$50,000	Implements community partnership scheme to achieve park upgrades of \$150,000 (in cash and in kind) from a Council contribution of \$50,000

	Year 1	Year 2	Year 3
	<p>scheme to achieve park upgrades of \$150,000 (in cash and in kind) from a Council contribution of \$50,000</p> <p>Investigate source of, and then supply water for irrigation to Memorial Park, Taihape up to maximum of \$50,000.</p>		
Community buildings and halls	Develop multi-purpose facility in Bulls	Complete multi-purpose facility in Bulls - disposal of surplus sites (Town Hall and Info Centre), redevelop Library site	
Swimming Pools	<p>Urgent renewals for Taihape, Marton and Hunterville pools - including repainting and resurfacing pools as required.</p> <p>Close dive pool and create outdoor area at Marton pool, divide 50 m pool with bulk head.</p> <p>Introduce free entry for schools using the pools for lessons, and for pre-school children accessing swim classes.</p>	<p>Space heating in Taihape Pool, refurbish changing rooms</p> <p>Fit solar heating to roof at Marton Pool</p>	
Community Housing	Invest in renewal of community housing stock as a pre-requisite to handing over ownership and/or management to a third party.	Invest in renewal of community housing stock as a pre-requisite to handing over ownership and/or management to a third party.	Invest in renewal of community housing stock as a pre-requisite to handing over ownership and/or management to a third party.
Rubbish and Recycling			

	Year 1	Year 2	Year 3
Waste Management	Taihape greenwaste handling and transport costs: variation to contract	Solid waste analysis protocol (SWAP) - prerequisite for WMMP review-Due July 2018	WMMP Review due July 2018
	Investigate the potential to extend opening hours for the Ratana Waste Transfer Station.	Bulls greenwaste handling and transport costs- Variation to contract	
Waste minimisation	Greenwaste Taihape site modification	Increase over previous year -Horizons Enviroschools programme	
	Horizons Enviroschools programme	Greenwaste Bulls site modification	
Environmental and Regulatory Services			
Planning Control	Continuous monitoring of operative District plan for minor changes – Implementation to RMA		
Registered and licensed premises control		Implementation of the Food Act 2014	
Community Well-being			
Community Partnerships	Facilitation of Path to Well-being groups	Facilitation of Path to Well-being groups	Facilitation of Path to Well-being groups
	Delivery of work programme through the MOU	Delivery of work programme through the MOU	Delivery of work programme through the MOU

SECTION 10

Financial Statements and Policies

■ Revenue and Financing Policy

Introduction

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

The purpose of the revenue and financing policy is twofold.

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

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

Part A - Principles

1. Process

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

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

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

Council developed a series of worksheets to analyse these matters for each activity as part of the preparation for the 2015/25 Long Term Plan. Some of these were reviewed in detail in workshop, for others the key issues were posed as questions in an online survey, for subsequent consideration. 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.⁷¹ Council has continued this district-wide approach in reviewing this policy for the 2015/25 Long Term Plan.

2. Valuation System

Council uses a Capital Value system to apportion rates.

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

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

- Capital values recognise the economic activity to which the rating unit is put. Setting rates on capital value ensures that those rating units using Council services pay their share:
 - Shops in the CBD, motels and multi-unit housing for instance, have a high capital value in relation to land value, but also use Council's infrastructure (especially roading) to a greater degree than a residential property that has the equivalent land value.
 - Capital improvements (such as building a new house or undertaking a conversion to dairying) typically lead to increased use of Council's infrastructure and services.

⁷¹The only Community Services rate (a rate levied on a particular community) remaining in the 2012 review was to fund the two Community Boards (in Taihape and Ratana).

- 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 ⁷²), 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, Economic development and Rural fire. 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. ⁷³ 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

⁷²Section 22(2), Local Government (Rating) Act 2002 requires this.

⁷³Section 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.

	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. ⁷⁴ Council recognises that fees may deter what the community would perceive as desirable activities, such as registering dogs or registering food handling premises: discounts for early payment are offered in these circumstances.
Interest and dividends from investments	Applied to the benefit of the whole Council – proceeds are used to offset the general rate requirement, except where the interest is credited to a special fund or reserve fund.
Borrowing (both external and internal)	May be internal or external – the cost to be borne by the activity requiring the loan.
Proceeds from asset sales	Used to fund renewals expenditure within the sold asset’s activity. However, forestry asset sales are treated as investment proceeds (used to offset future forestry expenditure, and then the General Rates). However, proceeds from forestry on reserves must be applied to reserves (but not necessarily to future forestry on them).
Donations, grants and subsidies towards operating expenses	Received mainly from central government and typically related to specific activities. Examples are roading and community development projects. The John Beresford Dudding Trust typically makes an annual grant to the district libraries.
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:

⁷⁴In some instances, fees (and the amount) are prescribed by legislation. An example is manager’s certificates issued under the Sale and Supply of Alcohol Act 2012.

<p>Rates</p>	<p>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.</p> <p>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.</p> <p>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.</p> <p>This mechanism also lessens the risk of large rate increases in the year subsequent of a valuation update.</p>
<p>Depreciation reserves</p>	<p>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.</p> <p>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.</p>
<p>Roading reserves</p>	<p>The roading reserve is established to provide funding for emergency works as a result of bad weather or other natural disasters.</p>
<p>Community and leisure assets reserves</p>	<p>Previously Council has funded depreciation at either 100% or 0%. Now, instead of funding the full calculated depreciation requirement on specific leisure facilities, depreciation is set at 100% for libraries⁷⁵, 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 reserve⁷⁶.</p>

⁷⁵From 2013/14

⁷⁶From 2013/14

<p>Subsidies and grants</p>	<p>Subsidies and grants are primarily received from the government for various central government initiatives, or to fund specific activities such as roading renewals and developments, water and/or wastewater developments.</p> <p>Roading subsidies for renewals only cover the subsidisable portion of the current renewals. The government does not fund its portion of the roading renewal programme in advance through depreciation funding as the Council does. Council only funds its “local share” of the depreciation funding.</p> <p>The risk to Council is that the rate of subsidy may decrease or cease to exist when the asset is renewed. This is seen as a low risk for roading as the lifecycle of the assets is lower (20 years or less).</p> <p>As these subsidies and/or grants relate to specific activities, the subsidy or grant is treated as an income stream of the activity to which they relate even though the funds so derived are used to replace or create (primarily) infrastructural assets.</p> <p>As such funding streams are classified as income but the funds are used to fund capital, an operational surplus is automatically created in the surplus or deficit as the expenditure is recognised in the “balance sheet” surplus or deficit. This phenomenon is peculiar to central and local government and causes confusion to those who view such “surpluses” as “profit” and subsequently think that councils are over-rating them.</p>
<p>Loans</p>	<p>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 loan, but (as noted above) interest payments are funded by rates. Council’s policy is to renew borrowing at least every three years and repay the total sum borrowed within 30 years.</p> <p>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.</p>

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 2015/16
Community Leadership						
Council Strategic planning and reporting Iwi liaison Community Committees, Elections	100:0 to 95:5	Uniform Annual General Charge on each separately used or inhabited part of every rating unit in the district	Not applicable The exception is in election years when a contribution is made by the regional council and the district health board for including their candidates on the voting paper.	Benefits potentially shared equally among all residents	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

Activity	Funding split public:private	Public mechanism	Private mechanism	Rationale for funding mechanisms	Variation for new capital expenditure	Variation projected after 2015/16
Roading and Footpaths						
Roading (i.e. Pavements, Bridges, Traffic services, Stormwater drainage and Vegetation management)	50:50 to 40:60 ⁷⁷	Targeted rate (District-wide) based on capital value	Central government grants and subsidies, fuel taxes, fines, infringement fees	District-wide benefit, property-related, but the whole community benefits, in terms of accessibility to and supply of goods and services Government subsidy is a significant contribution. Roading is a significant activity warranting a separately disclosed rate	Not applicable	Not envisaged
Footpaths and street lighting	100:0 to 95:5	Targeted rate (District-wide) based on capital value	Fines and infringement fees	These activities contribute to safer and more attractive towns. The whole community benefits from this.		Not envisaged

⁷⁷Excluding extraordinary projects such as replacement of a major bridge.

Water Supply						
Potable water (town reticulation schemes)	20:80 to 25:75	Targeted rate: 20-25% from all separately used or inhabited parts of every rating unit in the district (whether connected or unconnected),	Targeted rate and user charges. 65-70% consumption charge on each separately used or inhabited part of every rating unit which is connected, except Hunterville (metered supply). 5-15% of cost recovered from extraordinary users ⁷⁸ 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

⁷⁸Metered 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 2015/16
Non-potable water (rural supply schemes) Putorino	0:100 to 5:95	Internal charges (overheads) to be met through the General Rate	User charges by capital value (set in consultation with each scheme and recovered as rates)			Not envisaged
Sewerage and the Treatment and Disposal of Sewage						
Wastewater	20:80 to 25:75	Targeted rate: 20-25% from all separately used or inhabited parts of every rating unit in the district (whether connected or unconnected),	Targeted rate and user charges: 65-70% disposal charge on each separately used or inhabited part of every rating unit which is connected. 5-15% of cost recovered from charges levied under the Trade Waste Bylaw and septage disposal (on basis of rate set in Council's Fees and Charges 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

Activity	Funding split public:private	Public mechanism	Private mechanism	Rationale for funding mechanisms	Variation for new capital expenditure	Variation projected after 2015/16
Stormwater Drainage						
Stormwater	20:80 to 30:70	Targeted rate: 25% from all separately used or inhabited parts of every rating unit in the district (whether urban or rural)	Targeted rate 75% from all rating units	A balance is needed between the benefits to those properties connected to a stormwater scheme, the district-wide benefit through minimisation of damage to the roading network and affordability.	To be determined by Council on a case-by-case basis, following consultation with affected communities	Not envisaged
Community and Leisure Assets						
Libraries	100:0 to 90:10	Uniform Annual General Charge 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 primarily to individual rather than property	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					
Public toilets	100:0					
Cemeteries	80:20					
	70:30					
Parks Includes litter bins	100:0 90:0					

Activity	Funding split public:private	Public mechanism	Private mechanism	Rationale for funding mechanisms	Variation for new capital expenditure	Variation projected after 2015/16
Halls	100:0	General rate	User pays for long-term exclusive use of facilities	District-wide benefit, but not equally; impossibly complex to identify specific benefits to individuals or organisations as this will change	To be determined by Council on a case-by-case basis, following consultation with affected communities	Not envisaged
Housing	90:0					
Property	10:90 to 20:80					
	30:70 to 50:50					
Rubbish and Recycling						
Waste management	30:70 to 40:60	Part of the Solid waste targeted rate set as fixed charge on every separately used or inhabited part of every rating unit in the district	User charges at waste transfer stations	Users of the facilities benefit – but so does every resident in the District as a whole in terms of health and tidiness of the environment	To be determined by Council on a case-by-case basis, following consultation with affected communities	Not envisaged
Waste minimisation	0:100 to 20:80	Part of the Solid waste targeted rate set as fixed charge on every separately used or inhabited part of every rating unit in the district	Grant from waste levy and other government grants	The district as a whole benefits through extended life of landfill assets	To be determined by Council on a case-by-case basis, following consultation with affected communities	Not envisaged

Activity	Funding split public:private	Public mechanism	Private mechanism	Rationale for funding mechanisms	Variation for new capital expenditure	Variation projected after 2015/16
Environmental and regulatory services						
Animal control	45:55 to 65:35	50% Uniform Annual General Charge on separately used or inhabited part of every rating unit in the district 50% General rate		There are benefits to the District at large in having a well-regulated environment, in which, animals do not pose a threat to people or other animals.	Not applicable	Not envisaged
Building control Planning control Other regulatory functions (including registered and licensed premises control)	45:55 to 65:35 65:35 75:25 65:35 to 75:25	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	Not applicable	Not envisaged

Activity	Funding split public:private	Public mechanism	Private mechanism	Rationale for funding mechanisms	Variation for new capital expenditure	Variation projected after 2015/16
				be traced to pay.		
District Plan	100:0	General rate		Benefits potentially across the whole District primarily related to property.	Not applicable	Not envisaged
Community Well-being						
Information Centres Economic development Community partnerships	95:5 to 85:15	General rate	Government subsidies and User pays for specific services (e.g. travel commissions at information centres)	District-wide benefit, but not equally; impossibly complex to identify specific benefits to individuals, businesses or organisations as this will change.	Not applicable	Not envisaged
Emergency management Rural fire	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.	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 2015 to 2025

	2014/15 Annual Plan (\$000)	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)
Revenue from non-exchange transactions											
Rates	19,703	20,031	20,424	21,120	21,244	21,701	22,478	23,010	24,001	24,981	25,120
Subsidies and grants	8,198	7,407	8,410	6,781	8,346	7,239	7,339	7,635	7,024	7,160	7,236
Other revenue	2,396	2,515	2,582	2,648	2,720	2,796	2,877	2,962	3,054	3,151	3,257
Revenue from exchange transactions											
Finance revenue	194	224	246	288	339	373	464	479	494	510	526
Other revenue	68	239	118	86	88	129	93	96	139	102	106
Total operating revenue	30,559	30,417	31,780	30,923	32,737	32,238	33,251	34,182	34,712	35,904	36,244
Expenditure											
Depreciation and amortisation expense	10,145	9,798	10,563	10,795	10,830	11,013	11,146	11,281	11,391	11,573	11,735
Personnel costs	2,481	2,633	2,700	2,772	2,847	2,930	3,018	3,111	3,212	3,320	3,430
Finance costs	615	402	843	1,227	1,581	1,750	2,101	2,167	2,461	2,568	2,583
Other expenses	16,024	16,871	16,523	16,950	17,026	17,456	18,011	18,235	18,733	19,391	19,502
Total operating expenditure	29,265	29,704	30,629	31,744	32,285	33,149	34,276	34,794	35,797	36,851	37,249
Operating surplus (deficit) before tax	1,294	713	1,151	(821)	452	(911)	(1,026)	(612)	(1,084)	(947)	(1,005)
Income tax expense	0	0	0	0	0	0	0	0	0	0	0
Net surplus (deficit) after tax	1,294	713	1,151	(821)	452	(911)	(1,026)	(612)	(1,084)	(947)	(1,005)

	2014/15 Annual Plan (\$000)	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)
Other comprehensive revenue and expense											
Gain on revaluation of infrastructural assets	0	0	14,022	0	0	32,660	0	0	45,121	0	0
Gain on revaluation of land and buildings	0	0	0	0	0	0	0	0	0	0	0
Total other comprehensive revenue and expenses	0	0	14,022	0	0	32,660	0	0	45,121	0	0
Total comprehensive revenue and expense	1,294	713	15,173	(821)	452	31,749	(1,026)	(612)	44,037	(947)	(1,005)

Prospective Statement of Changes in Net Assets/Equity

For the years ending 30 June 2015 to 2025

	2014/15 Annual Plan (\$000)	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)
Balance as at 1 July	499,559	480,400	481,112	496,285	495,464	495,916	527,664	526,639	526,027	570,063	569,117
Total comprehensive revenue and expenses previously reported	1,294	713	15,173	(821)	452	31,749	(1,026)	(612)	44,037	(947)	(1,005)
Balance as at 30 June	500,853	481,112	496,285	495,464	495,916	527,664	526,639	526,027	570,063	569,117	568,111

Prospective Statement of Financial Position

As at 30 June 2015 to 2025

	2014/15 Annual Plan (\$000)	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)
Assets											
CURRENT ASSETS											
Cash and cash equivalents	4,007	2,504	1,805	2,603	2,349	2,718	2,814	3,275	2,961	3,301	3,467
Debtors and other receivables from non-exchange transaction	3,188	3,031	3,106	3,182	3,261	3,341	3,423	3,508	3,594	3,683	3,774
Debtors and other receivables from exchange transaction	90	92	94	96	99	101	104	106	109	111	114
Prepayments	20	11	11	11	11	11	11	11	11	11	11
Other financial assets	0	2,515	2,515	2,515	2,515	2,515	2,515	2,515	2,515	2,515	2,515
Total current assets	7,305	8,152	7,530	8,407	8,234	8,686	8,867	9,415	9,190	9,621	9,881
NON-CURRENT ASSETS											
Plant, property and equipment	507,460	488,681	510,333	512,938	516,850	549,419	547,394	550,897	597,019	595,033	595,395
Intangible assets	411	95	47	5	9	12	14	14	14	15	15
Forestry assets	221	28	28	28	28	28	28	28	28	28	28
Other financial assets											
Corporate Bonds	3,635	4,101	4,101	4,101	4,101	4,101	4,601	4,801	5,101	5,401	5,701
Investments in CCOs and other similar entities	29	27	27	27	27	27	27	27	27	27	27
Total non-current assets	511,756	492,932	514,535	517,099	521,014	553,586	552,063	555,767	602,189	600,503	601,165
Total assets	519,061	501,084	522,066	525,506	529,249	562,272	560,930	565,182	611,378	610,124	611,046

	2014/15 Annual Plan (\$000)	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)
Liabilities											
Current liabilities											
Creditors and other payables	3,736	3,653	3,730	3,809	3,890	3,973	4,058	4,145	4,234	4,325	4,419
Employee entitlements	203	240	240	240	240	240	240	240	240	240	240
Income in advance	353	347	347	347	347	347	347	347	347	347	347
Borrowings	1,377	1,425	1,647	1,843	2,013	2,089	2,113	2,330	2,467	2,513	2,615
Total current liabilities	5,669	5,664	5,964	6,239	6,489	6,649	6,757	7,061	7,287	7,425	7,620
Non-current liabilities											
Employee entitlements	9	13	13	13	13	13	13	13	13	13	13
Provisions	494	444	418	392	366	339	313	287	261	235	209
Borrowings	12,036	13,850	19,385	23,398	26,465	27,606	27,208	31,794	33,753	33,335	35,093
Total non-current liabilities	12,539	14,307	19,816	23,803	26,844	27,959	27,535	32,094	34,028	33,583	35,315
Total liabilities	18,208	19,971	25,780	30,042	33,333	34,608	34,292	39,155	41,315	41,008	42,935
Net assets	500,853	481,112	496,285	495,464	495,916	527,664	526,639	526,027	570,063	569,117	568,111
Equity											
Accumulated comprehensive revenue and expense	462,592	443,726	444,560	443,314	443,084	441,837	440,563	439,696	438,352	437,139	435,862
Asset revaluation reserves	33,299	31,744	45,766	45,766	45,766	78,427	78,427	78,427	123,548	123,548	123,548
Special and restricted reserves	4,962	5,642	5,959	6,384	7,065	7,400	7,649	7,904	8,164	8,430	8,702
Total equity	500,853	481,112	496,285	495,464	495,916	527,664	526,639	526,027	570,063	569,117	568,111

Prospective Statement of Cash Flows

For the years ending 30 June 2015 to 2025

	2014/15 Annual Plan (\$000)	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)
Cash flows from operating activities											
Receipts from rates revenue	18,665	20,031	20,424	21,120	21,244	21,701	22,478	23,010	24,001	24,981	25,120
Receipts from other revenue	11,684	10,071	11,017	9,420	11,057	10,064	10,208	10,590	10,112	10,306	10,489
Interest received	194	224	246	288	339	373	464	479	494	510	526
Dividends received	0	0	0	0	0	0	0	0	0	0	0
Payments for suppliers and employees	(18,505)	(19,297)	(19,172)	(19,669)	(19,818)	(20,329)	(20,970)	(21,285)	(21,882)	(22,646)	(22,864)
Interest paid	(615)	(402)	(843)	(1,227)	(1,581)	(1,750)	(2,101)	(2,167)	(2,461)	(2,568)	(2,583)
Net cash inflow (outflow) from operating activities	11,423	10,627	11,672	9,932	11,240	10,060	10,078	10,627	10,264	10,584	10,688
Cash flows from investing activities											
Receipts from sale of property, plant and equipment	0	0	565	0	0	0	0	0	0	0	0
Receipts from sale of investments	0	0	0	0	0	0	0	0	0	0	0
Acquisition of investments	0	(1,000)	0	0	0	0	(500)	(200)	(300)	(300)	(300)
Purchases of property, plant and equipment	(19,601)	(18,992)	(18,709)	(13,358)	(14,746)	(10,925)	(9,124)	(14,785)	(12,391)	(9,587)	(12,097)
Purchases of intangible assets	0	0	0	0	0	0	0	0	0	0	0
Net cash inflow (outflow) from investing activities	(19,601)	(19,992)	(18,144)	(13,358)	(14,746)	(10,925)	(9,624)	(14,985)	(12,691)	(9,887)	(12,397)
Cash flows from financing activities											
Proceeds from borrowings	8,415	10,863	7,199	5,872	5,096	3,247	1,731	6,931	4,443	2,110	4,389
Repayment of borrowings	(1,082)	(1,151)	(1,425)	(1,647)	(1,843)	(2,013)	(2,089)	(2,113)	(2,330)	(2,467)	(2,513)
Net cash inflow (outflow) from financing activities	7,333	9,712	5,774	4,225	3,253	1,234	(359)	4,818	2,113	(357)	1,876

	2014/15 Annual Plan (\$000)	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)
Net increase (decrease) in cash and cash equivalents	(845)	347	(698)	798	(254)	369	96	461	(314)	340	167
Cash and cash equivalents at the beginning of the year	4,852	2,157	2,504	1,805	2,603	2,349	2,718	2,814	3,275	2,961	3,301
Cash and cash equivalents at the end of the year	4,007	2,504	1,805	2,603	2,349	2,718	2,814	3,275	2,961	3,301	3,467

Notes

Reserves

		Annual Plan 2015 (\$000)	Revised Balance 2015 (\$000)	Deposits 2015/25 (\$000)	Withdrawals 2015/25 (\$000)	Balance 2025 (\$000)
Special and restricted reserves (* denotes restricted reserves)						
Name of reserve and (activity)	Purpose					
Aquatic (Swimming pools)	Replacement of swimming pools	150	150	750	0	900
Bulls courthouse* (Property)	Maintenance of courthouse building	1	42	13	30	25
Flood damage (Roading)	Road maintenance due to flooding	1,200	1,200	2,300	0	3,500
General purpose	Capital works	2,402	2,402	0	0	2,402
Haylock park* (Parks)	Additional reserve area at park	27	27	22	0	49
Hunterville rural water (Water)	Future loop line	175	173	144	0	318
Keep Taihape beautiful* (Property)	Enhancement of Taihape	21	21	0	0	21
Marton land subdivision* (Parks)	Improvements to recreational land	374	373	311	0	684
Marton marae* (Property)	Marton Marae project	4	4	0	0	4
McIntyre recreation* (Parks)	Maintenance or upgrades of park	24	24	20	0	44
Putorino rural water (Water)	Maintenance of scheme dam	18	18	15	0	32
Ratana sewer (Sewerage)	Capital works	22	22	19	0	41
Revoked reserve land (Parks)	Offset costs of other revoked land and buildings	238	238	0	0	238
Rural housing loan (Property)	No longer required	150	150	0	0	150
Rural land subdivision* (Parks)	Improvements to reserves land	80	175	80	100	154
Santoft domain* (Parks)	Maintenance or upgrades of park	77	77	64	0	140
Total special and restricted reserves		4,963	5,095	3,736	130	8,702

Reconciliation of Funding Impact Statement to Comprehensive Revenue and Expenses

For the years ending 30 June 2015 to 2025

	2014/15 Annual Plan (\$000)	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)
Revenue											
Total operating revenue from funding impact statement	25,196	26,570	26,799	27,575	27,909	28,522	29,440	30,163	31,310	32,372	32,687
Total revenue from comprehensive revenue and expenses statement	30,559	30,417	31,780	30,923	32,737	32,238	33,251	34,182	34,712	35,904	36,244
Difference	5,363	3,847	4,981	3,348	4,827	3,716	3,811	4,019	3,402	3,532	3,557
Reconciling item											
Subsidies and grants for capital expenditure	5,363	3,847	4,981	3,348	4,827	3,716	3,811	4,019	3,402	3,532	3,557
Total Reconciling items	5,363	3,847	4,981	3,348	4,827	3,716	3,811	4,019	3,402	3,532	3,557
Expenditure											
Total operating expenditure from funding impact statement	19,120	19,774	20,092	20,975	21,481	22,162	23,156	23,539	24,432	25,305	25,540
Total operating expenditure from comprehensive revenue and expenses statement	29,265	29,704	30,629	31,744	32,285	33,149	34,276	34,794	35,797	36,851	37,249
Difference	10,145	9,930	10,537	10,769	10,804	10,987	11,120	11,255	11,364	11,547	11,709
Reconciling item											
Depreciation	10,145	9,798	10,563	10,795	10,830	11,013	11,146	11,281	11,391	11,573	11,735
Landfill aftercare unwind	0	(26)	(26)	(26)	(26)	(26)	(26)	(26)	(26)	(26)	(26)
Cost of forestry harvested	0	158	0	0	0	0	0	0	0	0	0
Total Reconciling items	10,145	9,930	10,537	10,769	10,804	10,987	11,120	11,255	11,364	11,547	11,709
Rates											
General rate	2,400	2,160	2,112	1,908	1,601	1,568	1,470	1,585	1,681	1,856	1,909
Uniform annual general charge	3,204	4,051	4,038	4,168	4,159	4,487	4,626	4,697	4,859	5,036	5,068

SECTION 10
FINANCIAL STATEMENTS AND POLICIES

	2014/15 Annual Plan (\$000)	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)
Targeted rates											
Roading	6,271	6,087	6,000	6,075	6,209	5,781	5,837	5,939	5,926	6,095	6,099
Library	715	0	0	0	0	0	0	0	0	0	0
Solid waste	435	443	441	441	432	438	459	457	469	503	491
Sewerage	1,908	2,306	2,401	2,613	2,871	3,077	3,334	3,519	3,564	3,758	3,730
Water	3,005	3,100	3,404	3,860	3,973	4,306	4,605	4,629	5,234	5,409	5,459
Water by volume (targeted rates for water)	1,038	1,097	1,203	1,255	1,298	1,321	1,406	1,444	1,510	1,539	1,588
Storm water	674	729	765	735	636	657	671	669	684	706	696
Community	53	59	61	64	64	66	70	70	73	79	79
Total rates	19,703	20,031	20,424	21,120	21,244	21,701	22,478	23,010	24,001	24,981	25,120
Depreciation											
Community Leadership	2	2	2	2	2	2	0	0	0	0	0
Roading and Footpaths	6,572	6,422	6,755	6,838	6,917	6,671	6,759	6,849	6,667	6,748	6,831
Water Supply	1,295	1,201	1,390	1,457	1,496	1,779	1,797	1,813	2,071	2,099	2,124
Sewerage and the Treatment and Disposal of Sewerage	771	672	851	877	916	1,050	1,066	1,072	1,137	1,166	1,175
Stormwater Drainage	245	259	290	291	293	313	316	316	337	340	342
Community and Leisure Assets	797	811	828	882	884	898	917	936	938	977	1,015
Rubbish and Recycling	33	33	33	33	33	25	24	24	24	24	24
Environmental and Regulatory Services	3	0	0	0	0	0	0	0	0	0	0
Community Well-being	16	40	41	40	40	20	7	7	7	7	7
Office and Computer Equipment, Plant and Vehicles	411	359	374	375	250	255	261	264	209	213	218
Total Depreciation	10,145	9,798	10,563	10,795	10,830	11,013	11,146	11,281	11,391	11,573	11,735
Number of rating units at the end of preceding year	9,073	9,070	9,068	9,066	9,064	9,062	9,060	9,058	9,055	9,052	9,050

Whole of Council

Funding Impact Statement For the years ending 30 June 2015 to 2025

	2014/15 Annual Plan (\$000)	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)
Sources of operating funding											
General rates, uniform annual general charge, rates penalties	6,065	6,682	6,633	6,571	6,269	6,578	6,635	6,837	7,114	7,485	7,591
Targeted rates	14,098	13,820	14,274	15,043	15,483	15,646	16,382	16,728	17,461	18,089	18,143
Subsidies and grants for operating purposes	2,835	3,560	3,429	3,433	3,518	3,523	3,528	3,616	3,622	3,628	3,679
Fees and charges	1,872	2,154	2,086	2,108	2,168	2,270	2,299	2,370	2,486	2,526	2,609
Interest and dividends from investments	194	224	246	288	339	373	464	479	494	510	526
Local authorities fuel tax, fines, infringement fees, and other receipts	132	130	131	131	132	132	133	133	134	134	140
Total operating funding (A)	25,196	26,570	26,799	27,575	27,909	28,522	29,440	30,163	31,310	32,372	32,687
Applications of operating funding											
Payment to staff and suppliers	18,505	19,372	19,249	19,748	19,899	20,412	21,055	21,372	21,972	22,737	22,957
Finance costs	615	402	843	1,227	1,581	1,750	2,101	2,167	2,461	2,568	2,583
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding (B)	19,120	19,774	20,092	20,975	21,481	22,162	23,156	23,539	24,432	25,305	25,540
Surplus (deficit) of operating funding (A - B)	6,076	6,796	6,706	6,600	6,428	6,360	6,284	6,624	6,878	7,067	7,147

SECTION 10
FINANCIAL STATEMENTS AND POLICIES

	2014/15 Annual Plan (\$000)	2015/16 (\$000)	2016/17 (\$000)	2017/18 (\$000)	2018/19 (\$000)	2019/20 (\$000)	2020/21 (\$000)	2021/22 (\$000)	2022/23 (\$000)	2023/24 (\$000)	2024/25 (\$000)
Sources of capital funding											
Subsidies and grants for capital expenditure	5,363	3,847	4,981	3,348	4,827	3,716	3,811	4,019	3,402	3,532	3,557
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	7,317	9,696	5,758	4,209	3,237	1,218	(375)	4,802	2,097	(373)	1,860
Gross proceeds from sale of assets	0	0	565	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	12,680	13,543	11,304	7,556	8,064	4,934	3,436	8,822	5,499	3,160	5,417
Application of capital funding											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of service	8,763	9,308	4,837	1,962	3,948	2,347	1,302	2,335	3,446	773	803
- to replace existing assets	10,838	9,683	13,873	11,396	10,798	8,578	7,821	12,449	8,944	8,814	11,295
Increase (decrease) in reserves	(845)	347	(698)	798	(254)	369	96	461	(314)	340	167
Increase (decrease) in investments	0	1,000	0	0	0	0	500	200	300	300	300
Total applications of capital funding (D)	18,756	20,339	18,011	14,156	14,492	11,294	9,720	15,446	12,377	10,227	12,564
Surplus (deficit) of capital funding (C - D)	(6,076)	(6,796)	(6,706)	(6,600)	(6,428)	(6,360)	(6,284)	(6,624)	(6,878)	(7,067)	(7,147)
Funding balance ((A - B) + (C - D))	0	0	(0)	(0)	0	0	0	(0)	0	0	0

Rate Types

For the year ending 30 June 2016

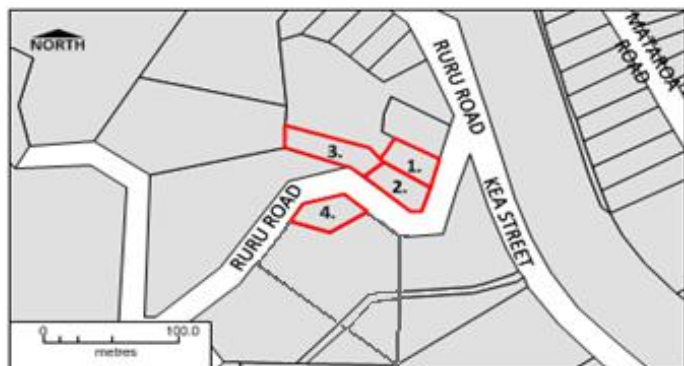
Source of Funding	Categories of Land	Calculation Base	Rate or Charge (inc GST)	Funding Required (inc GST)
		NOTE: <i>SUIP = separately used or inhabited part of a rating unit</i>		
General Rate <i>(funds activities listed on next page)</i>	All rating units (excl Defence land)	Capital value	\$0.000695	\$2,477,044
	Defence land	Land value	\$0.001064	\$6,625
Uniform Annual General Charge <i>(funds activities listed on next page)</i>	All rating units	Fixed amount per SUIP	\$616.40	\$4,659,204
Targeted Rates				
Community Services <i>(funds Taihape and Ratana Community Boards)</i>	All rating units in Taihape Community Board area	Fixed amount per rating unit	\$21.13	\$49,412
	All rating units in Ratana Community Board area	Fixed amount per rating unit	\$174.15	\$18,982
Solid Waste Disposal <i>(funds Rubbish and Recycling)</i>	All rating units	Fixed amount per SUIP	\$67.39	\$509,333
Roading <i>(funds Roading and Footpaths)</i>	All rating units (excl Defence land)	Capital value	\$0.001959	\$6,980,944
	Defence land	Land value	\$0.003000	\$18,672
Wastewater public good <i>(funds Sewerage)</i>	All rating units	Fixed amount per SUIP	\$77.52	\$585,932
Wastewater connected <i>(funds Sewerage)</i>	Rating units connected to wastewater schemes within the district	Fixed amount per number of water closets and urinals in the rating unit	\$441.40	\$2,055,156
Ruru Road sewer extension loan repayment <i>(funds servicing loan to extend reticulation)</i>	Rating units situated on Ruru Road as shown on the map below. (Those rating units that have made a voluntary contribution are excluded from liability for this rate.)	Fixed amount per rating unit	\$2,579.22	\$10,317
Water public good <i>(funds water)</i>	All rating units	Fixed amount per SUIP	\$121.28	\$916,634
Water connected <i>(funds water)</i>	Rating units connected to Marton, Bulls, Taihape, Mangaweka, Ratana schemes: Residential	Fixed amount per SUIP	\$593.63	\$2,641,641

Source of Funding	Categories of Land	Calculation Base	Rate or Charge (inc GST)	Funding Required (inc GST)
	Rating units connected to Marton, Bulls, Taihape, Mangaweka, Ratana schemes: Non-residential	Fixed amount per rating unit	\$593.63	
Water by volume (funds water)	Marton, Bulls, Taihape, Mangaweka, Ratana schemes	Fixed amount per cu metre in excess of 250m3 per annum	\$1.71	\$536,906
	Bulls Riverlands	Fixed amount per cu metre in excess of 250m3 per annum	\$1.19	
Huntermville urban (funds water)	Connected rating units	Fixed amount per cu metre	\$3.33	\$96,228
Huntermville rural (funds water)	Connected rating units	Fixed amount per unit or part unit***	\$229.57	\$409,279
Erewhon rural (funds water)	Connected rating units	Fixed amount per unit or part unit***	\$109.04	\$205,284
Omatane rural (funds water)	Connected rating units	Fixed amount per unit or part unit***	\$148.34	\$14,125
Putorino rural (funds water)	Connected rating units	Land value	\$0.000780	\$6,306
Stormwater public good (funds stormwater)	All rating units	Fixed amount per SUIP	\$27.71	\$209,469
Stormwater urban (funds stormwater)	Marton, Bulls, Taihape, Mangaweka, Ratana, Huntermville (as identified on rating maps available on Council's website)	Fixed amount per rating unit	\$152.79	\$628,407
Total Rates Required	(Inclusive of GST)			\$23,035,901

***Fixed amount per unit or part unit

A unit of water is equivalent to 365m3.

Ruru Road sewer extension properties



1. Lot 2 DP 30250
2. Lot 1 DP 7565
3. Lot 1 DP 18021
4. Lot 1 DP 16893

Definitions

Separately Used or Inhabited Part (SUIP)

Any part of a rating unit that is, or is able to be, separately used or inhabited by the ratepayer, or by any other person or body having the right to use or inhabit that part by virtue of a tenancy, lease, licence or other agreement. 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.

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

With the exception of the Ruru Road sewer extension rate, the Council does not accept lump sum contributions in respect of any targeted rate.

Allocation of UAGC to Activities

For the year ending 30 June 2016

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

	Amount
Council	\$138.24
Council Committees	\$22.14
Elections	\$2.23
Swimming Pools	\$133.91
Public Toilets	\$36.77
Cemeteries	\$22.32
Libraries	\$113.25
Parks and Reserves	\$117.27
Dog Control	\$14.18
Stock Ranging	\$2.95
Refuse (Litter) Collection	\$13.15
TOTAL	\$616.39

Allocation of General Rate to Activities

For the year ending 30 June 2016

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

	Amount
Community Awards	\$0.07
Property	\$1.99
Building Inspection	\$8.33
District Planning	\$5.43
Dog Control	\$2.34
Health and General Inspection	\$1.08
Resource Consents	\$0.88
Stock Ranging	\$0.49
Information Centres	\$9.51
District Promotions	\$15.04
Civil Defence	\$2.54
Rural Fire	\$4.40
Halls	\$13.28
Rural Water	\$2.41
Computers and Vehicles	\$1.74
TOTAL	\$69.53

Examples of Impacts of Rating Proposals

For the year ending 30 June 2016

Location	Land Value	Capital Value	Indicative 2015/16	Actual 2014/15	Difference	Percentage
KOITIATA						
Koitiata	60,000	205,000	1,454	1,498	(43)	(2.90%)
Koitiata	60,000	130,000	1,255	1,249	7	0.55%
Koitiata	60,000	132,000	1,261	1,225	35	2.89%
Koitiata	60,000	100,000	1,176	1,133	43	3.82%
TAIHAPE COMMERCIAL						
Taihape	195,000	500,000	3,888	4,012	(124)	(3.09%)
Taihape	81,000	220,000	3,145	3,129	16	0.51%
Taihape	160,000	265,000	2,823	2,864	(41)	(1.43%)
Taihape	65,000	180,000	2,597	2,599	(2)	(0.07%)
Taihape	39,000	139,000	390	456	(66)	(14.51%)
Taihape	65,000	117,000	2,430	2,372	58	2.43%
Taihape	105,000	360,000	3,075	3,423	(348)	(10.17%)
TAIHAPE NON-COMMERCIAL						
Taihape	47,000	265,000	2,823	2,878	(56)	(1.94%)
Taihape	47,000	180,000	2,597	2,599	(2)	(0.07%)
Taihape	55,000	155,000	4,476	4,381	95	2.17%
Taihape	1,500	103,000	2,393	2,313	79	3.43%
Taihape	23,000	112,000	2,417	2,393	24	1.00%
Taihape	23,000	265,000	2,823	2,790	33	1.17%
Taihape	1,000	39,000	2,223	2,125	98	4.61%
Taihape	16,000	40,000	2,225	2,128	98	4.59%
HUNTERVILLE COMMERCIAL						
Hunterville	60,000	390,000	5,243	4,926	317	6.44%
Hunterville	65,000	335,000	3,718	3,487	231	6.61%
Hunterville	43,000	245,000	2,155	2,078	76	3.67%
Hunterville	40,000	51,000	1,640	1,516	124	8.18%
Hunterville	10,000	40,000	1,611	1,484	127	8.54%

Location	Land Value	Capital Value	Indicative 2015/16	Actual 2014/15	Difference	Percentage
HUNTERVILLE NON-COMMERCIAL						
Hunterville	95,000	270,000	2,221	2,151	70	3.26%
Hunterville	31,000	210,000	2,062	1,977	85	4.30%
Hunterville	21,000	114,000	1,807	1,699	109	6.39%
Hunterville	14,000	115,000	1,216	1,164	51	4.39%
Hunterville	16,000	87,000	1,735	1,620	115	7.11%
Hunterville	12,000	58,000	1,064	999	65	6.52%
MARTON COMMERCIAL						
Marion	88,000	410,000	5,766	5,722	44	0.77%
Marion	63,000	280,000	4,691	4,825	(134)	(2.78%)
Marion	40,000	175,000	2,563	2,546	16	0.63%
Marion	85,000	160,000	2,523	2,474	49	1.97%
Marion	54,000	160,000	3,337	3,307	30	0.90%
Marion	58,000	100,000	2,584	2,491	93	3.73%
MARTON INDUSTRIAL						
Marion	148,000	680,000	4,345	4,858	(513)	(10.56%)
Marion	64,000	1,200,000	7,270	8,009	(739)	(9.23%)
Marion	68,000	420,000	3,213	3,721	(508)	(13.65%)
MARTON NON-COMMERCIAL						
Marion	82,000	385,000	3,120	3,141	(21)	(0.67%)
Marion	96,000	415,000	3,200	3,228	(28)	(0.88%)
Marion	72,000	260,000	2,788	2,793	(5)	(0.17%)
Marion	56,000	205,000	2,642	2,648	(6)	(0.22%)
Marion	73,000	175,000	2,563	2,561	2	0.06%
Marion	34,000	123,000	1,983	2,033	(50)	(2.47%)
Marion	66,000	133,000	2,451	2,445	6	0.25%
Marion	56,000	123,000	2,425	2,416	9	0.36%
Marion	46,000	124,000	2,427	2,419	8	0.35%
Marion	46,000	80,000	2,310	2,300	10	0.46%
Marion	34,000	80,000	2,310	2,300	10	0.46%
Marion	18,000	65,000	2,271	2,251	20	0.89%
Marion	23,000	52,000	2,236	2,170	67	3.07%

Location	Land Value	Capital Value	Indicative 2015/16	Actual 2014/15	Difference	Percentage
BULLS COMMERCIAL						
Bulls	370,000	660,000	5,671	5,424	247	4.55%
Bulls	125,000	1,000,000	4,973	4,946	27	0.56%
Bulls	113,000	430,000	3,240	3,102	138	4.45%
Bulls	160,000	280,000	4,345	4,115	231	5.61%
Bulls	75,000	210,000	2,656	2,464	192	7.79%
Bulls	140,000	155,000	2,510	2,377	133	5.60%
BULLS NON-COMMERCIAL						
Bulls	81,000	590,000	13,391	12,168	1,223	10.05%
Bulls	82,000	240,000	2,735	2,580	156	6.03%
Bulls	57,000	200,000	2,629	2,435	194	7.99%
Bulls	54,000	147,000	2,488	2,304	184	8.00%
Bulls	45,000	143,000	2,478	2,290	188	8.22%
Bulls	39,000	143,000	2,478	2,290	188	8.22%
Bulls	48,000	117,000	2,409	2,211	197	8.93%
Bulls	54,000	76,000	2,300	2,087	213	10.22%
RATANA						
Ratana	12,000	136,000	2,633	2,702	(69)	(2.55%)
Ratana	12,000	72,000	2,463	2,376	87	3.66%
Ratana	12,000	63,000	2,439	2,331	109	4.67%
Ratana	12,000	52,000	2,410	2,275	136	5.96%
RURAL NORTH OVER \$1,000,000 CAPITAL VALUE						
Erewhon	8,075,000	9,500,000	28,879	28,936	(56)	(0.19%)
Erewhon	5,875,000	6,450,000	18,052	18,200	(148)	(0.81%)
Erewhon	4,322,000	5,224,000	15,708	15,719	(10)	(0.07%)
Erewhon	3,119,000	3,979,000	11,493	11,591	(97)	(0.84%)
Ruanui	1,600,000	2,260,000	7,841	7,770	70	0.90%
Awarua	1,380,000	1,800,000	6,620	6,519	100	1.54%
Te Kapua	900,000	1,220,000	4,170	4,143	27	0.65%
RURAL NORTH \$200,000 TO \$1,000,000 CAPITAL VALUE						
Erewhon	580,000	690,000	2,763	2,686	77	2.88%
Kiwitea	375,000	500,000	2,259	2,185	74	3.36%
Awarua	200,000	400,000	1,993	2,009	(15)	(0.76%)

Location	Land Value	Capital Value	Indicative 2015/16	Actual 2014/15	Difference	Percentage
Ohingaiti	29,000	265,000	1,635	1,611	24	1.48%
RURAL NORTH UNDER \$200,000 CAPITAL VALUE						
Awarua	15,000	215,000	1,502	1,464	38	2.61%
Ohingaiti	6,500	62,000	1,096	1,013	83	8.14%
MANGAWEKA						
Mangaweka	14,000	106,000	2,401	2,167	234	10.80%
Mangaweka	14,000	82,000	2,337	2,096	241	11.49%
Mangaweka	14,000	57,000	2,271	2,022	248	12.27%
Mangaweka	14,000	45,000	2,239	1,946	293	15.05%
RURAL SOUTH OVER \$800,000 CAPITAL VALUE						
Rangitoto	12,300,000	13,900,000	39,627	46,958	(7,331)	(15.61%)
Rangitoto	16,494,000	18,994,000	54,969	54,888	81	0.15%
Rangatira	9,700,000	13,350,000	39,988	39,707	281	0.71%
Rangatira	3,575,000	3,800,000	10,413	11,198	(785)	(7.01%)
Porewa	2,080,000	2,580,000	10,087	10,295	(208)	(2.02%)
Whangaehu	2,230,000	3,070,000	7,759	8,298	(539)	(6.50%)
Porewa	2,080,000	2,580,000	9,970	9,854	116	1.17%
Pukepapa	1,475,000	1,770,000	9,579	9,960	(381)	(3.82%)
Pukepapa	690,000	1,100,000	5,609	5,964	(355)	(5.95%)
Porewa	930,000	1,250,000	4,577	4,803	(226)	(4.71%)
RURAL SOUTH \$250,000 TO \$800,000 CAPITAL VALUE						
Porewa	230,000	600,000	2,503	2,571	(68)	(2.64%)
Pukepapa	108,000	375,000	2,499	2,560	(61)	(2.39%)
RURAL SOUTH UNDER \$250,000 CAPITAL VALUE						
Scotts Ferry	50,000	155,000	1,322	1,280	41	3.23%
Scotts Ferry	50,000	140,000	1,282	1,179	103	8.74%
Scotts Ferry	50,000	130,000	1,255	1,121	134	11.99%
Otakapu	23,000	131,000	1,258	1,211	47	3.90%
Otakapu	160,000	170,000	451	383	68	17.89%
Rangitoto	108,000	300,000	1,707	1,701	6	0.34%
RURAL LARGE DAIRY/PASTORAL						
Otairi	1,109,000	1,523,000	4,953	5,236	(283)	(5.40%)
Whangaehu	1,100,000	1,230,000	4,175	4,383	(208)	(4.75%)

Location	Land Value	Capital Value	Indicative 2015/16	Actual 2014/15	Difference	Percentage
Rangatira	2,300,000	3,890,000	12,146	12,928	(782)	(6.05%)
Rangatira	5,500	9,000	24	26	(2)	(8.46%)
Rangatira	1,950,000	2,500,000	7,546	8,081	(534)	(6.61%)
Porewa	1,120,000	1,960,000	6,113	6,515	(402)	(6.17%)
RURAL SOUTH INDUSTRIAL						
Porewa	275,000	4,840,000	14,351	15,465	(1,114)	(7.20%)
Rangitoto	270,000	2,600,000	7,812	8,371	(559)	(6.68%)

■ Statement of Accounting Policies

Note 1: 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 10 years ended 30 June 2025. Actual financial results for the periods covered are likely to vary from the information presented in this Long Term Plan.

Basis of Preparation

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

Statement of compliance

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

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

These prospective financial statements comply with PBE standards and PBE FRS 42.

These prospective financial statements are the first financial statements presented in accordance with the new PBE accounting standards. No material adjustments arising on transition to the new PBE standards were necessary.

Presentation currency and rounding

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

Standards issued and not yet effective and not early adopted

In October 2014, the PBE suite of accounting standards was updated to incorporate requirements and guidance for the not-for-profit sector. These updated standards apply to PBEs with reporting periods beginning on or after 1 July 2015. The Council will apply these updated standards in preparing its 30 June 2016 financial statements. The Council expects there will be minimal or no change in applying these updated accounting standards.

Summary of Significant Accounting Policies

Revenue

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

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

Revenue from non-exchange transactions

General and targeted rates

General and targeted rates are set annually and invoiced within the year. The Council recognises revenue from rates when the Council has set the rates and provided the rates assessment. The Council considers the payment of rates by instalments is not sufficient to require discounting of rates receivables and subsequent recognition of interest revenue.

Rates arising from late payment penalties are recognised as revenue when rates become overdue.

New Zealand Transport Agency roading subsidies

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

Other grants received

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

Vested assets

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

*Direct charges – subsidised**Rendering of services – subsidised*

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

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

Sale of goods – subsidised

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

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

Revenue from exchange transactions

Direct charges – full cost recovery

Sale of goods – full cost recovery

Revenue from the sale of goods (such as recyclable materials) is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods, and when the amount of revenue can be measured reliably and 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 income or directly in equity.

Finance leases

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

At the commencement of the lease term, finance leases are recognised as assets and liabilities in the statement of financial position at the lower of fair value of the leased item or the present value of the minimum lease payments.

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

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

The Council currently has no finance leases.

Operating leases

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

Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

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

Cash and cash equivalents

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

Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

Receivables

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

Other financial assets

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

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

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

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

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

Financial assets at fair value through surplus or deficit

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

Financial assets acquired principally for the purpose of selling in the short-term or part of a portfolio classified as held for trading are classified current assets.

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

Loans and receivables

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

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

Held-to-maturity investments

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

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

Fair value through other comprehensive revenue and expense

Financial assets at fair value through other comprehensive income and expense are those that are designated into the category at initial recognition or are not classified in any of the other categories above. They are included in non-current assets unless management intends to dispose of, or realise, the investment within 12 months of balance date. Council includes in this category:

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

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

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

Impairment of financial assets

Financial assets are assessed for objective evidence of impairment at each balance date. Impairment losses are recognised in the surplus or deficit.

Loans and other receivables, and held-to-maturity investments

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

Financial assets at fair value through other comprehensive revenue and expense

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

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

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

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

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

Non-current assets held for sale

Non-current assets held for sale are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. Non-current assets for sale are measured at the lower of their carrying amount and fair value less costs to sell.

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

Any impairment losses for write-downs of non-current assets held for sale are recognised in the surplus or deficit.

Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses that have been previously recognised.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale.

Property, plant and equipment

Property, plant and equipment consist of:

Operational assets – These include land, buildings, landfill post closure, library books, plant and equipment, and motor vehicles.

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

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

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

Revaluation

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

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

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

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

recognised in other comprehensive revenue and expense.

Additions

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

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

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

Disposals

Gains or losses on disposal are determined by comparing the disposal proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus or deficit. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated funds.

Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant and equipment are recognised in the surplus or

deficit as they are incurred

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land and road formation, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The useful lives of major classes of assets have been estimated as follows:

Operational and restricted assets

Buildings

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

Plant 30 years

Motor vehicles 6 years

Office equipment 10 years

Computer hardware 5 years

Library books 10 years

Infrastructural assets

Roading network

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

Water

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

Wastewater

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

Stormwater

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

Service concession arrangements

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

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

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

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

Intangible assets

Software acquisition

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

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

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

Easements

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

Carbon credits

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

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

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in the surplus or deficit.

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

Computer software 3-5 years

Impairment of property, plant and equipment and intangible assets

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

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

Value in use for non-cash-generating assets

Non-cash-generating assets are those assets that are not held with the primary objective of generating a commercial return.

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

Value in use for cash-generating assets

Cash-generating assets are those assets that are held with the primary objective of generating a commercial return.

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

Forestry assets

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

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

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

Payables

Short-term payables are recorded at their face value.

Borrowings

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

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

Employee benefits

Short-term employee entitlements

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

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

No provision is made for sick leave because absences in the coming years are expected to exceed the annual entitlement of staff and calculations show any amounts involved are likely to be immaterial.

Long-term employee entitlements

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

Presentation of employee entitlements

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

Superannuation schemes

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

Provisions

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

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate base that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense and is included “finance costs”.

Landfill aftercare

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

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

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

Equity

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

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

Special reserve funds

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

Restricted reserve funds

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

Property revaluation reserves

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

Fair value through other comprehensive revenue and expense reserves

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

Goods and services tax (GST)

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

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

Cost allocation

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

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

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

Critical accounting estimates and assumptions

In preparing these financial statements, the Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a risk of causing material adjustments to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Infrastructural assets

- The actual condition of an asset may not reflect the carrying amount of the asset. This is particularly so for assets which are underground and difficult to assess the actual condition of, such as water, wastewater and storm water assets.
- Estimates of any obsolescence or surplus capacity of an asset are based on judgements made with the best knowledge available at the time.
- Estimates of the useful remaining lives of an asset may vary with such things as soil type, rainfall, amount of traffic, natural disaster and other occurrences. The Council could be over- or under-estimating these, but assumptions are made based on the best knowledge available at the time.

Critical judgements in applying accounting policies

Management has exercised the following critical judgement in applying its accounting policies for the 10 years ended 30 June 2025.

Classification of property

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

Statement of Prospective Financial Information

These prospective financial statements were authorised for issue by the Rangitikei District Council on 25 June 2015. The Council is responsible for these prospective financial statements, including the appropriateness of the assumptions and other disclosures. Changes to the significant forecasting assumptions (page 12) 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 10 years ending 30 June 2025 and it is prepared in accordance with the Act. Caution should be exercised in using these prospective financial statements for any other purpose.

Benchmarks Disclosure Statement

For the 10 years ending 30 June 2025

What is the purpose of this statement?

The purpose of this statement is to disclose the Council's planned financial performance in relation to various benchmarks to enable the assessment of whether the Council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings for the 10 years covered by this LTP.

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

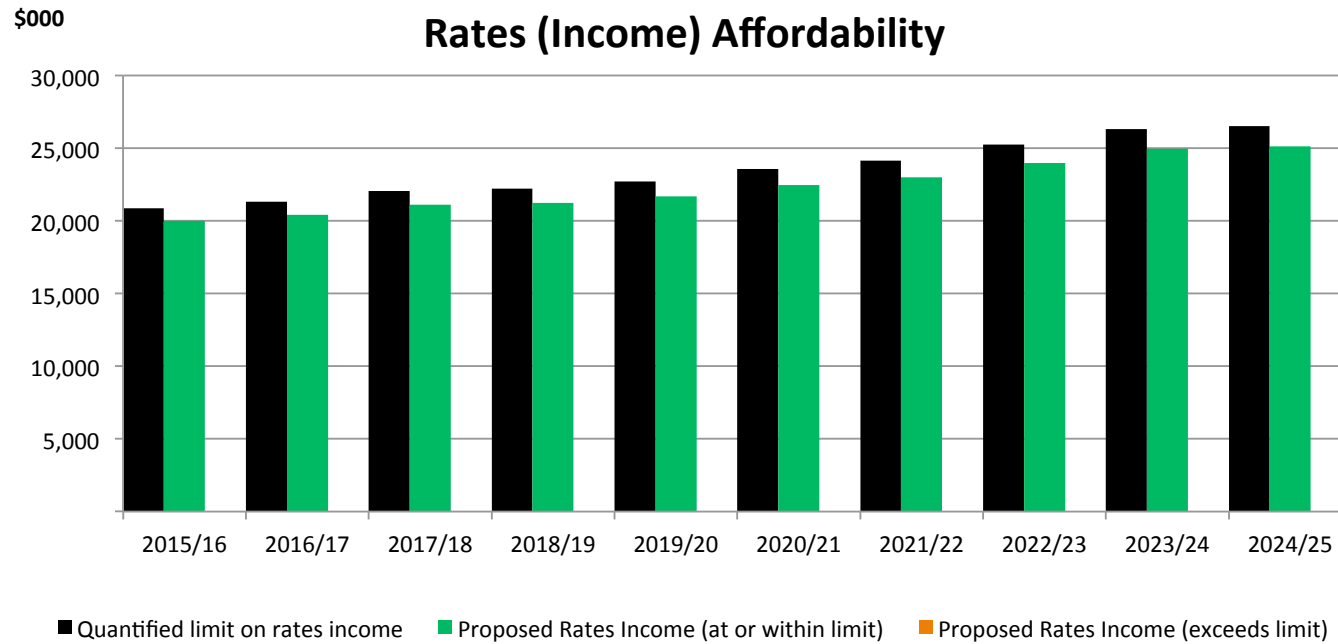
Rates affordability benchmarks

The Council meets the rates affordability benchmark if its—

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

Rates (income) affordability

The following graph compares the Council's planned rates income with a quantified limit on rates contained in the financial strategy included in the council's 2015/25 long-term plan. All limits are based on the previous year's actual rates income adjusted for the projected maximum rates increases noted in the next benchmark (rates increases affordability).



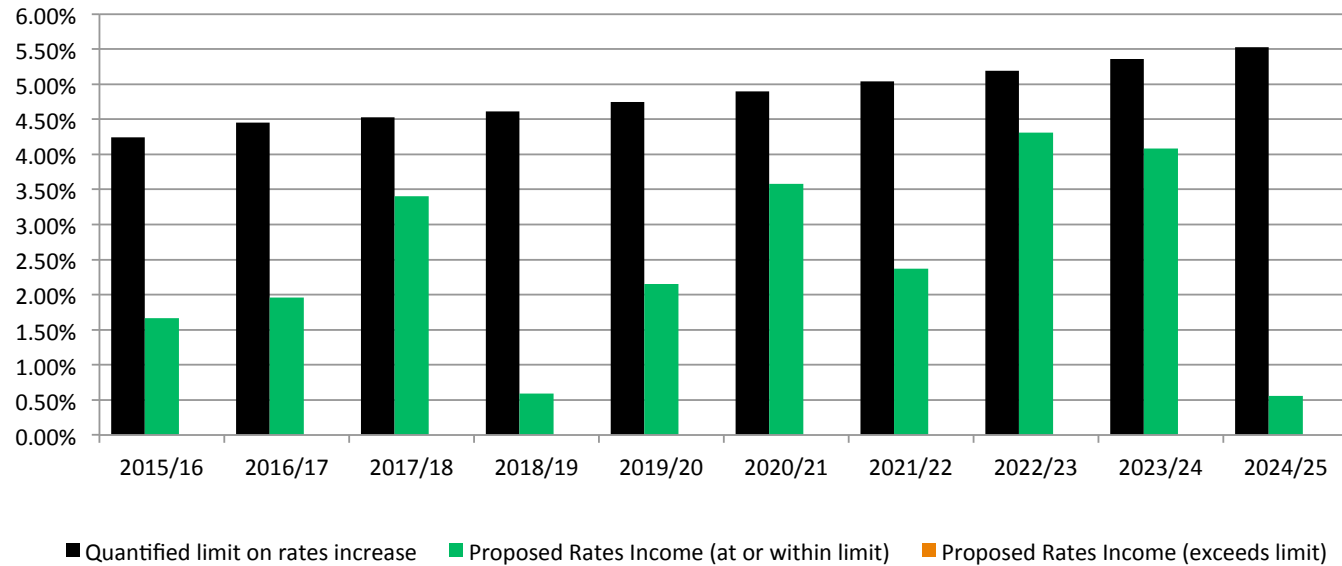
Rates (increases) affordability

The following graph compares the Council’s planned rates increases for the 10 years of the LTP with a quantified limit on rates increases contained in the financial strategy included in the council’s 2015/25 Long Term Plan

The quantified limits are as follows:

2015-25 inclusive;	LGCI plus 2% per annum
2015-16	4.24%
2016-17	4.45%
2017-18	4.53%
2018-19	4.61%
2019-20	4.75%
2020-21	4.90%
2021-22	5.04%
2022-23	5.19%
2023-24	5.36%
2024-25	5.53%

Rates (Increases) Affordability



Debt affordability benchmark

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

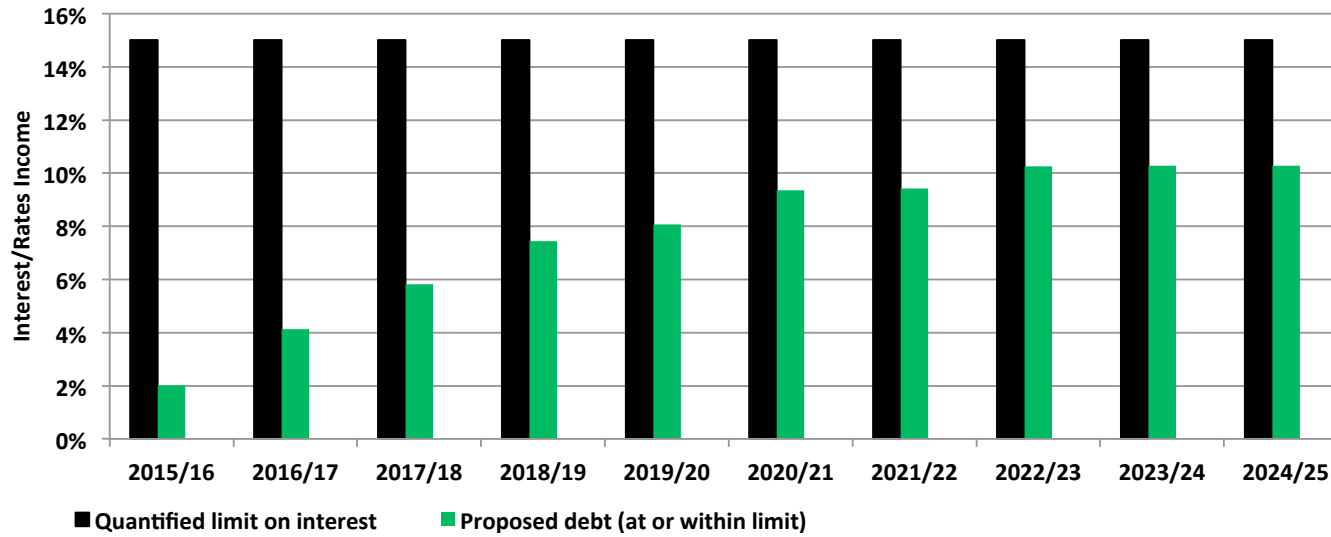
The Council has three quantified limits on borrowing. For the 10 years of the LTP, these are contained in the financial strategy included in the 2015/25 long-term plan. The limits are as follows:

- total interest expense on net external debt will not exceed 15% of total rates income;
- the ratio of net external debt to annual rates income will not exceed 150%; and,
- net external debt per capita will not exceed \$2,500 for the 10 years of the LTP

(Note: neither the liability management policy, nor the financial strategy defines “net external debt”. For the purposes of this benchmarking exercise, the same definition included in the regulations for “net debt” has been used.)

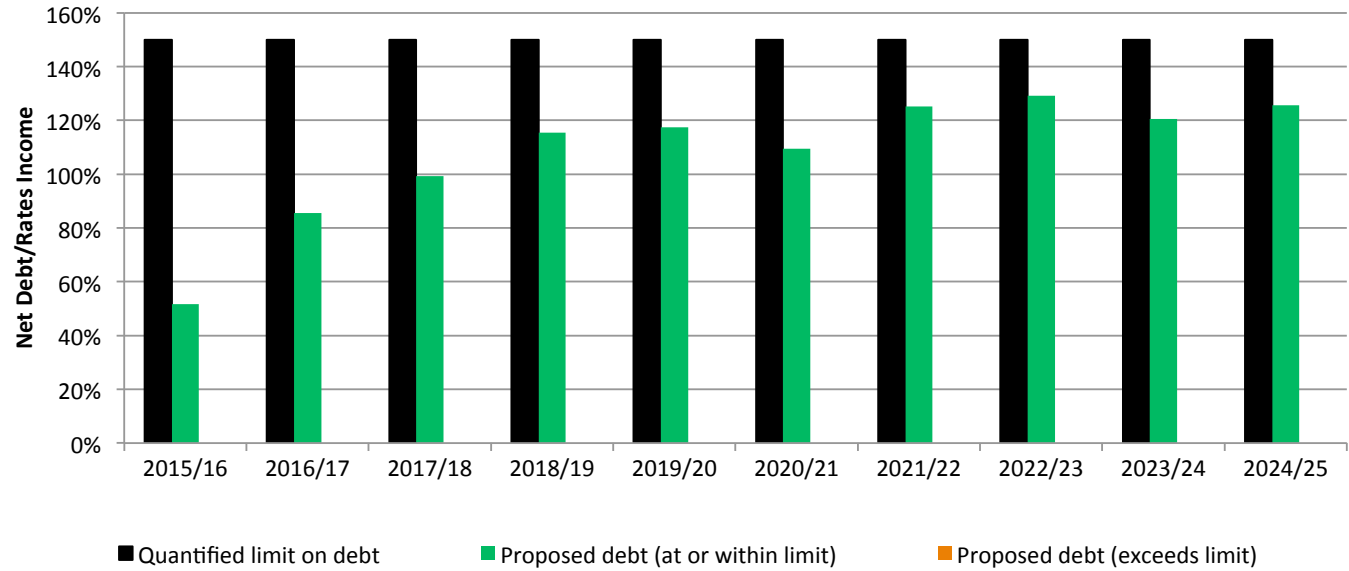
The following graph compares the Council's planned interest expense as a proportion of total rates income

Debt Affordability 1

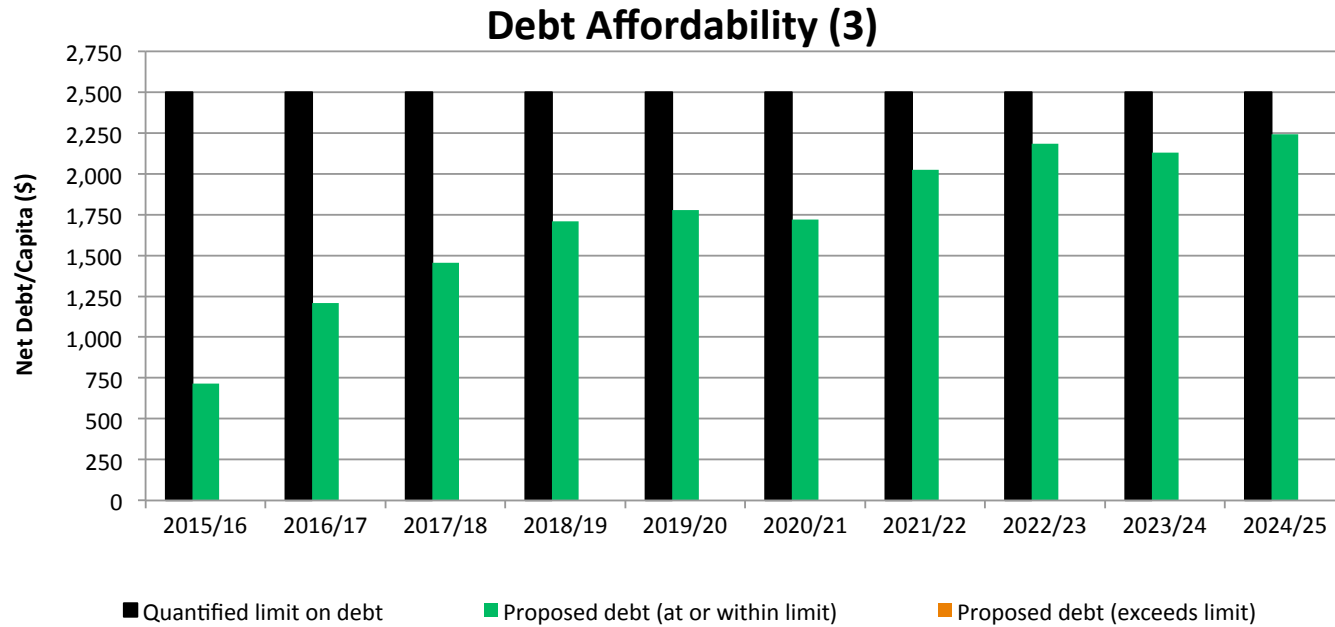


The following graph compares the Council's planned net debt as a proportion of annual rates income.

Debt Affordability (2)



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

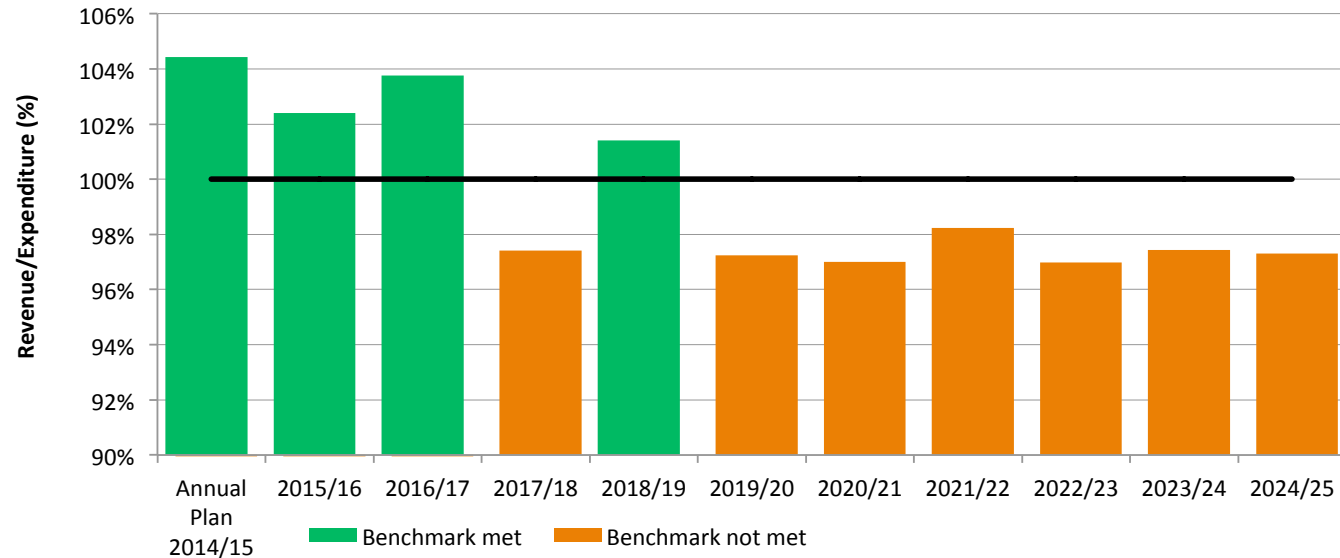


Balanced budget benchmark

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.

Balanced Budget



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

Explanation for deficits (unbalanced budget)

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

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

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

The Council is taking a prudent approach by further increasing its special reserve to fund emergency events, all within the proposed rates projected in the long-term plan.

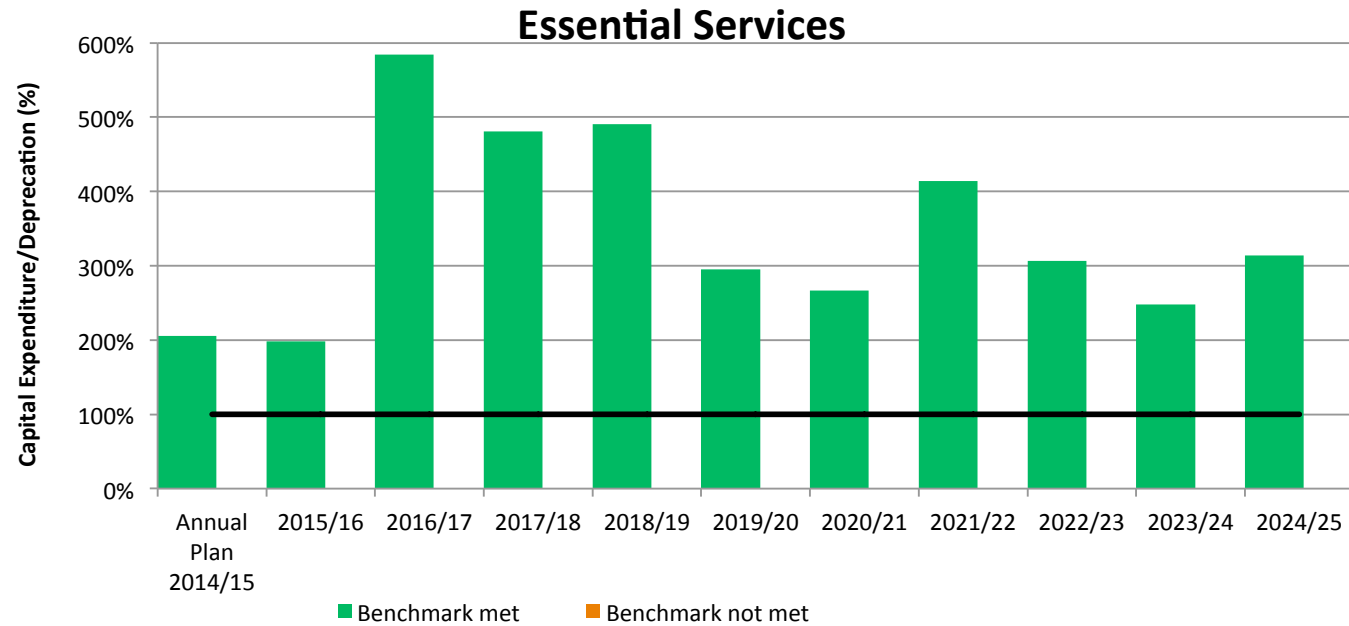
All this will be achievable with only minor increases in rates because of the increased financial assistance.

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

Essential services benchmark

The following graph displays the Council's planned capital expenditure on network services as a proportion of expected depreciation on network services. (Capital work includes both renewals of existing infrastructure as well as new capital work undertaken.)

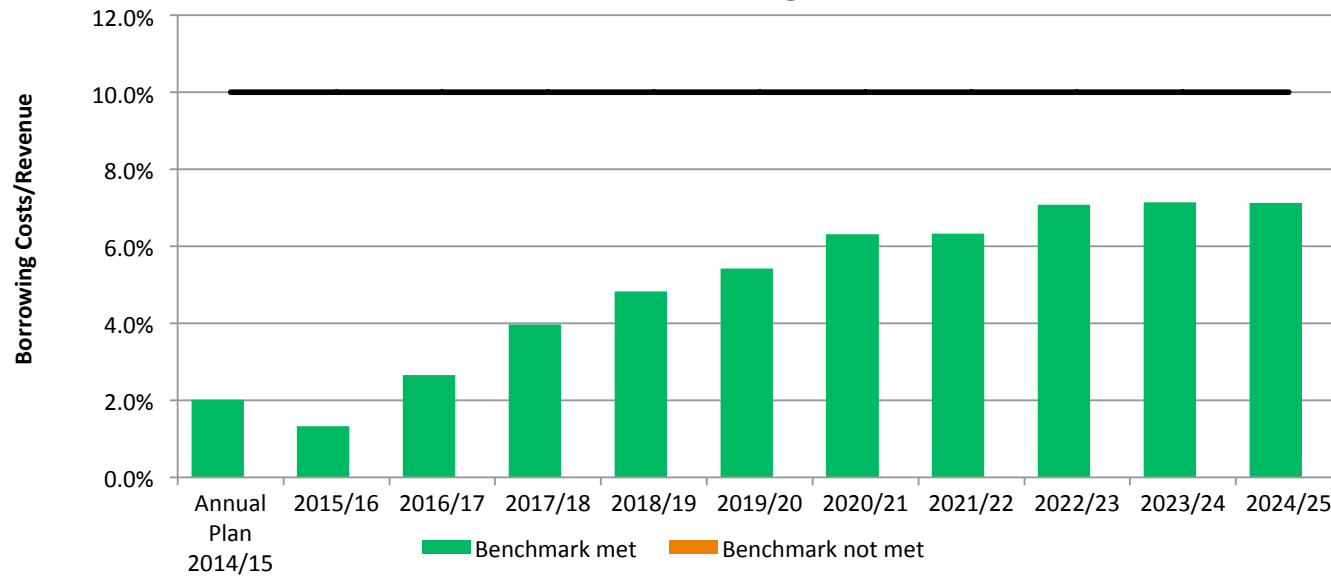
The Council meets this benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services. Network services is defined in the regulations as infrastructure related to water supply, sewerage and the treatment and disposal of sewage, storm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



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.

Debt Servicing



SECTION
11

Other
information

■ Changes to Levels of Service

The commentary below addresses the requirement for Council to specify any intended changes in the Long Term Plan to the level of service provided in 2014/15 and the reason for the change (together with the reason for any material change in the cost of service).

This Long Term Plan shows that much of what Council has been doing in the past few years will continue into the future – and at similar levels of performance. However, the new mandatory measures which apply to roading and footpaths, water supply, sewerage and the treatment and disposal of sewage, stormwater drainage have introduced some new elements. The presentation of the ‘levels of service’ follows the format used in the 2012/22 Long Term Plan, reflecting the requirement to focus on performance measures that ‘will enable the public to assess the level of service for major aspects of groups of activities’.

The following table identifies three different relationships between current and proposed levels of service:

- ‘Continued’ means the level of service in 2014/15 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 2014/15 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

⁷⁹The mandatory measures also extend to flood protection and control works but these are not undertaken by this Council.

Intended Levels of Service 2014/15 Annual Plan	Relationship to levels of Service proposed in the 2015/25 Long Term Plan	Reasons for change
Community Leadership		
Make decisions that are robust, fair, timely, legally compliant and address critical issues, and that are communicated to the community and followed through	Continued	
Roading and Footpaths		
Provide a safe roading network which allows people to travel from A to B, free of loose gravel or potholes and maintaining the level of sealed roads currently available	Continued	Responsiveness to community expectations over the roading network and requests for service has been identified as a distinct level of service in the Long Term Plan.
Increase asset length and footpath renewal programme	Modified	While extension of the network is not being pursued, performance measures continue from the previous level of service to include the percentage of the sealed road that is resurfaced. The percentage of the unsealed network which is retalled has been added to that. Monitoring the condition of footpaths and ensuring priority work for those in poor condition has been added.
Water Supply		
Provide a reliable, accessible and safe water supply to properties on the urban reticulation systems	Modified (and extended)	This level of service has been separated into three distinct level of service – safe and compliant supplies, reliable and efficient supplies and being responsive to reported faults and complaints. New performance measures cover compliance with protozoa compliance criteria, water loss from the network and the average daily consumption of

Intended Levels of Service 2014/15 Annual Plan	Relationship to levels of Service proposed in the 2015/25 Long Term Plan	Reasons for change
		residents. A comparable level of service has been introduced to cover Council’s rural water supplies.
Provide a reliable water pressure and flow, which complies with the NZ Fire Service Fire Fighting Water Supplies Code of Practice	Continued	
Sewerage and the Treatment and Disposal of Sewage		
Provide a reliable reticulated disposal system that does not cause harm or create pollution within the existing urban areas.	Continued ⁸⁰	A separate level of service has been introduced to cover responsiveness to reported faults and complaints, as the new mandatory performance measures provide a greater emphasis on this.
Stormwater Drainage		
Provide a reliable collection and disposal system to each property during normal rainfall	Continued	A separate level of service has been introduced to cover responsiveness to reported faults and complaints, as the new mandatory performance measures provide a greater emphasis on this.
Community and Leisure Assets		
Provide a “good enough” range of community and leisure assets at an appropriate proximity to centres of population	Continued (with potential increase in level of service if community housing units are upgraded and amalgamated)	This level of service is complemented by a new level of service aiming at securing high use of staffed community facilities (i.e. libraries and pools)

⁸⁰However, this Long Term Plan recognises the possibility that reticulated systems may be replaced by alternative methods of disposal for some smaller communities.

Intended Levels of Service 2014/15 Annual Plan	Relationship to levels of Service proposed in the 2015/25 Long Term Plan	Reasons for change
Rubbish and Recycling		
Make recycling facilities available at waste transfer stations for glass, paper, metal, plastics and textiles. Special occasions for electronics (e-waste). Extend recycling to include green/biodegradable waste facility at Taihape, Bulls and Marton waste transfer stations.	Continued	
Environmental and Regulatory Services		
Provide a legally compliant service	Continued	
Provide regulatory compliance officers	Continued	
Community Well-being Support		
Provide opportunities to be actively involved in partnerships that provide community and ratepayer wins	Continued (and increased)	Council has committed to identify and promote opportunities for economic growth in the District through a range of initiatives following on from the Regional Growth Study and the Strategic Water Assessment (undertaken with co-funding from the Ministry for Primary Industries). In addition to supporting strategic research, the development of the town centres in Bulls, Marton and Taihape are also a contribution to increased level of service for economic development.

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

Introduction

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.

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 pilot Māori community development programme, undertaken during 2011-2014, provided for facilitated Hui of iwi/Hapu from the northern rohe to pre-caucus before Komiti meetings. As a result, Council has developed a policy and strategy for unlocking Māori landlocked land and is in the process of developing 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. So the last review was in 2012 and the next will begin in August 2018⁸¹.

Strategic Planning

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

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

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

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

Building on current strategies

One of the early components of the Representation Review is consideration whether one or Māori wards should be established in the District. Council will continue to refer this matter to the Komiti for its consideration at each Representation Review. At the most recent review, in August 2011, 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. Further workshop discussion has clarified that this is not an 'either-or' question but one of establishing complementary relationships, understanding both the potential advantages and disadvantages of both. Council expects this discussion to be ongoing and to develop as the relationship between Council and iwi organisations in the district matures.

⁸¹In 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.

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.

At present the Taihape claim is proceeding. Settlement is some time away but, when this is done, it is also likely to promote stronger working relationships with Council.

The impacts of the Settlements/Acts on Council's business, resourcing levels and processes are not fully known at this stage. Council will need to review its position on fostering Māori participation in decision-making in the near future.

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.

Steps Council is taking to foster the development of Māori capacity to contribute to decision-making processes

Council is committed to working with Māori and Tangata Whēnua and to build internal capacity and capability, not least to support the requirements given effect to by the Treaty Settlements. In addition to commitments contained elsewhere in this statement, Council will:

- Continue to allocate a budget for a Māori Community Development Programme 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).
- Continue to provide a training budget for Te Roopu Ahi Kaa and encourage and support this to be used strategically to build capacity and capability – perhaps to bring keynote speakers to the District and/or to provide training for Komiti members in local government processes.

■ Significance and Engagement Policy

Background

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

Section 76AA requires councils 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. This is a new requirement for all councils under Part 6 of the Act. The previous requirement for Councils to have a Significance Policy has been repealed. Therefore, Council's existing Significance Policy will be replaced with this Significance and Engagement Policy.

Once a decision is determined as significant according to the approach, criteria and procedures of this policy, or by council resolution, the decision-making and associated engagement provisions contained in the Act will be observed.

The Council will not make a decision or proceed with a proposal which it considers to be significant, unless it is first satisfied that sections 77 (requirements in relation to decisions), 78 (community views in relation to decisions), 81 (contributions to decision-making by Maori) and 82 (principles of consultation) of the Act have been appropriately observed.

Section 77 of the Act requires that it must:

- “seek to identify all reasonably practicable options for the achievement of the objective of a decision; and
- assess the options in terms of their advantages and disadvantages; and
- if any of the options identified involves a significant decision in relation to land or a body of water, 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”.

Section 78 of the Act requires that “a local authority must, in the course of its decision-making process in relation to a matter, give consideration to the views and preferences of persons likely to be affected by, or to have an interest in, the matter”.

Section 81 requires that councils have in place a process that will encourage and foster participation in decision-making by Maori (see Council's policy, Development of Maori capacity to contribute to Council decision-making).

Section 82 outlines the principles of consultation which councils must use in their decision-making. It amplifies on section 78, requiring that councils:

- 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

Section 82A specifies the information which is to be made publicly available - essentially the record of Council's considerations under section 77.

Significance and engagement will be considered in the early stages of a proposal before decision making occurs and, if necessary, reconsidered as the proposal develops.

When Council makes a decision that is inconsistent with this policy, the steps identified in Section 80 (Identification of inconsistent decisions) of the Local Government Act 2002 will be undertaken.

Purpose and Scope

This policy will:

- enable the Council and its communities to identify the degree of significance attached to particular issues, proposals, assets, decisions and activities
- provide clarity about how and when communities can expect to be engaged in decisions made by Council
- inform the Council and the community from the beginning of a decision-making process about the extent, form and type of engagement required.

Policy Application

Determining Significance

Council will consider the significance of every issue requiring a decision and the level of engagement on a case by case basis.

In considering the degree of significance of every issue requiring a decision, Council will be guided by the following:

- 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 likely level of community interest in the issue (which may be a particular location in the District, a particular group in the community, or the entire District)
- The possible financial and non-financial costs (risks) of the decision (or of reversing the decision) with regard to the Council’s capacity to perform its role.

The following thresholds will also be used by Council to help determine if specific proposals and decisions are significant:

	Significant	Not significant
The potential effect on Council’s ability to act in accordance with the statutory principles relating to local government	Major and/or long term	Minor and short-term
The potential effect on the delivery of the statutory core services	Major and/or long term	Minor and short-term
The level of community interest in the issue	Major and/or District-wide	Minor and localised
The financial costs/risk associated with the decision	Major and/or long term	Minor and short-term
The non-financial costs/risk associated with the decision	Major and/or long term	Minor and short-term

It is the Council’s judgment as to whether a matter is significant. A matter will be significant if in Council’s judgment one or more of the criteria fall into the significant column.

When any issue is determined as a significant decision:

- The issue will be considered by the Council (normally, following consideration by and a recommendation from the relevant Council Committee)
- The report to Council will include an assessment of the degree of significance of the issue, the degree of engagement proposed, the engagement plan proposed and a staff recommendation.

Strategic Assets

Under s.76AA (3) of the Act, this Policy must list the assets considered by the local authority to be strategic assets. According to s.5 of the Act, a “strategic asset, in relation to the assets held by a local authority, means an asset or group of assets that the local authority needs to retain if the local authority is to maintain the local authority’s capacity to achieve or promote any outcome that the local authority determines to be important to the current or future well-being of the community”.

Significant decisions in relation to strategic assets will be those decisions that affect the whole asset group and not individual components, unless that component substantially affects the ability of the Council to deliver the service.

It is the principle of provision of the service not individual roads, parks, etc, that make these asset groups strategic.

Groups of Strategic Assets:

- Road network, street-lighting
- Wastewater networks and treatment plants in Ratana, Bulls Marton, Hunterville, Mangaweka and Taihape
- Water treatment, storage, and supply networks in Ratana, Bulls Marton, Hunterville, Mangaweka and Taihape
- Stormwater networks in Ratana, Bulls Marton, Hunterville, Mangaweka and Taihape
- Recreation facilities
- Community amenities
- Community Housing⁸²

⁸²Any 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)

- District libraries
- District Cemeteries

Engagement Principles

The Council believes that public engagement is an essential part of good local government. Good consultation and engagement processes that allow individuals and organisations to contribute to democratic local decision-making and action both builds social capital and civic pride, and leads to better decisions.

When undertaking engagement, the Council will use the following set of principles to guide public engagement processes. The Council will:

- Select appropriate tools and techniques for engagement depending upon the level of engagement sought⁸³ 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.

When considering the scope and scale of engagement on a case-by-case basis, Council will use the IAP2 – see schedule 1 – and develop an engagement plan – see schedule 2 for the engagement plan template. Council will exercise its judgment in deciding on the scope and scale of the engagement process. Factors will include:

- the extent to which the current views and preferences of persons who will or may be affected by, or have an interest in, the decision or matter are known to the local authority; and
- the nature and significance of the decision or matter, including its likely impact from the perspective of the persons who will or may be affected by, or have an interest in, the decision or matter; and
- the costs and benefits of any engagement process or procedure; and
- whether a pre-set deadline (outside of the Council's control) precludes meaningful public engagement taking place; and

⁸³For example, the IAP2 or similar matrix – see schedule 1

- an increased risk to health and safety from delaying the decision; and
- if the views held by affected or interested parties are already known to a reasonable degree; and
- whether the decision aligns with historical Council decisions.

Statutory Consultation

Consultation is an element on the spectrum of engagement. It falls somewhere in the middle of the spectrum: more participatory than simply providing information but not yet as far along the spectrum of participation as inviting contributing ideas to develop options.

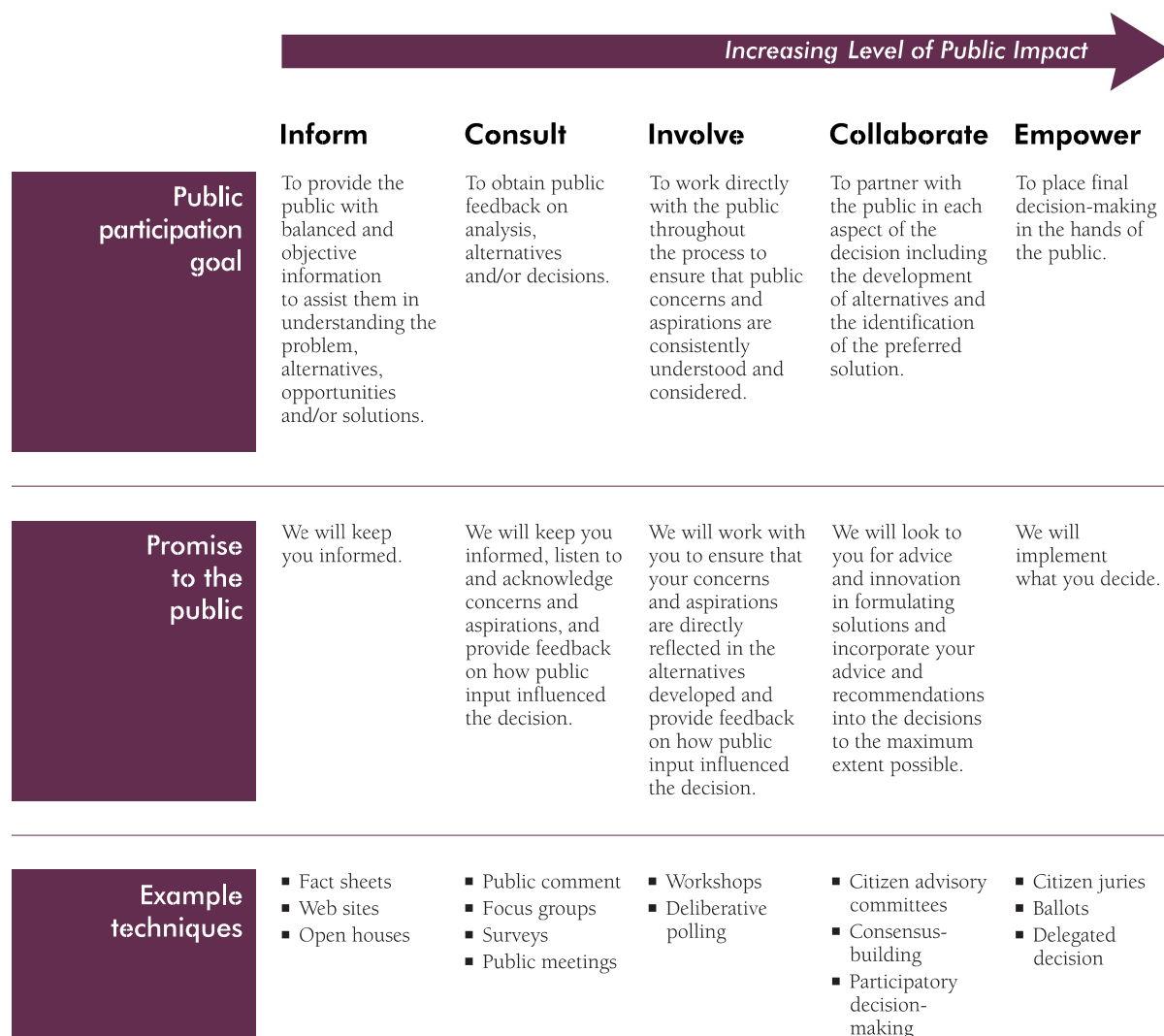
Nonetheless, there are specific issues where councils are required under the Act to undergo a prescribed consultation process – the Special Consultative Procedure . These are:

- establishing a council-controlled organisation (section 56)
- making, amending or revoking a bylaw which is of significant public interest (or likely to have a significant impact on the public) (section 86)
- before adopting a long term plan (section 93(2)) but this must be through the consultation document specified in section 93A-G
- before altering a long term plan (section 93(5)) but this must be through the consultation document specified in sections 93A-G.
- before adopting an annual plan (section 95(2)) but this must be through the consultation document specified in section 95A unless there are no significant or material differences to the long-term plan projections for that year (section 95(2A))
- assessing Council’s water and other sanitary services (section 125)

⁸⁴Sections 83, 86 and 87 of the LGA 2002. The Council may be required to use the special consultative procedure under other legislation, and it may use this procedure in other circumstances if it wishes to do so.



Schedule 1: IAP2 Spectrum of Public Participation



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.

Variation between the Council’s LTP and its assessment of water and sanitary services and waste management plans⁸⁵

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. Since there is no legislative timeframe within which a review needs to be completed, the Drinking Water Assessor (who is responsible for approving these) is not expecting a review to be carried out in the near future. Nevertheless, Council may at some stage review its WSSA as appropriate.

Quality and adequacy of drinking water for each Council owned and operated reticulated public water supply

Water Supply	Treatment		DWSNZ Grading		DWSNZ Compliance Criteria	
	2005	2015	2005	2015	2005	2015
Bulls	Chlorination UV Disinfection Aeration Dual media rapid sand filters	Chlorination UV disinfection Aeration Rapid sand filters Backwash	Da	Uu	Did not conform to Protozoa or E.coli criteria mainly due to inadequate or insufficient sampling.	Compliant for bacteriological criteria, but not protozoal. Protozoal compliance expected by 30 June 2015.

⁸⁵Clause 6, Schedule 10, Local Government Act 2002.

Water Supply	Treatment		DWSNZ Grading		DWSNZ Compliance Criteria	
	2005	2015	2005	2015	2005	2015
Huntermville	Microfiltration Post Chlorination	Microfiltration Pre-chlorination Post-chlorination	Ed	Uu	Conformed to E.coli criteria but not the Protozoa compliance criteria.	Compliant for bacteriological criteria, but not protozoal. Protozoal compliance expected by 30 June 2015.
Mangaweka		Chlorination Filtration Aeration UV disinfection	Aa	Uu	Conformed to E.coli criteria but not the Protozoa compliance criteria.	Compliant for bacteriological criteria, but not protozoal. Protozoal compliance expected by 30 June 2015.

Water Supply	Treatment		DWSNZ Grading		DWSNZ Compliance Criteria	
	2005	2015	2005	2015	2005	2015
Marton	Coagulation Filtration Chlorination	Coagulation/flocculation Sedimentation Rapid sand filtration Sludge disposal Pre- and post-pH control options Pre- and post-chlorination options Potassium permanganate dosing UV disinfection Standby generator	Ua	Ec	Tutaenui dams and Marton Treatment Plant conformed to both the E.coli and the Protozoa compliance criteria.	Compliant for bacteriological criteria, but not protozoal. Protozoal compliance expected by 30 June 2015.
Rātana	Aeration Chlorination Clarification Filtration	Chlorination Aeration Rapid sand filters – dual media Backwash	Ba	Uu	Conformed to both E.coli criteria and Protozoa compliance criteria.	Compliant for bacteriological criteria, but not protozoal. Protozoal compliance expected by 30 June 2015.

Water Supply	Treatment		DWSNZ Grading		DWSNZ Compliance Criteria	
	2005	2015	2005	2015	2005	2015
Taihape	Coagulation/Flocculation Up-flow clarification AVG filtering Pre and post chlorination Post pH control	Coagulation/flocculation/sedimentation via upflow clarifier Rapid sand filtration Sludge disposal Pre- and post-pH control options Pre- and post-chlorination options Standby generator	Aa	Uu	Conformed to both E.coli criteria and Protozoa compliance criteria.	Compliant for bacteriological criteria, but not protozoal. Protozoal compliance expected by 30 June 2015.
Erewhon Rural Water Supply	Rural Water Supplies have not historically needed to demonstrated compliance against the New Zealand Drinking Water Standards. However, with the release of the Rural Agricultural Drinking Water Supply Guideline 2015, compliance will need to be demonstrated to an extent by the deadline date (which is currently 1 July 2016). 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.					
Huntermville Rural Water Supply						
Omatane Rural Water Supply						
Putorino Rural Water Supply						

Current and Estimated Future Demand for Water Services within the District

Water Supply	Current and estimated future demand	
	2005	2015
Bulls	<p>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.</p>	<p>Anecdotal evidence suggests that there is a net migration from the north of the District to the south, which includes Bulls. Currently there are two projects underway that extend the water supply reticulation in Bulls (Johnson St and Brandon Hall Rd). These projects include multiple properties, but are not on a large scale. Demand from these additional properties can easily be accommodated within the current capacity of the supply, and this has been confirmed in the case of Brandon Hall Rd by network modelling.</p>
Huntermville	<p>Huntermville water supply is sourced from the Huntermville Rural Water Supply (HRWS). Currently the urban water scheme purchases 370 m³/day, which is less than the peak demand of 380 m³/day. More water can be purchased from the HRWS if required. However the treatment plant has a maximum sustainable production of 220 m³/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.</p>	<p>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 along that branch line.</p>

Water Supply	Current and estimated future demand	
	2005	2015
Mangaweka	<p>Peak demand for water at Mangaweka at 190 m³/day frequently exceeds the maximum allowed by the resource consent for 90 m³/day. The consent is currently under review by the Regional Council. Static pressure in the reticulation is good indicating that the reticulation meets the current demand. However, this may need reviewing once new fire fighting regulations for domestic supply are confirmed in the future. A plan is currently in place to replace old pipes that have poor structural strength.</p>	<p>Demand management at Mangaweka is critical, and implementing a Water Conservation Plan is one of the conditions of our abstraction consent. Therefore, demand in Mangaweka is projected to decrease rather than increase.</p>
Marton	<p>The scheme operates with sufficient capacity to supply the peak demand (4,500 m³/day) and has not been subject to water restrictions in the recent past. However there is insufficient storage should there be a major fire in town. Use of Bore No. 1 in the case of emergency will solve this problem.</p> <p>The clear water reservoir currently has a capacity of 5-8 hours in summer, which is insufficient to maintain supply in the event of plant failure and therefore should be increased to 24 hours to reduce the risk. AC pipes used in the reticulation in Marton are nearing their expected design life and some steel pipes are also causing problems, perhaps due to soil conditions. Both should be replaced. However this work has not been scheduled as yet.</p>	<p>Gaining consents for abstraction from the new Tutaenui Rd Bore, and for emergency use of the Calico Line Bore, have increased the availability of water for Marton. Trunk main renewals have reduced losses. During the 2014-2015 summer, water restrictions were not required in Marton as they were in other parts of the District. Demand in Marton could be affected by industrial development, but there is sufficient water available for the foreseeable future.</p>

Water Supply	Current and estimated future demand	
	2005	2015
Rātana	<p>Peak daily demand for drinking water in Rātana is 185 m³/day, whilst the resource consent is limited to 130 m³/day. However this can be extended to 300 m³/day during the Rātana Festival. Supply is considered sufficient to meet current demand in Rātana as the water supply scheme is intended to supplement the private collection of rainwater for most residents. The Rātana Festival does however place a strain on the capacity of the treatment plant.</p> <p>The last Fire Service Report indicated that Rātana did not meet the requirements of the Area Commander. This could mean that a pump station will need to be installed to boost town flow rates or additional hydrants are required. Valves in the reticulation supply in Rātana are affected by sediment settling which necessitates the shutting down of the water supply to large number of consumers. Investigation into the replacement of these valves is being undertaken.</p>	<p>A new Rātana Water Treatment Plant is under construction with the assistance of CAP funding from the Ministry of Health. A new bore source has been developed, and a new reservoir will be constructed. The plant has been designed to cater for peak demand during Festival week, and has the ability for capacity to be increased to supply the proposed 60-120 lot subdivision as well. This work should ensure that water supply at Rātana is sufficient for the town's current and predicted future demands, including fire flows.</p>

Water Supply	Current and estimated future demand	
	2005	2015
Taihape	<p>The water supply scheme in Taihape is sufficient to meet current demand. Peak daily demand is around 57% of the maximum sustainable production from the treatment plant and is 33% of the maximum take allowed by the resource consent. The system also has capacity for three days storage.</p> <p>Two rural subdivisions on the outskirts of Taihape are supplied by way of a low-pressure system. This could be upgraded to a high-pressure system if the community is willing to pay for the improvement works. In the town reticulation, there are very few valves, which mean that maintenance work necessitates shutting down large numbers of consumers. More valves are currently being installed to correct the problem.</p>	<p>Pipeline hydraulics mean that currently more water is abstracted from the source than allowed by consent limits. Horizons is aware of this, and has approved remedial works that will resolve this situation. There are no foreseeable supply issues, as the consent limit is in excess of the average daily demand for the town. The population in Taihape has decreased markedly over recent years, and this trend is expected to continue to an extent, further reducing demand.</p>

Quantity and Quality of Wastewater Discharged from Wastewater Treatment Plants

Scheme	Quantity		Quality	
	2005	2015	2005	2015
Bulls	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 ³ /day.	No significant issues with exceedances of flow conditions from discharge consent.	The quality of the final effluent generally meets the conditions of the resource consent with no recorded cases of non-compliance.	Discharge consent expired; currently being renewed. Plant is compliant with existing use rights i.e. conditions from expired consent.
Huntermville	The resource consent for Huntermville currently allows a daily discharge of 175 m ³ /day. The treatment plant serves a population of 400 people.	Issues at Huntermville are around frequency of emergency discharges. This is under investigation, and money has been budgeted in the draft Long Term Plan to deal with Inflow and 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.

Scheme	Quantity		Quality	
	2005	2015	2005	2015
Mangaweka	The newly constructed treatment plant at Mangaweka serves a resident population of 250 people. The resource consent limits discharge of effluent to 90 m ³ /day, with a peak flow of no more than 20 m ³ /h. The reticulation suffers from high levels of inflow and infiltration (I/I), which have affected the performance of the septic tank in the past.	No significant issues with exceedances of flow conditions from discharge consent.	The new system is likely to conform to the conditions of the resource consent.	Mangaweka WWTP is compliant with discharge consent conditions.
Marion	The Marion wastewater treatment plant currently serves a population of 5,500 people. There is no limit on the discharge volume from the treatment plant. However the plant capacity is 3,600 m ³ /day. Again there is evidence that I/I in the network is causing overloading of the treatment plant.	No significant issues with exceedances of flow conditions from discharge consent.	The Marion 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 Marion 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	2015	2005	2015
Rātana	The Rātana scheme is limited to a discharge of 136 m ³ /day by the resource consent. It currently serves a population of 450 people, which is only slightly, less than the design population of 500 people. There are currently no problems with the capacity of the Rātana scheme.	The existing Rātana WWTP has sufficient hydraulic capacity, although discharge quality during the peak demand period of the Rātana religious festival can suffer. There is a 60-120 lot subdivision planned for Rātana, and the plant upgrade that is currently being considered will address this increased demand for services.	The Rātana Plant generally meets the conditions of the resource consent for Dissolved Oxygen and Enterococci. Suspended Solids, Ammonia and CBOD5 are averaged on a yearly basis. Recent yearly results have shown that Suspended Solids Ammonia and CBOD5 are also within guidelines set by the resource consent.	The Rātana plant is generally compliant, although it is known that there have been non-compliances in the past for nitrogen and phosphorus. A funding application has been made to the MfE Te Mana O Te Wai fund to enable an upgrade to address these issues, and cater for future resource consent requirements.
Taihape	The wastewater treatment plant at Taihape holds a consent to discharge 3,873 m ³ /day. However the total daily flow is 4,546 m ³ /day. It serves a population of approximately 2,200 people. The consent is currently under review by HRC.	The main issue at Taihape WWTP is the high flows received at the plant, and the resulting frequency of emergency discharges. Similarly to Hunterville, significant budgets have been set aside to deal with Inflow and 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, as reflected by <i>E. coli</i> exceedances reported in the March 2013 compliance report.

Scheme	Quantity		Quality	
	2005	2015	2005	2015
Duddings Lake	No information is currently available on the discharge of effluent from the camping ground at Duddings Lake. However the resource consent limits the discharge of effluent to 15m ³ /day.	This system is no longer operated by Council.	Results of effluent quality monitoring were unavailable for inclusion in the assessment.	This system is no longer operated by Council.
Koitiata	The population of Koitiata fluctuates throughout the season with a normally resident population of approximately 111 people, which increases substantially during the summer months. As a consequence, the oxidation lagoon often operates well below the design capacity. There is no resource consent to discharge effluent.	The existing WWTP has capacity to deal with inflows. The major issue is that the system only serves a small proportion of the town. Investigations are currently underway as to the future of wastewater services for the town, and whether a reticulated system will be installed for the entire community.	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 is very little collected to date by either the District Council or Horizons Regional Council. The main compliance issue for Koitiata is that there is no effluent disposal system. This will be addressed following discussions on future wastewater services for the town. There are no obvious environmental effects resulting from the discharge.

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

Scheme	Current and estimated future demand	
	2005	2015
Bulls	The treatment plant at Bulls is operating within the conditions of its resource consent with no recorded cases of non-compliances. The treatment ponds are oversized for the community hence providing extra security for population growth or infiltration.	As indicated above, there are no significant issues with exceedances of flow conditions at Bulls. There are however issues with Inflow and Infiltration that will be addressed and should reduce flows to the plant. It is not anticipated that there will be a significant increase in demand for services.
Hunterville	Hunterville 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 Hunterville 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 and 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.

Scheme	Current and estimated future demand	
	2005	2015
Mangaweka	<p>The community of Mangaweka has a population of around 250. This figure is not expected to increase over the next few years. The community septic tank suffers from poor detention time due to high levels of I/I, and regular sludge removal is necessary to optimise effluent quality.</p> <p>Although there are currently no conditions on the resource consent, this is currently under review by HRC. Investigations into a distributed treatment strategy are being undertaken to allow for eventual replacement of this structure. The Mangaweka Camping Ground is experiencing increasing popularity over the summer months. This has been dealt with to date by the construction of a filter bed. High levels of I/I mean that the reticulation system is under capacity.</p>	<p>There are not anticipated to be any increases in demand for wastewater services in Mangaweka. A review into how these services will be delivered in the future is underway, ahead of consent expiry on 19 March 2024.</p>
Marton	<p>The need for capacity upgrades in Marton 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.</p>	<p>The ability to cater for new industry in areas such as Marton 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 second anaerobic lagoon currently being installed at Marton WWTP will go some way to future-proofing that plant against such developments. 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.</p>

Scheme	Current and estimated future demand	
	2005	2015
Taihape	As with Bulls, the treatment plant at Taihape is oversized for the community it serves providing an extra level of security for possible growth or infiltration. While it is currently meeting the standards of the resource consent, this has expired and is under review by the Regional Council. It is expected that when a new consent is granted the conditions will necessitate an upgrade to the treatment plant. High levels of I/I in the reticulation are likely to be due to the age of the network.	The main issue at Taihape WWTP is the high flows received at the plant, and the resulting frequency of emergency discharges. Similarly to Hunterville, significant budgets have been set aside to deal with Inflow and Infiltration to the ageing sewer network in this town, in order to reduce demand on the network.
Rātana	Rātana has a declining population and the wastewater scheme is relatively new. Therefore both the reticulation and the treatment plant have no issues relating to capacity. The system is slightly oversized for the resident population. However during the annual Rātana Festival the system is at full capacity.	The discharge consent for this plant expires on 31 July 2018. As part of renewing this consent, the plant will be upgraded to address quality issues and also account for increased demand from the proposed 60-120 lot subdivision. The future plant will be designed and operated such that it can accept peak demand during Festival week without breaching consent limits for quality or quantity.
Duddings Lake	The wastewater scheme at Duddings 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.

Scheme	Current and estimated future demand	
	2005	2015
Koitiata	The wastewater scheme at Koitiata operates for most of the time at a level well below the design capacity. Increasing popularity of the area as a holiday destination may place pressure on the system in the future.	Currently an investigation is underway into achieving compliance at this plant, as well as whether the wastewater network at Koitiata should be extended to service the entire community. Interest within the community to extend the reticulated system will be gauged, and ongoing compliance of reticulated or non-reticulated systems will be considered, especially given that the discharge consent for the existing plant expires on 1 July 2024.
Non-reticulated Communities	Overall the population of non-reticulated communities in Rangitikei District is expected to decline over the next few years. However, as for the reticulated communities, the demand for wastewater services may increase due to I/I.	Population in non-reticulated communities of the Rangitikei has stabilised, but is not expected to increase. There has been no indication that additional reticulated wastewater schemes will be established within the District.

■ Issues Raised in 2014/15 Annual Plan Submissions and Referred to 2015/25 LTP

A number of submitters responded to the request to express ideas about issues for consideration during the preparation of the 2015/25 Long Term Plan. Council agreed to include the following items in that work:

- The approach to be taken over maintaining those local roads likely to be subject to logging trucks over the coming decade (see Section 9: Roading Group of Activities)
- The approach to be taken over footpaths in streets where pedestrian safety is best served by having footpaths on both sides, compared with the needs of residents and visitors to streets which lack any footpath at all (see Section 9: Roading Group of Activities)
- The rationale for the revenue and funding policy, in particular:
 - funding mechanisms for urban reticulated water and wastewater (part of the revenue and financing policy)
 - the merit of differential rates for activities currently funded through the general rate (e.g. roading, footpaths, information centres, district promotion); and
 - the appropriate level of the Uniform Annual General Charge (see Section 8: Response to Submitters)
- The possibility of co-funding (along with Horizons Regional Council) for the Rangitikei Environmental Group's Old Man's Beard/Biodiversity Project (see Section 8: Response to Submitters)
- The further discussion with Horizons Regional Council regarding the implementation of the EnviroSchools programme in the Rangitikei District (see Section 9: Rubbish and Recycling Group of Activities)
- Upgrades at the Bulls Domain and at Sir James Wilson Park (Marton) (see Section 8: Response to submitters)
- The feasibility of establishing a mountain bike trail from Taihape Memorial Park to Papakai Park (see Section 8: Response to submitters)
- Exterior maintenance of the Koitiata Community Hall and the associated car park (see Section 9: Community and Leisure Assets Group of Activities) and
- Consideration of an upgraded skate park in Taihape Memorial Park (beyond any upgrading achieved through community support) (see Section 8: Response to submitters)

■ Council Controlled Organisations

Manawatu-Wanganui LASS Limited

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

The CCO (MW LASS) brings together Horizons Regional Council and Horowhenua, Manawatu, Rangitikei, Ruapehu, Tararua and Wanganui 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.

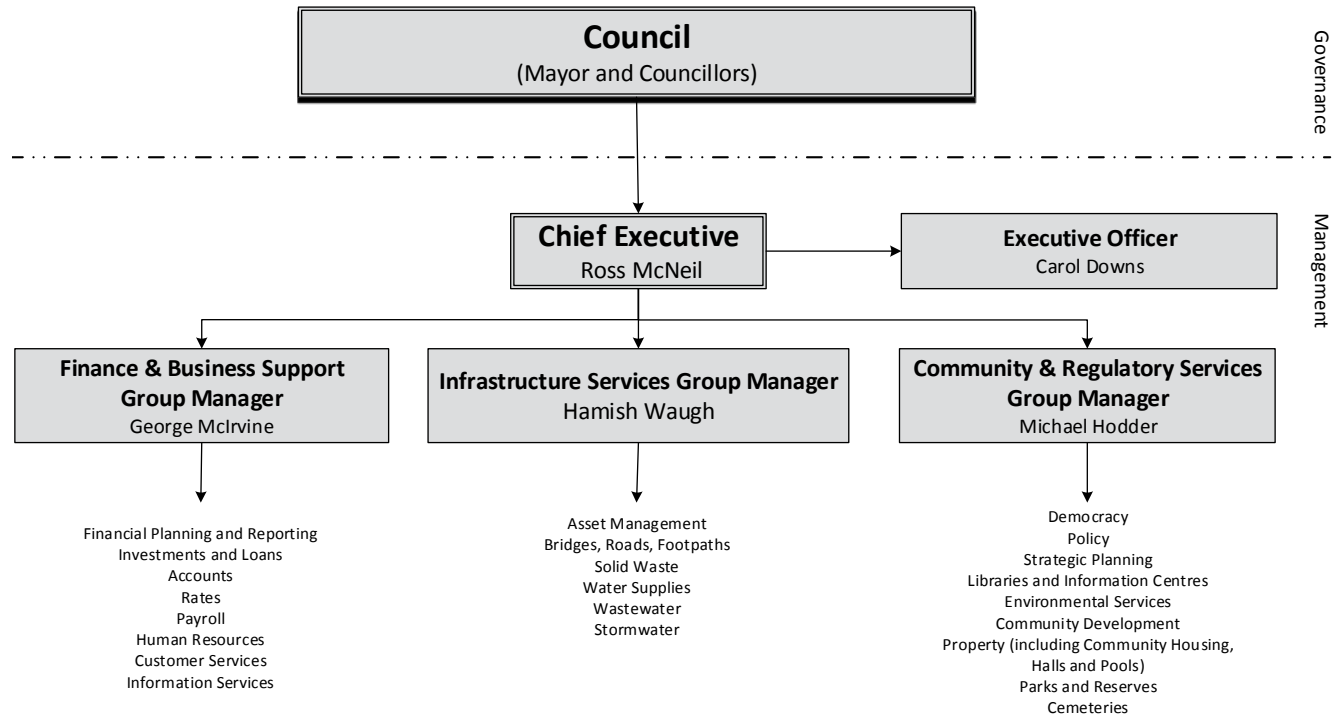
The company is considered to be a Council Controlled Organisation under the Local Government Act 2002, but the member councils have resolved that it is exempt for the purposes of section 6(4)(i) of that Act for each year since 2010/11 through to the forthcoming year 2015/16.

SECTION 12

Management Structure

Management Structure

Citizens of the Rangitikei District



■ Glossary of terms

AMP – Asset Management Plan

AS – Australian Standards

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

Capex – capital expenditure

CBD – Central Business District

CCO – council controlled organisation.

CCTV – closed circuit television.

CE – Chief Executive

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

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

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

CPI – Consumer Price Index.

DISP – Decline in Service Potential (depreciation).

DP – District Plan

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

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

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

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

SECTION

13

Glossary of terms

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

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

FIS – Funding Impact Statement

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

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

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

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

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

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

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

LGA 2002 – Local Government Act 2002

LGCI – Local Government Cost Index

LIMS – Land Information Memorandum

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

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

MOU – Memorandum of Understanding

NZS – New Zealand Standards

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

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

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

Opex – operational expenditure

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

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

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

QA – Quality Assured

RAMM –Road Assessment and Maintenance Management (software)

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

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

RMA – Resource Management Act 1991.

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

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

Submitter – a person who makes a submission.

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

Tangata Whenua – original inhabitants.

UAGC – Uniform Annual General Charge.

UV – ultraviolet.

Waahi Tapu – sacred ground

WTP – water treatment plant

WTS – waste transfer station

WMMP – waste management and minimisation plan

WWTP – wastewater treatment plant

The logo for Rangitikei District Council is centered on a background of overlapping, semi-transparent geometric shapes in shades of orange, red, pink, and purple. The word "Rangitikei" is written in a stylized, blue, outlined font with a slight shadow effect. Below it, the words "DISTRICT COUNCIL" are written in a simple, white, sans-serif font.

Rangitikei
DISTRICT COUNCIL